

## Risk Factors Comparison 2025-03-13 to 2024-03-14 Form: 10-K

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

Investing in our Class A ~~common~~ **Common** stock ~~Stock~~ involves risk. You should carefully consider the risks described below as well as all the other information in this Annual Report on Form 10-K, including the consolidated financial statements and the related notes included in this report. The risks and uncertainties described below are not the only risks and uncertainties we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations. If any of the following risks actually occur, our business, results of operations and financial condition could suffer. In that event, the trading price of our ~~Class A common~~ **Common** stock ~~Stock~~ could decline, and you may lose all or part of your investment. The risks discussed below also include forward- looking statements, and our actual results may differ substantially from those discussed in these forward- looking statements. Risk Factor Summary Our business is subject to numerous risks and uncertainties, including those highlighted in this Item 1A, that represent challenges that we face in connection with the successful implementation of our strategy and the growth of our business. In particular, the following considerations, among others, may offset our competitive strengths or have a negative effect on our business strategy, which could cause a decline in the price of shares of our Class A Common Stock or ~~public Warrants~~ **warrants** and result in a loss of all or a portion of your investment:

- ~~We may not continue to grow or maintain our base of~~ **consumer consumers** and business ~~members~~ **owners** or advertisers and may not be able to achieve or maintain profitability.
- ~~Our recent and rapid growth in platform participants may not be sustainable or indicative of future performance.~~
- ~~The market for the Platform and services may not be as large as we believe it to be, presently or in the future.~~
- ~~We have limited experience with respect to determining optimal prices and pricing structure for our products and services, which may impact our financial results.~~
- ~~Our business faces significant competition, and if we are unable to compete effectively, our business and operating results could be materially and adversely affected.~~
- ~~The anticipated expansion of our operations, including in areas not part of our current operations, subjects us to additional risks that can adversely affect our operating results.~~
- ~~Our business depends on hiring, developing and retaining highly skilled and dedicated employees, and any failure to do so, could have a material adverse effect on our business.~~
- ~~Consumer tastes and preferences change over time and from time to time, as may public perception of us, which could be adversely affected by any negative publicity or reputational effects attributable to us or any of our affiliates~~ **or Outreach Program participants**, which may impact our ~~consumer~~ **consumers** ' and business ~~members~~ **owners** ' desire to utilize the Platform and materially affect our business and operating results.
- ~~If we cannot maintain our company culture as we grow, our success, business and competitive position may be harmed.~~
- ~~Our success depends on establishing and maintaining a strong brand and active engagement by~~ **business businesses and , consumer consumers members ,** and advertisers on the Platform, and any failure to establish and maintain a strong brand and ~~member~~ **consumer** base, or adverse change in advertisers' willingness to pay for advertising on the Platform, would adversely affect our future growth prospects.
- ~~Our five core values may not always align with the interests of our business or our stockholders.~~
- ~~Any failure by us to attract~~ **advertisers and onboard new merchants in the Financial Technology segment** or any change in or loss of relationships with our existing **partners** ~~advertisers or the amounts advertisers are able or willing to spend to advertise on the Platform~~ could adversely affect our business and results of operations.
- ~~If member engagement by business~~ **owners** or ~~consumer~~ **consumers** ~~members~~ on the Platform fails to increase or declines, we may not be able to maintain or expand our advertising revenue and our business and operating results will be harmed.
- ~~Changes to our existing platform and services could fail to attract engagement by~~ **consumer and business members with , or advertising spending on, the Platform , which could materially affect our-** ~~or ability fail~~ to generate ~~revenues-~~ **revenue**.
- ~~We may not be able to able to expand into or to compete successfully in one or more of the highly competitive business areas in which we anticipate expanding, including e- commerce and the~~ **Business- to- Business (" B2B ")** market, or recently expanded into, including the D2C market that we recently entered into with our launch of EveryLife in July 2023.
- ~~We are subject to payments- related risks.~~
- ~~Uncertain global macro- economic and political conditions could materially adversely affect our results of operations and financial condition.~~
- ~~We may in the future make acquisitions, and such acquisitions could disrupt our operations, and may have an adverse effect on our operating results.~~
- ~~We are or may be subject to numerous risks relating to the need to comply with data and information privacy laws.~~
- ~~We are subject to cybersecurity risks and interruptions or failures in our information technology systems and as we grow, we will need to expend additional resources to enhance our protection from such risks.~~
- ~~Management identified a material weakness in our internal control over financial reporting as of December 31, 2023~~ **and as of December 31, 2024, this material weakness still exists**. If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our business and operating results.
- ~~If we fail to adequately protect our proprietary intellectual property (" IP ") rights, our competitive position could be impaired and we may lose valuable assets, generate reduced revenue and incur costly litigation to protect our rights.~~
- ~~Our business depends on continued and unimpeded access to our directory information and services on the internet, which in turn relies on third- party telecommunications and internet service providers.~~
- ~~We may be unable to successfully grow our business if we fail to compete effectively with others to attract and retain our executive officers and other key management and technical personnel.~~
- ~~The consumer finance and buy -now -pay -later (" BNPL ") industry has become subject to increased regulatory scrutiny, and Credova' s failure to manage Credova' s business to comply with new regulations would materially and adversely affect Credova' s business, results of operations and financial condition.~~
- ~~Credova' s results depend on prominent presentation, integration, and support of its platform by its merchants.~~
- ~~Current and~~

future government regulations may negatively impact the demand for Credova's merchants' products and Credova's operations and financial results. We may be exposed to risk if we cannot develop, maintain, and adhere to our internal controls and procedures. Litigation or legal proceedings could expose us to significant liabilities and have a negative impact on our reputation or business. The consumer finance and BNPL industry is subject to various state and federal laws in the United States and federal law concerning consumer finance, and the costs to maintain compliance with such laws and regulations may be significant. Compliance obligations imposed by new privacy laws, laws regulating social media platforms and online speech in the U. S., or industry practices may adversely affect our business. We are a "controlled company" within the meaning of NYSE listing standards and comply with reduced corporate governance standards as a result. Natural disasters, including and not limited to unusual weather conditions, epidemic outbreaks, terrorist acts and political events could disrupt our business schedule. We may require substantial additional funding to finance our operations, but adequate additional financing may not be available when we need it, on acceptable terms or at all. Risks Related to Our Financial Performance and Operation Risks Related to Our Business We have a very limited operating history, which makes it difficult to evaluate our business and prospects. We have a very limited operating history, which makes it difficult to evaluate our business and prospects or forecast our future results. We are subject to the same risks and uncertainties frequently encountered by new companies in rapidly evolving markets. Our financial results in any given quarter can be influenced by numerous factors, many of which we are unable to predict or are outside of our control, including: market adoption of the Platform our products and services; our ability to maintain and grow the Platform offerings, traffic, and engagement; our ability to attract and retain consumers and business members owners, and advertisers; the success of our Outreach Program; the amount of advertising we can attract to the Platform and the pricing of our advertising products; the diversification and growth of our revenue sources beyond current sources, including our ability to successfully launch new products and realize revenues from increased e-commerce functionality on the Platform, including through consumer transactions executed in the Platform, and through the sale of our own D2C branded products; our ability to grow and generate revenue from our B2B offerings once launched; the development and introduction of new products, or services by us or our competitors; increases in marketing, sales, and other operating expenses that we may incur to grow and expand our operations and to remain competitive, and increased expenses we have incurred and will continue to incur as a public company; legislation and regulation that forces us to change our content policies and practices (including those relating to our products, services and advertisements of our business members owners); our ability to maintain and increase operating margins; system failures or breaches of security or privacy; competition in the markets in which we operate, and our ability to successfully compete; and negative publicity we may encounter as we seek to grow our values- focused business. To date, we have not generated significant revenues or achieved profitability, and may never generate significant revenues or become profitable. We have incurred net losses since our inception, and we may not be able to achieve or maintain profitability in the future. We incurred net losses of \$ 57.7 million and \$ 53.3 million and \$ 7.0 million for the years ended December 31, 2024 and 2023 and 2022. We generated revenue of \$ 23.2 million and \$ 5.7 million and \$ 0.5 million for the years ended December 31, 2024 and 2023 and 2022. Our expenses will likely increase in the future as we develop and launch new offerings and platform features, expand in existing and new markets, increase our sales and marketing efforts and continue to invest in the Platform, as well as a result of our becoming a public company. Our efforts to grow our business may be more costly than we expect and may not result in increased revenue or growth in our business. We may be required to make significant capital investments and incur recurring or new costs, and our investments may not generate sufficient returns and our results of operations, financial condition and liquidity may be adversely affected. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from achieving or maintaining profitability or positive cash flow on a consistent basis or at all. If we are unable to successfully address these risks and challenges as we encounter them, our business, financial condition, results of operations and prospects could be adversely affected. If we are unable to generate adequate revenue growth and manage our expenses, we may continue to incur net losses in the future, which may be substantial, and we may never be able to achieve or maintain profitability. We also expect our costs and expenses to increase in future periods, which could negatively affect our future results of operations if our revenue does not increase. In particular, we intend to continue to expend significant funds to further develop the Platform. We will also face increased compliance costs associated with growth, the expansion of our business and consumer member base, and being a public company. Our efforts to grow our business may be more costly than we expect, or the rate of our growth in revenue may be slower than we expect, and we may not be able to increase our revenue enough to offset our increased operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described herein, and unforeseen expenses, difficulties, complications or delays, and other unknown events. If we are unable to achieve and sustain profitability, the value of our business may significantly decrease. We believe there is a significant market opportunity for our business, and we intend to invest aggressively to capitalize on this opportunity. These efforts may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from achieving or maintaining profitability or positive cash flow. Furthermore, if our future growth and operating performance fail to meet investor or analyst expectations, or if we have future negative cash flow or losses resulting from our investment in acquiring platform consumers and businesses or expanding our operations, this could have a material adverse effect on our business, financial condition and results of operations. We cannot assure you that we will ever achieve or sustain profitability and may continue to incur significant losses going forward. Any failure by us to achieve or sustain profitability on a consistent basis could cause the value of our Class A Common Stock and private warrants, initially issued in the private placement consummated simultaneously with Colombier's initial public offering (the "Private Warrants"), to decline. Inflationary pressures, particularly in the United States, could have a material adverse effect on our business, cash flows and results of operations. The U. S. economy is currently experiencing a bout of inflation, in part due to a

collision of booming demand with constrained supply, forcing prices to rise. To combat inflation, the U. S. Federal Reserve as well as counterparts in other countries have made a series of aggressive interest rate hikes commencing in 2022 and extending into early 2023 in an attempt to cool global economies. Inflation did not have a significant impact on our results of operations for the years ended December 31, 2024 and 2023 and 2022. We do not anticipate a material increase in cost of sales – services and cost of goods sold for at least the remainder of 2024-2025, if not longer. We may require substantial additional funding to finance our operations, but adequate additional financing may not be available when we need it, on acceptable terms or at all. Since our inception, we have financed our operations and capital expenditures primarily through equity investments and convertible notes. In the future, we could be required to raise capital through public or private financing or other arrangements. Such financing may not be available on acceptable terms, or at all, and our failure to raise capital when needed could harm our business. In addition, inflation rates in the U. S. have been higher than in previous years, which may result in higher costs of capital and constrained credit and liquidity. The Federal Reserve has raised, and may again raise, interest rates in response to concerns over inflation risk. Increases in interest rates could impact our ability to access the capital markets. We may sell equity securities or debt securities in one or more transactions at prices and in a manner as we may determine from time to time. If we sell any such securities in subsequent transactions, our current investors may be materially diluted. Any debt financing, if available, may involve restrictive covenants and could reduce our operational flexibility or achieve profitability. If we cannot raise funds on acceptable terms, we may not be able to grow our business or respond to competitive pressures and consumer member demand. We may need to raise additional funds, and we may not be able to obtain additional debt or equity financing on favorable terms, if at all. If we raise additional equity financing, our shareholders may experience significant dilution of their ownership interests and the per share value of our Class A Common Stock and Private Warrants could decline. Furthermore, if we engage in debt financing, the holders of debt would have priority over the holders of our equity holders, and we may be required to accept terms that restrict our ability to incur additional indebtedness. We may also be required to take other actions that would otherwise be in the interests of the debt holders and force us to maintain specified liquidity or other ratios, any of which could harm our business, results of operations, and financial condition. If we need additional capital and cannot raise it on acceptable terms, we may not be able to, among other things:

- develop or enhance our products;
- to expand our sales and marketing and research and development organizations;
- acquire complementary technologies, products or businesses;
- expand operations in the United States or internationally;
- hire, train, and retain employees; or
- respond to competitive pressures or unanticipated working capital requirements.

Our failure to have sufficient capital to do any of these things could harm our business, financial condition, and results of operations. Our past successful fundraising efforts do not guarantee long term liquidity, and we may be unable to obtain additional financing to fund the operation and growth of our business. We may require additional financing to fund the operations or growth of our business but cannot guarantee that any such fundraising efforts will be successful and our past fundraising success should not be viewed as predictive of our ability to raise funds in the future. The failure to secure additional financing could have a material adverse effect on the continued development or growth of our business. Our growth to date may not be sustainable or indicative of future performance. We have experienced significant member user and business growth in the number of business and consumer members participating on the Platform since our inception as Private PSQ in 2021. Our month-over-month (“MoM”) consumer member growth rate (as measured by the number of active consumer members as of the last day of each month) was 22% for the period from June 1, 2022 through December 31, 2023 and our MoM business growth rate (as measured by the number of business members that have joined the Platform as of the last day of each month) was 12% for the period from June 1, 2022, through December 31, 2023. Our growth has placed and is expected to continue to place significant demands on our management, financial, operational, technological and other resources. The growth and expansion of our business depends on a number of factors, including our ability to:

- increase awareness of our brand and successfully compete with other companies that compete against us;
- launch new lines of products, services and functionality, including the ability to conduct e-commerce transactions in the Platform and our ability to expand our D2C product offerings;
- continue to innovate and introduce new offerings on the Platform;
- maintain and improve our technology platform supporting our app-based platform;
- identify and maintain key supplier and manufacturer relationships to support our D2C brands;
- maintain quality control over our product offerings; and
- expand the number of consumer consumers and business members owners, and advertisers using the Platform.

The growth and expansion of our business, including launching new offerings, products, services and functionality such as e-commerce and D2C product sales, has and will continue to place significant demands on our management, technology and operations teams and require significant additional resources, financial and otherwise, to meet our needs, which may not be available in a cost-effective manner, or at all. We expect to expend substantial resources on:

- sales and marketing efforts to increase brand awareness, further engaging our existing and prospective consumer consumers and business businesses members, and driving use of the Platform and sales of products and services through the Platform and supporting our D2C initiatives;
- product innovation, development and / or acquisition, distribution, marketing and sales efforts;
- technology platform maintenance to support sales of our products; and
- general administration, including increased finance, legal, compliance and accounting expenses associated with being a public company.

Our investments may not result in the growth of our business. Even if these investments do result in the growth of our business, if we do not effectively manage our growth, we may not be able to successfully execute on our business plan, respond to competitive pressures, take advantage of market opportunities, satisfy the expectations of consumer consumers or business members owners or maintain high-quality product offerings, any of which could adversely affect our business, financial condition, results of operations and prospects. You should not rely on our historical rate of growth as an indication of our future performance or the rate of growth we may experience going forward or with respect to any new products or services we may introduce. In addition, to support continued growth, we must effectively integrate, develop and motivate existing and new employees while maintaining our corporate culture. We face significant competition for personnel. To attract top talent, we will need to offer competitive compensation and benefits packages. We may also need to increase our employee compensation

levels to remain competitive in attracting and retaining talented employees. In addition, we may face challenges in attracting employees whose values align with our own. The risks associated with a rapidly growing workforce may be particularly acute as we expand further into areas, such as the D2C market. Additionally, we may not be able to hire new employees quickly enough to meet our needs. If we fail to effectively manage our hiring needs or successfully integrate new hires, our efficiency, ability to meet forecasts and employee morale, productivity and retention could suffer, which could have an adverse effect on our business, financial condition, results of operations and prospects. We will also be required to manage numerous relationships with various businesses, suppliers and vendors, service providers, ambassadors and influencers participating in our Outreach Program and other third parties. Further growth of our operations, information technology systems or internal controls and procedures may not be adequate to support our operations. If we are unable to manage the growth of our organization effectively, our business, financial condition, results of operations and prospects may be materially adversely affected. We may not be successful in growing or maintaining the base of users, consumers and businesses members that use the Platform. In order to grow, we must attract, retain and engage our consumer consumers and, business members owners, and advertisers on the Platform and maintain an active consumer member base. Our consumer active members may not grow, and may decline which, in turn, may affect our continued ability to attract businesses and advertisers to the Platform. If current and potential consumer consumers members of the Platform do not perceive their experience with the Platform to be useful, or consider the information, services and products that are offered through the Platform directory to be relevant to their personal taste and interests, we may not be able to attract new consumer consumers members, retain existing consumer consumers members, recover past consumer consumers members or maintain or increase the frequency and duration of consumer consumers members' engagement. Our target demographic market is American consumers who desire to purchase products and services from businesses that share their patriotic, pro- American values. We also may not be able to penetrate our target demographic market in a meaningful manner to grow our number of members consumers. When signing up for the Platform, businesses are required to confirm that they respect our five core values. The number of consumers or businesses who are willing to make such a confirmation may be less than we expect, potentially limiting the demand for the Platform. Further, a large portion of consumer consumers or business members owners in the United States may not share our values. These factors may limit our ability to further increase our member consumer base and attract advertisers. If we are unable to increase the base of consumers and businesses actively using the Platform, or if our members business owners and advertisers do not believe the Platform provides them with sufficient value and utility, our business would be materially and adversely affected. There are many other factors that could negatively affect member business owner and advertiser growth, retention and engagement, including if:

- new competitors enter the market with business models similar to ours;
- competitors mimic our products or product features or create more engaging platforms or products, causing members business owners to utilize their products instead of, or more frequently than, our products;
- we do not provide a compelling member consumer experience because of the decisions we make regarding our products or the type and frequency of products, services and advertisements that we display on the Platform;
- the content (including products, services and advertisements of our business businesses members) is not relevant to consumer consumers members' tastes or interests;
- search queries by consumer consumers members do not yield relevant results;
- third parties do not permit or continue to permit their content to be displayed on the Platform;
- consumer consumers and business members owners have difficulty or are blocked from installing, updating or otherwise accessing the Platform on mobile devices or web browsers;
- our adherence to our five core values results in business decisions that are not in our best financial interests;
- there are changes in the amount of time consumer consumers members spend across apps and platforms, including ours;
- consumer consumers and business members owners use or spend more time on other platforms that they feel are more relevant or engaging;
- we are unable to provide engaging and relevant content on the Platform;
- technical or other problems frustrate the consumer and business member experience, particularly if those problems prevent us from delivering our services in a fast and reliable manner;
- we are unable to successfully educate consumer consumers members on how to utilize new products and product features that we introduce, such as e-commerce shopping features;
- unscrupulous manufacturers and suppliers attempt to counterfeit, pirate, sell, and gray market our authentic D2C product offerings, which would cause us to incur expenses to combat these attacks and could materially and adversely impact our business and harm our reputation;
- consumer spending levels decrease due to increased inflationary pressures;
- platform participants behave in ways that negatively affect public perception of the Platform;
- changes in laws and regulations adversely affect our business;
- we are unable to address member consumer, business owner, and advertiser concerns regarding the content, privacy and security of the Platform;
- we are unable to combat spam, hostile, inappropriate, misleading, abusive or offensive content or usage of our products or services;
- consumer consumers members adopt new technologies that block our products or services or where our products or services may be displaced in favor of other products or services, or may not be featured or otherwise available;
- our reputation, or public perception of us or persons associated with us;
- third-party initiatives that may enable greater use of the Platform, including consumer discounts or rewards, are discontinued;
- merchants exist on the Platform that do not provide consumer consumers members with positive shopping experiences, for example, if products are not of the quality depicted on the platform or not readily available for purchase, are not priced competitively or for other reasons do are not in line with changing consumer preferences;
- there are macro level conditions that are beyond our control, such as national or regional economic or political conditions within the United States that affect our member consumer base and that cause consumer consumers members to spend less time on the Platform; or
- Any failure to increase or any decrease in member consumer growth, retention or engagement would render the Platform less attractive to consumer and business members owners or advertisers, and would materially harm our business, revenue and financial results. The market for the Platform and services may not be as large as we believe it to be. We believe the market for our values- aligned platform is substantial, but it is still relatively new, and it is uncertain to what extent or how widespread market acceptance of the Platform will be or how long such acceptance, if achieved, may be sustained. Our success will depend

on the willingness of people to widely adopt the PSQ **Platform** experience, values and the products and services that we offer through the Platform. If the public does not perceive our products and services sold through the Platform to be beneficial, or chooses not to adopt them as a result of concerns regarding privacy, accessibility, or for other reasons, including an unwillingness to confirm that they respect our five core values or as a result of negative incidents or experiences they encounter through the Platform, or instead opt to use alternatives to the Platform, then the market for the Platform may not continue to grow, may grow slower than we expect, or may not achieve the growth potential we expect, any of which could materially adversely affect our business, financial condition, and results of operations. Our business depends on hiring, developing and retaining highly skilled and dedicated employees, and any failure to do so, including turnover in our senior management and other key personnel, could have a material adverse effect on our business. We strive to attract, motivate, and retain team members in the West Palm Beach, Florida market who share a dedication to our five core values and vision, but given the increasingly competitive market for talent, we may not be successful in doing so. Our hiring requirements and employees seeking work elsewhere could impair our ability to meet the demands of our customers and could harm our business especially due to a prolonged gap in skills in the marketplace. Other companies, including competitors, may be successful in recruiting and hiring team members away from us, and it may be difficult for us to find suitable replacements on a timely basis, on competitive terms or at all. In addition, we may experience employee turnover as a result of the ongoing “ great resignation ” occurring throughout the economy. None of our employees are covered by a collective bargaining agreement. We consider our relations with our employees to be very positive. Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and prospective employees. The principal purposes of our incentive plans are to attract, retain and motivate select employees, executive officers and directors through the granting of share- based compensation awards and cash- based performance bonus awards. If these plans do not successfully incentivize our potential and current employees to join and stay with us, we may experience difficulties meeting the demands of our **consumers and business partners and consumer members**, which could harm our business and operating results. If we cannot maintain our company culture as we grow, our success and our business and competitive position may be harmed. We believe our culture has been a key contributor to our success to date and that the critical nature of the platform that we provide promotes a sense of greater purpose and fulfillment in our employees. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, and to our ability to effectively focus on and pursue our corporate objectives. As we grow and develop the infrastructure of a public company, we may find it difficult to maintain these important aspects of our culture. If we fail to maintain our company culture, our business and competitive position may be harmed. Our success depends on establishing and maintaining a strong brand and base of business **owners and consumer consumers members** of the Platform, and any failure to establish and maintain a strong brand or **member-consumer** base would adversely affect our future growth prospects. Since our inception as **private-Private** PSQ in 2021, we have developed what we believe is a strong brand and base of business **owners and consumer consumers members**. Growing, maintaining, protecting and enhancing the “ **PSQ-PublicSquare** ” brand is critical to expanding our base of **business-businesses and consumer consumers members**, and advertisers and increasing the frequency with which they use the Platform. We believe that sustaining a favorable reputation for our brand and platform will depend largely on our ability to maintain consumer trust in our solutions and in the quality and integrity of the directory content and other information found and products and services offered through the Platform. We believe that having our business **members-owners** confirm that they respect our five core values helps ensure platform mutual trust in order to protect our brand and drive consumer and business satisfaction and retention. In addition to having our business **members-owners** confirm our five core values, we verify and vet our **business-businesses members** for quality and values-alignment by researching the businesses through search engines to assess their public reputation and conducting diligence calls with the businesses. If we do not successfully continue to grow and maintain a strong brand, our business would be adversely affected. In addition, we have received and expect to continue to receive a high degree of media coverage, including social media coverage, around the world. If such media coverage presents, or relies on, inaccurate, misleading, incomplete, or otherwise damaging information regarding us (or if public perception of us becomes less favorable for any other reason, including shifts in consumer tastes or preferences or other factors, many of which are outside of our control), such coverage could damage our reputation in the industry and with current and potential **business-businesses and consumer consumers members**, employees, and investors, and our business, financial condition, results of operations, and growth prospects could be adversely affected. Negative publicity or media coverage about us or persons or businesses associated with us could adversely affect our reputation and our business, results of operations and future growth prospects. We have in the past and may in the future receive a high degree of media coverage around the world. Negative publicity or other changes in public perceptions about our company, including our technology, values and ideologies, sales practices, personnel or customer service, or regarding any of our ambassadors and influencers **in our Outreach Program** or others who publicly support our business, could adversely affect the growth of our business, our reputation or demand for the Platform, and diminish confidence in and the use of products and services sold through the Platform. Such negative publicity also could have an adverse effect on the size, engagement, and loyalty of our business **and owners, consumer member-base**, and advertisers, and result in decreased revenue, all of which could adversely affect our business and financial results. In addition, any negative publicity could adversely affect the willingness of vendors, service providers and others to do business with us. Because of our industry and the growing use of social and digital media by consumers and third parties generally to disseminate and share information increases the speed and extent to which information, misinformation and opinions can be shared, negative publicity or other information affecting public perception of us, our brands or products on social or digital or other media could adversely affect, potentially swiftly and materially, our business, financial condition and results of operations. **Our success depends in part on the continued success of our Outreach Program which engages highly influential individuals to act as influencers and ambassadors to advocate for the Platform and our five core values. Any adverse publicity relating to our ambassadors and influencers, or the loss of their**

services, could adversely affect our success. We partner with highly influential individuals to increase consumer awareness of the Platform and promote our five core values through our Outreach Program. Our success depends in part on the continued success of our Outreach Program, which engages influencers and ambassadors to promote the Platform. The reputation and popularity of the ambassadors and influencers participating in our Outreach Program has a significant impact on the success of the Outreach Program. Our Outreach Program may be negatively impacted by a number of factors, including the reputation and popularity of our ambassadors and influencers engaged in promoting us. Adverse publicity relating to an ambassador or influencer could adversely impact our revenues and results of operations as well as our ability to maintain or generate a consumer base. Additionally, a decline in the number of ambassadors and influencers or in their popularity, could adversely impact our success. We believe that maintaining and enhancing our Outreach Program is important to our business, financial condition and results of operations. If we fail to maintain and enhance the Outreach Program, or if excessive expenses are incurred in an effort to do so, our business, financial condition and results of operations could be materially and adversely affected. The failure of our ambassadors, influencers or members of our senior management or Board of Directors (the "Board") to protect their reputation could have a material adverse effect on our business, reputation and image. Additionally, if any of our ambassadors, influencers or members of our senior management or Board develop a reputation that is misaligned with our five core values, it could have a material adverse effect on our business reputation and image. The failure of our ambassadors, influencers or members of our senior management or Board to protect their reputation could have a material adverse effect on our business, reputation and image. Our success is partially dependent on the reputations of these individuals. The reputations of any of our ambassadors', influencers' or members of our senior management or Board may be harmed due to factors outside our control, including activities in which these individuals might engage in their personal capacities or on behalf of other endeavors in which they may be involved with, which could negatively impact our image and have a material adverse effect on our business. Additionally, if any of our ambassadors, influencers or members of our senior management or Board develops a reputation that is misaligned with our five core values, it could have a material adverse effect on our business reputation and image. If any of these individuals express views that are incongruent with our five core values, it could have a material adverse effect on our business, including adversely affecting our relationships with our business partners or deterring others from doing business with us. To the extent that our ambassadors, influencers or members of our senior management or Board cease to be appealing to consumer consumers members-, business members-owners, or advertisers or to our other business partners, or their reputation is adversely affected, the value of the brands they promote, and the sales of the related products produced by the promoted brands on the Platform, could be adversely affected and that adverse effect could be material. Damage to the reputations of our ambassadors, influencers or members of our senior management or Board could have a material adverse effect on our results of operations, financial condition and cash flows, as well as require additional resources to maintain or rebuild our reputation. We have offered and intend to continue to offer incentives, including economic incentives, to influencers and ambassadors in our Outreach Program to join and promote the Platform, and these arrangements have involved and are expected to continue to involve fixed payment obligations or the issuances of equity that are not contingent on actual revenue or performance metrics generated by the applicable influencer, which may adversely impact our financial performance, results of operations and liquidity. Our consumer and business member-owner base and member engagement and advertiser growth are directly driven by the information and services available on the Platform. We As part of our Outreach Program, we have partnered with a number of influential individuals to promote the Platform as influencers and ambassadors, which has enabled our significant platform growth. Our goal is to attract even more influencers and ambassadors to the Platform, further accelerating the Platform's growth, and we have offered incentives, including economic incentives, to influencers and ambassadors to join our Outreach outreach Program program. These incentives have or may include cash incentives and equity grants. To the extent our revenue and / or member-business and consumer growth assumptions associated with any influencer or ambassador do not meet our expectations or realize our expected return on investment, our financial performance, results of operations and liquidity may be negatively impacted. In addition, to the extent any influencers, ambassadors, members of our management team, members of our Board, or others who are associated with or promote our business are the subject of negative publicity, such negative publicity or any relationship we have with any such person may adversely affect our business. Certain content or communications by consumer-consumers or business members-owners participating on the Platform could deter current or potential consumer-consumers and business members-owners from using the Platform and adversely affect relationships with our business partners, and we may face negative publicity, litigation or other legal actions or other potential harm or liability as a result of that content, regardless of whether such content violated any law. Consumer Consumers and business members-owners participating on the Platform may make controversial communications as part of their business communications, whether on the Platform or in other settings. Any such content may result in negative publicity, regardless of whether such content violated any law. In addition, any such content, even if not generated by us, may expose us to the risk of litigation or other formal legal action or liability. We may be sued or face regulatory liability for claims relating to communications or information that is made available on the Platform, including, but not limited to, claims of defamation, disparagement, intellectual property infringement, or other alleged damages could be asserted against us. Additionally, such content could harm our efforts to attract and retain other consumer-consumers and-, business members-owners, and advertisers or result in other harm to our business. Further, we must continually manage and monitor the Platform and detect violations of our terms of service. If a significant amount of conduct that violates our terms of service was not detected and remediated by us in a timely manner, or if a significant amount of information was perceived by members or the media to violate our terms of service, whether or not such perceptions were accurate, our brand, business and reputation could be harmed. This risk increases as the Platform continues to grow. In the event our members-consumers or business owners do not agree with our policies and procedures or their implementation, such members-individuals could decrease their usage of the Platform (or cease using us entirely), which could have a material adverse effect on our business or

our results of operations for any period. Additionally, there is a risk that ~~members~~ **business owners** will make communications that may be viewed as representing certain political viewpoints, leading to public perceptions that we endorse those viewpoints, regardless of whether or not such perceptions are accurate. There can be no guarantee that current or future negative publicity, complaints, allegations, political controversies, investigations or legal proceedings with respect to the Platform, even if baseless, will not generate adverse publicity that could damage our reputation. Any damage to our reputation could harm our ability to attract and retain ~~business~~ **businesses** and ~~consumer~~ **consumers** members. ~~Our five core values may not always align with the interests of our business or our stockholders.~~ We consider our five core values as a guide to the decisions we make, which we believe are essential to our success in increasing our business and, ~~consumer member,~~ and advertiser growth rate and engagement and in serving the best, long- term interests of both us and our stockholders. In the past, we have forgone, and may in the future forgo, certain expansion or revenue opportunities that we do not believe are aligned with our five core values, even if our decision may negatively impact our operating results. Decisions that we make based on our five core values that do not align with our business objectives or contribute to the economic value of shares of our capital stock to our stockholders may not result in the benefits that we expect, in which case our ~~member~~ **consumer and business owner** engagement, business, operating results, and financial condition could be harmed. We have a dual class multiple voting stock structure. Our Class A Common Stock, with one vote per share, is held by all of our ~~public~~ stockholders ~~other than~~ **Michael Seifert**, our Founder ~~who,~~ **Chief Executive Officer and Chairman of the Board**, holds shares of our Class C Common Stock, which provides our Founder with voting control with respect to all matters to be voted upon by our stockholders (except for certain matters which require a ~~super-majority~~ **majority** vote or the approval of both the Class A Common Stock and Class C Common Stock voting as separate classes, with respect to which the holders of the Class C Common Stock will have sufficient voting power to prevent, but not on their own approve), so long as our Founder continues to hold shares of Class C Common Stock with the rights and preferences set forth in our ~~Charter~~ **restated certificate of incorporation**. Accordingly, our Founder exercises significant additional control over the direction of our business and the decisions we make as a result of his ownership of Class C Common Stock, and our Founder has significant influence over how we apply our five core values and any changes that that we may make to our core values in the future. ~~Any failure by us to attract advertisers or any change in or loss of relationships with our existing advertisers could adversely affect our business and results of operations. For the years ended December 31, 2023 and 2022, more than half of our revenue was generated by the sale of advertising products. Our ability to grow our the FinTech segment business depends on our ability to maintain and expand our advertiser-merchant base, especially with the nascent PSQ Payments. To do so ensure growth in the Financial Technology segment,~~ we must demonstrate to prospective advertisers ~~merchants~~ of the benefits of our products, including those who may not be familiar with the ~~Platform~~ **Company** or the products and services ~~we offered-- offer~~ **offer** by us or by business members participating on the Platform. In addition, we may incur costs to attract ~~advertisers-merchants~~ and these costs could be significant. We must also convince existing and prospective ~~advertisers-merchants~~ **merchants** that our advertising **credit and BNPL** products work to their benefit and achieve their desired return on investment. The universe of ~~advertisers-merchants~~ **merchants** willing to advertise on ~~partner with~~ the ~~Platform~~ **Company** may be more limited than may be the case for other ~~financial technology providers due~~ **platforms and marketplaces**, as ~~advertisers on the Platform are required to confirm that they respect our core values. Our advertisers do not typically enter into long-term obligations to advertise on the Platform. In addition, we rely heavily on advertising spend by small and medium-sized local business members, which can have high failure rates and often have limited advertising budgets. As a result, we may experience attrition in our advertisers in the ordinary course of business resulting from several factors, including losses to competitors, lower priced competitors, perceptions that our advertising solutions are unnecessary or ineffective, declining advertising budgets, closures and bankruptcies. We must continually add new advertisers both to replace advertisers who choose not to renew their advertising or who go out of business, or otherwise fail to fulfill their advertising contracts with us, and to grow our business. Our advertisers' decisions to renew will depend on a number of factors, including the degree of satisfaction with the return on their advertising investment in us and their ability to continue their operations and spending levels. If we are unable to attract new advertisers or if existing advertisers do not renew with us or if we experience significant advertiser attrition, our business, financial condition and results of operations would be harmed. Additionally, most advertisers rely on tools that measure the effectiveness of their advertising campaigns in order to allocate their advertising spend among various formats and platforms. If we are unable to accurately measure the effectiveness of advertising on the Platform, or if we are unable to convince advertisers that the Platform should be part of their larger advertising budget, our ability to increase the demand and pricing of our advertising tools and maintain or scale our revenue may be limited or decline. Our ability to develop and offer products that accurately measure the effectiveness of an advertising campaign on the Platform is critical to our ability to attract new advertisers and retain, and increase spend from, our existing advertisers. In addition, web and mobile browser developers, such as Apple, Microsoft or Google, have implemented and may continue to implement changes, including requiring additional user permissions, in their browser or device operating system that impair our ability to measure and improve the effectiveness of advertising on the Platform. Such changes include limiting the use of first-party and third-party cookies and related tracking technologies, such as mobile advertising identifiers, and other changes that limit our ability to collect information that allows us to attribute members' actions on advertisers' websites to the effectiveness of advertising campaigns run on the Platform. For example, Apple launched its Intelligent Tracking Prevention ("ITP") feature in its Safari browser. ITP blocks some or all third-party cookies by default on mobile and desktop and ITP has become increasingly restrictive over time. Apple's related Privacy-Preserving Ad Click attribution, intended to preserve some of the functionality lost with ITP, would limit cross-site and cross-device attribution, prevent measurement outside a narrowly-defined attribution window, and prevent advertisement re-targeting and optimization. Further, Apple introduced an App Tracking Transparency framework that limits the ability of mobile applications to request an iOS device's advertising identifier and may also affect our ability to track business and consumer members' actions off the Platform and connect user interactions with on-platform advertising.~~

Similarly, Google recently announced that it plans to stop supporting third-party cookies in its Google Chrome browser. These web and mobile browser developers have also implemented and may continue to implement changes and restrictions in browser or device functionality that limit our ability to communicate with or understand the identity of our business and consumer members. These restrictions and changes make it more difficult for us to provide the most relevant advertisements to our consumer members, as well as decrease our ability to measure the effectiveness of, re-target or optimize advertising on the Platform. Developers may release additional technology that further inhibits our ability to collect data that allows us to measure the effectiveness of advertising on the Platform. Any other restriction, whether by law, regulation, policy (including third-party policies) or otherwise, on our ability to collect and share data which our advertisers find useful or that further reduces our ability to measure the effectiveness of advertising on the Platform would impede our ability to attract, grow and retain advertisers. Advertisers and other third parties who provide data that helps us deliver personalized, relevant advertising may restrict or stop sharing this data and it therefore may not be possible for us to collect this data within the Platform or from another source. We rely heavily on our ability to collect data and metrics to help new and existing advertisers understand the performance of advertising campaigns. If advertisers do not perceive our metrics to be accurate representations of our business and consumer members and user engagement, or there are inaccuracies in our metrics, advertisers may decrease or eliminate allocations of their budgets or resources to the Platform, which could harm our business, operating results, and financial condition. If engagement by **consumers** business members or users on the Platform fails to increase or declines, our revenue, business and operating results will be harmed. The number of businesses and **users** **consumers** that use the Platform and their level of engagement on the platform are critical to our success. We must continue to engage and retain existing business and **consumer** **consumers** members on the Platform, as well as attract, engage and retain new business and **consumer** **consumers** members. The number of business and **users** **consumers** on the Platform may not continue to grow at the current growth rate in platform participation that we have experienced since inception, if at all, and it may even decline. If current and potential business **members** **owners** and **users** **consumers** do not perceive their experience with the Platform to be useful, the content generated on the platform to be valuable or relevant or the connections with businesses and **users** **consumers** that may result from platform engagement to be worthwhile, we may not be able to attract new business **members** **owners** and **users** **consumers**, retain existing business **members** **owners** and **users** **consumers** or maintain or increase the frequency and duration of their engagement on the Platform. In addition, if our existing business **members** **owners** and **users** **consumers** decrease the frequency or duration of their engagement or the growth rate or our business **members** **owners** and **users** **consumers** base slows or reverses, we may be required to incur significantly higher marketing expenses than we currently anticipate in order to acquire new business **members** **owners** and **users** **consumers** or retain current **business** **businesses** and **consumer** **consumers** members. There are many factors that could negatively impact our ability to grow, retain and engage current and prospective businesses **owners** and **consumer** **consumers** members, including, but not limited to: ● **users** failing to migrate their engagement from or increasing their engagement with competitors' platforms, products or services instead of, or more frequently than, the Platform; ● **changes** in the amount of time **users** **consumers** spend across all applications and platforms, including the Platform; ● **our** failure to introduce platform enhancements that business **members** **owners** and **users** **consumers** find engaging, or our introduction of new features, terms, policies or procedures, or making changes to the Platform, that are not favorably received by current or prospective business **owners** and **consumer** **consumers** members; ● **decline** in the quality or competitiveness of the businesses or products offered on the Platform; ● **technical** or other problems frustrating the user experience, such as problems that prevent us from delivering our services in a fast and reliable manner; ● **business** **members** **owners** and **users** **consumers** having difficulty installing, updating or otherwise accessing the Platform on mobile devices or through the app or web browsers; ● **user** **consumer** behavior on the Platform changing; ● **decreases** in **user** or **business** **member** **owner** or **consumer** sentiment due to questions about the quality or usefulness of the Platform, concerns about the nature of businesses, products and services or advertising content made available on the platform, concerns related to privacy, safety, security, well-being or other factors; ● **users** **consumers** become less able or willing to spend money on values-aligned products and services offered through the Platform; ● **changes** mandated by legislation, government and regulatory authorities, or litigation that adversely impacts the Platform or **our** **consumer** **consumers** members; ● **changes** to how we promote different features on the Platform; ● **public** perception of us, the Platform or our **members** **consumers** becomes less favorable or unfavorable due to actions by platform participants, changes in tastes and interests or other reasons; ● **initiatives** designed to attract and retain **members** **consumers** and **business** **owners** and engagement are unsuccessful or discontinued, whether as a result of actions by us, third parties, or otherwise; ● **if** we, or other partners and companies or individuals with whom we have commercial or other relationships, or other participants in the industry, are the subject of adverse media reports or other negative publicity; or ● **if** we are unable to preserve and enhance our brand and reputation as a trusted values-aligned platform. Any decrease in **member** **consumer** or **business** growth, retention or engagement could render our service less attractive to **consumer** or **business** **members** **owners**, **consumers** and advertisers, and could harm our business, operating results, and financial condition. In addition, business **member** **owner** affirmation of and adherence to our five core values is a critical feature of the Platform because we believe it demonstrates that the **business** **businesses** members on the platform are actually values-aligned with us and our **consumer** **consumers** members. If **business** **businesses** members on the Platform are not correctly or accurately verified, or if our verification processes prove to be ineffective, it could result in distortion of perceived growth metrics or adverse **member** **consumer** experiences. If we were to change our affirmation and adherence methods, that may adversely impact our ability to add new **members** **consumers** or retain existing **members** **consumers** and advertisers. If we fail to generate and maintain a sufficiently high quality directory of **business** **businesses** members on the Platform, we may be unable to provide **users** **consumers** with the information they are looking for, which could negatively impact our traffic and revenue. Our success depends on our ability to provide **consumer** **consumers** members with the information they seek, which in turn depends on the quantity and quality of the business **member** directory information provided by us on the Platform. In addition, we may not be

