Risk Factors Comparison 2024-03-18 to 2023-03-31 Form: 10-K

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

An investment in our common stock involves risks. Prior to making a decision about investing in our common stock, you should consider carefully the risks together with all of the other information contained in our Annual Report on Form 10- K for the fiscal year ended December 31, ~~2022~~ **2023** , and in our subsequent filings with the SEC. Each of the referenced risks and uncertainties could adversely affect our business, operating results and financial condition, as well as adversely affect the value of an investment in our securities. Additional risks not known to us or that we believe are immaterial may also adversely affect our business, operating results and financial condition and the value of an investment in our securities. Risks Related to our Business ~~A particular digital asset' s status, such as an ETH, as a " security " in any relevant jurisdiction is subject to a high degree of uncertainty and if a regulator disagrees with our characterization of the ETH and other stable cryptocurrencies, we may be subject to regulatory scrutiny, investigation, fines and penalties, which may adversely affect our business, operating results and financial condition. A determination that an ETH or stable cryptocurrencies is a " security " may adversely affect the value of those ETH, stable cryptocurrencies and the Company' s business. The SEC and its staff have taken the position that certain digital assets may fall within the definition of a " security " under U. S. federal securities laws. The legal test for determining whether any given digital asset is a security is a highly complex, fact- driven analysis that may evolve over time, and the outcome is difficult to predict. The Company' s determination that ETH and other stable cryptocurrencies that the Company holds are not securities is a risk- based assessment and not a legal standard or one binding on regulators. The SEC generally does not provide advance guidance or confirmation on the status of any particular digital asset as a security. Furthermore, the SEC' s views in this area have evolved over time and it is difficult to predict the direction or timing of any continuing evolution. It is also possible that a change in the governing administration or the appointment of new SEC commissioners could substantially impact the views of the SEC and its staff. For example, Chair Gary Gensler has repeatedly remarked on the need for further regulatory oversight on crypto assets, crypto trading, and lending platforms by the SEC. Public statements made in the past by senior officials at the SEC have indicated that the SEC does not intend to take the position that Bitcoin or Ethereum are securities (in their current form). In May 2022, the Chair of the U. S. Commodity Futures Trading Commission (the " CFTC "), Rostin Behnam, stated that Bitcoin and Ethereum are commodities. However, in June 2022, Mr. Gensler suggested that Bitcoin is a commodity but did not opine on the status of other crypto assets. In September 2022, Mr. Gensler suggested that he believes a vast majority of cryptocurrencies are securities. However, in March 2023, Mr. Behnam contradicted Mr. Gensler' s position by stating his opinion in front of the Senate Agricultural Committee that Ethereum is a commodity. Such statements by officials at the CFTC and SEC are not official policy statements by these agencies and reflect only the speakers' views, which are not binding on any agency or court and cannot be generalized to any other crypto asset. The classification of a digital asset as a security under applicable law has wide- ranging implications for the regulatory obligations that flow from the offer, sale, trading, and clearing of such assets. For example, a digital asset that is a security may generally only be offered or sold pursuant to a registration statement filed with the SEC or in an offering that qualifies for an exemption from registration. Persons that effect transactions in digital assets that are securities may be subject to registration with the SEC as a " broker " or " dealer. " Platforms that bring together purchasers and sellers to trade digital assets that are securities are generally subject to registration as national securities exchanges, or must qualify for an exemption, such as by being operated by a registered broker- dealer as an alternative trading system (" ATS "), in compliance with rules for ATSs. Persons facilitating clearing and settlement of securities may be subject to registration with the SEC as a clearing agency. In addition, several foreign jurisdictions have taken a broad- based approach to classifying crypto assets as " securities, " while other foreign jurisdictions, such as Switzerland, Malta, and Singapore, have adopted a narrower approach. As a result, certain crypto assets may be deemed to be a " security " under the laws of some jurisdictions but not others. Various foreign jurisdictions may, in the future, adopt additional laws, regulations, or directives that affect the characterization of crypto assets as " securities. " The Company analyzes whether the ETH and other stable cryptocurrencies that it holds could be deemed to be a " security " under applicable laws. The Company analysis does not constitute a legal standard, but rather represent its management' s assessment regarding the likelihood that a particular digital asset could be deemed a " security " under applicable laws. Regardless of the Company' s conclusions, the Company could be subject to legal or regulatory action in the event the SEC or a court were to determine that ETH and other stable cryptocurrencies that it hold may be deemed a " security " under applicable laws. There can be no assurances that the Company will properly characterize any given digital asset as a security or non- security or that the SEC, or a court, if the question was presented to it, would agree with our assessment. The Company could be subject to judicial or administrative sanctions for failing to offer or sell digital assets in compliance with the registration requirements, or for acting as a broker or dealer without appropriate registration. Such an action could result in injunctions, cease and desist orders, as well as civil monetary penalties, fines, and disgorgement, criminal liability, and reputational harm. For instance, all transactions in such supported digital asset would have to be registered with the SEC, or conducted in accordance with an exemption from registration, which could severely limit its liquidity, usability and transactability. Further, it could draw negative publicity and a decline in the general acceptance of the digital asset. Also, it may make it difficult for such digital asset to be traded, cleared, and custodied as compared to other digital assets that are not considered to be securities. Due to regulatory challenges, the Company has discontinued the Mano game and the alSpace platform on November 3, 2022. The Company is currently engaging in Solo- Staking in Singapore through SDP and provider of staking technology through the JV Company. Both of these staking activities are conducted in Singapore and StaaS will currently not be made available to U. S. residents. In addition, the Company~~

~~plans to continue exploring other crypto- related business models outside of the United States. The Company plans to continue to explore other opportunities in the crypto- related business to expand our business model. Due to regulatory challenges, on November 3, 2022, we have decided to discontinue the Mano game and the alSpace platform. The Company is currently engaging in solo- staking through SDP and a provider of staking technology through the JV Company. Both of these staking activities are conducted in Singapore and StaaS will currently not be made available to U. S. residents. In addition, the Company plans to continue exploring and developing other opportunities in the crypto- related business. However, the Company may not be successful in identifying a new crypto- related business model that is acceptable to the Company, which will adversely affect the Company' s business objective.