UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended January 31, 2022

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT OF 1934**

For the transition period from ______ to _______

Commission File Number 000-54840

Golden Matrix Group

Golden Matrix Group, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**46-1814729**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3651 Lindell Road, Ste D131 Las Vegas, NV	**89103**
(Address of principal executive offices)	(Zip Code)

(702) 318-7548
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standard provided pursuant to Section 13(a) of the Exchanger Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of March 8, 2022, there were 28,115,909 shares of the registrant's $0.00001 par value common stock issued and outstanding.

GOLDEN MATRIX GROUP, INC.

TABLE OF CONTENTS

PART II. OTHER INFORMATION

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Information included in this Quarterly Report on Form 10-Q (this "Report") contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act") and the Private Securities Litigation Reform Act of 1995. This information may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Golden Matrix Group, Inc. (the "Company"), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "may," "should," "expect," "anticipate," "estimate," "believe," "intend," or "project" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that these projections included in these forward-looking statements will come to pass. Actual results of the Company could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company has no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future. You should read the matters described and incorporated by reference in "Risk Factors" and the other cautionary statements made in this Report, and incorporated by reference herein, as being applicable to all related forward-looking statements wherever they appear in this Report. We cannot assure you that the forward-looking statements in this Report will prove to be accurate and therefore prospective investors are encouraged not to place undue reliance on forward-looking statements.

Summary Risk Factors

Our business is subject to numerous risks and uncertainties, including those included in, and incorporated by reference in, the section entitled "Risk Factors" and elsewhere in this Report. These risks include, but are not limited to, the following:

- our need for significant additional financing to grow and expand our operations, the availability and terms of such financing, and potential dilution which may be caused by such financing, if obtained through the sale of equity or convertible securities;
- the impact of the COVID-19 pandemic, and other pandemics and epidemics, on the Company;
- the ability of the Company to manage growth;
- our limited operating history;
- disruptions caused by acquisitions;
- the reliance on suppliers of third-party gaming content and the cost of such content;
- the fact that the Company's Chief Executive Officer has voting control over the Company;
- related party relationships and the significant portion of the Company's revenues generated thereby, as well as conflicts of interest related thereto;
- the potential effect of economic downturns and market conditions on the Company's operations and prospects;
- the Company's ability to protect proprietary information;
- the ability of the Company to compete in its market;
- the Company's lack of effective internal controls;
- dilution caused by efforts to obtain additional financing;
- the effect of future regulation, the Company's ability to comply with regulations (both current and future) and potential penalties in the event it fails to comply with such regulations;
- the risks associated with gaming fraud, user cheating and cyber-attacks;
- risks associated with systems failures and failures of technology and infrastructure on which the Company's programs rely, as well as cybersecurity and hacking risks;
- risks relating to our recent acquisition of RKingsCompetitions Ltd;
- foreign exchange and currency risks;
- the outcome of contingencies, including legal proceedings in the normal course of business;
- the ability to compete against existing and new competitors;
- the lack of a market for our securities and the volatility in the trading prices thereof caused thereby;
- claims relating to alleged violations of intellectual property rights of others and our ability to maintain our intellection property rights;
- the dependence on current management;
- the ability to manage expenses associated with sales and marketing and necessary general and administrative and technology investments;
- the ability to obtain a listing of our common stock on NASDAQ;
- dilution caused by the sale of common stock or convertible securities;
- general consumer sentiment and economic conditions that may affect levels of discretionary customer purchases of the Company's products; and
- Other risks disclosed below, and incorporated by reference in, "Risk Factors", below.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Golden Matrix Group, Inc and Subsidiaries
Consolidated Balance Sheets

	As of January 31, 2022	As of October 31, 2021

	(Unaudited)	(Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 15,242,266	$ 16,797,656
Accounts receivable, net	1,709,378	1,762,725
Accounts receivable – related parties	533,606	1,306,896
Prepaid expenses	109,796	114,426
Short-term deposit	57,417	61,799
Inventory, prizes	851,709	-
Total current assets	$ 18,504,172	$ 20,043,502
Non-current assets:		
Property, plant and equipment	30,520	-
Intangible assets	2,644,538	135,263
Operating lease right-of-use assets	236,906	280,183
Goodwill	10,718,824	-
Total non-current assets	13,630,788	415,446
Total assets	$ 32,134,960	$ 20,458,948
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,207,750	$ 1,074,786
Accounts payable-related party	109,662	105,062
Accrued income tax liability	592,142	-
Deferred revenues	398,710	-
Advance from shareholder	200	-
Deferred tax liability	5,138	-
Accrued interest	123	123
Customer deposit	74,365	68,635
Consideration payable	562,650	-
Contingent liability	1,366,500	-
Current portion of operating lease liabilities	95,707	100,209
Total current liabilities	4,412,947	1,348,815
Non-current liabilities:		
Non-current portion of operating lease liability	144,248	182,024
Total non-current liabilities	144,248	182,024
Total liabilities	$ 4,557,195	$ 1,530,839
Shareholders' equity:		
Preferred stock, $0.00001 par value; 20,000,000 shares authorized	-	-
Preferred stock, Series B: $0.00001 par value, 1,000 shares designated, 1,000 and 1,000 shares issued and outstanding, respectively	-	-
Common stock: $0.00001 par value; 250,000,000 and 40,000,000 shares authorized; 28,045,577 and 27,231,401 shares issued and outstanding respectively	$ 280	$ 272
Additional paid-in capital	48,828,289	43,354,366
Accumulated other comprehensive income (loss)	55,334	(1,720)
Accumulated deficit	(24,075,430)	(24,424,809)
Total shareholders' equity of GMGI	24,808,473	18,928,109
Noncontrolling interests	2,769,292	-
Total equity	27,577,765	18,928,109
Total liabilities and shareholders' equity	$ 32,134,960	$ 20,458,948

See accompanying notes to consolidated financial statements.

Table of Contents

Golden Matrix Group, Inc and Subsidiaries
Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

	Three Months Ended January 31,	
	2022	2021
Revenues	$ 8,641,859	$ 1,336,231
Revenues-related party	235,246	615,175
Total revenues	8,877,105	1,951,406
Cost of goods sold	(6,853,002)	(954,782)
Gross profit	2,024,103	996,624
Costs and expenses:		
General and administrative expense	1,298,886	151,628
General and administrative expense- related party	155,600	737,598
Research and development expense	20,212	28,887

Professional fees	145,447	48,755
Total operating expenses	1,620,145	966,868
Income from operations	403,958	29,756
Other income (expense):		
Interest expense	-	(955)
Interest earned	441	41
Foreign exchange gain	84,676	23,316
Total other income	85,117	22,402
Net income before tax	489,075	52,158
Provision for income taxes	75,404	-
Net income	413,671	52,158
Less: Net income attributable to noncontrolling interest	64,292	-
Net income attributable to GMGI	$ 349,379	$ 52,158
Weighted average ordinary shares outstanding:		
Basic	27,747,956	21,514,172
Diluted	35,758,682	33,512,233
Net income per ordinary share attributable to GMGI:		
Basic	$ 0.01	$ 0.00
Diluted	$ 0.01	$ 0.00
Statements of Comprehensive Income:		
Net income	$ 413,671	$ 52,158
Foreign currency translation adjustments	57,054	(295)
Comprehensive income	470,725	51,863
Less: Net income attributable to noncontrolling interest	64,292	-
Comprehensive income attributable to GMGI	$ 406,433	$ 51,863

See accompanying notes to consolidated financial statements.

Table of Contents

Golden Matrix Group, Inc and Subsidiaries
Consolidated Statement of Shareholders' Equity
Three Months Ended January 31, 2021 and 2022
(Unaudited)

	Preferred Stock-Series B		Common Stock		Additional Paid-in Capital	Stock Payable	Stock Payable-Related Party	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Equity of GMGI	Non-controlling interest	Total Stockholder's Equity
	Shares	Amount	Shares	Amount								
Balance at October 31, 2020	**1,000**	**-**	**20,743,430**	**207**	**30,979,575**	**-**	**-**	**(683)**	**(25,125,039)**	**5,854,060**	**-**	**5,854,060**
Fair value of shares issued for services	-	-	-	-	-	7,420	7,420	-	-	14,840	-	14,840
Shares issued on exercise of options	-	-	133,334	1	7,999	-	-	-	-	8,000	-	8,000
Shares issued on cashless exercise of options	-	-	455,872	5	(5)	-	-	-	-	-	-	-
Shares issued for private placement	-	-	1,409,029	14	6,676,987	-	-	-	-	6,677,001	-	6,677,001
FV of option/warrants issued for services	-	-	-	-	708,926	-	-	-	-	708,926	-	708,926
Acquisition of GTG	-	-	-	-	(53,709)	-	-	-	-	(53,709)	-	(53,709)
Cumulative Translation adjustment	-	-	-	-	-	-	-	(295)	-	(295)	-	(295)
Imputed interest	-	-	-	-	956	-	-	-	-	956	-	956
Net profit for the quarter	-	-	-	-	-	-	-	-	52,158	52,158	-	**52,158**
Balance at January 31, 2021	**1,000**	**-**	**22,741,665**	**227**	**38,320,729**	**7,420**	**7,420**	**(978)**	**(25,072,881)**	**13,261,937**	**-**	**13,261,937**
Balance at October 31, 2021	**1,000**	**-**	**27,231,401**	**272**	**43,354,366**	**-**	**-**	**(1,720)**	**(24,424,809)**	**18,928,109**	**-**	**18,928,109**

Shares issued for services	-	-	808	-	6,000	-	-	-	-	6,000	-	6,000
Shares issued on cashless exercise of options	-	-	112,095	1	(1)	-	-	-	-	-	-	-
Shares issued on cashless exercise of options - related party	-	-	35,023	-	-	-	-	-	-	-	-	-
Shares issued as consideration to acquire Rkings	-	-	666,250	7	5,329,993	-	-	-	-	5,330,000	-	5,330,000
FV of option/warrants issued for services	-	-	-	-	137,931	-	-	-	-	137,931	-	137,931
Cumulative translation adjustment	-	-	-	-	-	-	-	57,054	-	57,054	-	57,054
Fair value of non-controlling interest in Rkings	-	-	-	-	-	-	-	-	-	-	2,705,000	2,705,000
Net profit for the quarter	-	-	-	-	-	-	-	-	349,379	349,379	64,292	413,671
Balance at January 31, 2022	**1,000**	-	**28,045,577**	**280**	**48,828,289**	-	-	**55,334**	**(24,075,430)**	**24,808,473**	**2,769,292**	**27,577,765**

See accompanying notes to consolidated financial statements.