able to provide ~~consumer~~ **consumers** ~~members~~ the information they seek if the information on the Platform is not up- to- date. If the Platform does not provide useful or current information about local ~~business~~ **businesses** ~~members~~, our brand and our business could be harmed. If we are unable to provide ~~consumer~~ **consumers** ~~members~~ with the information they seek, or if they can find equivalent or better content on other platforms, they may stop or reduce their use of the Platform, and traffic to our website and on our mobile app may decline. If our ~~member~~ **consumer** traffic declines, our advertisers may also stop or reduce the amount of advertising on the Platform and our business could be further harmed. We accept payments using a variety of methods, including credit and debit cards. As we offer new payment options to our ~~business~~ **businesses** and ~~consumer~~ **consumers** ~~members~~, we may be subject to additional regulations, compliance requirements, and fraud. For certain payment methods, including credit and debit cards, we pay interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We rely on third- party payment processors to process payments, refunds, and reimbursements made generally to us by ~~business~~ **businesses** ~~members~~ subscribing to the Platform and ~~consumer~~ **consumers** ~~members~~ using the Platform. Under our commercial agreements with these third- party payment processors, they may terminate the relationships with us. If one of these third parties terminates its relationship with us or refuses to renew its agreement with us on commercially reasonable terms, we could incur substantial delays and expense in finding and integrating an alternative payment service provider to process payments from ~~business~~ **businesses** ~~members~~, and the quality and reliability of any such alternative payment service provider may not be comparable. Further, the software and services provided by these third parties may not meet our expectations, may contain errors or vulnerabilities, and could be compromised or experience outages. Additionally, payment processing software is complex and involves automated processes implemented by us and third parties that we engage that can be misinterpreted or susceptible to errors. These risks have caused us, and may in the future cause us, to lose our ability to accept and account for online payments or other payment transactions, which could disrupt our business for an extended period of time, make the Platform less convenient and attractive to ~~members~~ **consumers**, expose business ~~members~~ **owners**, or materially adversely affect our business, financial condition, ability to forecast accurately, and results of operations. If we are unable to maintain our chargeback or refund rates at levels that credit and debit card issuers and payment processors deem acceptable, these entities may increase fees for chargeback transactions or for many or all categories of transactions, may increase the rates of declining transactions, or they may terminate their relationship with us. Any increases in fees could adversely affect our operating results, particularly if we elect not to raise the prices for transactions on the Platform to offset the increase. The termination of our ability to process payments on any major credit or debit card or through certain online payment service providers or payment processors could significantly impair our ability to operate our business. We may also be subject to or voluntarily comply with a number of other laws and regulations relating to money laundering, money transmission, international money transfers, privacy and information security, and electronic fund transfers. If we are found to be in violation of such applicable laws or regulations, we could be subject to civil and criminal penalties or forced to cease our payments processing services or otherwise make changes to our business practices. Uncertain global macro- economic and political conditions could materially and adversely affect our results of operations and financial condition. Our results of operations could be materially affected by economic and political conditions in the United States and internationally, including inflation, deflation, interest rates, availability of capital, war, terrorism, aging infrastructure, pandemics, energy and commodity prices, trade laws, election cycles and the effects of governmental initiatives to manage economic conditions. **Management is evaluating the impact of potential future tariffs on our Brands segment operations.** Current or potential ~~business~~ **businesses** and ~~consumer~~ **consumers** ~~members~~ may delay or decrease spending on our products and services sold through the Platform as their business and / or budgets are impacted by economic conditions. The inability of current and potential ~~business~~ **businesses** and ~~consumer~~ **consumers** ~~members~~ to pay us for products and services sold through the Platform may adversely affect our earnings and cash flows. If we fail to maintain adequate operational and financial resources, we may be unable to execute our business plan or maintain high levels of service and ~~member~~ **consumer** satisfaction. We have experienced, and expect to continue to experience, rapid growth, which has placed, and may continue to place, significant demands on our management and our operational and financial resources. Our organizational structure may become more complex as we scale our operational, financial, compliance and management controls, as well as our reporting systems and procedures, and expand internationally. As we continue to grow, we will face challenges of integrating, developing, training, and motivating a growing employee base and navigating a complex regulatory landscape. If we fail to successfully manage our anticipated growth and change, the quality of our products and services sold through the Platform may suffer, which could negatively affect our brand and reputation and harm our ability to attract and retain ~~consumer~~ **consumers** and ~~business~~ **businesses** ~~members~~, and advertisers on the Platform. To ~~manage~~ **maintain** growth in our operations and personnel, we ~~will~~ need to **continuously** ~~continue to grow and~~ **improve** ~~and expand~~ our operational, financial, and ~~management~~ **managerial** controls and our reporting systems and procedures. We will require significant capital expenditures and the allocation of valuable management resources to grow and change in these areas. Our expansion has placed, and our expected future growth will continue to place, a significant drain on our management, consumer and business ~~member~~ **owner** experience, research and development, sales and marketing, administrative, financial, and other resources. We anticipate that significant additional investments will be required to scale our operations and increase productivity, to address the needs of ~~consumer~~ **consumers** and ~~business~~ **members** ~~owners~~, and advertisers ~~or members~~ of the Platform, to further develop and enhance products and services sold through the Platform, and to expand into new areas and to scale with our overall growth. If additional investments are required due to significant growth, this will increase our costs, which may adversely affect our ability to become or remain profitable. We may not be able to scale our systems, technology, or network infrastructure to ensure that the Platform is accessible. It is important to our success that the Platform ~~members~~ **consumers** be able to access the Platform at all times. We have previously experienced, and may experience in the future, service disruptions, outages and other performance problems due to a variety of factors, including infrastructure

changes, human or software errors, capacity constraints due to the number of ~~members~~ **consumers** accessing the Platform simultaneously, and denial of service or fraud or security attacks. For example, we experienced two related outages in late May 2023 as a result of exceptionally high demand and traffic on our app, and the Platform was unavailable to business **owners** and ~~consumer~~ **consumers** ~~members~~ for less than 24 hours. We took immediate remediation steps to ensure swift restoration of our app. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. It may become increasingly difficult to maintain and improve the availability of the Platform, especially during peak usage times and as our solutions become more complex and our ~~member~~ **consumer** traffic increases. If the Platform is unavailable when ~~members~~ **consumers** attempt to access it or it does not load as quickly as they expect, ~~members~~ **consumers** may seek other services to obtain the information for which they are looking and may not return to the Platform as often in the future, or at all. This would negatively impact our ability to attract ~~members~~ **consumers** and advertisers and increase the frequency with which they use our website and mobile app. We expect to continue to make significant investments to maintain and improve the availability of the Platform and to enable rapid releases of new features and products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business and operating results may be harmed. Our disaster recovery program contemplates transitioning the Platform and data to a backup center in the event of a catastrophe. The Platform runs within a hybrid cloud service provider inside a virtual private cloud. It utilizes many managed services, as well as a mixture of elastic compute cloud. We currently use multiple availability zones within that region for fault tolerance, redundancy and high availability. We have not yet tested the procedure in full, and the transition procedure may take several days or more to complete. During this time, the Platform may be unavailable in whole or in part to our ~~members~~ **consumers**. We currently rely upon third- party providers of cloud- based infrastructure to host our products. Any disruption in the operations of these third- party providers, limitations on capacity or interference with our use could adversely affect our business, financial condition and results of operations. We outsource substantially all of the infrastructure relating to our cloud- accessible products to third- party hosting services. Our cloud- based products depend on protecting the virtual cloud infrastructure hosted by third- party hosting services by maintaining its configuration, architecture, features and interconnection specifications, as well as the information stored in these virtual data centers, which is transmitted by third- party internet service providers. Any limitation on the capacity of our third- party hosting services could impede our ability to onboard new consumers and business ~~members~~ **owners** or expand the usage of our existing ~~business~~ **businesses** and ~~consumer~~ **consumers** ~~members~~, which could adversely affect our business, financial condition and results of operations. In addition, any incident affecting our third- party hosting services' infrastructure may be caused by human error, intentional bad acts, cybersecurity incidents, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures and similar events. A prolonged service disruption affecting our cloud- based solution for any of the foregoing reasons would negatively impact our ability to serve our business **owners** and ~~consumer~~ **consumers** ~~members~~ and could damage our reputation with current and potential business **owners** and ~~consumer~~ **consumers** ~~members~~, expose us to liability, cause us to lose ~~business~~ **businesses** and ~~consumer~~ **consumers** ~~members~~ or otherwise harm our business. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the third- party hosting services we use. In the event that our service agreements with our third- party hosting services are terminated, or there is a lapse of service, elimination of services or features that we utilize, interruption of internet service provider connectivity or damage to such facilities, we could experience interruptions in access to the Platform as well as significant delays and additional expense in arranging or creating new facilities and services and / or re- architecting our cloud solution for deployment on a different cloud infrastructure service provider, which could adversely affect our business, financial condition and results of operations. We rely on various information technology systems, including our licensed Sage- Intacct enterprise resource planning (" ERP ") system to manage our operations, which subjects us to inherent costs and risks associated with maintaining, upgrading, replacing and changing systems, including impairment of our information technology, potential disruption of our internal control systems, substantial capital expenditures, demands on management time, adequate training and other risks of delays or difficulties in upgrading, transitioning to new systems or of integrating adjoining systems to our current systems. Such changes or disruptions can have a material adverse impact in delivering financial information on a timely basis to the SEC and the public markets. Our business depends on continued and unimpeded access to our directory information and services on the internet, which in turn relies on third- party telecommunications and internet service providers (" ISPs "). If we or those who engage with our content experience disruptions in such internet service for any reason, such as the failure of ISPs to provide reliable services, or if ISPs are able to block, degrade or charge for access to our content and services, we could incur additional expenses and the loss of traffic and advertisers. Products and services sold through the Platform depend on the ability of ~~members~~ **consumers** to access the Platform and the services available on the Platform via the internet. Currently, we rely on services from third- party telecommunications providers in order to provide services to our business ~~members~~ **owners** and their customers. In addition, we depend on ISPs to provide uninterrupted and error- free service through their networks. We exercise little control over these third- party providers, which increases our vulnerability to problems with the services they provide. Furthermore, telecommunications and ISPs have significant market power in the broadband and internet access marketplace, including incumbent telephone companies, cable companies, mobile communications companies and government- owned service providers. Moreover, when internet problems occur, it may be difficult to identify the source of the problem and confirm whether it is due to the acts and omissions of our service providers or another cause. Service disruption or outages, whether caused by our service, the products or services of our third- party service providers, or our business ~~members~~ **owners** or their customers' equipment and systems, may result in loss of market acceptance of the Platform and any necessary repairs or other remedial actions may force us to incur significant costs and expenses. Additionally, laws or regulations that adversely affect the growth, popularity or use of the internet, including changes to laws or regulations impacting internet neutrality, could decrease

the demand for our products or offerings, increase our operating costs, require us to alter the manner in which we conduct our business and / or otherwise adversely affect our business. We could experience discriminatory or anti- competitive practices that could impede our growth, cause us to incur additional expense or otherwise negatively affect our business. For example, paid prioritization could enable ISPs to impose higher fees and otherwise adversely impact our business. Internationally, government regulation concerning the internet, and in particular, network neutrality, may be developing or may not exist at all. Within such an environment, without network neutrality regulations, we could experience discriminatory or anti- competitive practices that could impede both our and our business ~~members-owners'~~ domestic and international growth, increase our costs or adversely affect our business. Engagement by ~~consumer-consumers~~ and ~~business-businesses~~ members on the Platform, and our ability to monetize the Platform depend upon effective operation within and compatibility with operating systems, networks, devices, web browsers and standards, including mobile operating systems, networks, and standards that we do not control. We make our content available across a variety of operating systems and through websites. We are dependent on the compatibility of our content with popular devices, desktop and mobile operating systems, and web browsers that we do not control, such as Android, and iOS. Any changes in such systems, devices or web browsers that degrade the functionality of our content or give preferential treatment to competitive content could adversely affect usage of our content. A significant portion of our traffic accesses our content and services through mobile devices and, as a result, our ability to grow traffic, engagement and advertising revenue is increasingly dependent on our ability to generate revenue from content viewed and engaged with on mobile devices. A key element of our strategy is focusing on mobile applications (“ apps ”), and we expect to continue to devote significant resources to the creation and support of developing new and innovative mobile products, services and apps. We are dependent on the interoperability of our content and our apps with popular mobile operating systems, streaming tools, networks and standards that we do not control, such as the Android and iOS operating systems. We may not be successful in maintaining or developing relationships with key participants in the mobile industry or in developing content that operates effectively with these technologies, systems, tools, networks, or standards. Any changes in such systems, or changes in our relationships with mobile operating system partners, or mobile carriers, or in their terms of service or policies that reduce or eliminate our ability to distribute and monetize our content, impair access to our content by blocking access through mobile devices, make it hard to readily discover, install, update or access our content and apps on mobile devices, limit the effectiveness of advertisements, give preferential treatment to competitive, or their own, content or apps, limit our ability to measure the effectiveness of branded content, or charge fees related to the distribution of our content or apps could adversely affect the consumption and monetization of our content on mobile devices. Additionally, if the number of platforms for which we develop our product expands, it will result in an increase in our operating expenses. In the event that it is more difficult to access our content or use our apps and services, particularly on mobile devices, or if our ~~members-consumers~~ choose not to access our content or use our apps on their mobile devices or choose to use mobile products that do not offer access to our content or our apps, or if the preferences of our traffic require us to increase the number of platforms on which our product is made available to our traffic, our traffic growth, engagement, advertising targeting and monetization could be harmed and our business and operating results could be adversely affected. Real or perceived errors, failures or bugs in the Platform or our products could materially and adversely affect our operating results and growth prospects. The software underlying the Platform and products is highly technical and complex. Our software has previously contained, and may now or in the future contain, undetected errors, bugs or vulnerabilities. In addition, errors, failures and bugs may be contained in open source software utilized in building and operating our products or may result from errors in the deployment or configuration of open source software. Some errors in our software may only be discovered after the software has been deployed or may never be generally known. Any errors, bugs or vulnerabilities discovered in our software after it has been deployed, or never generally discovered, could result in interruptions in platform availability, product malfunctioning or data breaches, and thereby result in damage to our reputation, adverse effects upon ~~members-consumers~~, loss of ~~consumer-consumers~~ and business ~~members-owners~~ and relationships with third parties, including social media networks, loss of revenue or liability for damages. In some instances, we may not be able to identify the cause or causes of these problems or risks within an acceptable period of time. The loss of Michael Seifert, Our Founder, Chief Executive Officer and Chairman of the Board, or other key personnel, or failure to attract and retain other highly qualified personnel, could harm our business. Our future success depends in large part on the continued services of senior management and other key personnel. In particular, we are dependent on the services of Michael Seifert, our Founder, Chief Executive Officer and Chairman of the Board, who is critical to the future vision and strategic direction of our business. We rely on our leadership team and key employees in the areas of engineering, sales and product development, design, marketing, operations, strategy, security, financial, legal and general and administrative functions. Our senior management and other key personnel are all employed on an at- will basis, which means that their employment could be terminated by us at any time, for any reason, and without notice. Conversely, employees may voluntarily terminate their employment at any time, for any reason, and without notice, and the risk of forfeiting equity incentives and / or losing other employee benefits might not be sufficient incentive for them to remain employed with us. We currently maintain key- person life insurance policies on all of our officers. If we lose the services of our senior management or other key personnel, or if we are unable to attract, train, assimilate, and retain the highly skilled personnel that we need, our business, operating results, and financial condition could be adversely affected. Our future success depends on our continuing ability to attract, train, assimilate, and retain highly skilled personnel, including software engineers and sales personnel. We face intense competition for qualified individuals from numerous software and other technology companies. We may not be able to retain our current key employees or attract, train, assimilate, or retain other highly skilled personnel in the future. We may incur significant costs to attract and retain highly skilled personnel, and we may lose new employees to our competitors or other technology companies before we realize the benefit of our investment in recruiting and training them. As we move into new geographies, we will need to attract and recruit skilled personnel in those areas. If we are unable to attract and retain suitably qualified individuals who are capable of meeting our growing technical, operational, and managerial

requirements, on a timely basis or at all, our business, operating results, and financial condition may be adversely affected. Changes in tax rates, changes in tax treatment of companies engaged in e-commerce, or the adoption of new tax legislation may adversely impact our financial results. Due to shifting economic and political conditions in both the United States or elsewhere, tax policies, laws, or rates may be subject to significant changes in ways that impair our financial results. Various jurisdictions have enacted or are considering digital services taxes, which could lead to inconsistent and potentially overlapping tax regimes. In the United States, the rules dealing with federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the United States Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us. In recent years, many such changes have been made and changes are likely to continue to occur in the future. It cannot be predicted whether, when, in what form, or with what effective dates, new tax laws may be enacted, or regulations and rulings may be promulgated or issued under existing or new tax laws, which could result in an increase in our tax liability or require changes in the manner in which we operates in order to minimize or mitigate any adverse effects of changes in tax law or in the interpretation thereof. Our ability to use our net operating loss carryforwards to offset future taxable income may be subject to certain limitations. As of December 31, **2024 and 2023 and 2022**, we had federal net operating loss (“NOL”) carryforwards of approximately \$ **70.0 million and \$ 26.1 million**, respectively, available to reduce future taxable income, and which may be carried forward indefinitely. At December 31, **2024 and 2023**, the Company had approximately \$ **37.0 million and \$ 14.3** million of combined state NOL carryforwards, respectively, of which some expire between 2032 and 2044 and some may be carried forward indefinitely available to offset future federal income tax liabilities. The deductibility of such U. S. federal NOLs each year is limited to 80 % of our taxable income for such year. In addition, under Section 382 of the Internal Revenue Code of 1986, as amended, the amount of benefits from our NOL carryforwards may be impaired or limited if we incur a cumulative ownership change of more than 50 % over a three- year period. We have not conducted a study to determine if any such changes have occurred that could limit our ability to use our NOL carryforwards. We may have experienced ownership changes in the past and the Business Combination is expected to result in an ownership change. As a result, our use of our U. S. federal NOL carryforwards will likely be limited. Any such disallowance may result in greater tax liabilities than we would incur in the absence of such a limitation and any increased liabilities could adversely affect our business, results of operations, financial position and cash flows. We hold a portion of our cash and cash equivalents that we use to meet our working capital needs in deposit accounts that could be adversely affected if the financial institutions holding such funds fail. Although we generally seek to diversify our cash and cash equivalents across several financial institutions in an attempt to minimize exposure to any one of these entities, we currently hold, and in the future, may hold, a portion of our cash and cash equivalents that we use to meet our working capital needs in deposit accounts at financial institutions. The balance held in these accounts may exceed the Federal Deposit Insurance Corporation (“FDIC”) standard deposit insurance limit of \$ 250, 000. If a financial institution in which we hold such funds fails or is subject to significant adverse conditions in the financial or credit markets, we could be subject to a risk of loss of all or a portion of such uninsured funds or be subject to a delay in accessing all or a portion of such uninsured funds. For example, on March 10, 2023, Silicon Valley Bank (“SVB”) and Signature Bank were closed by state regulators and the FDIC was appointed receiver for each bank. The FDIC created successor bridge banks and all deposits of SVB and Signature Bank were transferred to the bridge banks under a systemic risk exception approved by the United States Department of the Treasury, the Federal Reserve and the FDIC. While we have taken and will continue to take steps to mitigate the risk of loss of or delayed access to all or a portion of our funds held at various financial institutions, if any financial institution in which we hold funds for working capital were to fail, we cannot provide any assurances that such governmental agencies would take action to protect our uninsured deposits in a similar manner. ~~Natural disasters, including and not limited to unusual weather conditions, epidemic outbreaks, terrorist acts and political events could disrupt our business schedule.~~ The occurrence of one or more natural disasters, including and not limited to tornadoes, hurricanes, fires, floods and earthquakes, unusual weather conditions, pandemics and endemic outbreaks, terrorist attacks or disruptive political events in certain regions where our facilities are located, or where our third- party contractors’ and suppliers’ facilities are located, could adversely affect our business. Natural disasters including tornados, hurricanes, floods and earthquakes may damage our facilities or those of our suppliers, which could have a material adverse effect on our business, financial condition and results of operations. Terrorist attacks, actual or threatened acts of war or the escalation of current hostilities, or any other military or trade disruptions impacting our domestic or foreign suppliers of components of our products, may impact our operations by, among other things, causing supply chain disruptions and increases in commodity prices, which could adversely affect our raw materials or transportation costs. These events also could cause or act to prolong an economic recession in the United States or abroad. In addition, the disaster recovery and business continuity plans we have in place currently are limited and are unlikely to prove adequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans and, more generally, any of these events could cause consumer ~~member~~ confidence and spending to decrease, which could adversely impact our operations. Risks Related to Our Business Strategy and Industry Our business faces significant competition, and if we are unable to compete effectively, our business and operating results would be adversely affected. Competition among digital advertising platforms for engagement with our directory information, products and services by ~~business- businesses and consumer- consumers members~~, consumers and advertisers is intense. We compete against many companies to attract engagement with the Platform including well- established companies that have far greater financial resources and much larger user bases than we have, and companies that offer a variety of internet and mobile device- based information, products and services. As a result, it will require significant effort on our part to attract engagement away from our competitors and our competitors’ platforms may take a variety of actions to retain existing or acquire new platform engagement at the expense of the growth of engagement on the Platform, which would negatively affect our business. We believe that our ability to compete effectively for platform engagement will depend upon many factors both within and beyond our control,