~~ Expansion of the Company' s operations into new products, services and technologies, including content categories, is inherently risky and may subject it to additional business, legal, financial and competitive risks. Historically, the Company' s operations have been focused on third- party management service contracts for aircraft operations **, NFT gaming, StaaS and solo- staking, which operations have ceased** . ~~Further expansion~~ **Expansion** of the Company' s operations and its marketplace into additional products and services, such as **short video drama** ~~crypto- related businesses~~ involve numerous risks and challenges, including potential new competition, increased capital requirements and increased marketing spent to achieve customer awareness of these new products and services. Growth into additional content, product and service areas may require changes to the Company' s existing business model and cost structure and modifications to its infrastructure and may expose the Company to new regulatory and legal risks, any of which may require expertise in areas in which the Company has little or no experience. There is no guarantee that the Company will be able to generate sufficient revenue from sales of such products and services to offset the costs of developing, acquiring, managing and monetizing such products and services and the Company' s business may be adversely affected. If **our efforts to attract and retain users are not successful, our business will be adversely affected. Our future revenue will be derived for subscriber based fees. We must continually add users and convert** ~~the~~ **them** ~~Company cannot continue~~ to ~~innovate technologically~~ **fee- based subscribers both to replace canceled fee- based subscribers and to grow** ~~or~~ **our** ~~develop, market and sell~~ **business beyond our current fee- based subscriber base. The video streaming business is** new ~~products~~ **to us** and ~~services, or~~ **our** ~~enhance existing technology and products and services to meet customer requirements, the Company' s~~ ability to **penetration and** ~~grow our revenue could be impaired. The Company' s~~ growth ~~largely~~ **our user base have fluctuated and vary across the jurisdictions where we provide our service. Our ability to attract and retain users and convert them to fee- based subscribers will** ~~depends~~ - **depend in part** on ~~its~~ **our** ability to **consistently** ~~innovate and add value to its existing creative platform and to~~ provide ~~its customers and contributors~~ **our users in countries around the globe** with **compelling content choices** ~~a scalable, high- performing technology infrastructure~~ that ~~can efficiently~~ **keep our users engaged with our service, effectively drive conversation around our content** and **service** ~~reliably handle increased customer and contributor usage globally~~ , as well as **provide a quality experience** ~~the deployment of new features. For example, PoS business require additional capital and resources. Without improvements to the Company' s technology and infrastructure, our operations might suffer from unanticipated system disruptions, slow performance or~~ **for** ~~unreliable~~ **choosing and enjoying our short video dramas. Furthermore, the relative** service levels, ~~any~~ **content offerings, pricing and related features** of ~~which~~ **competitors to our service may adversely impact our ability to attract and retain users. Competitors include other entertainment video providers, such as linear television, and streaming entertainment providers (including those that provide pirated content), video gaming providers, as well as user- generated content, and more broadly other sources of entertainment that our users** could ~~negatively affect~~ **choose in their moments of free time. Our users and fee- based subscribers cancel our service for many reasons, including a perception that they do not use the service sufficiently, that they need to cut household expenses, dissatisfaction with content, a preference for competitive services and customer service issues that they believe are not satisfactorily resolved. Fee- based subscribers growth** ~~its~~ - **is** ~~reputation and~~ **also impacted by adverse macroeconomic conditions, including inflation, may also adversely impact our** ability to attract and retain ~~customers~~ **users** and ~~contributors~~ **fee- based subscribers** . ~~The Company is~~ **If we do not grow as expected or be able to increase our fee- based subscriber revenue, including by adjusting subscription pricing, liquidity and results of operations may be adversely impacted. If we are unable to successfully compete with** ~~currently~~ -- **current** ~~making,~~ and **new competitors** ~~plan to continue making, significant investments to maintain and enhance the technology and infrastructure and to evolve our information processes and computer systems~~ in ~~order to run~~ **providing compelling content, retaining our existing users and attracting new users,** our business **will** ~~more efficiently and remain competitive. The Company may not achieve the anticipated benefits, significant growth or increased market share from these investments for several years, if at all. If the Company is unable to manage its investments successfully or in a cost- efficient manner, our business and results of operations may~~ be adversely affected. **If we do not continuously provide value to our users, including making improvements to our service in a manner that is favorably received by them, our revenue, results of operations and business will be adversely affected. If consumers do not perceive our service offering to be of value, including if we introduce new or adjust existing features, adjust pricing or service offerings, or change the mix of content in a manner that is not favorably received by them, we may not be able to attract and retain users and fee- based subscribers, and accordingly, our revenue, including revenue per paying subscribers, and results of operations may be adversely affected. The video streaming business and the production of short video dramas is new to us. If our efforts to develop and offer short video dramas are not valued by our current and future users and fee- paying subscribers, our ability to attract and retain users and fee- paying subscribers may be negatively impacted. We may also seek to extend our business into new products and services to help drive growth. For example, we are expanding our offering of consumer products and live experiences. To the extent we cannot successfully find and develop new products and services to help drive growth, our future results of operations and growth may be adversely impacted. We may, from time to time, have to adjust our subscription pricing, or our pricing model itself. Any adjustments we make may not be well- received by our users and could negatively impact our** ability to attract and retain users and fee- paying subscribers, revenue per fee- paying subscribers, revenue and our results of operations. If our efforts to satisfy our existing users or adjustments to our service are not successful, we may not be able to attract or retain users and fee- paying subscribers, and as a result, our ability to grow our business will be adversely affected. If we fail to grow and maintain our active user base, our business, financial condition and operating results may be materially and adversely affected. The size of our active user base with our products are critical to our success. We are a new business and focused on attracting and maintaining an active user base. Our financial performance has been and will continue to be significantly affected by our ability to grow and engage our active user base. In addition, we may fail to maintain or increase our user base or our users' engagement if, among other things: ● we fail to innovate or develop new products and services that provide relevant content and satisfactory experience to, or are favorably received by, our users; ● we fail to produce new dramas that are attractive to our users; ● we fail to respond to or adopt evolving technologies for product development on a timely and cost- effective basis; ● we fail to successfully market and monetize our existing and new mobile applications throughout their life cycles; ● we fail to develop products that are compatible with existing or new mobile devices, mobile operating systems or their respective upgrades; ● we fail to maintain or improve our technology infrastructure and security measures designed to protect our users' personal privacy and cyber security; ● we lose users to competing products and services or due to concerns related to personal privacy and cyber security or other reasons; ● we fail to successfully implement our strategies related to the continued expansion of our global user base; or ● we are required by existing or new laws, regulations or government policies to implement changes to our products or services that are adverse to our business. If we are unable to maintain or increase our user base, our advertising services may become less attractive to our advertising customers, which may have a material and adverse impact on our business, financial condition and operating results. Our advertising offering is new and subject to various risks and uncertainties, which may adversely affect our business. We have limited experience and operating history offering advertising on our video streaming service, and our advertising revenue may not grow as we expect. Advertisers purchase advertising services either