Table of Contents

Golden Matrix Group, Inc and Subsidiary
Consolidated Statements of Cash Flow
(Unaudited)

	Three Months Ended January 31,	
	2022	**2021**
Cash flows from operating activities:		
Net income	$ 413,671	$ 52,158
Adjustments to reconcile net income to cash provided by operating activities:		
Fair value of stock option issued for services	137,931	111,018
Stock based compensation – related parties	-	597,908
Fair value of shares issued for services	6,000	14,840
Imputed interest	-	956
Amortization expense	94,169	-
Depreciation of property, plant and equipment	2,532	-
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	39,998	(284,857)
(Increase) decrease in accounts receivable – related party	773,290	(115,176)
(Increase) decrease in prepaid expense	(950)	(349,765)
(Increase) decrease in inventory, prize	36,352	-
(Increase) decrease in operating lease assets	24,100	-
(Decrease) increase in accounts payable and accrued liabilities	126,983	310,205
(Decrease) increase in accounts payable – related party	4,378	(196,792)
(Decrease) increase in accrued income tax liability	75,404	-
(Decrease) increase in deferred revenues	122,634	-
(Decrease) in customer deposit	7,830	(61,531)
(Decrease) increase in operating lease liabilities	(22,923)	-
Net cash provided by operating activities	$ 1,841,399	$ 78,964
Cash flows from investing activities:		
Cash paid for purchase of Rkings	(3,341,453)	-
Cash received from Investment in Global Technology Group Pty Ltd– related party	-	192
Cash paid for purchase of fixed assets	(5,992)	-
Cash paid for purchase of intangible assets	(47,873)	-
Net cash provided by (used in) investing activities	$ (3,395,318)	$ 192
Cash flows from financing activities:		
Proceeds from sale of stock	-	6,677,001
Repayments on shareholder loans	-	(1,000)
Repayments on settlement payable - related party	-	(66,803)

Advance from shareholders		200		-
Proceeds from option exercise		-		8,000
Net cash provided by financing activities	$	200	$	6,617,198
Effect of exchange rate changes on cash		(1,671)		(1)
Net increase (decrease) in cash and cash equivalents		(1,555,390)		6,696,353
Cash and cash equivalents at beginning of year		16,797,656		5,009,996
Cash and cash equivalents at end of the quarter	$	15,242,266	$	11,706,349
Supplemental cash flows disclosures				
Interest paid	$	-	$	-
Tax paid	$	-	$	-
Supplemental disclosure of non-cash activities				
Cashless exercise of options	$	1	$	5
Accounts payable settled with accounts receivable – related party	$	-	$	504,651
Intangible asset written down	$	58,000	$	-

See accompanying notes to consolidated financial statements.

Golden Matrix Group, Inc. And Subsidiaries
Notes to the Consolidated Financial Statements
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Organization and Operations

Golden Matrix Group, Inc. (together with its consolidated subsidiaries, collectively ("Golden Matrix", "GMGI" "we", "our", "us", or "Company") is incorporated and registered in the State of Nevada, and operates (i) as an innovative provider of enterprise Software-as-a-Service ("SaaS") solutions for online casino operators and online sports betting operators, commonly referred to as iGaming operators and, (ii) a provider of pay to enter prize competitions in the United Kingdom (UK).

The Company has historically operated in the business-to-business ("B2B") segment where it develops and owns online gaming intellectual property (IP) and builds configurable and scalable, turn-key, and white-label gaming platforms for international customers, located primarily in the Asia Pacific region. With the acquisition of RKingsCompetitions Ltd. effective on November 1, 2021, the Company has entered into the business-to-consumer ("B2C") segment by offering pay to enter prize competitions throughout the UK which are not gambling or a lottery; we do not offer B2C online sports betting and/or online casino services. The prize competitions require entrants to demonstrate sufficient skill, knowledge or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law.

In the B2B segment, the Company has developed a proprietary Internet gambling enterprise software system that provides for unique casino and live game operations on the platforms that include GM-X System ("GM-X") and GM-Ag System, Turnkey Solution and White Label Solutions. These platforms are provided to Asia Pacific Internet-based and land-based casino operators as a turnkey technology solution for regulated real money Internet gambling ("RMiG"), Internet sports gaming, and virtual simulated gaming ("SIM").

In the B2C segment, the Company has improved functionality and responsiveness of the RKingsCompetitions.com website and expanded its marketing efforts from Northern Ireland to encompass the UK as its customer reach.

On April 27, 2020, we filed a Certificate of Change Pursuant to NRS 78.209 with the Nevada Secretary of State pursuant to which we affected a reverse stock split of our authorized and issued and outstanding common stock in a ratio of 1-for-150. As a result of such filing, our authorized shares of common stock decreased from 6 billion to 40 million and our issued and outstanding shares of common stock decreased in a ratio of 1-for-150. All fractional shares of common stock remaining after the reverse split were rounded up to the nearest whole share. Pursuant to Section 78.207(1) of the Nevada Revised Statutes ("NRS"), shareholder approval was not required for this transaction. The Certificate of Change was effective with the Financial Industry Regulatory Authority (FINRA) on June 26, 2020. The effects of the reverse stock split are retroactively reflected throughout this Report.

On May 12, 2020, the Board of Directors of the Company approved a change in the Company's fiscal year from July 31 to January 31, effective immediately.

On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian Company. GTG has an Alderney Gambling Control Commission ("AGCC") license (an AGCC Category 2 Associate Certificate). The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities. Alderney has long been recognized as one of the preferred locations for online Gambling operators. Alderney is regarded in the community as one of the strictest licensing jurisdictions with policies aimed at improving transparency and cultivating a good gaming environment.

The Company is required to have a recognized business-to-business (B2B) gambling license in order to acquire certain gaming content. Currently the Company is not required to have a gaming license for the licensing of its GM-X System or the resale of third-party content to operators in the jurisdictions in which it currently conducts business, however as the Company expands its global distribution licensing regulatory requirements will be required.

On October 29, 2021, the Board of Directors approved a change in the Company's fiscal year from January 31 to October 31, effective as of the same date.

On November 22, 2021, the Board of Directors of the Company approved the filing of a Certificate of Amendment to the Company's Articles of Incorporation to increase the Company's authorized number of shares of Common Stock from forty million (40,000,000) shares to two hundred and fifty million (250,000,000) shares and to restate Article 3, Capital Stock thereof, to reflect such amendment, and clarify the Board of Director's ability to designate and issue 'blank check' preferred stock. The Amendment was filed with the Secretary of State of Nevada and became effective on December 16, 2021.

On November 29, 2021, the Company entered into a Sale and Purchase Agreement of Ordinary Issued Share Capital (the "Purchase Agreement"), to acquire an 80% ownership interest in RKingsCompetitions Ltd, a private limited company formed under the laws of Northern Ireland ("RKings"). On December 6, 2021, the Company closed the Purchase, which was effective on November 1, 2021.

Interim Financial Statements

These unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("US GAAP") for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, the consolidated financial statements do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included and such adjustments are of a normal recurring nature. These consolidated financial statements should be read in conjunction with the financial statements for the fiscal year ended October 31, 2021 and notes thereto and other pertinent information contained in the Transition Report on Form 10-KT for the nine months ended October 31, 2021, which the Company has filed with the Securities and Exchange Commission (the "SEC") on January 13, 2022.

The results of operations for the three months ended January 31, 2022, are not necessarily indicative of the results to be expected for the full fiscal year ending October 31, 2022.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiary, Global Technology Group Pty Ltd. and its 80% ownership interest in RKingsCompetitions Ltd. All intercompany transactions and balances have been eliminated.

Business Combination - Common Control Asset Acquisition of Global Technology Group Pty Ltd

A common-control transaction is a transfer of net assets or an exchange of equity interests between entities under the control of the same parent. On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian Company, then wholly-owned by Mr. Anthony Brian Goodman. Mr. Goodman is also a controlling party of the Company via his stock holding in Luxor Capital, LLC, which has a controlling vote of greater than 50% of the Company. As such the acquisition of GTG was a common control acquisition.

The accounting and reporting for a transaction between entities under common control is addressed in the "Transactions Between Entities Under Common Control" subsections of Accounting Standards Codification (ASC) 805-50. ASC 805-50 requires that the receiving entity recognize the net assets received at their historical carrying amounts.

Business Combination - Acquisition of 80% of RKingsCompetitions Ltd

The Company accounts for business combinations using the acquisition method of accounting in accordance with FASB ASC 805, Business Combinations. Identifiable assets acquired, and liabilities assumed, in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Any adjustments to the purchase price allocation are made during the measurement period, not exceeding one year from the acquisition date, in accordance with ASC 805. The Company recognizes any non-controlling interest in the acquired subsidiary at fair value. The excess of the purchase price and the fair value of non-controlling interest in the acquired subsidiary over the fair value of the identifiable net assets of the subsidiary is recognized as goodwill. Identifiable assets with finite lives are amortized over their useful lives. Acquisition related costs are expensed as incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include contingent liability, stock-based compensation, warrant valuation, accrued expenses and collectability of accounts receivable. The Company evaluates its estimates on an on-going basis and bases its estimates on historical experience and on various other assumptions the Company believes to be reasonable. Due to inherent uncertainties, actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Company currently has no cash equivalents at January 31, 2022 and October 31, 2021.