including: ● the willingness of business owners and consumer consumers members to adopt our values- aligned platform and support our mission; ● the popularity, usefulness and reliability of the Platform information, and of the products and services sold through the Platform, as compared to that of our competitors; ● the timing of introduction and market acceptance of the products and services offered through the Platform; ● the continued expansion and adoption of products and services sold through the Platform; ● our ability, and the ability of our competitors, to develop new products and enhancements to existing services; ● our ability, and the ability of our competitors, to attract, develop and retain influencers and ambassadors for our Outreach outreach Program; ● our ability to generate revenues from our current and anticipated platform offerings; ● our ability to attract business members owners to advertise on the Platform; ● the frequency, relative prominence and appeal of the business members owners and advertising displayed by us or our competitors; ● public perceptions about the predominance of certain political viewpoints on the Platform, regardless of whether those perceptions are accurate; ● changes mandated by, or that we elect to make to address, legislation, regulatory constraints or litigation; ● our ability to attract, retain and motivate talented employees; ● the costs of developing and procuring new services and products, relative to those of our competitors; ● acquisitions or consolidation within our industry, which may result in more formidable competitors; and ● our reputation and brand strength relative to our competitors. We also face significant competition for advertiser spend. We compete against online and mobile businesses and traditional online directories and platforms, for advertising budgets. In determining whether to buy advertising, our advertisers will consider the demand for our content, demographics of our traffic, advertising rates, results observed by advertisers, and alternative advertising options. The increasing number of digital media options available, including through social networking tools and news aggregation websites, has expanded consumer choice significantly, resulting in traffic fragmentation and increased competition for advertising. In addition, some of our larger competitors have substantially broader content, product or service offerings and leverage their relationships based on other products or services to gain additional share of advertising budgets. Further, we expect that our core values will not appeal to all advertisers, and that as a result the universe of advertisers willing to advertise on the Platform may be more limited than may be the case for other platforms and marketplaces. We will need to continue to innovate and improve the monetization capabilities of the Platform in order to remain competitive. We believe that our ability to compete effectively for advertiser spend depends upon many factors both within and beyond our control, including: ● the willingness of advertisers to confirm that they respect our core values; ● the size and composition of our user base relative to those of our competitors; ● our advertising targeting capabilities, and those of our competitors; ● the timing and market acceptance of our advertising content and advertising products, and those of our competitors; ● our marketing and selling efforts, and those of our competitors; ● the pricing for our advertising products and services relative to those of our competitors; ● the return our advertisers receive from our advertising products and services, and those of our competitors; and ● our reputation and the strength of our brand relative to our competitors. We have limited experience with respect to determining the optimal prices and pricing structures for our products and services, which may impact our financial results. We expect that we may need to change our pricing model from time to time, including as a result of competition, global economic conditions, reductions in spending levels by our consumer consumers and, business businesses members, and advertisers generally, changes in product mix, pricing studies or changes in how data analytics are employed by organizations. Similarly, as we introduce new products and services, we may have difficulty determining the appropriate price structure for future products and services sold through the Platform, including because we may pursue business lines or enter markets in which our current management team has limited prior experience. In addition, as new and existing competitors introduce new products or services that compete with ours, or revise their pricing structures, we may be unable to attract new members business owners and advertisers at the same price or based on the same pricing model as we have used historically. Moreover, as we continue to target selling products and services through the Platform to larger organizations, these larger organizations may demand substantial price concessions. As a result, we may be required from time to time to revise our pricing structure or reduce our prices, which could adversely affect our business, operating results, and financial condition. The expansion of our operations, including in areas not part of our current operations, subjects us to additional risks that can adversely affect our operating results. We foresee further expansion of our operations as part of our growth strategy. Our current and foreseeable operations subject us to a variety of risks, including: ● challenges recruiting and retaining talented and capable management and employees; ● competition from other companies with significant market share in those markets and with better understanding of demand; ● difficulties in enforcing contracts, collecting accounts receivables, and longer payment cycles; ● challenges complying with varying securities and competition laws and regulations in other countries; ● differing regulatory and legal requirements and possible enactment of additional regulations or restrictions, which could delay or prevent the use of our services in some jurisdictions; ● transaction risk, which may negatively affect our revenue, cost of net revenue, and could result in exchange losses; ● heightened exposure to political instability, war, pandemics and terrorism; and ● overlapping of different tax regimes. Any of these risks could harm our operations and reduce our sales, adversely affecting our business, operating results, financial condition and growth prospects.

~~Changes to our existing platform and services could fail to attract engagement with the Platform and advertisers or fail to generate revenue.~~ We expect to introduce changes to our existing platform over time and from time to time, and these changes may be significant. For example, in November 2023 we launched the e-commerce functionality on the Platform. In addition, in July 2023, we commercially launched our first D2C product offering, disposable diapers and wipes, under our pro-family “EveryLife™” brand. **Since then, EveryLife has rolled out additional products including soaps, lotions, gift cards, and training pants.** We continue to evaluate additional D2C opportunities and expect to expand and diversify our branded D2C offerings in areas where we believe there is significant existing market need in the future. The success of the Platform and enhancements we make depend substantially on consumer member tastes and preferences that change in often unpredictable ways. If the Platform enhancements fail to increase engagement on the Platform and attract advertisers, we may fail to generate sufficient revenue or operating profit to justify our investments in these enhancements, and our business and operating results

could be adversely affected. In addition, we have launched and expect to continue to launch strategic initiatives, which do not directly generate revenue but which we believe will enhance our attractiveness to ~~consumer~~ **consumers** and ~~business~~ **businesses** ~~members~~ on the Platform, as well as advertisers. In the future, we expect to invest in new platform innovations, products, services, and initiatives to generate revenue, but there is no guarantee these approaches will be successful or that the costs associated with these efforts will not exceed the revenue generated. If our strategic initiatives do not enhance our ability to monetize our existing platform or enable us to develop new approaches to monetization, we may not be able to maintain or grow our revenue or recover any associated development costs and our operating results could be adversely affected. If we fail to successfully capitalize on our new e-commerce functionality or new D2C product offerings, introduce new platform innovations or expand effectively into new markets, our revenue and our business may be harmed. A key element of our growth strategy depends on our ability to develop and market new products that appeal to our ~~consumer~~ **consumers** ~~members~~. The success of our innovation and product development efforts is affected by our ability to anticipate changes in consumer preferences, the technical capability of our innovation staff, our ability to comply with applicable governmental regulations, and the success of our management and sales and marketing teams in introducing and marketing new products. There can be no assurance that we will successfully develop and market new products that appeal to ~~consumer~~ **consumers** ~~members~~. For example, product designs we develop may not contain the product attributes desired by our ~~consumer~~ **consumers** ~~members~~. Any such failure, including any failure by our e-commerce functionality to gain market acceptance or generate meaningful transaction activity and revenue or any failure of our D2C branded consumer product initiative, may lead to a decrease in our growth, sales and ability to achieve profitability, which could materially adversely affect our business, financial condition, results of operations and prospects. Additionally, the development and introduction of new products may require substantial marketing expenditures, which we may be unable to recoup if new products do not gain widespread market acceptance. If we are unsuccessful in meeting our objectives with respect to new or improved products, our business, financial condition, results of operations and prospects could be adversely affected. We may not be able to expand into or to compete successfully in a highly competitive D2C market. The D2C product markets in which we have recently begun to operate and hope to operate in the future are highly competitive and rapidly evolving, with many new brands and product offerings emerging in the marketplace. We may face significant barriers to market entry and competition from both established, well-known legacy consumer packaged goods (“CPG”) players and other emerging D2C brands. We compete and expect to continue to compete based on various product attributes including values-aligned branding, effectiveness, affordability and design, as well as our ability to establish direct relationships with our consumers ~~members~~ through the Platform. Many of our current and potential competitors have substantially greater financial and other resources than us and some of whose products are well accepted in the marketplace today. Many also have longer operating histories, established supply chains, larger fulfillment infrastructures, greater technical capabilities, faster shipping times, lower-cost shipping, lower operating costs, greater financial, marketing, institutional and other resources and larger consumer bases than we do. These factors may also allow our competitors to derive greater revenue, margins and profits from their existing consumer bases, acquire consumers at lower costs or respond more quickly than we can to new or emerging technologies and changes in product trends and consumer shopping behavior. These competitors may engage in more extensive research and development efforts, enter or expand their presence in any or all of the ~~e-commerce~~ **e-commerce** or retail channels where we compete, undertake more far-reaching marketing campaigns, and adopt more aggressive pricing policies, which may allow them to build larger consumer bases or generate revenue from their existing consumer bases more effectively than we do. As a result, these competitors may be able to offer comparable or substitute products to consumers at similar or lower costs. This could put pressure on us to lower our prices, resulting in lower revenue and margins or cause us to lose market share even if we lower prices. We expect competition in the D2C product markets to continue to increase. We believe that our ability to compete successfully in this market depends upon many factors both within and beyond our control, including: ● the size and composition of our consumer ~~member~~ **member** base; ● the number of products that we offer and feature across the Platform; ● consumer ~~member~~ **member** demand for products sold by values-aligned ~~business~~ **businesses** ~~members~~; ● our information technology infrastructure; ● the quality and responsiveness of our customer service; ● our selling and marketing efforts; ● the quality and price of the products that we offer; ● the convenience of the shopping experience that we provide on our app; ● our ability to identify and partner with key suppliers and manufacturers; ● our ability to distribute our products and manage our operations; and ● our reputation and brand strength. If we fail to enter into and compete successfully in this market, our business, financial condition, results of operations and prospects could be adversely affected. The D2C market is subject to unique risks related to payment, which, if realized, could adversely impact our business, financial condition and results of operations. The introduction and sale of our D2C branded products will likely require us to accept online payments using a variety of methods, including credit cards, debit cards, gift cards, and other forms of payment. As a result of offering such payment methods, we may become subject to regulations and compliance requirements (including obligations to implement enhanced authentication processes that could result in significant costs and reduce the ease of use of our payments products), as well as the risk of payment fraud. For certain payment methods, including credit and debit cards, we may incur interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We would need to rely on third parties to provide certain **PSQ PublicSquare** - branded payment methods and payment processing services, including the processing of credit cards and debit cards. In each case, it could disrupt our business if these companies become unwilling or unable to provide these services to us. For example, payment processing for our recently launched D2C disposable diaper and wipe products under our pro-family “EveryLife™” brand is provided by a third-party payment processor which allows customers to pay using a variety of methods. We may also be subject to payment card association operating rules if we elect to process our own payments in the future, including data security rules, certification requirements, and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. Failure to comply with these rules or requirements, as well as any breach, compromise, or failure to otherwise detect or prevent fraudulent activity

involving our data security systems, could result in our being liable for card issuing banks' costs, subject to fines and higher transaction fees, and loss of our ability to accept credit and debit card payments from our **business businesses** and **consumer consumers** members, process electronic funds transfers, or facilitate other types of online payments, and our business and operating results could be adversely affected. We would also be subject to or voluntarily comply with a number of other laws and regulations relating to payments, money laundering, international money transfers, privacy, data use, data protection, data security, data localization, network security, consumer protection, and electronic fund transfers. If we were found to be in violation of applicable laws or regulations, we could be subject to additional requirements and civil and criminal penalties, or forced to cease providing certain services. The D2C model may expose us to significant inventory risks. The sale of our D2C branded products, including our recently launched **disposable diaper and wipe** products under our pro-family "EveryLife™" brand, may expose us to significant inventory risks that may adversely affect our operating results, as a result of seasonality, new product launches, rapid changes in product cycles and pricing, defective merchandise, warranty claims, recalls, changes in consumer and business member demand and spending patterns, changes in consumer member tastes with respect to our products, and other factors. Despite our best efforts, we may not be able to accurately predict these trends and avoid overstocking or understocking D2C products we would manufacture and sell. Demand for products can change significantly between the time inventory or components are ordered and the date of sale. In addition, if we begin selling or manufacturing a new D2C product, it may be difficult to establish vendor relationships, determine appropriate product or component selection, and accurately forecast demand. The acquisition of certain types of inventory or components requires significant lead-time and prepayment and they may not be returnable. Any one of the inventory risk factors set forth above may adversely affect our operating results. ~~We may in the future make acquisitions, and such acquisitions could disrupt our operations, and may have an adverse effect on our operating results.~~ In order to expand our business, we have made and expect to continue to make acquisitions as part of our growth strategy. The success of our future growth strategy will depend on our ability to identify, negotiate, complete and integrate acquisitions and, if necessary, to obtain satisfactory debt or equity financing to fund those acquisitions. Acquisitions are inherently risky, and any acquisitions we complete may not be successful. Any acquisitions that we may undertake in the future involve numerous risks, including, but not limited to, the following:

- difficulties in integrating and managing the operations, personnel, systems, technologies, and products of the companies we acquire;
- diversion of our management's attention from normal daily operations of our business;
- our inability to maintain the key business relationships and the reputations of the businesses we acquire;
- uncertainty of entry into markets in which we have limited or no prior experience and in which competitors have stronger market positions;
- our inability to increase revenue from an acquisition;
- increased costs related to acquired operations and continuing support and development of acquired products;
- our responsibility for the liabilities of the businesses we acquire;
- potential goodwill and intangible asset impairment charges and amortization associated with acquired businesses;
- adverse tax consequences associated with acquisitions;
- changes in how we are required to account for our acquisitions under U. S. generally accepted accounting principles ("GAAP"), including arrangements that we assume from an acquisition;
- potential negative perceptions of our acquisitions by **consumer consumers** and **business businesses** members, financial markets or investors;
- failure to obtain required approvals from governmental authorities under competition and antitrust laws on a timely basis, if at all, which could, among other things, delay or prevent us from completing a transaction, or otherwise restrict our ability to realize the expected financial or strategic goals of an acquisition;
- our inability to apply and maintain our internal standards, controls, procedures and policies to acquired businesses;
- potential loss of key employees of the companies we acquire;
- potential security vulnerabilities in acquired products that expose us to additional security risks or delay our ability to integrate the product into our service offerings;
- difficulties in increasing or maintaining security standards for acquired technology consistent with our other services, and related costs;
- ineffective or inadequate controls, procedures and policies at the acquired company;
- inadequate protection of acquired IP rights; and
- potential failure to achieve the expected benefits on a timely basis or at all. Acquisitions involve many complexities, including, but not limited to, risks associated with the acquired business' past activities, difficulties in integrating personnel and human resource programs, integrating technology systems and other infrastructures under our control, unanticipated expenses and liabilities, and the impact on our internal controls and compliance with the regulatory requirements under the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). There is no guarantee that our acquisitions will increase our profitability or cash flow, and our efforts could cause unforeseen complexities and additional cash outflows, including financial losses. As a result, the realization of anticipated synergies or benefits from acquisitions may be delayed or substantially reduced. Additionally, acquisitions or asset purchases made entirely or partially for cash may reduce our cash reserves or require us to incur debt under credit agreements or otherwise. We may seek to obtain additional cash to fund any acquisition by selling equity or debt securities. We may be unable to secure the equity or debt funding necessary to finance future acquisitions on terms that are acceptable to us. If we finance acquisitions by issuing equity, convertible debt or other equity-linked securities, our existing stockholders will experience ownership dilution. The incurrence of debt may subject us to financial or other covenants, or other constraints on our business. The occurrence of any of the foregoing risks associated with acquisitions could have a material adverse effect on our business, results of operations, financial condition or cash flows, particularly in the case of a larger acquisition or substantially concurrent acquisitions. Any acquisitions, partnerships or joint ventures that we enter into could disrupt our operations and have a material adverse effect on our business, financial condition and results of operations. From time to time, we may evaluate potential strategic acquisitions of businesses, including partnerships or joint ventures with third parties. We may not be successful in identifying acquisition, partnership and joint venture candidates. In addition, we may not be able to continue the operational success of such businesses or successfully finance or integrate any businesses that we acquire or with which we form a partnership or joint venture. We may have potential write-offs of acquired assets and / or an impairment of any goodwill recorded as a result of acquisitions. Furthermore, the integration of any acquisition may divert management's time and resources from our core business and disrupt our operations or may result in conflicts with our business.