directly from us or through third-party advertising exchanges and advertising agencies. Our advertising customers, including advertisers and advertising exchanges and agencies, typically do not have long- term contractual arrangements with us. They may be dissatisfied with our advertising services or perceive our advertising services as ineffective. Potential new customers may view our advertising services as unproven, and we may need to devote additional time and resources to convince them. In addition, new advertising formats emerge from time to time and customer preferences can change. We may not be able to adapt our products and services to future advertising formats or changing customer preferences on a timely and cost-effective basis, and any such adaption failure could materially and adversely affect our financial conditions, results of operations and prospects. We compete for advertising customers not only with other providers of digital advertising spaces, but also with other types of platforms and advertising service providers such as newspapers, magazines, billboards, television and radio stations. Some of our competitors have access to considerably greater financial and other resources for expanding their product offerings and present considerable challenges to gaining and maintaining additional market share. If we fail to deliver advertising services in an effective manner, or if our advertising customers believe that placing advertisements on our platform and in our short dramas do not generate a competitive return when compared to placing advertisements through our competitors' products, they may not continue to do business with us or they may only be willing to advertise with us at reduced prices. If our existing advertising customers reduce or discontinue their advertising spending with us, or if we fail to attract new advertising customers, our business, financial condition and results of operations could be materially and adversely affected. We rely on our business collaborations with ~~systems and services provided by~~ third parties, including major digital distribution platforms ~~primarily by Amazon Web Services (AMS),~~ and ~~any~~ mobile device manufacturers, to maintain and expand our user base. Our ~~failures~~ - failure to maintain good relationships with ~~, errors, defects or disruptions in~~ these ~~systems or services could diminish our brand and reputation, subject us to liability, disrupt our~~ business partners may materially and adversely affect our business and operating results ~~and growth prospects~~ . ~~The~~ We collaborate with various business partners to promote our products and enlarge our user base. We use third- party digital distribution platforms such as Apple App Store and Google Play to distribute our mobile applications to users. We also advertise on third- party platforms ~~upon~~ , such as Facebook and TikTok to acquire users. The promotion and distribution of our mobile applications are subject to such digital distribution platforms' standard terms and policies for application developers, which are subject to the interpretation of, and frequent changes by, these ~~systems and software~~ platforms. In addition, our applications may be suspended by or removed from such platforms as a result of allegations or claims by third parties regardless of their merits. If we are unable to maintain good relationships with our business partners or the business of our business partners declines, the reach of our products and services may be adversely affected and our ability to maintain and expand our user base may decrease. Most of the agreements with our business partners, including mobile device manufacturers and digital distribution platforms, do not prohibit them from working with our competitors or from offering competing services. If our partner distribution platforms change their standard terms and conditions in a manner that is detrimental to our business, or if our business partners decide not to continue working with us or choose to devote more resources to supporting our competitors or their own competing products, we may not be able to find a substitute on commercially favorable terms, or at all, and our competitive advantages may be diminished. We may be subject to notices or complaints alleging, among other things, our infringement of copyrights and delivery of illegal or inappropriate content through our products, which could lead to suspension or removal of such products from digital distribution platforms, a decrease of our user base, and a significantly adverse impact on our financial results and our reputation. We use third- party digital distribution platforms such as Apple App Store and Google Play to distribute our mobile applications to users. In the ordinary course of our business, we and the digital distribution platforms may from time to time receive, notices or complaints from third parties alleging that certain of our contents infringe copyrights, deliver illegal, fraudulent, pornographic, violent, bullying or other inappropriate content, or otherwise fail to comply with applicable policies, rules and regulations. Upon receipt of such notices or complaints, those digital distribution platforms may suspend or remove such products from such platforms. The processes for appealing such suspensions and removals with those platforms could be time-consuming, and we cannot guarantee that our appeals will always prevail or that any such suspended or removed application will be made available again. Such suspensions and removals of our products could lead to a decrease of our user base and, if they occur frequently and / or in a large scale, could significantly adversely affect our reputation, business operation and financial performance. In addition, these digital distribution platforms and third- party platforms may also receive, from time to time, notices or complaints from third parties alleging that certain of our products infringe copyrights, deliver illegal, fraudulent, pornographic, violent, bullying or other inappropriate content, or otherwise fail to comply with applicable policies, rules and regulations, consequently those digital distribution platforms may suspend or remove such products from their platforms and those third- party platforms may terminate their collaboration with us. We have international operations and plan to ~~contain~~ continue ~~undetected errors~~ expanding our operations globally. We may face challenges and risks presented by our growing global operations, which may have a material and adverse impact on our business and operating results. Yuder is headquartered in Singapore and provide its products and services to a global user base. We intend to continue the international expansion of our business operations and grow our user base globally. We believe the sustainable growth of our business depends on our ability to increase the penetration of our products in both developed and emerging markets . Our continued international operations and global expansion may expose us to a number of challenges and risks, including: ● challenges in developing successful products and localized adaptions, and implementing effective marketing strategies that respectively target mobile internet users and advertising customers from various countries and with a diverse range of preferences and demands; ● difficulties in managing and overseeing global operations and in affording increased costs associated with doing business in multiple international locations; ● local competitions; ● difficulties in integrating and managing potential foreign acquisitions or investments; ● compliance with applicable laws and regulations in various countries worldwide, including, but not limited to, internet content requirements, cyber security and data privacy requirements, intellectual property protection rules, exchange controls, and cash repatriation restrictions; ● fluctuations in currency exchange rates; ● political, social or economic instability in markets or regions in which we operate; and ● compliance with statutory equity requirements and management of tax consequences. Our business, financial condition and results of operations may be materially and adversely affected by these challenges and risks associated with our global operations. Our product development and monetization strategies are highly dependent on our technology capabilities and infrastructure . If the amount of user data generated on our products declines, or if we fail to enhance or upgrade our technologies at a competitive pace, the effectiveness of our business model may be harmed and our operating results may be materially and severely affected. We depend on our technological capabilities and infrastructure to analyze our users' preferences and needs and to generate valuable user insights. Active users of our products generate a large amount of data across our applications and in a variety