Allowance for Doubtful Accounts

The allowance for doubtful accounts reflects our best estimate of probable losses inherent in the accounts receivable balance. The Company determines the allowance based on known troubled accounts, historical experience, and other currently available evidence. As of January 31, 2022 and October 31, 2021, the allowance for doubtful accounts was $0 and $168,557, respectively. During the three months ended January 31, 2022, $168,557 allowance for doubtful debts was written off and there was no bad debt expense recorded. The corresponding accounts receivable balance was also written off.

Website Development Costs

The Company accounts for website development costs in accordance with Accounting Standards Codification (ASC) 350-50 "Website Development Costs". Accordingly, all costs incurred in the planning stage are expensed as incurred, costs incurred in the website application and infrastructure development stage that meet specific criteria are capitalized and costs incurred in the day-to-day operation of the website are expensed as incurred. All costs associated with the websites are subject to straight-line amortization over a three-year period. During the three months ended January 31, 2022, $47,873 in development costs, or related costs were incurred and capitalized.

Software Development Costs

The Company capitalizes internal software development costs subsequent to establishing technological feasibility of a software application in accordance with guidelines established by "ASC 985-20-25" Accounting for the Costs of Software to Be Sold, Leased, or Otherwise Marketed, requiring certain software development costs to be capitalized upon the establishment of technological feasibility. The establishment of technological feasibility and the ongoing assessment of the recoverability of these costs require considerable judgment by management with respect to certain external factors such as anticipated future revenue, estimated economic life, and changes in software and hardware technologies. Amortization of the capitalized software development costs begins when the product is available for general release to customers. Capitalized costs are amortized based on the straight-line method over the remaining estimated economic life of the product.

Inventories, Prizes

RKings purchases prizes to award to winners of prize competitions; these prizes are the RKings's inventory. Operations that include prizes are only through RKings. Inventory is stated at the lower of cost or net realizable value, using the first-in, first out ("FIFO") method. Costs include expenditures incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow-moving items. Net realizable value comprises actual or estimated selling price (net of discounts) less all further costs to completion or to be incurred in marketing and selling. Inventory was $851,709 and $0 at January 31, 2022 and 2021, respectively.

Property, Plant and Equipment

Plant and machinery, fixtures, fittings, and equipment are recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation is computed pursuant to the straight-line method whereby the amount of depreciation is calculated by applying a fixed percentage (25%) on the book value of the asset each year. Property, plant and equipment were $30,520 and $0 at January 31, 2022 and 2021, respectively.

Impairment of Intangible Assets

In accordance with ASC 350-30-65 "Goodwill and Other Intangible Assets", the Company assesses the impairment of identifiable intangible assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers important, which could trigger an impairment review include the following:

1. Significant underperformance compared to historical or projected future operating results;
2. Significant changes in the manner or use of the acquired assets or the strategy for the overall business; and
3. Significant negative industry or economic trends

When the Company determines that the carrying value of an intangible asset may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent to the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. Intangible assets that have finite useful lives are amortized over their useful lives. The Company incurred amortization expense of $94,169 and $0 during the three months ended January 31, 2022 and 2021, respectively.

Revenue Recognition

The Company currently has three distinctive revenue streams. In the B2B segment there are two revenue streams (i) charges for usage of the Company's software, and, (ii) a royalty charged on the use of third-party gaming content. In the B2C segment, the revenue stream is related to the charges to enter prize competitions in the UK through RKings.

B2B segment, revenue descriptions:

1. For the usage of the Company's software, the Company charges gaming operators for the use of its unique intellectual property (IP) and technology systems.
2. For the royalty charged on the use of third-party gaming content, the Company acquires the third-party gaming content for a fixed cost and resells the content at a margin.

B2C segment, revenue descriptions:

The Company generates revenues through RKings from sales of prize competitions tickets directly to customers for prizes throughout the United Kingdom ranging from automobiles to jewelry as well as travel and entertainment experiences.

Pursuant to Financial Accounting Standards Board (FASB) Topic 606, Revenue Recognition, our company recognizes revenues by applying the following steps:

Step 1: Identify the contract with a customer.
Step 2: Identify the separate performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the separate performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

For the usage of the Company's software, the Company provides services to the counterparty which include licensing the use of its unique IP and technology systems. The counterparty pays consideration in exchange for those services which include a variable amount depending on the Software Usage. The Company only recognizes the revenue at the month end when the usage occurs, and the revenue is based on the actual Software Usage of its customers.

For the royalty charged on the use of third-party gaming content, the Company acts as a distributor of the third-party gaming content which is utilized by the client. The counterparty pays consideration in exchange for the gaming content utilized. The Company only recognizes the revenue at the month end when the usage of the gaming content occurs, and the revenue is based on the actual usage of the gaming content.

For the prize competitions ticket sales, revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration RKings expects to be entitled to in exchange for those goods or services.

Payments for prize competitions received in advance of services being rendered are recorded as deferred revenue and recognized as revenue when control of the prize has been transferred to the winner of prize competitions.

Earnings Per Common Share

Basic net earnings per share of common stock is computed by dividing net earnings available to common shareholders by the weighted-average number of Common Shares outstanding during the period. Diluted net earnings per Common Share are determined using the weighted-average number of Common Shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents.

The dilutive effect of outstanding stock options and warrants is reflected in diluted earnings per share by application of the treasury stock method. The dilutive effect of outstanding convertible securities is reflected in diluted earnings per share by application of the if-converted method.

Table of Contents

The following table sets forth the calculation of basic and diluted net earnings per share for the three-month periods ended January 31, 2022 and 2021. All shares and per share amounts have been adjusted for the 1-for-150 reverse stock split which took effect in the marketplace on June 26, 2020:

	For the three months ended January 31, 2022	For the three months ended January 31, 2021
Basic earnings per common share		
Numerator:		
Net income available to common shareholders	$ 349,379	$ 52,158
Denominator:		
Weighted average common shares outstanding	27,747,956	21,514,172
Basic earnings per common share	$ 0.01	$ 0.00
Diluted earnings per common share		
Numerator:		
Net income available to common shareholders	$ 349,379	$ 52,158
Denominator:		
Weighted average common shares outstanding	27,747,956	21,514,172
Preferred shares	1,000	1,000
Warrants/Options	7,939,394	11,997,061
Consideration payable	70,332	-
Adjusted weighted average common shares outstanding	35,758,682	33,512,233
Diluted earnings per common share	$ 0.01	$ 0.00

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and loss carry-forwards and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rules on deferred tax assets and liabilities is recognized in operations in the year of change. A valuation allowance is recorded when it is “more likely-than-not” that a deferred tax asset will not be realized.

Foreign Currency Translation and Transactions

The functional currency of our foreign operations is generally the local currency. For these foreign entities, we translate their financial statements into U.S. dollars using average exchange rates for the period for income statement amounts and using end-of-period exchange rates for assets and liabilities. We record these translation adjustments in Accumulated other comprehensive income (loss), a separate component of Equity, in our consolidated balance sheets. We record exchange gains and losses resulting from the conversion of transaction currency to functional currency as a component of other income (expense).

Fair Value of Financial Instruments

The Company has adopted the provisions of ASC Topic 820, Fair Value Measurements, which defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. ASC 820 does not require any new fair value measurements, but it does provide guidance on how to measure fair value by providing a fair value hierarchy used to classify the source of the information. The fair value hierarchy distinguishes between assumptions based on market data (observable inputs) and an entity’s own assumptions (unobservable inputs).

Table of Contents

The hierarchy consists of three levels:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets of liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company uses Level 3 inputs for its valuation methodology for the warrant derivative liabilities and embedded conversion option liabilities.

Financial instruments consist principally of cash, accounts receivable, prepaid expenses, intangible assets, accounts payable, accrued liabilities, and customer deposits. The carrying amounts of such financial instruments in the accompanying balance sheets approximate their fair values due to their relatively short-term nature. It is management's opinion that the Company is not exposed to any significant currency or credit risks arising from these financial instruments.

Stock-Based Compensation

The Stock-based compensation expense is recorded as a result of stock options granted in return for services rendered. For the comparative periods, the share-based payment arrangements with employees were accounted for under FASB Accounting Standards Codification (ASC) 718, while nonemployee share-based payments issued for goods and services are accounted for under ASC 505-50. ASC 505-50 and Accounting Standards Update (ASU) 2018-07.

The expenses related to the share-based compensation are recognized on each reporting date. The amount is calculated as the difference between total expenses incurred and the total expenses already recognized.

The stock-based compensation of options issued to consultants was recognized as a component of cost of goods sold since the stock-based compensation is the direct labor cost associated with running the Company's GM2 Asset system.

Recent Issued Accounting Pronouncements

The Company does not believe that any recently issued effective pronouncements, or pronouncements issued but not yet effective, if adopted, would have a material effect on the accompanying financial statements.

Impact of COVID-19 Pandemic on Consolidated Financial Statements.

The outbreak of the 2019 novel coronavirus disease ("COVID-19"), which was declared a global pandemic by the World Health Organization on March 11, 2020, and the related responses by public health and governmental authorities to contain and combat its outbreak and spread has severely impacted the U.S. and world economies. Decreased demand for our products and services caused by COVID-19 could have a material adverse effect on our results of operations. Separately, economic recessions, including those brought on by the COVID-19 outbreak may have a negative effect on the demand for our products, services and our operating results. The range of possible impacts on the Company's business from the coronavirus pandemic could include, but are not limited to: (i) changing demand for the Company's products and services; (ii) the closure of, or reduction in the number of persons who may be present in, establishments using the Company's technology (resulting in a decrease in demand for such technology); (iii) travel restrictions and stay at home orders; (iv) recessions and other economic contractions which may decrease the amount of discretionary spending available to consumers and/or the amount such consumers are willing to spend; and (v) increasing contraction in the capital markets. At this time, our operations have not been materially negatively impacted by the coronavirus pandemic although much of the Company's work was performed in the commuter environment, as opposed to the office setting.