Any acquisition, partnership or joint venture may not be successful, may reduce our cash reserves, may negatively affect our earnings and financial performance and, to the extent financed with the proceeds of debt, may increase our indebtedness. We cannot ensure that any acquisition, partnership or joint venture we make will not have a material adverse effect on our business, financial condition and results of operations. ~~We may be unable to successfully grow our business if we fail to compete effectively with others to attract and retain our executive officers and other key management and technical personnel.~~ We believe our future success depends upon our ability to attract and retain highly competent personnel. Our employees are at- will and not subject to employment contracts. We could potentially lose the services of any of our senior management personnel at any time due to a variety of factors that could include, without limitation, death, incapacity, military service, personal issues, retirement, resignation or competing employers. Our ability to execute current plans could be adversely affected by such a loss. We may fail to attract and retain qualified technical, sales, marketing and managerial personnel required to continue to operate our business successfully. Personnel with the expertise necessary for our business are scarce and competition for personnel with proper skills is intense. In addition, new hires frequently require extensive training before they achieve desired levels of productivity. Additionally, attrition in personnel can result from, among other things, changes related to acquisitions, retirement and disability. We may not be able to retain existing key technical, sales, marketing and managerial employees or be successful in attracting, developing or retaining other highly- qualified technical, sales, marketing and managerial personnel, particularly at such times in the future as we may need to fill a key position. If we are unable to continue to develop and retain existing executive officers or other key employees or are unsuccessful in attracting new highly- qualified employees, our financial condition, cash flows, and results of operations could be materially and adversely affected. **Risk Risks**

**Related to Credova' s Industry** The consumer finance and buy -now -pay -later (" BNPL ") industry has become subject to increased regulatory scrutiny, and Credova' s failure to manage its business to comply with new regulations would materially and adversely affect Credova' s business, results of operations and financial condition. Regulators in various jurisdictions are showing increased attention and scrutiny of BNPL arrangements, including in those jurisdictions in which Credova operates. There is potential that Credova may become subject to additional legal or regulatory requirements if laws or regulations change in the future, the interpretation of laws and regulations changes in the future, industry standards for consumer finance and BNPL arrangements change in the future, or regulators more heavily scrutinize consumer finance and BNPL arrangements. This increased risk may relate to state lending licensing or other state licensing or registration requirements, regulatory requirements concerning consumer finance and BNPL arrangements, consumer protection or consumer finance matters, or similar limitations on the conduct of Credova' s business. There is a risk that additional or changed legal, regulatory and industry compliance standards may make it economically unfeasible for Credova to continue to operate, or to expand in accordance with its strategy. This would likely have a material adverse effect on Credova' s business, results of operations and financial condition, including by preventing Credova' s business from reaching sufficient scale. Credova operates in a highly competitive industry, and Credova' s inability to compete successfully would materially and adversely affect Credova' s business, results of operations, financial condition, and prospects. Credova operates in a highly competitive and dynamic industry with a low barrier to entry, which makes increased competition more likely. Credova' s technology platform faces competition from a variety of existing businesses and new market entrants, including competitors with BNPL products and those who enable transactions and commerce via digital payments. Despite any competitive advantage Credova may have, there is always a risk of new entrants in the market, which may disrupt Credova' s business and decrease Credova' s market share. Credova expects competition to intensify in the future, both as emerging technologies continue to enter the marketplace and as large financial incumbents increasingly seek to innovate the services that they offer to compete with Credova' s products. Technological advances and the continued growth of e- commerce activities have increased consumers' accessibility to products and services and led to the expansion of competition in digital payment options such as pay- over- time solutions. Credova faces competition in areas such as: flexibility on payment options; duration, simplicity, and transparency of payment terms; reliability and speed in processing applications; underwriting effectiveness; compliance and security; promotional offerings; fees; approval rates; ease- of- use; marketing expertise; service levels; products and services; technological capabilities and integration; customer service; brand and reputation; and consumer and merchant satisfaction. In addition, it may become more difficult to distinguish Credova' s platform, and products and services, from those of its competitors. Some of Credova' s competitors are substantially larger than Credova, which gives those competitors advantages Credova does not have, such as a more diversified product, a broader consumer and merchant base, the ability to reach more consumers, the ability to cross- sell their products, operational efficiencies, the ability to cross- subsidize their offerings through their other business lines, more versatile technology platforms, the ability to acquire competitors, broad- based local distribution capabilities, and lower- cost funding. Credova' s competitors may also have longer operating histories, more extensive and broader consumer and merchant relationships, and greater brand recognition and brand loyalty than Credova has. For example, more established companies that possess large, existing consumer and merchant bases, substantial financial resources, and established distribution channels could enter the market. Further, consumers' increased usage of BNPL platforms in recent years may encourage more of such competitors that may be in a better position, due to financial and other resources, to attract merchants and customers to their platforms. Increased competition, particularly for large, well- known merchants, has in the past resulted and will result in the need for Credova to alter the pricing it offers to merchants. If Credova is unable to successfully compete, the demand for Credova' s platform and products could stagnate or substantially decline, and Credova could fail to retain or grow the number of consumers or merchants using its platform, which would reduce the attractiveness of its platform to other consumers and merchants, and which would materially and adversely affect Credova' s business, results of operations, financial condition, and prospects. If Credova is unable to attract additional merchant partners, retain Credova' s existing merchant partners, and grow and develop Credova' s relationships with new and existing merchant partners, Credova' s business, results of operations, financial condition, and future prospects would be materially and adversely affected. Credova derives a significant portion of its revenue from its relationships with merchant

partners and the transactions they process through its platform, and as more merchants are integrated into Credova's network, there are more reasons for consumers to shop with it. Credova's ability to retain and grow its relationships with its merchant partners depends on the willingness of merchants to partner with it. The attractiveness of Credova's platform to merchants depends upon, among other things: the size of Credova's consumer base; Credova's brand and reputation; the amount of merchant fees that Credova charges; Credova's ability to sustain its value proposition to merchants for customer acquisition by demonstrating higher conversion at checkout and increased average order value; the attractiveness to merchants of Credova's technology and data-driven platform; services and products offered by competitors; and Credova's ability to perform under, and maintain, Credova's merchant agreements. Furthermore, having a diversified mix of merchant partners is important to mitigate risk associated with changing consumer spending behavior, economic conditions and other factors that may affect a particular type of merchant or industry. Many of Credova's agreements with Credova's merchant partners are non-exclusive and lack any transaction volume commitments. Accordingly, these merchant partners may have, or may enter into in the future, similar agreements with Credova's competitors, which could adversely affect Credova's ability to drive the level of transaction volume and revenue growth that Credova seeks to achieve or to otherwise satisfy the high expectations of Credova's investors and financial analysts relating to those relationships. While some of Credova's agreements with its merchant partners have provided for a period of exclusivity, those periods may be limited in duration, and Credova may not be able to negotiate extensions of those exclusivity periods on reasonable terms, if at all. If an exclusivity period with a merchant partner lapses, Credova may experience a decrease in gross merchandise volume with the merchant partner, which may adversely impact Credova's results of operations. In addition, Credova's agreements with its merchant partners generally have terms that range from approximately 12 months to 36 months, and Credova's merchants can generally terminate these agreements without cause upon 30 to 90 days' prior written notice. Credova may, therefore, be compelled to renegotiate its agreements with merchant partners from time to time, possibly upon terms significantly less favorable to Credova than the terms included in its existing agreements with those merchant partners. If Credova is unable to attract new consumers and retain and grow its relationships with its existing consumers, Credova's business, results of operations, financial condition, and future prospects would be materially and adversely affected. Credova's revenue is derived from consumer transaction volume, so Credova's success depends on its ability to generate repeat use and increased transaction volume from existing consumers and to attract new consumers to its platform. Credova's ability to retain and grow its relationships with consumers depends on the willingness of consumers to use Credova's platform and products. The attractiveness of Credova's platform to consumers depends upon, among other things: the number and variety of merchants and the mix of products available through Credova's platform; the manner in which consumers may use Credova's products, including the ease of use relative to competitor products; Credova's brand and reputation; consumer experience and satisfaction, including the trustworthiness of Credova's services; consumer trust and perception of Credova's solutions; technological innovation; and services and products offered by competitors. If Credova fails to retain its relationship with existing consumers, if Credova does not attract new consumers to its platform and products, or if Credova does not continually expand usage and volume from consumers on its platform, Credova's business, results of operations, financial condition, and prospects would be materially and adversely affected. Credova's revenue is impacted, to a significant extent, by the general economy, the creditworthiness of the U. S. consumer and the financial performance of Credova's merchants. Credova's business, the consumer financial services industry, and Credova's merchants' businesses are sensitive to macroeconomic conditions. Economic factors such as interest rates, changes in monetary and related policies, market volatility, inflationary conditions, student loan obligations, consumer confidence, and unemployment rates are among the most significant factors that impact consumer spending behavior. Weak economic conditions or a significant deterioration in economic conditions, including the current inflationary environment and possibility of a recession, reduce the amount of disposable income consumers have, which in turn reduces consumer spending and the willingness of qualified consumers to take out loans. Such conditions are also likely to affect the ability and willingness of consumers to pay amounts owed under the loans facilitated through Credova's platform, each of which would have an adverse effect on Credova's business, results of operations, financial condition, and future prospects. The generation of new loans facilitated through Credova's platform, and the transaction fees and other fee income due to Credova associated with such loans, depends upon sales of products and services by its merchants. Credova's merchants' sales may decrease or fail to increase as a result of factors outside of their control, such as the macroeconomic conditions referenced above, or business conditions affecting a particular merchant, industry vertical, or region. Weak economic conditions also could extend the length of Credova's merchants' sales cycle and cause consumers to delay making (or not make) purchases of Credova's merchants' products and services. The decline of sales by Credova's merchants for any reason will generally result in lower credit sales and, therefore, lower loan volume and associated fee income for us. In addition, if a merchant closes some or all of its locations, ceases its e-commerce operations, or becomes subject to a voluntary or involuntary bankruptcy proceeding (or if there is a perception that it may become subject to a bankruptcy proceeding), consumers may have less incentive to pay their outstanding balances on loans facilitated through Credova's platform, which could result in higher charge-off rates than anticipated. Moreover, if the financial condition of a merchant deteriorates significantly or a merchant becomes subject to a bankruptcy proceeding, Credova may not be able to recover amounts due to it from the merchant. Negative publicity about Credova or its industry could adversely affect Credova's business, results of operations, financial condition, and prospects. Negative publicity about Credova or its industry, including the transparency, fairness, user experience, quality, and reliability of Credova's platform or point-of-sale lending platforms in general, the effectiveness of Credova's risk model, the setting and charging of merchant and consumer fees, Credova's ability to effectively manage and resolve complaints, Credova's privacy and security practices, litigation, regulatory activity, misconduct by Credova's employees, funding sources, originating bank partners, service providers, or others in Credova's industry, the experience of consumers and investors with Credova's platform or services or point-of-sale lending platforms in general, or use of loan proceeds by consumers that have obtained loans facilitated through Credova's platform or other point-

of- sale lending platforms for illegal purposes, even if inaccurate, could adversely affect Credova's reputation and the confidence in, and the use of, Credova's platform. Any such reputational harm could further affect the behavior of consumers, including their willingness to obtain loans facilitated through Credova's platform or to make payments on their loans. Risks Related to Credova's Financing Program Consumers may not view or treat their BNPL product loans as having the same significance as other obligations, and the loans facilitated through Credova's platform are not secured, guaranteed, or insured and involve a high degree of financial risk. Consumers may not view the BNPL product loans facilitated through Credova's platform as having the same significance as a loan or other credit obligation arising under more traditional circumstances. If a consumer neglects his or her payment obligations on a BNPL product facilitated through Credova's platform or chooses not to repay his or her loan entirely, it will have an adverse effect on Credova's business, results of operations, financial condition, prospects, and cash flows. Generally, financing arrangements facilitated through Credova's platform are not secured by any collateral, not guaranteed or insured by any third party, and not backed by any governmental authority in any way. Therefore, Credova is limited in its ability to collect if a consumer is unwilling or unable to repay. A consumer's ability to repay can be negatively impacted by increases in their payment obligations to other lenders under mortgage, credit card, and other debt obligations resulting from increases in base lending rates or structured increases in payment obligations. If a consumer defaults, Credova may be unsuccessful in its efforts to collect and its originating bank partners could decide to originate fewer loans through its platform. An increase in defaults precipitated by these risks and uncertainties could have a material adverse effect on Credova's business, results of operations, financial condition, and prospects. Determining Credova's allowance for credit losses requires many assumptions and complex analyses. If Credova's estimates prove incorrect, Credova may incur net charge-offs in excess of its reserves, or Credova may be required to increase its provision for credit losses, either of which would adversely affect Credova's results of operations. Credova maintains an allowance for credit losses at a level sufficient to estimate expected credit losses based on evaluating known and inherent risks in Credova's loan portfolio. This estimate is highly dependent upon the reasonableness of Credova's assumptions and the predictability of the relationships that drive the results of Credova's valuation methodologies. Management has processes in place to monitor these judgments and assumptions, including review by Credova's credit committee, but these processes may not ensure that Credova's judgments and assumptions are correct. The method for calculating the best estimate of expected credit losses takes into account Credova's historical experience, adjusted for current conditions, and Credova's judgment concerning the probable effects of relevant observable data, trends, and market factors. Changes in such estimates can significantly affect the allowance and provision for losses. It is possible that Credova will experience credit losses that are different from Credova's current estimates. If Credova's estimates and assumptions prove incorrect and Credova's allowance for credit losses is insufficient, Credova may incur net charge-offs in excess of its reserves, or Credova could be required to increase its provision for credit losses, either of which would adversely affect Credova's results of operations. Credova's results depend on prominent presentation, integration, and support of Credova's platform by Credova's merchants. Credova depends on its merchants, which generally accept most major credit cards and other forms of payment (which may include pay-over-time solutions offered by Credova's competitors), to present its platform as a payment option and to integrate its platform into their website or in their store, such as by prominently featuring Credova's platform on their websites or in their stores and not just as an option at website checkout. Credova may not have any recourse against merchants if they do not prominently present its platform as a payment option or if they more prominently present solutions offered by Credova's competitors. In addition, as Credova adds new merchants, it could take a significant amount of time for these merchants to fully integrate Credova's platform and for these merchants' customers to accept Credova's pay-over-time solution. The failure by Credova's merchants to effectively present, integrate, and support Credova's platform would have a material and adverse effect on Credova's business, results of operations, financial condition, and future prospects. Credova's vendor relationships subject it to a variety of risks, and the failure of third parties to comply with legal or regulatory requirements or to provide various services that are important to Credova's operations could have an adverse effect on Credova's business, results of operations, financial condition, and future prospects. Credova has significant vendors that, among other things, provide it with financial, technology, and other services to support Credova's products and other activities, including, for example, credit ratings and reporting, cloud-based data storage and other IT solutions, and payment processing. The Consumer Financial Protection Bureau ("CFPB") has issued guidance stating that institutions under its supervision may be held responsible for the actions of the companies with which they contract. Accordingly, Credova could be adversely impacted to the extent its vendors fail to comply with the legal requirements applicable to the particular products or services being offered. In some cases, vendors are the sole source, or one of a limited number of sources, of the services they provide to us. Most of Credova's vendor agreements are terminable by the vendor on little or no notice, and if Credova's current vendors were to terminate their agreements with Credova or otherwise stop providing services to it on acceptable terms, Credova may be unable to procure alternatives from other vendors in a timely and efficient manner and on acceptable terms (or at all). If a vendor fails to provide the services Credova requires, fails to meet contractual requirements (including compliance with applicable laws and regulations), fails to maintain adequate data privacy controls and electronic security systems, or suffers a cyber-attack or other security breach, Credova could be subject to CFPB, the Federal Trade Commission ("FTC") and other regulatory enforcement actions, claims from third parties, including Credova's consumers, and suffer economic and reputational harm that could have an adverse effect on Credova's business. Further, Credova may incur significant costs to resolve any such disruptions in service, which could adversely affect Credova's business. If Credova's merchants fail to fulfill their obligations to consumers or comply with applicable law, Credova may incur costs. Although Credova's merchants are obligated to fulfill their contractual commitments to consumers and to comply with applicable law from time to time, they might not, or a consumer might allege that they did not. This, in turn, can result in claims or defenses against Credova or any subsequent holder of Credova's installment agreements. If merchants fail to fulfill their contractual or legal obligations to consumers, it may also negatively affect Credova's reputation with consumers thereby negatively affecting Credova's business. Federal and state

regulatory authorities may also bring claims against Credova, including unfair and deceptive acts or practices (“ UDAP ”) or unfair, deceptive or abusive acts or practices (“ UDAAP ”) claims, if Credova fails to provide consumer protections relating to potential merchant actions or disputes. Internet- based loan origination processes may give rise to greater risks than paper- based processes. Credova uses the internet to obtain application information and distribute certain legally required notices to applicants for loans, and to obtain electronically signed loan documents in lieu of paper documents with tangible consumer signatures. These processes entail additional risks relative to paper- based loan underwriting processes and procedures, including risks regarding the sufficiency of notice for compliance with consumer protection laws, risks that consumers may challenge the authenticity of loan documents or the validity of electronic signatures and records, and risks that, despite internal controls, unauthorized changes are made to the electronic loan documents. Exposure to consumer bad debts and insolvency of merchants may adversely impact Credova’ s financial success. Credova’ s ability to generate profits depends on Credova’ s ability to put in place and optimize systems and processes to make predominantly accurate, real- time decisions in connection with the consumer transaction approval process. Credova does not perform credit checks on consumers in connection with the application process. Consumer non- payment is a major component of Credova’ s expenses, and Credova is exposed to consumer bad debts as a normal part of its operations because Credova absorbs the costs of all uncollectible notes receivables from its consumers. Excessive exposure to bad debts as a result of consumers failing to repay outstanding amounts owed to Credova may materially and adversely impact Credova’ s results of operations and financial position. Credova may incur costs from litigation relating to products offered by Credova’ s merchants, which could adversely affect Credova’ s reputation, revenue and profitability. Credova may incur damages due to lawsuits relating to products sold by Credova’ s merchants, including lawsuits relating to tree stands, firearms, and ammunition. Credova may incur losses due to lawsuits, including potential class actions, relating to Credova’ s merchants’ compliance with state and federal law relating to purchase and sale of certain products. Credova may also incur losses from lawsuits relating to the improper use of products, such as firearms or ammunition sold by merchants on Credova’ s platform, including lawsuits by municipalities or other organizations attempting to recover costs from manufacturers and retailers of firearms and ammunition. Credova’ s insurance coverage may be inadequate to cover claims and liabilities related to products offered through Credova’ s platform. In addition, claims or lawsuits related to products that are financed through Credova’ s website, or the unavailability of insurance for product liability claims, could result in the elimination of these products from Credova’ s platform, thereby reducing revenue. If one or more successful claims against Credova are not covered by or exceed its insurance coverage, or if insurance coverage is no longer available, Credova’ s available working capital may be impaired and Credova’ s operating results could be materially adversely affected. Even unsuccessful claims could result in the expenditure of funds and management time and could have a negative impact on Credova’ s profitability and on future premiums Credova would be required to pay on its insurance policies. Furthermore, because Credova’ s platform allows customers to finance merchandise such as firearms, ammunition and certain related accessories, Credova may be subject to reputational harm if a customer purchases a firearm through Credova’ s platform that is later involved in a shooting or other crime. Risks Related to Credova’ s Technology and the Credova Platform Unanticipated surges or increases in transaction volumes may adversely impact Credova’ s financial performance. Continued increases in transaction volumes may require Credova to expand and adapt its network infrastructure to avoid interruptions to its systems and technology. Any unanticipated surges or increases in transaction volumes may cause interruptions to Credova’ s systems and technology, reduce the number of completed transactions, increase expenses, and reduce the level of customer service, and these factors could adversely impact Credova’ s reputation and, thus, diminish consumer confidence in Credova’ s systems, which may result in a material adverse effect on Credova’ s business, results of operations and financial condition. Data security breaches, cyberattacks, employee or other internal misconduct, malware, phishing or ransomware, physical security breaches, natural disasters, or similar disruptions could occur and would materially adversely impact Credova’ s business or ability to protect the confidential information in Credova’ s possession or control. Through the ordinary course of business, Credova collects, stores, processes, transfers, and uses (collectively, “ processes ”) a wide range of confidential information, including personally identifiable information, for various purposes, including to follow government regulations and to provide services to Credova’ s users and merchants. The information Credova collects may be sensitive in nature and subject to a variety of privacy, data protection, cybersecurity, and other laws and regulations. Due to the sensitivity and nature of the information Credova processes, Credova and its third- party service providers are the target of, defend against and must regularly respond to cyberattacks, including from malware, phishing or ransomware, physical security breaches, or similar attacks or disruptions. Cyberattacks and similar disruptions may compromise or breach Credova’ s platform and the protections Credova uses to try to protect confidential information in Credova’ s possession or control. Breaches of Credova’ s platform could result in the criminal or unauthorized use of confidential information and could negatively affect Credova’ s users and merchants and, because the techniques for conducting cyberattacks are constantly evolving and may be supported by significant financial and technological resources (e. g., state- sponsored actors), Credova may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative or remedial measures. These risks also reside with third- party service providers and partners with whom Credova conducts business. Credova’ s business could be materially and adversely impacted by security breaches of the data and information of merchants’ and consumers’ data and information, either by unauthorized access, theft, destruction, loss of information or misappropriation or release of confidential data. These events may cause significant disruption to Credova’ s business and operations or expose it to reputational damage, loss of consumer confidence, legal claims, civil and criminal liability, constraints on Credova’ s ability to continue operation, reduced demand for Credova’ s products and services, termination of Credova’ s contracts with merchants or third party service providers, and regulatory scrutiny and fines, any of which could materially adversely impact Credova’ s financial performance and prospects. Any security or data issues experienced by other software companies or third- party service providers with whom Credova conducts business could diminish Credova’ s customers’ trust in providing it access to their personal data generally. Merchants and consumers that lose