of use cases on a daily basis. The data generated by our users lays the foundation for us to build our user profiles. By analyzing such user data with our big data analytics and other relevant technologies, we aim to understand our users' interests and needs for content in order to develop products that deliver relevant content catering to their interests and needs. Therefore, the effectiveness of our product development and monetization strategies is dependent on our ability to obtain and process data and to refine the algorithms used in processing such data. If we fail to maintain and expand the user base of our products to continually generate large amounts of user data, or if we fail to keep up with the rapid development and upgrade of big data analytics and other relevant technologies on a timely and cost- effective basis, we may not be able to effectively grow and monetize our products, and our business and operating results may be materially and adversely affected. If we fail to correctly anticipate user preferences and develop and commercialize new products and services, we may fail to attract or retain existing users, the lifecycles of our mobile applications may end prematurely and our operating results may be materially and adversely affected. Our success depends on our ability to maintain, grow and monetize our user base, which in turn depends on our ability to continually develop and commercialize new mobile applications, introduce new features or functions to our existing mobile applications and provide users with high- quality content and an enjoyable user experience. This is particularly important since the mobile internet industry is characterized by fast and frequent changes, including rapid technological evolution, shifting user demands, frequent introductions of new products and services, and constantly evolving industry standards, operating systems and practices. FlexTV APP was launched in 2023 and over 150 short video drama have been released since October 2023. We intend to continue to produce new short video drama and other contents and services to enlarge our active user base. Our ability to roll out new short video dramas and services depends on a number of factors, including engaging new talents, High- quality contents, as well as correctly analyzing and predicting users' interests and demands for content using our big data analytical capabilities. If we fail to correctly analyze and predict users' interests and demands for content, fail to cater to the anticipated needs and preferences of users, or fail to provide a superior user experience, our existing and new mobile applications may suffer from reduced user traffic or be unsuccessful in the market and our user base may decrease, which in turn may impact our fee- based subscription and our ability to earn advertising revenue. There can be no assurance that our new products and services will generate revenues or profits and we may not be able to recoup the investments and expenditure involved in such development. Our quarterly results may also experience significant fluctuations as we continue to invest in the development of new products and services. In addition, as a result of rapidly evolving user preferences, our existing mobile applications may reach the end of their lifecycles prematurely. There can be no assurance that we will be able to correctly predict the lifecycles of our new mobile applications, our estimates regarding the lifecycles of our existing mobile applications may turn out to be incorrect, and our business, financial condition and results of operations may be materially and adversely affected. We may be held liable for information or content displayed on, distributed by, retrieved from or linked to the mobile applications integrated into our products, which may adversely impact our brand image and materially and adversely affect our business and operating results. We may display third- party content, such as videos, pictures, books, articles and other works, on our mobile applications without the explicit consent from such third party, and we may further explore market opportunities in the content- related business. Our users may misuse our products to disseminate content that contains inappropriate, fraudulent or illegal information or that infringes the intellectual property rights of third parties. We have implemented control measures and procedures to detect and block inappropriate, fraudulent or illegal content uploaded to or disseminated through our products, particularly those that violate our user agreements or applicable laws and regulations. However, such procedures may not be sufficient to block all such content due to the large volume of third- party content. Despite the procedures and measures we have taken, if the content displayed on our products are found to be fraudulent, illegal or inappropriate, we may suffer a loss of users and damage to our reputation. In response to any allegations of fraudulent, illegal or inappropriate activities conducted through our mobile applications or any negative media coverage about us, government authorities may intervene and hold us liable for non- compliance with laws and regulations concerning the dissemination of information on the internet and subject us to administrative penalties or other sanctions, such as requiring us to restrict or discontinue certain features and services provided by our mobile applications or to temporarily or permanently disable such mobile applications. If any of such events occurs, our reputation and business may suffer and our operating results may be materially and adversely affected. We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position. We regard our patents, copyrights, trademarks, trade secrets, and other intellectual property as critical to ~~the performance of~~ our ~~services and to~~ business. Unauthorized ~~user~~ - use ~~satisfaction~~ of our intellectual property by third parties may adversely affect our business and reputation . We rely on ~~Amazon Web Services (AWS)~~ a combination of intellectual property laws and contractual arrangements to ~~provide cloud servers~~ protect our proprietary rights . ~~However~~ It is often difficult to register , maintain ~~the systems provided by AWS~~ , ~~on which we rely,~~ and enforce intellectual property rights in countries with less developed regulatory regimes or inconsistent and unreliable enforcement mechanisms. Sometimes laws and regulations are subject to interpretation and enforcement and may not be applied consistently due to the lack of clear guidance on statutory interpretation. In addition, our contractual agreements may be breached by our counterparties, and there may not be ~~adequately~~ -- adequate remedies available ~~designed with the necessary reliability and redundancy~~ to us ~~avoid performance delays or~~ for ~~outages~~ any such breach. Accordingly, we may not be able to effectively protect our intellectual property rights or to enforce our contractual rights in China and other jurisdictions in which we operate. Detecting and preventing any unauthorized use of our intellectual property is difficult and costly and the steps we have taken may be inadequate to prevent infringement or misappropriation of our intellectual property. In the event that we resort to litigation to enforce or protect our intellectual property rights, such litigation could result in substantial costs and a diversion of our managerial and financial resources. We can provide no assurance that we will prevail in such litigation. We may be subject to intellectual property infringement lawsuits which could be ~~harmful~~ expensive to defend and may result in our payment of substantial damages or licensing fees, disruption to our product and service offerings, and reputational harm. The success of our business relies on the quality of our products, which in turn depends on the underlying software and related technology, such as big data analytics. The protection of such software and related technologies primarily relies on intellectual property rights including patents and trade secrets. Meanwhile, for the purpose of our business expansion, we may from time to time display third- party content, such as videos, pictures, books, articles and other works, on our mobile applications without acquiring the explicit consent from such third party. Third parties, including our competitors, may assert claims against us for alleged infringements of their patents, copyrights, trademarks, trade secrets and internet content. Intellectual property claims against us, whether meritorious or not, are time consuming and costly to resolve, could divert management attention away from our daily business, could require changes of the way we do business or develop our products, could require us to enter into costly royalty or licensing agreements or to make substantial payments to settle claims or satisfy