Table of Contents

NOTE 2 – ACCOUNTS RECEIVABLE, NET

Accounts receivable are carried at their estimated collectible amounts. The balance is composed of trade accounts receivables that are periodically evaluated for collectability based on past credit history with customers and their current financial condition and amount due from Citibank for Automated Clearing House (ACH) transfers that were erroneously processed by Citibank (described below).

Amount due from Citibank is the result of Automated Clearing House (ACH) transfers that were erroneously posted to the Company's bank account. The Company first notified Citibank of ACH transfers that were erroneously posted to the account. Overall, $729,505 of ACH transactions had posted to its accounts that were not authorized. Citibank immediately recognized that it was an error under the Electronic Fund Transfer Act (EFTA) (15 U.S.C. 1693 et seq.) of 1978 and 12 CFR 1005.11 and proceeded to immediately replenished $392,921 of the unauthorized ACH transactions which resulted in a receivable due from Citibank of $336,584 as of October 31, 2021. In November 2021, an additional $247,908 was replenished by Citibank which resulted in a balance due from Citibank of $88,676. As of January 31, 2022, the balance due from Citibank was $88,676. The Company received confirmation from Citibank on February 25, 2022 that they were working to address the issues.

The Company has accounts receivable of $1,709,378 and $1,762,725 as of January 31, 2022 and October 31, 2021, respectively (net of allowance for bad debt of $0 and $168,557, respectively).

NOTE 3 – ACCOUNTS RECEIVABLE – RELATED PARTY

Accounts receivable-related party are carried at their estimated collectible amounts. Trade accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. The Company has accounts receivable from one related party: Articulate Pty Ltd. ("Articulate"), which is wholly-owned by Anthony Brian Goodman, CEO of the Company and his wife Marla Goodman, which amounts to $533,606 and $1,306,896 as of January 31, 2022 and October 31, 2021, respectively.

NOTE 4 – PREPAID EXPENSES

The prepaid expenses mainly include credits from our supplier, retainer paid to our corporate attorney, prepaid national press releases, subscription of investor relation feeds, and a one-year Gaming License fee. The balances of prepaid assets are $109,796 and $114,426 as of January 31, 2022 and October 31, 2021, respectively.

NOTE 5 – SHORT-TERM DEPOSITS

Office Lease deposit

Short-term deposits represent a deposit required for a new office lease in Australia. On June 1, 2021, the Company (through GTG) entered into a three-year term lease agreement for office space which commenced on June 1, 2021. The Company has the option to renew for a period of three years. The rent is $115,265 ($148,902 AUD) per year (subject to a 4% annual increase) plus goods and services tax charged at 10% based on Australian Taxation Law.

Under the terms of the lease, the Company is required to provide a bank guarantee and has entered into a $57,417 ($81,896 AUD) Term Deposit at St. George Bank (with lessor as beneficiary) as collateral for the bank guarantee (from St. George Bank) to the benefit of the lessor. The Term Deposit was opened on June 1, 2021, has a one-year maturity and earns 0.25% interest per year.

As of January 31, 2022 and October 31, 2021, the operating lease right-of-use asset is $236,906 and $280,183, respectively, and there was also a current operating lease liability of $95,707 and $100,209, respectively and a non-current operating lease liability $144,248 and $182,024, respectively.

NOTE 6 – ACQUISITION

Related Party Asset Acquisition

On December 22, 2020, the Company entered into a Share Purchase Agreement with Anthony Brian Goodman, CEO of the Company and also the sole director and owner of Global Technology Group Pty Ltd, a company incorporated in Australia (GTG). Under the agreement, Mr. Goodman agreed to sell 100% of the shares in GTG to the Company for total consideration of 85,000 GBP. On January 19, 2021, the Company acquired the shares in GTG and became the ultimate holding company of GTG. On March 22, 2021, the Company paid Mr. Goodman $115,314 USD (equivalent to 85,000 GBP), for the acquisition of GTG.

As described more fully in "NOTE 1 - BASIS OF PRESENTATION AND ACCOUNTING POLICIES", the assets and liabilities of GTG have been recorded at their historical cost basis at the acquisition date, and are included in the Company's consolidated financial statements.

The assets acquired and liabilities assumed in the Share Purchase Agreement are as follows:

Purchase Price:		
85,000 GBP based on the exchange rate on January 19, 2021	$	115,314
Assets acquired and liabilities assumed		
Cash		192
Prepayments – Gaming License		61,513
Advance from shareholders		(100)
	$	61,605
Reduction in Additional Paid in Capital in GMGI		53,709
Consideration payable – related party	$	115,314

Third Party Business Acquisition

On November 29, 2021, the Company entered into a Sale and Purchase Agreement with the Sellers who were the sole shareholders of RKings.

RKings is a United Kingdom based online competition company offering business-to-consumer tournaments whereby individuals can purchase entries for online prize drawings.

Pursuant to the Purchase Agreement, the Sellers agreed to sell the Company 80% of the outstanding capital stock of RKings (the "Purchase" and the "RKings Stock"). In consideration for the RKings Stock, we agreed to pay the Sellers, pro rata with their ownership of RKings:

(1) a cash payment of GBP £3,000,000;
(2) 666,250 restricted shares of the Company's common stock, with an agreed value of GBP £4,000,000, or $8.00 per share of Company common stock (the "Company Share Value" and such aggregate shares of Company Common Stock, the "Closing Shares"); and
(3) within seven days after the receipt of the audit of RKings (as required by Securities and Exchange Commission ("SEC") rules and regulations), an additional number (rounded to the nearest whole share) of restricted shares of Company common stock, equal to (i) 80% of RKings' net asset value (inventory on hand (minus allowances for reserve inventory and allocated goods and materials) plus RKings' total cash and cash equivalents on hand; less (B) RKings' current and accrued liabilities, as described in greater detail in the Purchase Agreement) as of October 31, 2021, divided by (ii) the Company Share Value (the "Post-Closing Shares").

In consideration for the RKings Stock, we agreed to pay the Sellers, pro rata with their ownership of RKings:

A total of GBP £1,000,000 (the "Holdback Amount") is to be retained by the Company following closing and will be released to the Sellers, within six months after the closing date only to the extent that (A) RKings has achieved revenue of at least USD $7,200,000 during the six full calendar months immediately following the closing date; and (B) the Sellers do not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents.

Additionally, in the event the (A) the Company determines, on or before the date on which the Company files its Annual Report on Form 10-K with the SEC for the Company's fiscal year ending October 31, 2022 (the "Filing Date"), that the increase (if any) between (1) RKings' twelve-month trailing EBITDA for the year ended October 31, 2022, less (2) RKings' twelve-month trailing EBITDA for the year ended October 31, 2021, is at least GBP £1,250,000 during the twelve-month period ending October 31, 2022; and (B) the Sellers do not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents, then the Company is required to pay the Sellers GBP £4,000,000 (the "Earn-Out Consideration"), which is payable at the option of the Company in either (a) cash; or (b) shares of Company common stock valued at $8.00 per share of Company common stock (subject to equitable adjustment in accordance with dividends payable in stock on such Company Common Stock, stock splits, stock combinations, and other similar events affecting the Company Common Stock) (such shares of Company Common Stock, if any, the "Earn-Out Shares"). Based on the performance of the quarter ended January 31, 2022, the Company determined that it was highly unlikely that the Earn-Out EBITDA Threshold would be met; therefore, no contingent liability was recorded.

On December 6, 2021, the Company closed the Purchase, which had an effective date of November 1, 2021.

The Purchase Agreement also required that the Sellers and the Company enter into a Shareholders Agreement (the "Shareholders Agreement"), which was entered into and became effective on November 29, 2021, and is described in greater detail in the Current Report on Form 8-K filed by the Company on December 3, 2021.

In accordance with Financial Accounting Standards Board Accounting Standards Codification section 805, "Business Combinations", the Company will accounted for the Purchase Agreement transaction as a business combination using the acquisition method. Due to the continuity of operations that will remain after the acquisition, the acquisition was considered the acquisition of a "business".

Goodwill is measured as a residual and calculated as the excess of the sum of (1) the purchase price to acquire 80% RKings' shares, which was $11,358,650, and (2) the fair value of the 20% noncontrolling interest in RKings, which was estimated to be $2,705,000, over the net of the acquisition-date values of the identifiable assets acquired and the liabilities assumed.

The Company accounts for business combinations in accordance with Financial Accounting Standards Board Accounting Standards Codification 805, Business Combinations. The preliminary fair value of purchase consideration for the acquisition has been allocated to the assets acquired and liabilities assumed based on a preliminary valuation of their respective fair values and may change when the final valuation of the assets acquired and liabilities assumed is determined.

As described more fully in "NOTE 1 - BASIS OF PRESENTATION AND ACCOUNTING POLICIES", the assets and liabilities of RKings have been recorded at their fair value at the acquisition date, and are included in the Company's consolidated financial statements.