confidence in Credova's security measures may be less willing to make payments on their loans or participate on Credova's platform. In addition, Credova's partners include credit bureaus, collection agencies and banking parties, each of whom operate in a highly regulated environment, and many laws and regulations that apply directly to them may apply directly or indirectly to Credova through Credova's contractual arrangements with these partners. Federal, state and international laws or regulators, as well as Credova's contractual partners, may require notice in event of a security breach that involves personally identifiable information, and these disclosures may result in negative publicity, loss of confidence in Credova's security measures, regulatory or other investigations, the triggering of indemnification and other contractual obligations, and other adverse effects to Credova's partner ecosystem and operations. Credova may also incur significant costs and loss of operational resources in connection with remediating, investigating, mitigating, or eliminating the causes of security breaches, cyberattacks, or similar disruptions after they have occurred, and particularly given the evolving nature of these risks, Credova's incident response, disaster recovery, and business continuity planning may not sufficiently address all of these eventualities. The retention and coverage limits in Credova's insurance policies may not be sufficient to reimburse the full cost of responding to and remediating the effects of a security breach, cyberattack, or similar disruption, and Credova may not be able to collect fully, if at all, under these insurance policies or to ensure that the insurer will not deny coverage as to any future claim. Real or perceived software errors, failures, bugs, defects, or outages could adversely affect Credova's business, results of operations, financial condition, and prospects. Credova's platform and internal systems rely on software that is highly technical and complex. In addition, Credova's platform and internal systems depend on the ability of such software to store, retrieve, process, and manage immense amounts of data. As a result, undetected vulnerabilities, errors, failures, bugs, or defects may be present in such software or occur in the future in such software, including open source software and other software Credova licenses in from third parties, especially when updates or new products or services are released. Any real or perceived vulnerabilities, errors, failures, bugs, or defects in the software may not be found until Credova's consumers use Credova's platform and could result in outages or degraded quality of service on Credova's platform that could adversely impact Credova's business (including through causing Credova not to meet contractually required service levels), as well as negative publicity, loss of or delay in market acceptance of Credova's products and services, and harm to Credova's brand or weakening of Credova's competitive position. In such an event, Credova may be required, or may choose, to expend significant additional resources in order to correct the problem. Any real or perceived errors, failures, bugs, or defects in the software Credova relies on could also subject it to liability claims, impair its ability to attract new consumers, retain existing consumers, or expand their use of its products and services, which would adversely affect Credova's business, results of operations, financial condition, and prospects. Credova also relies on online payment gateways, banking and financial institutions for the validation of bank cards, settlement and collection of payments. There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors, some of which may be outside Credova's control, including damage, equipment faults, power failure, fire, natural disasters, computer viruses and external malicious interventions such as hacking, cyber-attacks or denial-of-service attacks. Any significant disruption in, or errors in, service on Credova's platform or relating to vendors could prevent it from processing transactions on its platform or posting payments. Credova uses vendors, such as Credova's cloud computing web services provider, virtual card processing companies, and third-party software providers, in the operation of Credova's platform. The satisfactory performance, reliability, and availability of Credova's technology and Credova's underlying network and infrastructure are critical to Credova's operations and reputation and the ability of Credova's platform to attract new and retain existing merchants and consumers. Credova relies on these vendors to protect their systems and facilities against damage or service interruptions from natural disasters, power or telecommunications failures, air quality issues, environmental conditions, computer viruses or attempts to harm these systems, criminal acts, and similar events. If Credova's arrangement with a vendor is terminated or if there is a lapse of service or damage to its systems or facilities, Credova could experience interruptions in its ability to operate its platform. Credova also may experience increased costs and difficulties in replacing that vendor and replacement services may not be available on commercially reasonable terms, on a timely basis, or at all. Any interruptions or delays in Credova's platform availability, whether as a result of a failure to perform on the part of a vendor, any damage to one of Credova's vendor's systems or facilities, the termination of any of Credova's third-party vendor agreement, software failures, Credova's or its vendor's error, natural disasters, terrorism, other man-made problems, security breaches, whether accidental or willful, or other factors, could harm Credova's relationships with its merchants and consumers and also harm Credova's reputation. In addition, Credova sources certain information from third parties. In the event that any third party from which Credova sources information experiences a service disruption, whether as a result of maintenance, natural disasters, terrorism, or security breaches, whether accidental or willful, or other factors, the ability to score and decision loan applications through Credova's platform may be adversely impacted. Additionally, there may be errors contained in the information provided by third parties. This may result in the inability to approve otherwise qualified applicants through Credova's platform, which may adversely impact Credova's business by negatively impacting Credova's reputation and reducing Credova's transaction volume. To the extent Credova uses or is dependent on any particular third-party data, technology, or software, Credova may also be harmed if such data, technology, or software becomes non-compliant with existing regulations or industry standards, becomes subject to third-party claims of intellectual property infringement misappropriation, or other violation, or malfunctions or functions in a way Credova did not anticipate. Any loss of the right to use any of this data, technology, or software could result in delays in the provisioning of Credova's products and services until equivalent or replacement data, technology, or software is either developed by us, or, if available, is identified, obtained, and integrated, and there is no guarantee that Credova would be successful in developing, identifying, obtaining, or integrating equivalent or similar data, technology, or software, which could result in the loss or limiting of Credova's products, services, or features available in Credova's products or services. These factors could prevent Credova from processing transactions or posting payments on Credova's platform, damage Credova's brand and reputation, divert the attention of Credova's employees, reduce total

income, subject Credova to liability, and cause consumers or merchants to abandon Credova's platform, any of which could have a material and adverse effect on Credova's business, results of operations, financial condition, and prospects. Fraudulent activities may result in Credova suffering losses, causing a materially adverse impact to Credova's reputation and results of operations. Credova is exposed to risks imposed by fraudulent conduct, including the risks associated with consumers attempting to circumvent its system and repayment capability assessments. There is a risk that Credova may be unsuccessful in defeating fraud attempts, resulting in a higher than budgeted costs of fraud and consumer non-payment. Fraudulent activity is likely to result in Credova suffering losses, which may have a material adverse impact on Credova's reputation and cause it to bear increased costs to rectify and safeguard business operations and its systems against such fraudulent activity. Significant amounts of fraudulent cancellations or chargebacks could adversely affect Credova's business, results of operations or financial condition. High profile or significant increases in fraudulent activity could also lead to regulatory intervention, negative publicity, and the erosion of trust from Credova's consumers and merchants, which could result in a material adverse effect on Credova's business, results of operations and financial condition. Risks Related to Regulatory, Compliance and Legal We are or may be subject to numerous risks relating to the need to comply with data and information privacy laws. We are or may become subject to data privacy and securities laws and regulations that apply to the collection, transmission, storage, use, processing, destruction, retention and security of personal information. Our current privacy policies and practices are designed to comply with privacy and data protection laws in the United States. These policies and practices inform members-consumers how we handle their personal information and, as permitted by law, allow members-consumers to change or delete the personal information in their member-consumer accounts. The legislative and regulatory landscape for privacy and data protection continues to evolve in the United States, both federally and at the state level, as well as in other jurisdictions worldwide, and these laws and regulations may at times be conflicting. It is possible that these laws may be interpreted and applied in a manner that is inconsistent from one jurisdiction or is inconsistent with our practices, and our efforts to comply with the evolving data protection rules may be unsuccessful. We must devote significant resources to understanding and complying with this changing landscape. Failure to comply with federal, state, provincial and international laws regarding privacy and security of personal information could expose us to penalties under such laws, orders requiring that we change our practices, claims for damages or other liabilities, regulatory investigations and enforcement action (including fines and penalties), litigation, significant costs for remediation, and damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Although we endeavor to comply with our published privacy policies and related documentation, and all applicable privacy and security laws and regulations, we may at times fail to do so or may be perceived to have failed to do so. Even if we have not violated these laws and regulations, government investigations into these issues typically require the expenditure of significant resources and generate negative publicity, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Additionally, if we are unable to properly protect the privacy and security of personal information, including sensitive personal information (e. g., financial information), we could be found to have breached our contracts with certain third parties. There are numerous U. S. and Canadian federal, state, and provincial laws and regulations related to the privacy and security of personal information. Determining whether protected information has been handled in compliance with applicable privacy standards and our contractual obligations can be complex and may be subject to changing interpretation. For example, in 2018, California enacted the California Consumer Privacy Act ("CCPA"), which, among other things, requires new disclosures to California consumers and affords such consumers new abilities to opt out of certain sales of information and may restrict the use of cookies and similar technologies for advertising purposes. The CCPA, which became effective on January 1, 2020, was amended on multiple occasions and is the subject of regulations issued by the California Attorney General regarding certain aspects of the law and its application. Moreover, California voters approved the California Privacy Rights Act (the "CPRA") in November 2020. The CPRA significantly modifies the CCPA, creating additional obligations relating to consumer data, with enforcement beginning July 1, 2023. Aspects of the CCPA and CPRA remain unclear, resulting in further uncertainty and potentially requiring us to modify our data practices and policies and to incur substantial additional costs and expenses in an effort to comply. Similar laws have been proposed, and likely will be proposed, in other states and at the federal level, and if passed, such laws may have potentially conflicting requirements that would make compliance challenging. Similar state laws have been passed in Virginia, Colorado, Utah, Connecticut, and New Jersey and other states are expected to follow. If we fail to comply with applicable privacy laws, we could face civil and criminal fines or penalties. Failing to take appropriate steps to keep consumers' personal information secure, or misrepresentations regarding our current privacy practices, can also constitute unfair acts or practices in or affecting commerce and be construed as a violation of Section 5 (a) of the Federal Trade Commission Act (the "FTCA"), 15 U. S. C. § 45 (a). The Federal Trade Commission ("FTC") expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of our business, and the cost of available tools to improve security and reduce vulnerabilities. The FTC may also bring an action against a company who collects or otherwise processes personal information for any statements it deems misleading or false contained in privacy disclosures to consumers. While we use best efforts to comply with our published privacy policies and related documents, we may at times fail to do so, or may be perceived to have failed to do so. In addition, we may be unsuccessful in achieving compliance if our personnel, partners, or service providers fail to comply with our published privacy policies and related documentation. Such failures can subject us to potential foreign, local, state and federal action if they are found to be deceptive, unfair, or misrepresentative of our actual practices. In addition, state attorneys general are authorized to bring civil actions seeking either injunctions or damages in response to violations that threaten the privacy of state residents. We cannot be sure how these regulations will be interpreted, enforced or applied to our operations. In addition to the risks associated with enforcement activities and potential contractual liabilities, our ongoing efforts to comply with evolving laws and regulations at the federal and state level may be costly and require ongoing modifications to our policies, procedures and systems. As our

business grows, we may also become subject to international privacy laws regulating the collection, transmission, storage, use, processing, destruction, retention and security of personal information. For example, in the European Union, the collection, transmission, storage, use, processing, destruction, retention and security of personal data is governed by the provisions of the General Data Protection Regulation (the “ GDPR ”) in addition to other applicable laws and regulations. The GDPR came into effect in May 2018, repealing and replacing the European Union Data Protection Directive, and imposing revised data privacy and security requirements on companies in relation to the processing of personal data of European Union data subjects. The GDPR, together with national legislation, regulations and guidelines of the European Union Member States governing the collection, transmission, storage, use, processing, destruction, retention and security of personal data, impose strict obligations with respect to, and restrictions on, the collection, use, retention, protection, disclosure, transfer and processing of personal data. The GDPR also imposes strict rules on the transfer of personal data to countries outside the European Union that are not deemed to have protections for personal information, including the United States. The GDPR authorizes fines for certain violations of up to 4 % of the total global annual turnover of the preceding financial year or € 20 million, whichever is greater. Such fines are in addition to any civil litigation claims by data subjects. Separately, Brexit has led and could also lead to legislative and regulatory changes and may increase our compliance costs. As of January 1, 2021, and the expiry of transitional arrangements agreed to between the United Kingdom and the European Union, data processing in the United Kingdom is governed by a United Kingdom version of the GDPR (combining the GDPR and the Data Protection Act 2018), exposing us to two parallel regimes, each of which authorizes similar fines and other potentially divergent enforcement actions for certain violations. On June 28, 2021, the European Commission adopted an adequacy decision for the United Kingdom, allowing for the relatively free exchange of personal information between the European Union and the United Kingdom. Other jurisdictions outside the European Union are similarly introducing or enhancing privacy and data security laws, rules and regulations, which could increase our compliance costs and the risks associated with noncompliance. Overall, because of the complexity of these laws, the changing obligations and the risk associated with our collection and use of data, we cannot guarantee that we are, or will be, in compliance with all applicable U. S., Canadian, or other international regulations as they are enforced now or as they evolve. We are subject to cybersecurity risks and interruptions or failures in our information technology systems and as we grow, we will need to expend additional resources to enhance our protection from such risks. Any cyber incident could result in information theft, data corruption, operational disruption, loss of ~~members~~ **consumers** or advertisers on the Platform and / or a financial loss that has a material adverse impact on our business and that could subject us to legal claims. We rely on sophisticated information technology (“ IT ”) systems and infrastructure to support our business. At the same time, cybersecurity incidents, including deliberate attacks, malware, viruses, ransomware attacks, denial of service attacks, phishing schemes, and other attempts to harm IT systems are prevalent and have increased. Our technologies, systems and networks and those of our vendors, suppliers and other business partners may become the target of cyberattacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of proprietary and other information, or other disruption of business operations. In addition, certain cyber incidents, such as surveillance or vulnerabilities in widely used open source software, may remain undetected for an extended period. Our systems for protecting against cybersecurity risks may not be sufficient. As the sophistication of cyber incidents continues to evolve, we have been and will likely continue to be required to expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate any vulnerability to cyber incidents. Additionally, any of these systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, usage errors by employees, computer viruses, cyber- attacks or other security breaches or similar events. The failure of any of our IT systems may cause disruptions in our operations, which could adversely affect our revenues and profitability, and lead to claims related to the disruption of our services from ~~members of the Platform~~ **consumers** and advertisers. Hackers and data thieves are increasingly sophisticated and operate large- scale and complex automated attacks, which may remain undetected until after they occur. Despite our efforts to protect our information technology networks and systems, payment processing, and information, we may not be able to anticipate or to implement effective preventive and remedial measures against all data security and privacy threats. Our security measures may not be adequate to prevent or detect service interruption, system failure, data loss or theft, or other material adverse consequences. No security solution, strategy, or measures can address all possible security threats. Our applications, systems, networks, software, and physical facilities could have material vulnerabilities, be breached, or personal or confidential information could be otherwise compromised due to employee error or malfeasance, if, for example, third parties attempt to fraudulently induce our personnel or our business ~~members~~ **owners** to disclose information or usernames and / or passwords, or otherwise compromise the security of our networks, systems and / or physical facilities. We cannot be certain that we will be able to address any such vulnerabilities, in whole or part, and there may be delays in developing and deploying patches and other remedial measures to adequately address vulnerabilities, and taking such remedial steps could adversely impact or disrupt our operations. We expect similar issues to arise in the future as products and services sold through the Platform are more widely adopted, and as we continue to introduce future products and services. An actual or perceived breach of our security systems or those of our third party service providers may require notification under applicable data privacy regulations or for customer relations or publicity purposes, which could result in reputational harm, costly litigation (including class action litigation), material contract breaches, liability, settlement costs, loss of sales, regulatory scrutiny, actions or investigations, a loss of confidence in our business, systems and payment processing, a diversion of management’ s time and attention, and significant fines, penalties, assessments, fees, and expenses. Moreover, pursuant to SEC rules, public companies must disclose material cybersecurity incidents on Form 8- K within four business days (subject to a delayed compliance date for smaller reporting companies, of which we are one). In addition, companies must provide cybersecurity risk management disclosures in their annual reports. The costs to respond to a security breach or to mitigate any security vulnerabilities that may be identified could be significant, and our efforts to address these problems may not be successful. These costs include, but are not limited to: retaining the services of cybersecurity

providers; complying with requirements of existing and future cybersecurity, data protection and privacy laws and regulations, including the costs of notifying regulatory agencies and impacted individuals; and maintaining redundant networks, data backups, and other damage- mitigation measures. We could be required to fundamentally change our business activities and practices in response to a security breach or related regulatory actions or litigation, which could have an adverse effect on our business. Additionally, most jurisdictions have enacted laws requiring companies to notify individuals, regulatory authorities, and others of security breaches involving certain types of data. Such mandatory disclosures are costly, could lead to negative publicity, may cause our customers to lose confidence in the effectiveness of our security measures, and require us to expend significant capital and other resources to respond to or alleviate problems caused by the actual or perceived security breach. We may not have adequate insurance coverage for handling cyber security incidents or breaches, including fines, judgments, settlements, penalties, costs, attorney fees, and other impacts that arise out of incidents or breaches. If the impacts of a security incident or breach, or the successful assertion of one or more large claims against us that exceeds our available insurance coverage, or results in changes to our insurance policies (including premium increases or the imposition of large deductible or co- insurance requirements), it could harm our business. In addition, we cannot be sure that our existing insurance coverage will continue to be available on acceptable terms or that our insurers will not deny coverage as to all or part of any future claim or loss. Moreover, our privacy risks are likely to increase as we continue to expand, grow our consumer and business member-base, and process, store, and transmit increasingly large amounts of personal or sensitive data. Issues in the use of artificial intelligence, including machine learning and computer vision (together, “ AI ”), in our analytics platforms may result in reputational harm or liability. AI is enabled by or integrated into some of our analytics platforms and is a growing element of our business offerings going forward. As with many developing technologies, AI presents risks and challenges that could affect its further development, adoption, and use, and therefore our business. AI algorithms may be flawed. Data sets may be insufficient, of poor quality, or contain biased information. Inappropriate or controversial data practices by data scientists, engineers, and end- users of our systems could impair the acceptance of AI solutions. If the analyses that AI applications assist in producing are deficient or inaccurate, we could be subjected to competitive harm, potential legal liability, and brand or reputational harm. Some uses of AI present ethical issues, and our judgment as to the ethical concerns may not be accurate. If we use AI as part of the Platform in a manner that is controversial because of the purported or real impact on our business businesses members or vendors, this may lead to adverse results for our financial condition and operations or the financial condition and operations of our business businesses members, which may further lead to us experiencing competitive harm, legal liability and brand or reputational harm. Compliance obligations imposed by new privacy laws, laws regulating social media platforms and online speech in the U. S., or industry practices may adversely affect our business. New laws and regulations could restrict our ability to conduct marketing by, for example, restricting the emailing or targeting of members consumers or use of certain technologies like AI. For example, federal, state and foreign governmental authorities continue to weigh the privacy implications inherent in the use of third- party “ cookies ” and other methods of online tracking for behavioral advertising and other purposes. Regulatory authorities have enacted and, continue to consider legislation that could significantly restrict the ability of companies to engage in these activities, by regulating the consumer notice and consent requirements before a company can employ cookies and similar tracking technologies, or how companies can use the data gathered by such technologies. Similarly, private market participants may deploy technologies or require certain practices that limit our ability to obtain or use certain information about our business owners and consumer consumers members. For example, Google has indicated that it will ultimately phase out the use of cookies to track members consumers of its search services in future versions of its Chrome web browser, and Apple has updated its iOS mobile operating system to require app developers to obtain opt- in consent before tracking members consumers of its various services. If these types of changes are implemented (or as a result of their implementation), our ability to determine how our business owners and consumer consumers members are using our services and to use targeted advertising in a cost- effective manner may be limited. New laws in other jurisdictions may also require us to change our content moderation practices, or privacy policies and practices in ways that harm our business or create the risk of fines or other penalties for non- compliance. If we infringe on the intellectual property (“ IP ”) of others, we could be exposed to substantial losses and face restrictions on our operations. We may become subject to legal claims alleging that we have infringed the IP rights of others. To date, we have not fully evaluated the extent to which other parties may bring claims that our technology, including our use of open source software, infringes on the IP rights of others. The availability of damages and royalties and the potential for injunctive relief have increased the costs associated with litigating and settling patent infringement claims. Any claims, whether or not meritorious, could require us to spend significant time, money, and other resources in litigation, pay damages and royalties, develop new IP, modify, design around, or discontinue existing products, services, or features, or acquire licenses to the IP that is the subject of the infringement claims. These licenses, if required, may not be available at all or have acceptable terms. As a result, IP claims against us could have a material adverse effect on our business, prospects, financial condition, operating results and cash flows. Inadequate technical and legal IP protections could prevent us from defending or securing our proprietary technology and IP. Our success is dependent, in part, upon protecting our proprietary information and technology. We may be unsuccessful in adequately protecting our IP. No assurance can be given that confidentiality, non- disclosure, or invention assignment agreements with our employees, consultants, or other parties will not be breached and will otherwise be effective in controlling access to and distribution of the Platform or our solutions, or certain aspects of the Platform or our solutions, and proprietary information. Further, these agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to the Platform or our solutions. Additionally, certain unauthorized use of our IP property may go undetected, or we may face legal or practical barriers to enforcing our legal rights even where unauthorized use is detected. Our ability to implement our business plan successfully depends in part on our ability to further build brand recognition using our trademarks, service marks, proprietary products, trade secrets and other IP, including our name and logos. We rely on U. S. trademark, copyright, and trade secret laws, as well as