judgments, and could require us to cease conducting certain operations or offering certain products in certain areas or generally . We ~~cannot assure you~~ do not conduct comprehensive patent searches to determine whether the technologies used in our products infringe upon patents held by others. In addition, product development is inherently uncertain in a rapidly evolving technological environment in which there may be numerous patent applications pending, many of which are confidential when filed, with regard to similar technologies. While we believe that ~~the measures we take, in connection with providing proof- of- stake technology tools, to prevent or~~ our products do not infringe in any material respect upon any intellectual property rights ~~hinder cyber- attacks and protect our systems, data and user information and to prevent outages, data or information loss, fraud and to prevent or detect security breaches, including a disaster recovery strategy for server and equipment failure and back- office systems and the use~~ of third parties , we cannot be certain that this is the case. In addition, in any potential dispute involving our patents or other intellectual property, our advertising customers and business partners could also become the target of litigation. We have certain contractual obligations to indemnify our advertising customers and the mobile device manufacturers that pre- install our products on their devices for ~~certain cybersecurity~~ liability that they may incur based on third- party claims of intellectual property infringement for the use of our products or technology. Many of our collaboration contracts with mobile device manufacturers provide for a cap on our indemnity obligations. In addition, in

the event of any such claims, our advertising customers or business partners may decide not to use our products in the future, which could harm our financial condition and operating results. Finally, we may also face infringement claims from the employees, consultants, agents and outside organizations we have engaged to develop our technology. While we have sought to protect ourselves against such claims through contractual means, there can be no assurance that such contractual provisions are adequate, and any of these parties might claim full or partial ownership of the intellectual property in the technology that they were engaged to develop for us. Yuder, as a Singapore- based company, is subject to laws and regulations of Singapore and each jurisdiction where our services **are offered** ~~, will provide absolute security~~ . ~~As~~ **Our operations require us to apply for specific licenses with Singapore authorities. Yuder' s operations as a Singapore- based company are subject to the regulatory environments of Singapore and each jurisdiction where** our ~~StaaS platform~~ **services are available. In Singapore, Yuder** is **actively assessing** ~~new, we may in~~ the **need for specific licenses such as** ~~future experience, website disruptions, outages and~~ **an Over-** ~~other~~ -- **the** ~~performance problems due to~~ **- Top (OTT) Niche Television Service License and, for age- restricted content,** a **Film Exhibition License** ~~variety of factors, including infrastructure changes, human or software errors and capacity constraints~~ . **Moreover** ~~Such disruptions including~~ , ~~but not limited~~ **we may need** to **comply** ~~, unauthorized access to, fraudulent manipulation of, or tampering~~ with **the Content Code** ~~our computer systems and technological infrastructure, or~~ **for OTT, Video on Demand, and Niche Services in Singapore to ensure our content aligns with public interest and decency standards. Additionally, as our service is accessible over** ~~those~~ -- **the** ~~of third parties~~ **internet to users worldwide** , ~~could result in~~ **we are subject to** a wide ~~range~~ **array** of ~~negative~~ **international laws and regulations, which vary significantly across different jurisdictions. Our efforts to secure necessary licenses and comply with regulatory standards are facing challenges, including the possibility that licenses may not be granted, or could be revoked or not renewed by regulatory authorities. The complexity of obtaining necessary licenses and maintaining compliance with regulatory standards presents a risk that licenses may not be granted or could be revoked or not renewed by regulatory authorities. This includes both the specific licenses required for operations in Singapore and potentially different or additional licenses needed in other countries. Such** outcomes ~~, each of which~~ could ~~materially adversely affect~~ **prevent us from offering certain services** ~~our~~ - **or** ~~business~~ **content** , **thus significantly impacting our operations and** financial condition ~~, results of operations and prospects. Additionally, our platform or software provided by Tbit Global Limited, may contain errors, bugs, flaws or corrupted data, and these defects may only become apparent after their launch. Furthermore, programming errors, defects and data corruption could disrupt our operations, adversely affect the experience of our users, harm our reputation, cause our users to stop utilizing our services, divert our resources and delay market acceptance of our services, any of which could result in legal liability to us or harm our business, financial condition, results of operations and prospects. We believe that if our users have a negative experience with our staking service, or if our brand or reputation is negatively affected, users may be less inclined to continue or resume utilizing our StaaS platform or to recommend our services to other potential users. As such, a failure or significant interruption in our service could harm our reputation, business and operating results~~ . Information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. We receive, process, store and use personal information and other customer data. There are numerous federal, state and local laws regarding privacy and the storing, sharing, use, processing, disclosure and protection of personal information and other data. Any failure or perceived failure by us to comply with our privacy policies, our privacy- related obligations to customers or other third parties, or our privacy- related legal obligations, or any compromise of security that results in the unauthorized release or transfer of personally identifiable information or other player data, may result in governmental enforcement actions, litigation or public statements against us by consumer advocacy groups or others and could cause our customers to lose trust in us which could have an adverse impact on our business. The costs of compliance with these types of laws may increase in the future as a result of changes in interpretation or changes in law. Any failure on our part to comply with these types of laws may subject us to significant liabilities. Third parties we work with may violate applicable laws or our policies, and such violations may also put our customers' information at risk and could in turn have an adverse impact on our business. We will also be subject to payment card association rules and obligations under each association' s contracts with payment card processors. Under these rules and obligations, if information is compromised, we could be liable to payment card issuers for the associated expense and penalties. If we fail to follow payment card industry security standards, even if no customer information is compromised, we could incur significant fines or experience a significant increase in payment card transaction costs. Security breaches, computer malware and computer hacking attacks have become more prevalent. Any security breach caused by hacking which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses could harm our business. Though it is difficult to determine what harm may directly result from any specific interruption or breach, any failure to maintain performance, reliability, security and availability of our network infrastructure to the satisfaction of our players may harm our reputation and our ability to retain existing players and attract new players. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems, change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. **Our compliance with regulatory requirements demands significant operational and financial resources. Compliance with regulatory requirements in Singapore and internationally may require significant operational and financial resources. This includes the potential need to furnish security deposits, adhere to content classification requirements, and ensure ongoing compliance with varied regulatory standards across jurisdictions. The financial burden and operational constraints imposed by these regulatory requirements could negatively affect our profitability and operational efficiency.** We **face challenges in continuously monitoring and adapting to the varied regulatory environments across the various jurisdictions where we operate. Navigating the regulatory landscapes of multiple jurisdictions increases the risk of inadvertent non- compliance due to**