Table of Contents

The calculation of the purchase price and the assets acquired and liabilities assumed in the Purchase Agreement are as follows:

Calculation of Purchase Price and Preliminary Estimated Purchase Price Allocation

Purchase price buildup		**Amount**
Closing cash consideration of GBP £3,000,000 based on Exchange Rate on November 1, 2020	$	4,099,500
Fair value of contingent cash consideration of GBP £1,000,000 to be paid in six months based on Exchange Rate on November 1, 2020		1,366,500
Fair value of 666,250 restricted shares at $8 per share		5,330,000
Fair value of contingent shares consideration		562,650
Purchase price	**$**	**11,358,650**
Fair value of non-controlling interest		2,705,000
Equity value	**$**	**14,063,650**
Add: Current liabilities		960,753
Total equity and liabilities	$	15,024,403
Allocation to assets		
Cash and cash equivalents	$	758,047
Inventory, prizes		906,018
Property, Plant & Equipment, net		27,613
Total tangible assets		**1,691,678**
Intangible assets		
Website development costs, net		13,901
Trade Names and Trademarks		2,000,000
Non-Compete Agreements		600,000
Total intangible assets		**2,613,901**
Goodwill		10,718,824
Total assets allocated	**$**	**15,024,403**

Rkings results of operations have been included in our consolidated financial statements beginning November 1, 2021. Rkings contributed revenues of $5,496,275 and net income of $321,460 for the period from the date of acquisition through January 31, 2022.

The following table summarizes the unaudited pro-forma consolidated results of operations for the three months ended January 31, 2022 and 2021 as if the acquisition had occurred on November 1, 2020.

	Three Months Ended	
	January 31, 2022	**January 31, 2021**
Pro-forma total revenues	8,877,105	12,336,122
Pro-forma net income attributable to GMGI	349,379	280,575

The unaudited pro-forma consolidated results above are based on the historical financial statements of the Company and Rkings and are not necessarily indicative of the results of operations that would have been achieved if the acquisition was completed at November 1, 2020, and are not indicative of the future operating results of the combined company. The pro-forma consolidated results of operations also include the effects of purchase accounting adjustments, including amortization charges related to the finite-lived intangible assets acquired, assuming that the business combination occurred on November 1, 2020. The values assigned to the assets acquired and liabilities assumed are based on preliminary valuations, for the Rkings acquisition, and are subject to change as the Company obtains additional information during the remaining measurement period.

Table of Contents

NOTE 7 – INTANGIBLE ASSETS – SOFTWARE PLATFORM, WEBSITE DEVELOPMENT COSTS, TRADEMARKS AND NON-COMPETE AGREEMENTS

On March 1, 2021, the Company entered into an Asset Purchase Agreement with Gamefish Global Pty Ltd, a company incorporated in Australia ("Gamefish"), pursuant to which the Company acquired an instance of certain intellectual property that consists of a fully functional Seamless Aggregation Platform ("Aggregation Platform"). As consideration for the acquisition, the Company agreed to pay Gamefish $174,000, payable pursuant to a schedule set forth in the agreement, and certain milestones being met with respect to the stability, functionality and operation of the Aggregation Platform. The Company also agreed to pay a minimum of three months of monthly fees to Gamefish in the amount of $13,050 per month, for ongoing support for the intellectual property. As part of the Asset Purchase Agreement, the Company entered into consulting agreements with two principals of Gamefish. On November 23, 2021, the Company terminated the Asset Purchase Agreement with Gamefish, effective on November 30, 2021. The outstanding payable to Gamefish of $58,000 was written off and the intangible asset was written down by the same amount.

The website development costs to upgrade and enhance the functionality of Rkings' website were capitalized.

Intangible assets related to software and website are amortized on a straight-line basis over their expected useful lives, estimated to be 3 years.

In connection with the acquisition of RkingsCompetition, Ltd, the Company recognized the definite-lived intangible assets consisting of $2,000,000 of trademarks and $600,000 of non-compete agreements. The trademark for RkingsCompetition is amortized over 10 years and the non-compete agreement is amortized over 5 years.

Amortization expenses related to intangible assets were $94,169 and $0 for the three months ended January 31, 2022 and 2021, respectively. Accumulated amortization was $134,604 and $38,737 as of January 31, 2022 and October 31, 2021, respectively.

NOTE 8 – ACCOUNTS PAYABLE – RELATED PARTIES

The accounts payable to related parties include the accrued consulting fees and salaries payable to the Directors and management of the Company and also the accounts payable to Articulate Pty Ltd. (“Articulate”), which is wholly-owned by Anthony Brian Goodman, CEO of the Company and his wife Marla Goodman. Accounts payable to related parties was $109,662 and $105,062 as of January 31, 2022 and October 31, 2021, respectively.

NOTE 9 – DEFERRED REVENUES

The payments for prize competitions received in advance of services being rendered are recorded as deferred revenue and recognized as revenue when control of the prize has been transferred to the winners of prize competitions. Deferred revenues were $398,710 and $0 as of January 31, 2022 and October 31, 2021, respectively.

NOTE 10 – CUSTOMER DEPOSITS

The Company has two sources of customer deposits.

One source of deposits is from the Company’s customers participating in the Progressive Jackpot Games. The clients are required to provide the Company with a minimum deposit amount of $5,000, which serves as a deposit for the Progressive Contribution Fee. During the tenure of the client’s operation, the deposit will not be used to deduct or offset any invoices, and when the client decides not to operate, the deposit will be fully refunded to the client. As of January 31, 2022 and October 31, 2021, customer deposits amounted to $42,356 and $32,886, respectively.

NOTE 11 – RELATED PARTY TRANSACTIONS

All related party transactions have been recorded at the exchange value which was the amount of consideration established and agreed to by the related parties.

Anthony Brian Goodman

On January 3, 2018, the Company adopted a stock option plan: the 2018 Equity Incentive Plan. Pursuant to this plan, on January 3, 2018 and September 19, 2019, the Company granted options to purchase 5,400,000 and 2,700,000 shares of common stock, with an exercise price of $0.066 and $0.9075 per share, respectively, to Anthony Brian Goodman, the Company’s Chief Executive Officer and Chairman. More details of the options are covered in “NOTE 12 – EQUITY”.

On October 26, 2020, the Company entered into an Employment Agreement with Mr. Goodman. Pursuant to the agreement, Mr. Goodman is to receive an annual salary of $144,000, plus a superannuation of 9.5% of Mr. Goodman’s salary. Beginning July 1, 2021, the superannuation increased to 10% of the salary pursuant to Australian law. As of January 31, 2022 and October 31, 2021, total wages payable to Mr. Goodman was $0 and $0, respectively, and the superannuation (compulsory payments made into a fund by an employee toward a future pension) payable was $17,805 and $14,205, respectively.

On June 29, 2021, the Company extended the expiration date of options to purchase 5,400,000 shares of common stock previously granted to Mr. Goodman, the Company’s Chief Executive Officer, at an exercise price of $0.066 per share, which were to expire on June 30, 2021, until December 31, 2022. More details of the options are covered in “NOTE 12 – EQUITY”.

On September 18, 2021, Mr. Goodman, the Company’s Chief Executive Officer and Chairman, exercised options to purchase 2,700,000 shares of common stock in a cashless exercise pursuant to which 355,109 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($2,450,250) and 2,344,891 shares were issued. More details of the options are covered in “NOTE 12 – EQUITY”.

On November 8, 2021, Mr. Goodman lent $200 to the Company to open two bank accounts. The loan from Mr. Goodman is due on demand, unsecured with no interest. As of January 31, 2022, the balance of the loan was $200.

Weiting ‘Cathy’ Feng

On January 3, 2018 and September 16, 2019, the Company granted options to purchase 1,400,000 and 700,000 shares of common stock, with an exercise price of $0.06 and $0.825 per share, respectively, to Weiting ‘Cathy’ Feng pursuant to the 2018 Equity Incentive Plan.

On October 26, 2020, the Company entered into an Employment Agreement with Weiting ‘Cathy’ Feng. Pursuant to the agreement, Ms. Feng is to receive an annual salary of $120,000, plus a superannuation of 9.5% of Ms. Feng’s salary. Beginning July 1, 2021, the superannuation increased to 10% of the salary pursuant to Australian law. As of January 31, 2022 and October 31, 2021, total wage payable to Ms. Feng was $0 and $0, respectively, and the superannuation (compulsory payments made into a fund by an employee toward a future pension) payable was $14,838 and $11,838, respectively.

On June 29, 2021, the Company extended the expiration date of options to purchase 1,400,000 shares of common stock previously granted to Weiting Feng, the Company’s Chief Operating Officer, at an exercise price of $0.06 per share, which were to expire on June 30, 2021, until December 31, 2022.

On September 18, 2021, Weiting Feng, the Company’s Chief Operating Officer and Director, exercised options to purchase 700,000 shares of common stock in a cashless exercise pursuant to which 83,696 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($577,500) and 616,304 shares were issued. More details of the options are covered in “NOTE 12 – EQUITY”.

Thomas E. McChesney

On April 24, 2020, the Board of Directors appointed Mr. Thomas E. McChesney as a member of the Board of Directors of the Company. Mr. McChesney’s appointment was effective on April 27, 2020. The Board of Directors agreed to compensate Mr. McChesney in the amount of $2,000 per month payable in arears and to grant Mr. McChesney options to purchase 100,000 shares of common stock (at $0.795 per share, expiring April 27, 2025) in connection with his appointment.

On September 29, 2021, the Board of Directors agreed to increase the compensation of Mr. McChesney to $3,000 per month, commencing November 1, 2021.

On January 28, 2022, Mr. McChesney exercised options to purchase 40,000 shares of common stock in a cashless exercise pursuant to which 4,977 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($31,800) and 35,023 shares were issued.

During the three months ended January 31, 2022 and 2021, total consulting fees to Mr. McChesney were $9,000 and $6,000, respectively. As of January 31, 2022 and October 31, 2021, the amount payable to Mr. McChesney was $0 and $0, respectively. More details regarding the options are covered in "NOTE 12 – EQUITY".

Murray G. Smith

On July 27, 2020, the Board of Directors appointed Mr. Murray G. Smith as a member of the Board of Directors of the Company. Mr. Smith's appointment was effective on August 1, 2020. The Board of Directors agreed to compensate Mr. Smith in the amount of $2,000 per month payable in arears and to grant Mr. Smith options to purchase 100,000 shares of common stock (at $2.670 per share, expiring August 1, 2025) in connection with his appointment.