license agreements, nondisclosure agreements, and confidentiality and other contractual provisions to protect our IP. The success of our business depends on our continued ability to use our existing trademarks, trade names, and service marks to increase brand awareness and further develop our brand as we expand into new markets. We have registered and applied to register trademarks and service marks in the United States. We may not be able to adequately protect our trademarks and service marks, and our competitors and others may successfully challenge the validity or enforceability of our trademarks and service marks and other IP. There can also be no assurance that pending or future U. S. trademark applications will be approved in a timely manner or at all, or that such registrations will effectively protect our brand names and trademarks. If we fail to adequately protect our proprietary IP rights, our competitive position could be impaired and we may lose valuable assets, generate reduced revenue and incur costly litigation to protect our rights. Our success depends, in part, on our ability to protect our proprietary IP rights, including certain methodologies, practices, tools, technologies and technical expertise we utilize in designing, developing, implementing and maintaining applications and processes and related technologies. To date, we have relied primarily on trademarks, trade secrets and other IP laws, non- disclosure agreements with our employees, consultants and other relevant persons and other measures to protect our IP, and intend to continue to rely on these and other means, including and not limited to patent protection, in the future. However, the steps we take to protect our IP may be inadequate, and we may choose not to pursue or maintain protection for our IP in the United States or foreign jurisdictions. We will not be able to protect our IP if we are unable to enforce our rights or if we do not detect unauthorized use of our IP. Despite our precautions, it may be possible for unauthorized third parties to copy our technology and use information that we regard as proprietary to create technology that competes with ours. Further, the laws of some countries do not protect proprietary rights to the same extent as the laws of the United States, and mechanisms for enforcement of IP rights in some foreign countries may be inadequate. To the extent we expand our international activities, our exposure to unauthorized copying and use of our technologies and proprietary information may increase. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating our technology and IP. We rely in part on trademarks, trade secrets, proprietary know-how and other confidential information to maintain our competitive position. Although we enter into non- disclosure and invention assignment agreements with our employees, enter into non- disclosure agreements with our business **members-owners**, consultants and other parties with whom we have strategic relationships and business alliances and enter into IP assignment agreements with our consultants and vendors, no assurance can be given that these agreements will be effective in controlling access to and distribution of our technology and proprietary information. Further, these agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products. We could face employee claims. We could face employee claims against us based on, among other things, wage and hour violations, discrimination, harassment, or wrongful termination that may also create not only legal and financial liability, but also negative publicity that could adversely affect us and divert our financial and management resources that would otherwise be used to benefit the future performance of our operations. **Litigation or legal proceedings could expose us to significant liabilities and have a negative impact on our reputation or business.** From time to time, we may be party to various claims and litigation proceedings. Even when not merited, the lawsuits and other legal proceedings may divert management' s attention, and we may incur significant expenses in pursuing or defending these lawsuits or other legal proceedings. The results of litigation and other legal proceedings are inherently uncertain, and adverse judgments or settlements in some of these legal disputes may result in adverse monetary damages, penalties or injunctive relief against us, which could negatively impact our financial position, cash flows or results of operations. Any claims or litigation, even if fully indemnified or insured, could damage our reputation and make it more difficult to compete effectively or to obtain adequate insurance in the future. Furthermore, while we maintain insurance for certain potential liabilities, our insurance does not cover all types and amounts of potential liabilities and is subject to various exclusions as well as caps on amounts recoverable. Even if we believe a claim is covered by insurance, insurers may dispute our entitlement to recovery for a variety of potential reasons, which may affect the timing and, if the insurers prevail, the amount of our recovery. **Risks Related to Credova' s Regulatory Environment** **The consumer finance and BNPL industry is subject to various state and federal laws in the United States and federal law concerning consumer finance, and the costs to maintain compliance with such laws and regulations may be significant.** Credova is subject to a range of state and federal laws and regulations concerning consumer finance that change periodically. These laws and regulations include but are not limited to state lending licensing or other state licensing or registration laws, consumer credit disclosure laws such as the Truth in Lending Act (" TILA "), the Fair Credit Reporting Act (" FCRA ") and other laws concerning credit reports and credit reporting, the Equal Credit Opportunity Act (" ECOA ") which addresses anti- discrimination, the Electronic Fund Transfer Act (" EFTA ") which governs electronic money movement, a variety of anti- money laundering and anti- terrorism financing rules, the Telephone Consumer Protection Act (" TCPA ") and other laws concerning initiating phone calls or text messages, the Electronic Signatures in Global and National Commerce Act, debt collection laws, laws governing short- term consumer loans and general consumer protection laws, such as laws that prohibit unfair, deceptive, misleading or abusive acts or practices. There is also the potential that Credova may become subject to additional legal or regulatory requirements if its business operations, strategy or geographic reach expand in the future. These laws and regulations may also change in the future, and they may be applied to Credova and its products in a manner that Credova does not currently anticipate. While Credova has developed policies and procedures designed to assist in compliance with laws and regulations applicable to Credova' s business, no assurance is given that Credova' s compliance policies and procedures will be effective. Credova may not always have been, and may not always be, in compliance with these laws and regulations and such non- compliance could have a material adverse effect on Credova' s business, results of operations and financial condition. New laws or regulations, or laws and regulations in new markets, could also require Credova to incur significant expenses and devote significant management attention to ensure compliance. In addition, Credova' s failure to comply with these new laws or regulations, or laws and regulations in new markets, may result in litigation or enforcement actions, the penalties for which could include: revocation of licenses, fines and

other monetary penalties, civil and criminal liability, substantially reduced payments by borrowers, modification of the original terms of loans, permanent forgiveness of debt, or inability to, directly or indirectly, collect all or a part of the principal or interest on loans. Further, Credova may not be able to respond quickly or effectively to regulatory, legislative, and other developments, and these changes may in turn impair Credova's ability to offer its existing or planned features, products, and services and / or increase Credova's cost of doing business. Credova has certain state lending licenses and other licenses, which subject Credova to supervisory oversight from these license authorities and periodic examinations. Credova's business is also generally subject to investigation by regulators and enforcement agencies, regardless of whether Credova has a license from such authorities. These regulators and enforcement agencies may receive complaints about us. Investigations or enforcement actions may be costly and time consuming. Enforcement actions by such regulators and enforcement agencies could lead to fines, penalties, consumer restitution, the cessation of Credova's business activities in whole or in part, or the assertion of private claims and lawsuits against us. In the United States, these regulators and agencies at the state level include state licensing agencies, financial regulatory agencies, and attorney general offices. At the federal level in the United States, these regulators and agencies include the FTC, the CFPB, FinCEN, and OFAC, any or all of which could subject Credova to burdensome rules and regulations that could increase costs and use of Credova's resources in order to satisfy Credova's compliance obligations. Compliance with these laws and regulations is costly, time-consuming, and limits Credova's operational flexibility. There is also a risk that if Credova fails to comply with these laws, regulations, and any related industry compliance standards, such failure may result in significantly increased compliance costs, cessation of certain business activities or the ability to conduct business, litigation, regulatory inquiries or investigations, and significant reputational damage. If loans made by Credova under its state lending licenses are found to violate applicable state lending and other laws, or if Credova was found to be operating without having obtained necessary licenses or approvals, it could adversely affect Credova's business, results of operations, financial condition, and prospects. Certain states have adopted laws regulating and requiring licensing, registration, notice filing, or other approval by parties that engage in certain activity regarding consumer finance transactions. Furthermore, certain states and localities have also adopted laws requiring licensing, registration, notice filing, or other approval for consumer debt collection or servicing, and / or purchasing or selling consumer loans. Credova has obtained lending licenses or made applicable notice filings in certain states, and may in the future pursue obtaining additional licenses or making additional notice filings. The loans Credova may originate on its platform pursuant to these state licenses are subject to state licensing and interest rate restrictions, as well as numerous state requirements regarding consumer protection, interest rate, disclosure, prohibitions on certain activities, and loan term lengths. Credova cannot assure you that it will be successful in obtaining state licenses in other states or that Credova has not yet been required to apply for. The application of some consumer financial licensing laws to Credova's platform and the related activities it performs is unclear. In addition, state licensing requirements may evolve over time. If Credova were found to be in violation of applicable state licensing requirements by a court or a state, federal, or local enforcement agency, or agree to resolve such concerns by voluntary agreement, Credova could be subject to or agree to pay fines, damages, injunctive relief (including required modification or discontinuation of Credova's business in certain areas), criminal penalties, and other penalties or consequences, and the loans facilitated through Credova's platform could be rendered void or unenforceable in whole or in part, any of which could have an adverse effect on the enforceability or collectability of the loans facilitated through Credova's platform. Litigation, regulatory actions, and compliance issues could subject Credova to fines, penalties, judgments, remediation costs, and requirements resulting in increased expenses. In the ordinary course of business, Credova has been, is, or may be named as a defendant in various legal actions, including arbitrations and other litigation. From time to time, Credova may also be involved in, or the subject of, reviews, requests for information, investigations, and proceedings (both formal and informal) by state and federal governmental agencies, including banking regulators, the FTC, and the CFPB, regarding Credova's business activities and Credova's qualifications to conduct Credova's business in certain jurisdictions, which could subject Credova to fines, penalties, obligations to change Credova's business practices, and other requirements resulting in increased expenses and diminished earnings. Credova's involvement in any such matter also could cause harm to Credova's reputation and divert management attention from the operation of Credova's business, even if the matters are ultimately determined in Credova's favor. Moreover, any settlement, or any consent order or adverse judgment, in connection with any formal or informal proceeding or investigation by a government agency, may prompt litigation or additional investigations or proceedings as other litigants or other government agencies begin independent reviews of the same or similar activities. In addition, a number of participants in the consumer finance industry have been and are the subject of putative class action lawsuits; state attorney general actions and other state regulatory actions; federal regulatory enforcement actions, including actions relating to alleged UDAAP; violations of state licensing and lending laws, including state interest rate limits; actions alleging discrimination on the basis of race, ethnicity, gender, or other prohibited bases; and allegations of noncompliance with various state and federal laws and regulations relating to originating and servicing consumer finance loans. Recently, some of Credova's competitors in the BNPL space are subject to ongoing class action litigation, including allegations of unfair business and deceptive practices, and Credova may become subject to similar types of litigation in the future. The current regulatory environment, increased regulatory compliance efforts, and enhanced regulatory enforcement have resulted in significant operational and compliance costs and may prevent Credova from providing certain products and services. There is no assurance that these regulatory matters or other factors will not, in the future, affect how Credova conducts its business and, in turn, have an adverse effect on its business. In particular, legal proceedings brought under state consumer protection statutes or under several of the various federal consumer financial services statutes subject to the jurisdiction of the CFPB and FTC may result in a separate fine for each violation of the statute, which, particularly in the case of class action lawsuits, could result in damages in excess of the amounts Credova earned from the underlying activities. ~~Current and future government regulations may negatively impact the demand for Credova's merchants' products and Credova's operations and financial results.~~ Credova's merchants operate in a complex regulatory and legal environment that could negatively impact the

demand for their products and expose the merchants to compliance and litigation risks, which could decrease transaction volume and ultimately affect Credova's operations and financial results. These laws may change, sometimes significantly, as a result of political, economic or social events. Some of the federal, state or local laws and regulations that affect Credova's merchants include:

- federal, state or local laws and regulations or executive orders that prohibit or limit the sale of certain items offered by Credova's merchants, such as firearms, black powder firearms, ammunition, bows, knives and similar products;
- the Bureau of Alcohol, Tobacco, Firearms and Explosives, or the ATF, regulations, audit and regulatory policies that impact the process by which Credova's merchants sell firearms and ammunition and similar policies of state agencies that have concurrent jurisdiction, such as the California Department of Justice;
- laws and regulations governing hunting and fishing;
- laws and regulations relating to consumer products, product liability or consumer protection, including regulation by the Consumer Product Safety Commission and similar state regulatory agencies;
- laws and regulations relating to the manner in which Credova's merchants advertise, market or sell their products;
- U. S. customs laws and regulations pertaining to proper item classification, quotas and the payment of duties and tariffs; and
- Federal Trade Commission, or FTC, regulations governing the manner in which orders may be solicited and prescribing other obligations in fulfilling orders and consummating sales.

Changes in these laws and regulations or additional regulation, particularly new laws or increased regulations regarding sales and ownership of firearms and ammunition, could cause the demand for and sales of products offered by Credova's merchants through Credova's platform to decrease and could materially adversely impact Credova's profitability. Sales of firearms, ammunition and shooting-related products represent a significant percentage of the sales facilitated by Credova's platform and are critical in drawing customers to Credova's platform. A substantial reduction in sales or margins on sales of firearms and firearm related products facilitated by Credova's platform due to the establishment of new regulations could harm Credova's operating results.

**Risks Related to Our Operations as a New Public Company** The requirements of being a public company may strain our resources, divert our management's attention and affect our ability to attract and retain qualified independent ~~board~~ **Board** members. As a public company, we are subject to the reporting and corporate governance requirements of the Exchange Act, the listing requirements of the NYSE and other applicable securities rules and regulations, including the Sarbanes- Oxley Act and the Dodd- Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd- Frank Act"). Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an "emerging growth company" as defined in the JOBS Act. Among other things, the Exchange Act requires that we file annual, quarterly and current reports with respect to our business and results of operations and maintain effective disclosure controls and procedures and internal control over financial reporting. In order to improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm our business, financial condition, results of operations and prospects. Although we have already hired additional personnel to help comply with these requirements, we may need to further expand our legal and finance departments in the future, which will increase our costs and expenses. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expense and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies, regulatory authorities may initiate legal proceedings against us and our business and prospects may be harmed. As a result of disclosure of information in the filings required of a public company and in this report, our business and financial condition will become more visible, which may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business, financial condition, results of operations and prospects could be materially harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and materially harm our business, financial condition, results of operations and prospects. We may have increasing difficulty attracting and retaining qualified outside independent ~~board~~ **Board** members. The directors and management of publicly traded corporations are increasingly concerned with the extent of their personal exposure to lawsuits and shareholder claims, as well as governmental and creditor claims that may be made against them in connection with their positions with publicly held companies. Outside directors are becoming increasingly concerned with the availability of directors' and officers' liability insurance to pay on a timely basis the costs incurred in defending shareholder claims. Directors' and officers' liability insurance is expensive and difficult to obtain. The SEC and the NYSE have also imposed higher independence standards and certain special requirements on directors of public companies. Accordingly, it may become increasingly difficult to attract and retain qualified outside directors to serve on our Board. Stock trading volatility could impact our ability to recruit and retain employees. Volatility or lack of appreciation in our stock price may also affect our ability to attract and retain our key employees. Employees may be more likely to leave us if the shares they own or the shares underlying their vested equity have not significantly appreciated in value relative to the original purchase price of the shares or the exercise price of the options, or conversely, if the exercise price of the options that they hold are significantly above the market price of our common stock. If we are unable to retain our employees, or if we need to increase our compensation expenses to retain our employees, our business, operating results, and financial condition could be adversely affected. Members of our management team have ~~limited no prior~~ experience managing a public company. ~~No members~~ **Members** of our senior management team

have ~~any~~ **limited** experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our **operations as transition to being** a public company, which will subject us to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts, investors and regulators. These ~~new~~ obligations and constituents will require significant attention from our senior management and could divert their attention away from the day- to- day management of our business, which could harm our business, results of operations, and financial condition. We are an Emerging Growth Company, making comparisons to non- Emerging Growth companies difficult or impossible. We are an Emerging Growth Company (“EGC”) as defined in Section 2 (a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”), and we have taken and expect to continue to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not EGCs including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports, registrations statements and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Further, Section 102 (b) (1) of the JOBS Act exempts EGCs from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. This exemption may make comparison of our financial statements with other public companies that are neither EGCs nor EGCs that have opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. ~~We may be exposed to risk if we cannot enhance, maintain, and adhere to our internal controls and procedures.~~ As a public company trading on the NYSE, we have significant requirements for enhanced financial reporting and internal controls. The process of designing and implementing effective internal controls is a continuous effort that will require us to anticipate and react to changes in our business accounting, auditing and regulatory requirements and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company, and we are still early in the process of generating a mature system of internal controls and integration across business systems. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our financial statements, harm our operating results, and subject us to litigation and claims arising from material weaknesses in our internal controls and any resulting consequences, including restatements of our financial statements. See “Litigation or legal proceedings could expose us to significant liabilities and have a negative impact on our reputation or business.” Matters impacting our internal controls may cause us to be unable to report our financial information in an accurate manner or on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of NYSE rules. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we or our independent registered public accounting firm continue to report a material weakness in our internal controls over financial reporting. This could materially adversely affect us and lead to a decline in the market price of our common stock. Management identified a material weakness in our internal control over financial reporting as of December 31, 2023 that required us to restate the financial statements in our third quarter Form 10- Q. **The material weakness related to financial reporting has not been remediated as of December 31, 2024.** If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us, materially and adversely affect our business and operating results and subject us to litigation and claims. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented, or detected and corrected on a timely basis. Effective internal controls are necessary to provide reliable financial reports and reduce the risk of fraud. We continue to evaluate measures to remediate the material weakness. These remediation measures may be time consuming and costly and there is no assurance that these initiatives will ultimately have the intended effects. If any new material weaknesses are identified in the future, any such newly identified material weakness could limit our ability to prevent or detect a misstatement of our accounts or disclosures that could result in a material misstatement of our annual or interim consolidated financial statements. In such case, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable NYSE listing requirements, investors may lose confidence in our financial reporting and our share price may decline as a result. We cannot assure you that the measures we have taken to date, or any measures we may take in the future, will be sufficient to avoid potential future material weaknesses. Additionally, if our revenue and other accounting, auditing or tax systems do not operate as intended or do not scale with anticipated growth in our business, the effectiveness of our internal controls over financial reporting could be adversely affected. Any failure to develop, implement, or maintain effective internal controls related to our revenue and other accounting, auditing or tax systems and associated reporting could materially adversely affect our business, results of operations, and financial condition or cause us to fail to meet our reporting obligations. We have encountered difficulties with growth and change. If we fail to address these difficulties in assessing data usage, if the personnel handling our accounting, auditing or finance function fail to perform at an appropriate level for a public company, or if other weaknesses in internal controls are detected, it may be determined that we have a material weakness. In addition, most of our employees who work within our accounting, auditing and financial reporting functions have limited to no experience managing a publicly traded company and have limited to no experience implementing, monitoring and enforcing the internal financial, auditing and accounting controls for a publicly traded company. The identification of a material weakness could result in regulatory scrutiny and cause investors