the dynamic nature of laws and regulations governing online streaming services. Continuous adjustments to our operational practices and content offerings may be necessary, requiring substantial resources and potentially leading to penalties, restrictions, or the cessation of our services in certain territories. We may encounter restrictions or outright bans in certain jurisdictions if we fail to comply with local regulations or content standards. Given the global accessibility of our service, there is a risk that certain jurisdictions may impose restrictions or outright bans on our operations due to non- compliance with local regulations or content standards. Such actions could limit our market presence and negatively impact our growth prospects and profitability. Risk Related to Digital Assets We hold ETH and other stable coins which exposes us to various risks associated with ETH and other cryptocurrencies. We hold ETH and other stable coins which exposes us to various risks associated with ETH and other cryptocurrencies, including the following: ETH is a highly volatile asset: The supply of ETH is currently controlled by the source code of the Ethereum platform, and there is a risk that the developers of the code and the participants in the Ethereum network could develop and / or adopt new versions of the Ethereum software that significantly increase the supply of ETH in circulation, negatively impacting the trading price of ETH. Any significant decrease in the price of ETH may materially and adversely affect the value of the Company' s securities and, in turn, the Company' s business and financial condition. In addition, the ETH markets are ~~subject~~ **sensitive** to **new developments, and since volumes are still maturing, any significant changes in market sentiment (by way of sensationalism in the media or otherwise) can induce large swings in volume and subsequent price changes. Such volatility can adversely affect the business and financial condition of the Company. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the public, accounts for anticipated future appreciation in value. The Company believes that momentum pricing of ETH has resulted, and may continue to result, in speculation regarding future appreciation in the value of ETH, inflating and making more volatile the value of ETH. As a result, ETH may be more likely to fluctuate in value due to changing investor confidence in future appreciation, which could adversely affect the business and financial condition of the Company. ETH has traded below $ 1, 100 per ETH and above $ 2, 378 per ETH on Matrixport Cactus Custody (our principal market for ETH) in the past 12 months from January 1, 2023. As of December 31, 2023, we hold $ 7, 123, 300 in ETH. Custody Service Risks: We do not use any cryptocurrencies as collateral or have them used by other institutions as collateral because our cryptocurrencies are held in custody on the blockchain and not stored on centralized exchanges. However, despite storing our cryptocurrencies on a decentralized custody chain, there are still risks associated with the custody service provider. These risks may include security, availability, and reliability. We seek to choose a trusted and secure custody service provider to protect our cryptocurrencies. On- Chain Risks: Storing cryptocurrencies on a custody chain does not eliminate all risks. The underlying blockchain may still face** risks related to ~~holding cryptocurrencies~~ **technology, network security,** and ~~accepting cryptocurrencies as a form~~ **potential attacks. Understanding the security measures and vulnerability mitigation capabilities** of ~~payment~~ **the underlying blockchain protocol is crucial** . We accept Bitcoin, ETH or other cryptocurrencies...... the value of any cryptocurrencies that we hold **stablecoins** ~~may also lead to fluctuations in the value of our common stock. In addition, there is substantial uncertainty regarding the future legal~~ and ~~regulatory requirements relating to cryptocurrency or transactions utilizing cryptocurrency. For instance, governments may in the near future curtail or outlaw the acquisition, use or redemption of cryptocurrencies. In such case, ownership of, holding or trading in cryptocurrencies may then~~ - **the** ~~be considered illegal and subject to sanction. These uncertainties, as well as future accounting and tax developments, or other requirements relating to cryptocurrency, could have a material adverse effect on our business. The~~ value of stablecoins that we hold may be subject to volatility and risk of loss. As of December 31, ~~2022~~ **2023** , we held approximately $ **0.** 2 ~~. 97~~ million in USDC issued by Circle Internet Financial Public Limited Company (" Circle ") ~~and $ 0. 09 million in USDT issued by Tether Limited Inc. (" Tether ")~~ . Stablecoins **are cryptocurrencies designed to have a stable value over time as compared to typically volatile cryptocurrencies, and are typically marketed as being pegged to a fiat currency, such as the U. S. dollar. For example, stablecoins** such as USDC are usually backed by the U. S. Dollar and other short- dated U. S. government obligations ~~,~~ and are usually pegged to the U. S. dollar. On March 9, 2023, as a result of the ~~closure~~ **bankruptcy** of Silicon Valley Bank (" SVB "), Circle announced that $ 3. 3 billion of its roughly $ 40 billion USDC reserves were held at SVB. As a result, Circle depegged the USDC from its $ 1. 00 peg, trading as low as $ 0. 87. This risk may result in the sell- off of USDC and volatility as to the value of stablecoins, which would expose us to risk of potential loss and could have a material adverse effect on our ability to raise new funding and on our business, financial condition, and results of operations and prospects. ~~and adversely affect~~ **accept Bitcoin,ETH or** ~~the~~ **other** ~~value~~ **cryptocurrencies from our customers as a form** of **payment for** our **staking services** ~~shares.We are subject to risks related to holding cryptocurrencies~~ .Cryptocurrencies are not considered legal tender or backed by any government and have experienced price volatility,technological glitches and various law enforcement and regulatory interventions.The use of cryptocurrency such as Bitcoin has been prohibited or effectively prohibited in some countries.If we fail to comply with any such prohibitions that may be applicable to us,we could face regulatory or other enforcement actions and potential fines and other consequences.Cryptocurrencies have in the past and may in the future experience periods of extreme volatility.Fluctuations in the value of any cryptocurrencies that we ~~hold~~ We cannot **assure that additional funds will** be **available when needed from any source or, if available, will be available on terms that are acceptable to us. Further, we may incur substantial costs in pursuing future capital and / or financing. We may also be required to recognize non- cash expenses in connection with** certain **securities we may issue, such as convertible notes and warrants, which will adversely impact our financial condition and results of operations. Our ability to obtain needed financing may be impaired by such factors as the weakness of capital markets, and the fact** that ~~our StaaS platform~~ **we have not been profitable, which could impact the availability** and ~~staking~~ **cost of future financings. If such funds are not available when required, management will be required to curtail investments in additional sales and marketing and product development, which may have a material**