On September 29, 2021, the Board of Directors agreed to increase the compensation of Mr. Smith to $3,000 per month, commencing November 1, 2021.

During the three months ended January 31, 2022 and 2021, total consulting fees to Mr. Smith were $9,000 and $6,000, respectively. As of October 31, 2021 and January 31, 2021, the amount payable to Mr. Smith was $0 and $0, respectively. More details regarding the options are covered in "NOTE 12 – EQUITY".

Aaron Richard Johnston

On August 13, 2020, the Board of Directors agreed to appoint Mr. Aaron Richard Johnston as a member of the Board of Directors of the Company subject to his acceptance. On August 23, 2020, the Company received Mr. Johnston's acceptance letter. The effective date of appointment was August 23, 2020. The Board of Directors agreed to compensate Mr. Johnston in the amount of $2,000 per month payable in arears and to grant Mr. Johnston options to purchase 100,000 shares of common stock (at $2.670 per share, expiring August 1, 2025) in connection with his appointment.

On September 29, 2021, the Board of Directors agreed to increase the compensation of Mr. Johnston to $3,000 per month, commencing November 1, 2021.

During the three months ended January 31, 2022 and 2021, total consulting fees to Mr. Johnston were $9,000 and $6,000, respectively. As of January 31, 2022 and October 31, 2021, the amount payable to Mr. Johnston was $0 and $2,000. More details regarding the options are covered in "NOTE 12 – EQUITY".

Table of Contents

Brett Goodman

On May 1, 2020, the Company entered into a consultant agreement with Brett Goodman, the son of the Company's Chief Executive Officer, where Mr. Brett Goodman agreed to provide consulting services assisting the Company with building a Peer-to-Peer gaming system. The consultant will be paid $3,000 per month.

On August 10, 2020, the Company entered into a Stock Purchase Agreement with Mr. Brett Goodman, and Jason Silver, who was then subject to a partnership agreement with Brett Goodman. Mr. Goodman and Mr. Silver had previously engaged a third-party company to develop a Peer-to-Peer betting application and the Company determined it was in the Company's best interests to assume ownership of the Peer-to-Peer betting application development program, and to engage Mr. Goodman and Mr. Silver for management of the project. Pursuant to the agreement, we agreed to issue each of Mr. Goodman and Mr. Silver 2,000 shares of restricted common stock (4,000 shares in aggregate) (which shares were issued on March 24, 2021), and as a result, a $14,840 expense was recorded during the fiscal year ended January 31, 2021. Additionally, each of Mr. Goodman and Mr. Silver agreed to manage the project. We also agreed to reimburse Mr. Goodman and Mr. Silver for the costs of the project; however, there have been no expenses to date.

During the three months ended January 31, 2022 and 2021, total consulting fees paid to Mr. Brett Goodman were $6,000 and $9,000, respectively. As of January 31, 2022 and October 31, 2021, the amount payable to Mr. Brett Goodman was $0 and $0, respectively.

Marla Goodman

Marla Goodman is the wife of Anthony Brian Goodman, the Company's Chief Executive Officer. Marla Goodman owns 50% of Articulate Pty Ltd. (discussed below).

Articulate Pty Ltd

(a) Back Office Services:

On April 1, 2016, the Company entered into a Back Office/Service Provider Agreement with Articulate Pty Ltd, which is wholly-owned by Anthony Brian Goodman, Chief Executive Officer and Chairman of the Company and his wife Marla Goodman, for consulting services.

On June 30, 2021, the Back Office Services Agreement was cancelled. During the three months ended January 31, 2022 and 2021, general and administrative expense related to the Back Office Services Agreement was $0 and $33,000, respectively. As of January 31, 2022 and October 31, 2021, the amount payable to Articulate for Back Office Services was $77,019 and $77,019, respectively.

(b) License Agreement:

On March 1, 2018, the Company entered into a License Agreement with Articulate, in which Articulate received a license from the Company to use the GM2 Asset technology, and agreed to pay the Company a usage fee calculated as a certain percentage of the monthly content and software usage within the GM2 Asset system.

During the three months ended January 31, 2022 and 2021, revenues from Articulate were $235,246 and $615,175, respectively. As of January 31, 2022 and October 31, 2021, the amount receivable from Articulate was $533,606 and $1,306,896, respectively.

Table of Contents

(c) Prepaid deposit paid to Skywind Services IOM Ltd ("Skywind") by Articulate on behalf of Global Technology Pty Ltd ("GTG"):

Articulate had a prepaid deposit in favor of Skywind in the amount of $43,569 (35,928 EUR) as of February 18, 2021. Articulate allowed GTG to utilize the prepaid deposits in order that GTG would be able to operate and utilize certain Progressive Jackpot games of Skywind. On February 18, 2021, the Company recorded an accounts payable of $43,569 to Articulate. On July 29, 2021, the Company paid an equivalent of $42,464 to Articulate to settle the accounts payable based on the exchange rate on the same date.

Mr. Omar Jimenez

On April 22, 2021, the Company entered into a Consulting Agreement with Omar Jimenez, who was appointed as Chief Financial Officer/Chief Compliance Officer on the same date. The Consulting Agreement provides for Mr. Jimenez to be paid $12,500 per month (which may be increased from time to time with the mutual consent of Mr. Jimenez and the Company and which salary was increased to $25,000 per month on January 26, effective January 1, 2022), to be granted options to purchase 50,000 shares of common stock (at $9.910 per share, expiring April 23, 2023), granted under the Company's 2018 Equity Compensation Plan, of which options to purchase 25,000 shares vested on April 22, 2021, and options to purchase 25,000 shares vested on October 22, 2021. Mr. Jimenez may also receive discretionary bonuses from time to time in the discretion of the Board of Directors in cash, stock or options.

During the three months ended January 31, 2022 and 2021, total consulting fees paid to Mr. Jimenez were $50,000 and $0, respectively. As of January 31, 2022 and October 31, 2021, the amount payable to Mr. Jimenez was $0 and $0, respectively. More details regarding the options are covered in "NOTE 12 – EQUITY".

NOTE 12 – EQUITY

Preferred Stock

The Company has 20,000,000 shares of $0.00001 par value preferred stock authorized.

On August 10, 2015, the Company's Board of Directors authorized the creation of 1,000 shares of Series B Voting Preferred Stock. The holder of the shares of the Series B Voting Preferred Stock has the right to vote those shares of the Series B Voting Preferred Stock regarding any matter or action that is required to be submitted to the shareholders of the Company for approval. The vote of each share of the Series B Voting Preferred Stock is equal to and counted as 4 times the votes of all of the shares of the Company's (i) common stock, and (ii) other voting preferred stock issued and outstanding on the date of each and every vote or consent of the shareholders of the Company regarding each and every matter submitted to the shareholders of the Company for approval.

On August 10, 2015, the Company filed a Certificate of Designation with the Nevada Secretary of State designating the 1,000 shares of Series B Voting Preferred Stock.

On August 14, 2015, the Company issued 1,000 shares of Series B Voting Preferred Stock to Santa Rosa Resources, representing 100% of the total issued and outstanding shares of the Company's Series B Voting Preferred Stock.

On April 3, 2016, the 1,000 shares of Series B Voting Preferred Stock previously issued to Santa Rosa Resources were transferred to Luxor pursuant to the terms of a February 22, 2016 Asset Purchase Agreement between Luxor and the Company.

As of October 31, 2021 and January 31, 2021, 1,000 Series B preferred shares of par value $0.00001 were designated and outstanding and 19,999,000 shares of preferred stock remained undesignated.

Table of Contents

Common Stock

(a) Reverse Stock Split

On April 27, 2020, we filed a Certificate of Change Pursuant to NRS 78.209 with the Nevada Secretary of State pursuant to which we affected a reverse stock split of our authorized and issued and outstanding common stock in a ratio of 1-for-150. As a result of such filing, our authorized shares of common stock decreased from 6 billion to 40 million and our issued and outstanding shares of common stock decreased in a ratio of 1-for-150. All fractional shares of common stock remaining after the reverse split were rounded up to the nearest whole share. Pursuant to Section 78.207(1) of the Nevada Revised Statutes ("NRS"), shareholder approval was not required for this transaction. The Certificate of Change was effective with the Financial Industry Regulatory Authority (FINRA) on June 26, 2020. The reverse stock split had no effect on the par value of the common stock. The number of authorized shares of common stock was reduced to 40,000,000. All issued and outstanding shares of common stock were reduced at a ratio of 1 share for every 150 shares of common stock outstanding. All fractional shares were rounded up to the next whole number. As a result, 3,639 shares of common stock were issued due to the rounding up of fractional shares.

(b) Stock Purchase Agreement

On August 10, 2020, the Company entered into a Stock Purchase Agreement with Brett Goodman, the son of the Company's Chief Executive Officer, and Jason Silver (collectively, the "Partnership"). The Company agreed to issue 4,000 shares to the Partnership (2,000 to each of Brett Goodman and Jason Silver) as compensation for their service provided to assist the Company in developing a betting application. As a result, a $14,840 expense was recognized during the fiscal year ended January 31, 2021. The shares were issued on March 24, 2021.

(c) Private Placement and Warrant Exercise

From August 14, 2020 to August 20, 2020, the Company offered for purchase to a limited number of accredited and offshore investors up to an aggregate of 900,000 units, each consisting of one share of common stock and one warrant to purchase one share of common stock for $3.40 per unit. The warrants have an exercise price of $4.10 per share (and no cashless exercise rights) and are exercisable until the earlier of (a) August 20, 2022, and (b) the 30th day after the Company provides the holder of the warrants notice that the closing sales price of the Company's common stock has closed at or above $6.80 per share for a period of ten consecutive trading days (the "Ten-Day Period"). The warrants include a beneficial ownership limitation, which limits the exercise of the warrants held by any individual investor in the event that upon exercise such investor (and any related parties of such investor) would hold more than 4.999% of the Company's outstanding shares of common stock (which percentage may be increased to 9.999% with at least 61 days prior written notice to the Company from the investor). The Company sold 527,029 Units in total to 11 investors, raising cash of $1,791,863. The relative fair value of the shares was $1,034,438 and the relative fair value of the warrants was $757,425 based on the amount of cash the Company received from the investors. The shares included in the Units purchased have been issued.