to lose confidence in our reported financial condition and otherwise have a material adverse effect on our business, financial condition, cash flow or results of operations. **During 2024, we** ~~We are in the process of designing and implementing~~ **implemented certain** measures to improve our internal control over financial reporting to remediate any possible material weaknesses, ~~primarily by implementing additional~~ **including but not limited to: we expanded and improved our** review procedures within our ~~process for complex transactions, enacted continuing education seminars for the~~ **accounting team**, ~~auditing automated processes and systems around complex~~ **finance-financial department areas such as stock-based compensation expense**, ~~hiring and hired~~ **additional staff, designing with the requisite experience and training to supplement** implementing information technology and application controls in our ~~existing~~ **financially significant systems**, and, if appropriate, ~~engaging external auditing and accounting~~ **team** experts to supplement our internal resources in our computation and review processes ~~therefore decrease our reliance on accounting contractors~~. While we ~~have taken~~ **are designing and implementing** measures to remediate the material weaknesses, we cannot predict the success of such measures or the outcome of our assessment of these measures at this time. We can give no assurance that these measures will remediate **any either of the** deficiencies in internal control or that additional material weaknesses or significant deficiencies in our internal control over financial reporting will not be identified in the future. Our failure to implement and maintain effective internal control over financial reporting could result in errors in our consolidated financial statements that may lead to a restatement of our consolidated financial statements or cause us to fail to meet our reporting obligations. As a public company, we are required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for each annual report on Form 10-K to be filed with the SEC. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. We are required to disclose changes made in our internal controls and procedures on a quarterly basis. To comply with the requirements of being a public company, we expect to need to undertake various actions, such as implementing new internal controls and procedures and hiring accounting or internal audit staff. Failure to comply with the Sarbanes-Oxley Act could potentially subject us to sanctions or investigations by the SEC, the NYSE or other regulatory authorities, as well as subject us to litigation and claims, any of which would require additional financial and management resources. We have begun the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404, but we may not be able to complete our evaluation, testing and any required remediation in a timely fashion. As a public company, we have incurred and expect to continue to incur increased expenses associated with the costs of being a public company. We have and expect to continue to face a significant increase in insurance, legal, auditing, accounting, administrative and other costs and expenses as a public company that we did not currently incur as a private company. The Sarbanes-Oxley Act, including the requirements of Section 404 of that Act, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Act and the rules and regulations promulgated and to be promulgated thereunder, the Public Company Accounting Oversight Board ("PCAOB"), the SEC and the NYSE, impose additional reporting and other obligations on public companies. Compliance with public company requirements have and will continue to increase our costs and make certain activities more time-consuming. A number of those requirements require us to carry out activities that we have not done previously. For example, **in connection with the Closing of the Business Combination**, we ~~recently~~ **created new board-Board** committees and adopted new internal controls and disclosure controls and procedures. In addition, additional expenses associated with SEC reporting requirements have and will continue to be incurred. Furthermore, if any issues in complying with those requirements are identified (for example, if our independent registered accounting firm identifies a material weakness or significant deficiency in the internal control over financial reporting), we could incur additional costs to remediate those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of it. Being a public company has and may in the future make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance. We may ultimately be forced to accept reduced policy limits and coverage with increased self-retention risk or incur substantially higher costs to obtain the same or similar coverage in the future. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation. The additional reporting and other obligations imposed by various rules and regulations applicable to public companies has and is expected to continue to increase legal and financial compliance costs and the costs of related legal, auditing, accounting and administrative activities. These increased costs will require us to divert a significant amount of money that could otherwise be used to expand the business and achieve strategic objectives. Advocacy efforts by shareholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs. Our existing indebtedness, and any indebtedness we incur in the future, could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the economy or our industry and our ability to pay our debts and could divert our cash flow from operations for debt payments. **In connection with** ~~As of December 31, 2024, the~~ **Company had** ~~Credova acquisition~~ **we will incur** ~~incurred~~ **approximately \$ 9-28.4 million of indebtedness in convertible promissory notes**. Our level of indebtedness increases the possibility that we may be unable to generate cash sufficient to pay the principal of, interest on, or other amounts due with respect to our indebtedness. Our leverage and debt service obligations could adversely impact our business, including by: ● **impairing our ability to generate cash sufficient to pay interest or principal, including periodic principal payments;** ● **increasing our vulnerability to general adverse economic and industry conditions;** ● **requiring the dedication of a portion of our cash flow from operations to service our debt, thereby reducing the amount of our cash flow available for other purposes, including capital expenditures, dividends to stockholders or to pursue future business opportunities;** ● **requiring us to sell debt or equity securities or to sell some of our core assets, possibly on unfavorable terms, to meet payment obligations;** ● **limiting our flexibility in planning for, or reacting to, changes in our business and the industries in which we compete; and** ● **placing us at a possible competitive disadvantage with less leveraged competitors and competitors**

that may have better access to capital resources. Any of the foregoing factors could have negative consequences on our financial condition and results of operations. Limited insurance coverage and availability may prevent us from obtaining insurance to cover all risks of loss. We have insured certain products and launches to the extent that insurance was available at acceptable premiums. This insurance will not protect us against all losses due to specified exclusions, deductibles and material change limitations. We have obtained and maintain insurance for director and officers, cybersecurity, business owner, commercial general liability and workers' compensation, based on a variety of factors, including the availability of insurance in the market, the cost of available insurance and the redundancy of our operating entities. Higher premiums on insurance policies will increase our costs and consequently reduce our operating income by the amount of such increased premiums. If the terms of these insurance policies become less favorable than those currently available, there may be limits on the amount of coverage that we can obtain or we may not be able to obtain insurance at all. Even as obtained, our insurance will not cover any loss in revenue incurred as a result of a partial or total loss. Moreover, our insurance coverage may be inadequate to cover our liabilities related to such hazards or operational risks. In addition, passenger insurance may not be accepted or may be prohibitive to procure. Moreover, we may not be able to maintain adequate insurance in the future at rates we consider reasonable and commercially justifiable, and insurance may not continue to be available on terms as favorable as our current arrangements. The occurrence of a significant uninsured claim, or a claim in excess of the insurance coverage limits maintained by us, could harm our business, financial condition and results of operations. Risks Related to Ownership of Our Class A Common Stock Future sales of our Class A Common Stock could cause the market price for our Class A Common Stock to decline. We cannot predict the effect, if any, that market sales of shares of our Class A Common Stock or the availability of shares of our Class A Common Stock for sale will have on the market price of our Class A Common Stock prevailing from time to time. Sales of substantial amounts of shares of our Class A Common Stock in the public market, or the perception that those sales will occur, could cause the market price of our Class A Common Stock to decline or be depressed. We may issue our securities if we need to raise capital in connection with a capital expenditure, working capital requirement or acquisition. The number of shares of our Class A Common Stock issued in connection with a capital expenditure, working capital requirement or acquisition could constitute a material portion of our then- outstanding shares of Class A Common Stock. Any perceived excess in the supply of our shares in the market could negatively impact our share price and any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you. An active market for our securities may not develop, which would adversely affect the liquidity and price of our securities. The price of our securities may vary significantly due to factors specific to us as well as to general market or economic conditions. Furthermore, an active trading market for our securities may never develop or, if developed, it may not be sustained. You may be unable to sell your securities unless a market can be established and sustained. Our issuance of additional capital stock in connection with financings, acquisitions, investments, the Stock Incentive Plan ("SIP"), the Employee Stock Purchase Plan ("ESPP") or otherwise will dilute all other stockholders. We expect to issue additional capital stock in the future that will result in dilution to all other stockholders. We expect to grant additional equity awards to employees, directors and consultants under the SIP and grant options to our employees under the ESPP. We may also raise capital through equity financings in the future. As part of our business strategy, we may acquire or make investments in complementary companies, products or technologies and issue equity securities to pay for any such acquisition or investment. Any such issuances of additional capital stock may cause stockholders to experience significant dilution of their ownership interests and the per share value of our common stock to decline. There can be no assurance that we will continue to be able to comply with the continued listing standards of the NYSE. Our continued eligibility to maintain the listing of our Class A Common Stock and Public Warrants on the NYSE depends on a number of factors, including the price of our Class A Common Stock and Public Warrants and the number of persons that hold our Class A Common Stock and Public Warrants. If the NYSE delists our securities from trading on its exchange for failure to meet its listing standards, and we are not able to list such securities on another national securities exchange, then our Class A Common Stock could be quoted on an over-the-counter market. If this were to occur, we and our stockholders could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that the Class A Common Stock is a "penny stock," which will require brokers trading the Class A Common Stock to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for shares of Class A Common Stock;
- a limited amount of news and analyst coverage; and
- a decreased ability for us to issue additional securities or obtain additional financing in the future.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding our securities adversely, the price and trading volume of our securities could decline. The trading market for our securities will be influenced by the research and reports that industry or securities analysts may publish about us, our business, markets, revenue streams, and competitors. Securities and industry analysts do not currently, and may never, publish research on us. If no securities or industry analysts commence coverage of us, our share price and trading volume would likely be negatively impacted. Presently, ~~only~~ Roth MKM ~~and Maxim Group covers~~ ~~cover~~ us. If any of the analysts who may cover us adversely change their recommendation regarding our shares of common stock, or provide relatively more favorable recommendations with respect to competitors, the price of our shares of common stock would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline. We do not intend to pay cash dividends for the foreseeable future. We currently intend to retain our future earnings, if any, to finance the further development and expansion of our business and do not intend to pay cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our Board and will depend on our financial condition, results of operations, capital requirements, restrictions contained in the Stockholders' Agreement and future agreements and financing instruments, business prospects and such other factors as our Board deems relevant. Because there are no current plans to pay cash dividends on our Class A Common Stock for the

foreseeable future, you may not receive any return on investment unless you sell your Class A Common Stock at a price greater than what you paid for it. We intend to retain future earnings, if any, for future operations, expansion and debt repayment and there are no current plans to pay any cash dividends for the foreseeable future. The declaration, amount and payment of any future dividends on shares of our Class A Company Common Stock will be at the sole discretion of the Board. The Board may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, implications of the payment of dividends by us to our stockholders or by our subsidiaries to us and such other factors as the Board may deem relevant. As a result, you may not receive any return on an investment in the Class A Common Stock unless you sell your Class A Common Stock for a price greater than that which you paid for it. Our stockholders may experience dilution in the future. The percentage of shares of the Class A Common Stock owned by current stockholders may be diluted in the future because of equity issuances for acquisitions, capital market transactions or otherwise, including, without limitation, equity awards that we may grant to our directors, officers and employees, or the exercise of Warrants. Such issuances may have a dilutive effect on our earnings per share, which could adversely affect the market price of the Class A Common Stock. Our Warrants may have an adverse effect on the market price of our Class A Common Stock. In connection with the Business Combination, we assumed from Colombier, Warrants to purchase 11,450,000 shares of our Class A Common Stock, each exercisable to purchase one share of Class A Common Stock at \$ 11.50 per share. Such Warrants, when and if exercised, will increase the number of issued and outstanding shares of Class A Common Stock and may reduce the value of the Class A Common Stock. The exercise of Warrants, and any proceeds we may receive from their exercise, are highly dependent on the price of our Class A common stock and the spread between the exercise price of the Warrant and the price of our Class A common stock at the time of exercise. For example, to the extent that the price of our Class A common stock exceeds \$ 11.50 per share, it is more likely that holders of our Warrants will exercise their warrants. If the price of our Class A common stock is less than \$ 11.50 per share, we believe it is much less likely that such holders will exercise their warrants. On March 12-11, 2024-2025, the closing price of the Class A Common Stock as reported by the NYSE was \$ 4-2.86-49 per share, which price was less than the \$ 11.50 per share exercise price of the Private Warrants. There can be no assurance that our Warrants will be in the money after the date of this report and prior to their expiration. Colombier Sponsor LLC and its distributees have the option to exercise the Private Warrants on a cashless basis. Holders of Public Warrants may generally only exercise such Warrants for cash, subject to very limited exceptions in certain circumstances as provided for in the Warrant Agreement relating to the Warrants. Our Founder and Chief Executive Officer will continue to exercise significant control over our business and operations, including through his holdings of a special Class C Common Stock with majority voting rights. Michael Seifert, our Founder, President, Chief Executive Officer and Chairman of the Board, ~~hold~~ holds all of the outstanding shares of our Class C Common Stock. Each holder of Class C Common Stock has the right to a number of votes (rounded up to the nearest whole number) per share of Class C Common Stock held of record by such holder as of the applicable record date equal to (i) (x) the total number of shares of Class A Common Stock entitled to vote on such matter as of the applicable record date, plus (y) one hundred (100); divided by (ii) the total number of shares of Class C Common Stock issued and outstanding as of the applicable record date. Consequently, since Mr. Seifert is the sole holder of the Class C Common Stock as of the date of this report, he possesses approximately 50.63% of the voting power of our common equity, and, as a result Mr. Seifert has the ability to control the result of most matters to be voted upon our stockholders. Mr. Seifert's Class C shares will automatically convert into Class A Common Stock upon transfer (subject to customary exceptions for transfers for estate planning purposes), but Mr. Seifert has agreed not to sell any of his Class C Common Stock during the period (the "Lock-Up Period") commencing from the Closing and ending on the earlier of (A) the one (1) year anniversary of the date of the Closing, (B) the first date subsequent to the Closing with respect to which the closing price of our Class A Common Stock has equaled or exceeded \$ 12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any twenty (20) trading days within any 30- trading day period commencing at least 150 days after the Closing or (C) the date on which we complete a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of our stockholders having the right to exchange their shares of Class A Common Stock for cash, securities or other property. Mr. Seifert can transfer shares of Class C Common Stock to certain "permitted transferees" without consequence. In addition, although any shares of Class C Common Stock transferred to any person or entity who is not a permitted transferee will automatically convert into shares of Class A Common Stock, the remaining shares of Class C Common Stock, collectively, will continue to control the outcome any vote until such time as the Class C Common Stock is voluntarily converted into Class A Common Stock, or involuntarily converted into Class A Common Stock as a result of Mr. Seifert no longer being an officer or director of ~~PSQ PublicSquare~~, or upon the transfer of shares Class C Common Stock, individually or in a series of transaction (other than transfers to permitted transferees), of greater than 50% of the number of shares of Class C Common Stock issued and outstanding immediately following closing of the Business Combination. This concentrated control may limit or preclude your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents and any merger, consolidation, sale of all or substantially all of our assets or other major corporate transactions requiring stockholder approval. In addition, this concentrated control may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders. As a result, such concentrated control may adversely affect the market price of our Class A Common Stock. We are a "controlled company" within the meaning of NYSE listing standards and, as a result, we qualify for, and rely on, exemptions from certain corporate governance requirements. As a result, you do not and may not in the future have the same protections afforded to shareholders of companies that are subject to such requirements. We have a dual class structure which allows our Founder, President, Chief Executive Officer and Chairman of the Board, Michael Seifert, to control a majority of the voting power of our common equity. As a result, we qualify as a "controlled company" within the meaning of the corporate governance standards of NYSE. Under these rules, a listed company of which

more than 50 % of the voting power is held by an individual, group or another company is a “ controlled company. ” As a controlled company, elect not to comply with certain corporate governance requirements, specifically (i) that a majority of our Board consist of independent directors and (ii) that director nominees be selected or recommended to the ~~board~~ **Board** by independent directors. It is our intention as of the date of this report to comply with the requirement that we have a compensation committee that is composed entirely of independent directors. However, we may at any time after the date of this report elect to avail ourselves of one or more additional controlled company exemptions provided that we continue to qualify as a controlled company. To the extent we rely on any of these exemptions, holders of our Class A Common Stock will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of NYSE and we cannot predict the impact this may have on the price of our Class A Common Stock. Our Warrants are accounted for as a warrant liability and were recorded at fair value upon issuance with changes in fair value each period reported in earnings, which may have an adverse effect on the market price of our Class A Common Stock. In accordance with ASC 815, Derivatives and Hedging (“ ASC 815 ”), the Company’ s warrants are classified as derivative liabilities and measured at fair value on its balance sheet, with any changes in fair value to be reported each period in earnings on our statement of operations. As a result of the recurring fair value measurement, our financial statements may fluctuate quarterly, based on factors that are outside of our control. Due to the recurring fair value measurement, we expect we will recognize non- cash gains or losses on our Warrants each reporting period and that the amount of such gains or losses could be material. Future sales, or the perception of future sales, by us or our stockholders in the public market following could cause the market price for the Class A Common Stock to decline. The sale of shares of our Class A Common Stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of Class A Common Stock. These sales, or the possibility that these sales may occur, also might make it more difficult for the us to sell equity securities in the future at a time and at a price that it deems appropriate. As of the date of this report we have a total of ~~25-39, 073-700, 575-680~~ shares of Class A Common Stock outstanding (i) without giving effect to any awards that may be issued under the SIP, ESPP or any Earnout Shares that may be issued in the future, and (iii) assuming no exercise of the outstanding Warrants. All shares currently held by Public Stockholders and all of the shares issued in the Business Combination to former Private PSQ stockholders are freely tradable without registration under the Securities Act, and without restriction by persons other than our “ affiliates ” (as defined under Rule 144 under the Securities Act, (“ Rule 144 ”)), including our directors, executive officers and other affiliates. In addition, the shares of Class A Company Common Stock reserved for future issuance under the SIP and ESPP will become eligible for sale in the public market once those shares are issued, subject to any applicable vesting requirements, lock- up agreements and other restrictions imposed by law. A total ~~number of 5-7, 769-909, 864-343~~ and 600, 000 shares of the Class A Common Stock have been reserved for future issuance under the SIP and ESPP, respectively. We have filed a registration statement on Form S- 8 under the Securities Act to register shares of the Class A Common Stock or securities convertible into or exchangeable for shares of Class A Common Stock issued pursuant to the SIP and ESPP, which automatically became effective upon filing. Accordingly, shares registered under such registration statement will be available for sale in the open market. In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of the Class A Common Stock issued in connection with an investment or acquisition could constitute a material portion of the then- outstanding shares of the Class A Common Stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to our stockholders. Certain holders of our common stock are entitled to a contingent right to receive Earnout Shares that is conditioned on specific circumstances, of which the occurrence is uncertain, and the failure of any of such circumstances to occur could create potential negative effects such as an increased risk of litigation. Subject to the terms and conditions set forth in the Merger Agreement, holders of Private PSQ’ s common stock prior to the Closing Date and certain executive officers, employees and service providers (collectively, the “ Participating Equityholders ”) are entitled to receive their pro rata portion of up to 3, 000, 000 **shares of Class A Common Stock that may be issued by the Company to Participating Equityholders upon achievement of certain trading price- based targets for the Class A Common Stock following Closing (the “ Earnout Shares ” )** (subject to equitable adjustment for share splits, share dividends, combinations, recapitalizations and the like after the Closing Date, including to account for any equity securities into which such shares are exchanged or converted) as additional consideration based on the performance of the Class A Common Stock during the five (5) year period after the Closing Date (the “ Earnout Period ”), as set forth below upon satisfaction of any of the following conditions: ● in the event that, and upon the date during the Earnout Period on which, the volume- weighted average trading price of the Class A Common Stock quoted on the NYSE (or such other exchange on which our Class A Common Stock is then listed) for any twenty (20) trading days within any thirty (30) consecutive trading day period (the “ Earnout Trading Price ”) is greater than or equal to \$ 12. 50 (“ Triggering Event I ”), the Participating Equityholders will be entitled to receive an aggregate of 1, 000, 000 Earnout Shares; ● in the event that, and upon the date during the Earnout Period on which, the Earnout Trading Price is greater than or equal to \$ 15. 00 (“ Triggering Event II ”), the Participating Equityholders will be entitled to receive an aggregate of 1, 000, 000 additional Earnout Shares; and ● in the event that, and upon the date during the Earnout Period on which, the Earnout Trading Price is greater than or equal to \$ 17. 50 (“ Triggering Event III ” and, together with Triggering Event I and Triggering Event II, the “ Triggering Events ”), the Participating Equityholders will be entitled to receive an aggregate of 1, 000, 000 additional Earnout Shares. Whether the Triggering Events will be met is uncertain and depends on factors that may be out of our direct control, such as market conditions and our stock price. The failure of any Triggering Event to occur could give rise to potential litigation and other negative effects because of management’ s business decisions, which may negatively impact our stock price. We are an “ emerging growth company ” and a “ smaller reporting company ” within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies and smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies. We are an “ emerging growth company ” and “ smaller reporting

company” within the meaning of the Securities Act, as modified by the JOBS Act. We may continue to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies or smaller reporting companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, our stockholders may not have access to certain information they may deem important. We cannot predict whether investors will find securities issued by us less attractive because we elect to rely on these exemptions. If some investors find those securities less attractive as a result of its reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile. Further, Section 102 (b) (1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non- emerging growth companies but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. We will remain an emerging growth company until the earliest of: (i) the last day of the fiscal year following the fifth anniversary of the closing of our IPO, (ii) the last day of the fiscal year in which we have total annual gross revenue of at least \$ 1. 235 billion; (iii) the last day of the fiscal year in which we are deemed to be a “ large accelerated filer ” as defined in Rule 12b- 2 under the Exchange Act, which would occur if the market value of our Class A Common Stock held by non- affiliates exceeded \$ 700. 0 million as of the last business day of the second fiscal quarter of such year; or (iv) the date on which we have issued more than \$ 1. 0 billion in non- convertible debt securities during the prior three- year period.