adverse effect on future cash flows and results of operations. Our business depends on the continuing efforts of our management. If it loses their services ~~will maintain regulatory approval~~ , **our business** ~~and without regulatory approval we~~ may **be severely disrupted. Our business operations depend on the efforts of our new management, particularly the executive officers named in this document. If one or more of our management were unable or unwilling to continue their employment with us, it might** not be able **for us** to ~~market and grow~~ **replace them in a timely manner,** ~~our~~ - **or at all. We may incur additional expenses to recruit and retain qualified replacements. Our** business ~~around the world. Our StaaS platform and staking services are located in Singapore and are currently not subject to any licensing requirements in Singapore. However, future changes to Singapore' s PSA~~ may **be severely disrupted** ~~introduce new licensing requirements. Any license~~ , **and** ~~permit, approval or~~ **our** ~~finding~~ **financial condition and results** of ~~suitability~~ **operations may be materially and adversely affected. In addition, our management may join a competitor or form a competing company. As a result, our business may be negatively affected due to the loss of one or more members of our management. We** may not be **able to prevent** ~~granted, granted with delay, revoked, suspended~~ or ~~conditioned at any time~~ **timely** ~~. We~~ **detect cyber security breaches and** may be ~~unable~~ **subject** to **data** ~~obtain or maintain all necessary registrations~~ , **security** ~~licenses, permits or approvals,~~ and **/** ~~could incur fines~~ or **system breaches** ~~experience delays related to the licensing process~~ which could adversely affect our **business** operations **and financial conditions** . ~~The regulators in Singapore may refuse~~ **We rely on information technology networks and systems, including the use of third- party communications systems over the Internet,** to ~~issue~~ **process, transmit and store electronic information, and to manage or support** ~~or~~ **our** ~~renew~~ **business activities. These information technology networks and systems may be subject to security breaches, hacking, phishing, or spoofing attempts by others to gain unauthorized access to our business information and financial accounts. A cyberattack, unauthorized intrusion, or theft of personal, financial or sensitive business information could have** a ~~registration~~ **material adverse effect of on** ~~or~~ **our** ~~impose~~ **business** operations or our clients' information,and could harm our operations,reputation and financial situation.In addition,due to an increase in the types of cyberattacks,our employees could be victim to such scams designed to trick victims into transferring sensitive company data or funds,that could compromise and / or disrupt our business operations.We were a victim of a business email compromise scam (BEC) in December 2021.BEC scams involve using social engineering to cause employees to wire funds to the perpetrators in the mistaken belief that the requests were made by a company executive or established vendor.As a result of the BEC scam,we have enhanced BEC awareness within our organization,established additional controls to help detect BEC scams when they occur,and require additional ~~confirmations conditions~~ **confirmations** ~~additional confirmations~~ for large money transactions.In addition,we seek to detect and investigate all cybersecurity incidents and to prevent their recurrence,but in some cases,we might be unaware of an incident or its magnitude,duration,and effects.While we take every effort to train our employees to be cognizant of these types of attacks and to take appropriate precautions,and have taken actions and implemented controls to protect our systems and information,the level of technological sophistication being used by attackers has increased in recent years,and may be insufficient to protect our systems or information.Any successful cyberattack against us could lead to the loss of significant company funds or result in in potential liability,including litigation or other legal actions against us,or the imposition of **penalties,** which **could cause us to incur significant remedial costs. Further, we cannot ensure that our efforts and measures taken will be sufficient to prevent or mitigate any damage caused by a cybersecurity incident, and our networks and systems** may **be vulnerable to security breaches, hacking, phishing, spoofing, BEC, employee error or manipulation, or other** ~~adversely~~ -- **adverse events. Due to the evolving nature and increased sophistication of these cybersecurity threats, the potential impact of any future incident cannot be predicted with certainty; however, any such incidents could have a material adverse** ~~affect~~ **effect on our results of operations and financial condition, especially if we fail to maintain sufficient insurance coverage to cover liabilities incurred** ~~our~~ - **or** ~~StaaS~~ **are unable to recover any funds lost in data, security and / or system breaches, and could result in a material adverse effect on our** business **and results of operations** . **We** ~~While we~~ do not **maintain commercial insurance** ~~believe that we are required~~ to **cover loss of digital assets** ~~obtain any license or permit in the United States and / or other jurisdictions, we currently plan to limit our Marsprotocol platform to non- U~~ . **We** ~~S. residents. If it is determined that a license, permit or approval is required in a jurisdiction in which we~~ do not ~~have~~ **carry** any ~~license to operate, we will need to obtain~~ **insurance that covers the loss of our digital assets held by our custodian and its affiliates. As** such ~~license, permit or approval, or block access from such jurisdiction through IP address filtering. Violations of laws in one jurisdiction could result in disciplinary action and / or fines. Licenses, approvals or findings of suitability may be revoked, suspended or conditioned. In sum~~ , we may not be able to **recover** ~~obtain or maintain all necessary registrations, licenses, permits or approvals. The licensing process may result in delays or adversely affect our operations, and our efforts to comply with~~ any ~~new licensing regulations will increase~~ **funds lost in data, security and /** ~~our~~ - **or** ~~costs~~ **system breaches** . We are subject to various laws relating to foreign corrupt practices, the violation of which could adversely affect its operations, reputation, business, prospects, operating results and financial condition. We are 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 ") 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 employees, potentially exposing us to greater risk from their actions. If our employees or agents fail to comply with applicable laws or company policies governing our international operations, we may face legal proceedings and actions which could result in civil penalties, administration actions and criminal sanctions. Any determination that we have violated any anti- corruption laws could have a material adverse impact on our business. Violations of these laws and regulations could result in significant fines, criminal sanctions against us, our officers or our employees. Additionally, any such violations could materially damage our reputation, brand, international expansion efforts, ability to attract and retain employees and our business, prospects, operating results and financial condition. Historically, we have dealt with significant amounts of cash in our operations, which have subjected us to various reporting and anti- money laundering regulations. Any violation of anti- money laundering laws or regulations by us could have a material adverse impact on our business. Risks Related to Ethereum Risks Associated with...... our business and results of operations. As of December 31, ~~2021~~ **2023** , our internal control over financial reporting was ineffective, and if we continue to fail to improve such controls and procedures, investors could lose confidence in our financial and other reports, the price of our common stock may decline, and we may be subject to increased risks and liabilities. As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (“ Exchange Act ”) and the Sarbanes-Oxley Act of 2002. The Exchange Act requires, among other things, that we file annual reports with respect to our business and financial condition. Section 404 of the Sarbanes- Oxley Act requires, among other things, that we include a report of our management on our internal control over financial reporting. We are also required to include certifications of our management regarding the effectiveness of our disclosure controls and procedures. We previously identified a material weakness in our internal control over financial reporting relating to our tax review control for complex transactions. We are in the process of enhancing our tax review control related to unusual transactions that we may encounter, but that control has not operated for a sufficient time to determine if the control was effective as of December 31, ~~2022~~ **2023** . If we cannot effectively maintain our controls and procedures, we could suffer material misstatements in our financial statements and other information we report which would likely cause investors to lose confidence. This lack of confidence could lead to a decline in the trading price of our common stock. Compliance with the Sarbanes- Oxley Act of 2002 will require substantial financial and management resources and may increase the time and costs of completing an acquisition. Section 404 of the Sarbanes- Oxley Act of 2002 requires that we evaluate and report on our system of internal controls and may require us to have such system audited by an independent registered public accounting firm. If we fail to maintain the adequacy of our internal controls, we could be subject to regulatory scrutiny, civil or criminal penalties and / or shareholder litigation. Any inability to provide reliable financial reports could harm our business. Furthermore, any failure to implement required new or improved controls, or difficulties encountered in the implementation of adequate controls over our financial processes and reporting in the future, could harm our operating results or cause us to fail to meet our reporting obligations. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our securities. The trading prices of our common stock could be volatile, which could result in substantial losses to our shareholders and investors. The trading prices of our common stock could be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, like the performance and fluctuation in the market prices or the underperformance or deteriorating financial results of other similarly situated companies that have listed their securities in the U. S. in recent years. The securities of some of these companies have experienced significant volatility including, in some cases, substantial price declines in the trading prices of their securities. In addition, securities markets may from time to time experience significant price and volume fluctuations that are not related to our operating performance, such as the large decline in share prices in the United States and other jurisdictions. In addition to market and industry factors, the price and trading volume for our common stock may be highly volatile for factors specific to our own operations including the following: ● variations in our ~~revenues~~ **revenue** , earnings and cash flow; ● announcements of new product and service offerings, investments, acquisitions, strategic partnerships, joint ventures, or capital commitments by us or our competitors; ● changes in the performance or market valuation of our company or our competitors; ● changes in financial estimates by securities analysts; ● changes in the number of our users and customers; ● fluctuations in our operating metrics; ● failures on our part to realize monetization opportunities as expected; ● additions or departures of our key management and personnel; ● detrimental negative publicity about us, our competitors or our industry; ● market conditions or regulatory developments affecting us or our industry; and ● potential litigations or regulatory investigations. Any of these factors may result in large and sudden changes in the trading volume and the price at which our common stock will trade. In the past, shareholders of a public company often brought securities class action suits against the listed company following periods of instability in the market price of that company’ s securities. If we were involved in a class action suit, it could divert a significant amount of our management’ s attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the suit. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations. If our common stock becomes subject to the SEC’ s penny stock rules, broker- dealers may experience difficulty in completing customer transactions, and trading activity in our securities may be adversely affected. If at any time we have net tangible assets of $ 5, 000, 001 or less and our common stock has a market price per share of less than $ 5. 00, transactions in our common stock may be subject to the “ penny stock ” rules promulgated under the Exchange Act. Under these rules, broker- dealers who recommend such securities to persons other than institutional accredited investors must: ● make a special written suitability determination for the purchaser; ● receive the purchaser’ s written agreement to the transaction prior to sale; ● provide the purchaser with risk disclosure documents which identify certain risks associated with investing in “ penny stocks ” and which describe the market for these “ penny stocks ” as well as a purchaser’ s legal remedies; and ● obtain a signed and dated acknowledgment from the purchaser demonstrating that the purchaser has actually received the required risk disclosure document before a transaction in a “ penny stock ” can be completed. If our common stock becomes subject to these rules, broker- dealers may find it difficult to effectuate customer transactions and trading activity in our securities may be adversely affected. As a result, the market price of our common stock may be depressed, and you may find it more difficult to sell our common stock. An active trading market for our common stock may not develop, and you may not be able to easily sell your common stock. An active trading market for shares of our common stock following our emergence from bankruptcy may never develop or be sustained. If an active trading market does not develop, you may have difficulty selling your shares of common stock or at all. An inactive market may also impair our ability to raise capital by selling our common stock, and it may impair our ability to attract and motivate our employees through equity incentive awards and our ability to acquire other companies by using our common stock as consideration. If we do not continue to satisfy the NYSE American continued listing requirements, our common stock could be delisted. The listing of our common stock on NYSE American is contingent on our compliance with the NYSE American' s conditions for continued listing. Should we fail to meet the NYSE American' s continuing listing requirements, we may be subject to delisting by the NYSE America. In the event our common stock is no longer listed for trading on the NYSE American, our trading volume and share price may decrease and we may experience difficulties in raising capital which could materially affect our operations and financial results. Further, delisting from the NYSE American could also have other negative effects, including potential loss of confidence by partners, lenders, suppliers and employees. Finally, delisting could make it harder for us to raise capital and sell securities. Sales of a significant number of our common stock in the public market, or the perception that such sales could occur, could depress the market price of our common stock. ~~In connection with a private placement of~~ **On October 7, 2022, we registered** 2, ~~870~~ **397** , **305** ~~927 (14, 354, 635 post- split)~~ shares of **the Company' s** common stock **for resale by selling stockholder** ~~that closed on September 30, 2021, we have filed a registration statement allowing the holders thereof to resell the common stock~~ . The sales of those shares of common stock in the public market could depress the market price of our common stock and impair our ability to raise capital through the sale of additional equity securities. We cannot predict the effect that future sales of our common stock would have on the market price of our common stock. If we acquire digital **assets that are** securities, even unintentionally, we may violate the Investment Company Act of 1940 and incur potential third- party liabilities. As of December 31, ~~2022~~ **2023** , we held approximately $ ~~3~~ **0** . ~~1~~ **6** million **in** ~~stable cryptocurrencies, which is primarily USDC~~ **USDT** ~~and~~ **,** $ 0. ~~4~~ **2 million in USDC, and $ 7. 1** million in ETH. The Company intends to comply with ~~the 1940 Act in all respects. To that end, if holdings of cryptocurrencies are determined to constitute investment securities of a kind that subject the Company to registration and reporting under~~ the Investment Company Act of 1940 (the " 1940 Act ") **in all respects. To that end, if holdings of cryptocurrencies are determined to constitute investment securities of a kind that subject the Company to registration and reporting under the 1940 Act** , the Company will limit its holdings to less than 40 % of its assets. Section 3 (a) (1) (C) of the 1940 Act defines " investment company " to mean any issuer that is engaged or proposes to engage in the business of investing, reinvesting, owning, holding, or trading in securities, and owns or proposes to acquire investment securities having a value exceeding 40 % of the value of such issuer' s total assets (exclusive of Government securities and cash items) on an unconsolidated basis. Section 3 (a) (2) of the 1940 Act defines " investment securities " to include all securities except (A) Government securities, (B) securities issued by employees' securities companies, and (C) securities issued by majority- owned subsidiaries which (i) are not investment companies and (ii) are not relying on the exception from the definition of investment company in section 3 (c) (1) or 3 (c) (7) of the 1940 Act. As noted above, the SEC has not stated whether **stablecoins** ~~stable cryptocurrencies~~ such as USDC and USDT and other cryptocurrency such as ETH is an investment security, as defined in the 1940 Act.