From November 23, 2020, to December 7, 2020 (ten consecutive trading days), the closing sales price of the Company's common stock closed at or above $6.80 per share, and on December 8, 2020, the Company provided notice to the holders of the Warrants that they had until January 7, 2021 to exercise such Warrants, or such Warrants would expire pursuant to their terms.

From December 9, 2020, to January 7, 2021, ten holders of Warrants to purchase an aggregate of 409,029 shares of the Company's common stock exercised such Warrants and paid an aggregate exercise price of $1,677,019 to the Company. In connection with such exercises the Company issued such Warrant holders an aggregate of 409,029 shares of restricted common stock. The remaining warrants expired unexercised.

(d) Private Placement, Warrant Exercise and Warrant Amendment

On January 20, 2021, the Company sold an aggregate of 1,000,000 units to one investor, with each unit consisting of one share of restricted common stock and one warrant to purchase one share of common stock, at a price of $5.00 per unit. The units were sold pursuant to the entry into a subscription agreement with the investor (the "Subscription Agreement"). The Subscription Agreement provided the investor customary piggyback registration rights (for both the shares and the shares of common stock underlying the Warrants) which remain in place for the lesser of one year following the closing of the offering and the date that the investor is eligible to sell the applicable securities under Rule 144 of the Securities Act of 1933, as amended (the "Securities Act"). The Warrants have an exercise price of $6.00 per share (and no cashless exercise rights) and are exercisable until the earlier of (a) January 14, 2023, and (b) the 30th day after the Company provides the holder of the Warrants notice that the closing sales price of the Company's common stock has closed at or above $10.00 per share for a period of ten consecutive trading days. The Warrants include a beneficial ownership limitation, which limits the exercise of the Warrants held by the investor in the event that upon exercise such investor (and any related parties of such investor) would hold more than 4.999% of the Company's outstanding shares of common stock (which percentage may be increased to 9.999% with at least 61 days prior written notice to the Company from the investor). If the Warrants which were granted in connection with the offering were exercised in full, a maximum of 1,000,000 shares of common stock would be issuable upon exercise thereof. The relative fair value of the shares was $3,590,129 and the relative fair value of the warrants was $1,409,853 based on the amount of cash the Company received from the investors in total $4,999,982. The shares included in the Units purchased have been issued.

From April 26, 2021, to May 7, 2021 (the "Triggering Date") (ten consecutive trading days), the closing sales price of the Company's common stock closed at or above $10.00 per share. However, as the total number of shares of common stock issuable upon exercise of the Warrants would have exceeded 4.999% of the Company's common stock, and as an accommodation to the holder of the Warrants, on May 11, 2021, the Company agreed to provide the holder 61 days from the Triggering Date to exercise the Warrants, and as a result the holder had until July 11, 2021 to exercise such Warrants.

On July 9, 2021, the holder exercised a portion of the Warrant to purchase 170,000 shares of the Company's common stock at $6.00 per share and paid the Company $1,020,000 in connection with such exercise and funds were received by the Company in a total amount of $1,019,982 ($1,020,000 less $18 in bank charges), on July 14, 2021. The Company issued the holder 170,000 shares of common stock in connection with such exercise.

On July 14, 2021, and effective on June 6, 2021, the Company and the holder of the Warrants entered into an Agreement to Amend and Restate Common Stock Purchase Warrant (the "Amendment Agreement"), whereby, in consideration for the holder exercising a portion of the Warrants (warrants to purchase 170,000 shares of common stock, as described above), and as an accommodation to the holder, due to the fact that Warrants did not contemplate a situation where a Triggering Event would result in the holder holding over 4.999% of the Company's outstanding common stock, the parties agreed to enter into an Amended and Restated Common Stock Purchase Warrant, effective as of June 6, 2021, amending, restating and replacing the prior Warrant Agreement, and evidencing the right of the holder to purchase 830,000 shares of common stock of the Company (the original 1,000,000 shares less the portion of the Warrants previously exercised)(the "Amended and Restated Warrants") to remove the Trigger Event and to fix the expiration date thereof as of November 11, 2022. The other terms of the prior Warrant Agreement were not changed.

(e) Business Consultant Agreements

On March 1, 2021, the Company entered into two Business Consultant Agreements with Ontario Inc. and ANS Advisory. Pursuant to the agreements, Vladislav Slava Aizenshtat, acting on behalf of Ontario Inc. and Aaron Neill-Stevens, acting on behalf of ANS Advisory will each be issued $3,000 of shares of common stock per month beginning on March 1, 2021, payable in arrears, based on the 7-day average price of the stock leading up to the end of the calendar month and to be issued within 7 days of month end. The Company also agreed to grant Vladislav Slava Aizenshtat, acting on behalf of Ontario Inc., warrants to purchase 120,000 shares of common stock and Aaron Neill-Stevens, acting on behalf of ANS Advisory, warrants to purchase 120,000 shares of common stock. On March 22, 2021, the warrants were granted. The Warrants have an exercise price of $5.50 per share (and no cashless exercise rights) and are exercisable until the earlier of (a) March 22, 2023, and (b) the 20th day after the Company provides the holder of the warrants notice that the closing sales price of the Company's common stock has closed at or above $11.00 per share for a period of ten consecutive trading days. On November 23, 2021, the two Business Consulting Agreements were terminated pursuant to the terms of the Asset Purchase Agreement.

During the three months ended January 31, 2022, a former consultant's widow and a consultant and one director exercised their options. As a result, 147,118 shares of common stock were issued upon the cashless exercise of the options. During the three months ended January 31, 2021, five consultants exercised their options. As a result, 455,872 shares of common stock were issued upon the cashless exercise of the options and 133,334 shares of common stock were issued upon the cash exercise of the options.

During the three months ended January 31, 2022, 808 shares of restricted common stock were issued to two consultants for IT consultation services provided in connection with the maintenance and development of the Company's GM-Ag system. During the three months ended January 31, 2021, no shares were issued for services.

(f) Certificate of Amendment

On November 23, 2021, Luxor Capital LLC (the "Majority Stockholder"), which entity is beneficially owned and controlled by Anthony Brian Goodman, the President, Chief Executive Officer and Chairman of the Board of Directors of the Company, which beneficially owned an aggregate of 109,121,634,483 total voting shares, representing approximately 99.982% of the Company's voting stock as of such date, including (a) 7,470,483 shares of common stock, representing 27.4% of the Company's outstanding shares of common stock, and (b) 1,000 shares of the Company's Series B Voting Preferred Voting Stock, representing 100% of the Company's issued and outstanding Series B Voting Preferred Voting Stock, which Series B Voting Preferred Voting Stock shares each vote four times the number of shares of the Company's common stock outstanding (27,278,541 shares), executed a written consent in lieu of a special meeting of stockholders (the "Majority Stockholder Consent"), approving the following matter, which had previously been approved by the Board of Directors of the Company (the "Board") on November 22, 2021: the filing of a Certificate of Amendment to the Company's Articles of Incorporation to increase the Company's authorized number of shares of Common Stock from forty million (40,000,000) shares to two hundred and fifty million (250,000,000) shares and to restate Article 3, Capital Stock thereof, to reflect such amendment, and clarify the Board of Director's ability to designate and issue 'blank check' preferred stock (the "Amendment"). The Amendment was filed with the Secretary of State of Nevada and became effective on December 16, 2021.

As of January 31, 2022 and October 31, 2021, 250,000,000 and 40,000,000 shares of common stock, par value $0.00001 per share, were authorized, of which28,045,577 and 27,231,401 shares were issued and outstanding, respectively.

Option Extension

On June 29, 2021, the Company agreed to extend the exercise period of certain stock options granted to Anthony Brian Goodman, the Company's Chief Executive Officer, Weiting Feng, the Company's Chief Operating Officer, and an external consultant of the Company (collectively the "Optionees"), which options would have expired on June 30, 2021. The Company extended the expiration date of the options granted to the Optionees until December 31, 2022, which covered options to purchase 466,667 shares of common stock previously granted to the external consultant at an exercise price of $0.06 per share, options to purchase 5,400,000 shares of common stock previously granted to Anthony Brian Goodman at an exercise price of $0.066 per share, and options to purchase 1,400,000 shares of common stock previously granted to Weiting Feng at an exercise price of $0.06 per share. The Company recorded a total of $2,069 of expenses due to the option extension.

Stock Option Plan

On January 3, 2018, the Company adopted a stock option plan: the 2018 Equity Incentive Plan. The fair value of stock options was measured using the Black-Scholes option pricing model. The Black-Scholes valuation model takes into consideration the share price of the Company, the exercise price of the option, the amount of time before the option expires, and the volatility of share price. Compensation expense will be charged to operations through the vesting period. The amount of cost will be calculated based on the new accounting standard ASU 2018-07. All option awards described below were granted under the 2018 Equity Incentive Plan. All shares and prices per share have been adjusted for a 1 share-for-150 shares reverse stock split that took effect on June 26, 2020:

Table of Contents

(a) External Consultants:

On January 3, 2018, the Company granted stock options to nine external consultants, with each of them being granted options to purchase 200,000 shares of common stock of the Company with an exercise price of $0.06 per share, with a vesting period of three years, vesting 33% on each anniversary for three years. The expiration date was June 30, 2021. The fair value of each consultant's option was $11,877 on the grant date based on the share price of $0.06 on the grant date, an exercise price of $0.06 per share, time to maturity of3.5 years, and stock price volatility of 273%. During the twelve months ended July 31, 2018, three of the consultants resigned, and their options were forfeited. During the twelve months ended July 31, 2019, another two of the consultants resigned with one-third of their options vested and the remaining two-thirds of their options forfeited. Excepting the forfeited options, the fair value of the stock options above was $55,425 in total on the grant date.

On March 15, 2018, the Company granted stock options to an external consultant. The consultant was granted options to purchase 1,400,000 shares of common stock of the Company with an exercise price of $0.06 per share, with a vesting period of three years,vesting 33% on each anniversary for three years. The expiration date was June 30, 2021. The fair value of the option was $41,209 on the grant date based on the share price of $0.03 on the granting date, an exercise price of $0.06 per share, time to maturity of 3.5 years, and stock volatility of 263%. On June 29, 2021, the Company extended the expiration date of the options granted to the consultant until December 31, 2022, which covered options to purchase 466,667 shares of common stock previously granted to him at an exercise price of $0.06 per share. The Company recorded a total of $123 of cost of goods expense due to the exercise period being extended.

On August 3, 2018, the Company granted stock options to an external consultant. The consultant was granted options to purchase 200,000 shares of common stock of the Company with an exercise price of $0.12 with a vesting period of three years, vesting 33% on each anniversary for three years. The expiration date is January 31, 2022. The fair value of the stock options was $22,056 on the grant date based on the share price of $0.12 on the grant date, exercise price of $0.12, time to maturity of 3.5 years, and stock volatility of 184%.

On November 28, 2018, the Company granted stock options to an external consultant. The consultant was granted options to purchase 200,000 shares of common stock of the Company with an exercise price of $0.165 with a vesting period of three years, vesting 33% on each anniversary for three years. The expiration date is May 29, 2022. The fair value of the stock options was $29,869 on the grant date based on the share price of $0.165 on the grant date, an exercise price of $0.165, time to maturity of 3.5 years, and stock volatility of 176%.

On April 9, 2019, the Company entered into a Consultant Agreement and granted stock options to an external consultant. The consultant was granted options to purchase 100,000 shares of common stock of the Company at an exercise price of $0.33 per share with a vesting period of half a year, vesting 100% on October 9, 2019. The original expiration date was April 9, 2020, which was extended to April 9, 2021, by Board resolution. The Company recorded a total of $46 of cost of goods expense due to the exercise period being extended. The fair value of the stock options was $16,820 on the grant date based on the share price of $0.33 on the grant date, exercise price of $0.33, time to maturity of 1 year, and stock volatility of 136%.

On April 9, 2019, the Company entered into a Consultant Agreement and granted stock options to an external consultant. The consultant was granted options to purchase 53,334 shares of common stock of the Company with an exercise price of $0.33 per share, with a vesting period of half a year, vesting 100% on October 9, 2019. The original expiration date was April 9, 2020, which was extended to April 9, 2021, by Board resolution. The Company recorded a total of $25 of cost of goods expense due to the exercise period being extended. The fair value of the stock options was $8,971 on the grant date based on the share price of $0.33 on the grant date, exercise price of $0.33, time to maturity of 1 year, and stock volatility of 136%.

Table of Contents

On June 11, 2019, the Company granted stock options to two external consultants. Each consultant was granted options to purchase 200,000 shares of common stock of the Company with an exercise price of $0.48 per share, and a vesting period of three years, vesting 33% on each anniversary of the grant, for three years. The expiration date is December 11, 2022. The fair value of the stock options for each consultant was $75,312 on the grant date based on the share price of $0.48 on the grant date, exercise price of $0.48 per share, time to maturity of 3.5 years, and stock volatility of 130%.

On March 16, 2020, the Company granted stock options to an external consultant. The consultant was granted options to purchase 200,000 shares of common stock of the Company with an exercise price of $0.465 per share, with a vesting period of two years, vesting 33% for the first two half year periods and 33% for the remaining one year. The expiration date is September 15, 2022. The fair value of the stock options was $48,060 on the grant date based on the share price of $0.465 on the grant date, exercise price of $0.465 per share, time to maturity of 2.5 years, and stock volatility of 88.16%. On October 2, 2020, the consultant terminated the consulting agreement with the Company. As such, the unvested options were all forfeited.

On March 16, 2020, the Company granted stock options to a consultant and a former consultant's widow, in consideration for services rendered by such consultant and former consultant. Each person was granted options to purchase 100,000 shares of common stock of the Company with an exercise price of $0.465 per share, with a vesting period of two years, vesting 50% on each anniversary of the grant date. The expiration date is March 16, 2024. The fair value of the stock options was $29,073 for each person on the grant date based on the share price of $0.465 on the grant date, exercise price of $0.465 per share, time to maturity of 4 years, and stock volatility of 88%.

On June 18, 2020, the Company granted stock options to five external consultants. Each consultant was granted options to purchase 100,000 shares of common stock of the Company with an exercise price of $1.74 per share, with a vesting period of two and a half years, vesting 33% at the end of the first half year and 33% on each anniversary of the grant date, for the next two years. The expiration date is June 18, 2023. The fair value of each of the stock options was $74,752 on the grant date based on the share price of $1.74 on the grant date, exercise price of $1.74, time to maturity of 3 years, and stock volatility of 65.21%. During the year ended January 31, 2021, one consultant resigned with one third of the options vested. During the nine months ended October 31, 2021, two consultants resigned with one third of their options vested.

On March 23, 2021, the Company granted stock options to two external consultants. Each consultant was granted options to purchase 100,000 shares of common stock of the Company with an exercise price of $5.49 per share, with a vesting period of two and a half years, vesting 30% on September 23, 2021, 30% on September 23, 2022, and 40% on September 23, 2023. The expiration date is March 23, 2024. The fair value of each of the stock options was $361,000 on the grant date based on the share price of $5.49 on the grant date, exercise price of $5.49, time to maturity of 3 years, and stock volatility of 109%.

On September 20, 2021, the Company granted stock options to an external consultant. The consultant was granted options to purchase 100,000 shares of common stock of the Company with an exercise price of $6.62 per share, with a vesting period of two and a half years, vesting 30% on March 20, 2022, 30% on March 20, 2023, and 40% on March 20, 2024. The expiration date is September 20, 2024. The fair value of the stock options was $404,495 on the grant date based on the share price of $6.62 on the grant date, exercise price of $6.26, time to maturity of 3 years, and stock volatility of 99%.

During the three months ended January 31, 2022, options to purchase 116,666 shares of common stock were exercised:

On November 4, 2021, a former consultant's widow exercised options to purchase 50,000 shares of common stock in a cashless exercise pursuant to which 2,860 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($23,250) and 47,140 shares were issued.

On January 20, 2022, a consultant exercised options to purchase 66,666 shares of common stock in a cashless exercise pursuant to which 1,711 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($11,000) and 64,955 shares were issued.

The following table summarizes the Company's stock option plan activity since adoption:

	Options granted to external consultants
Total number of options granted	4,753,334
Total number of options forfeited	(599,997)
Total number of options exercised	(2,803,339)
Outstanding options at January 31, 2022	1,349,998

As of January 31, 2022, 993,331 options were vested within the outstanding options.

The cost of sales related to the options was $137,931 and $111,018 in total for the three months ended January 31, 2022 and 2021, respectively.

(b) Directors and Management:

On January 3, 2018, the Company granted stock options to its Chief Executive Officer, Anthony Brian Goodman, to purchase 5,400,000 shares of common stock of the Company with an exercise price of $0.066 per share, vesting 33% each half year after the grant date. The fair value of the stock options was $265,821 on August 1, 2018, based on the share price of $0.066, exercise price of $0.066, time to maturity of 1year, and stock volatility of 273%. On September 16, 2019, the Company extended the expiration date from December 30, 2019 to June 30, 2020. On January 20, 2020, the Company extended the expiration date by another 12 months, and the expiration date was extended to June 30, 2021. On June 29, 2021, the Company extended the exercise period of stock options granted to Mr. Goodman, which options would have expired on June 30, 2021. The Company extended the expiration date of the options granted to Mr. Goodman until December 31, 2022, which covered options to purchase 5,400,000 shares of common stock previously granted to Mr. Goodman at an exercise price of $0.066 per share. During the three months ended January 31, 2022 and 2021, no amortization expense was recorded due to the options. As of January 31, 2022, the options were fully vested without being exercised, and there was no remaining unamortized balance.

On January 3, 2018, the Company granted stock options to its then Chief Financial Officer, Weiting 'Cathy' Feng, to purchase 1,400,000 shares of common stock of the Company with an exercise price of $0.06 per share, vesting 33% each half year after the grant. The fair value of the stock options was $69,615 on August 1, 2018, based on the share price of $0.06, exercise price of $0.06, time to maturity of 1 year, and stock volatility of 273%. On September 16, 2019, the Company passed a Board Resolution to extend the expiration date of the options from December 30, 2019 to June 30, 2020. On January 20, 2020, the Company extended the expiration date by another 12 months, and the expiration date was extended to June 30, 2021. On June 29, 2021, the Company extended the exercise period of stock options granted to Ms. Feng, which options would have expired on June 30, 2021. The Company extended the expiration date of the options granted to Ms. Feng until December 31, 2022, which covered options to purchase 1,400,000 shares of common stock previously granted to Ms. Feng at an exercise price of $0.06 per share. During the three months ended January 31, 2022 and 2021, no amortization expense was recorded due to the options. As of January 31, 2022, the options were fully vested without being exercised, and there was no remaining unamortized balance.

On September 19, 2019, the Company granted stock options to its Chief Executive Officer, Anthony Brian Goodman, to purchase 2,700,000 shares of common stock of the Company with an exercise price of $0.9075 per share, vesting 33% each half year after the grant. The fair value of the stock options was $1,221,862 on September 19, 2019, based on the share price of $0.825, exercise price of $0.9075, time to maturity of 2 years, and stock volatility of 110%. During the three months ended January 31, 2022 and 2021, the amortization expense was $0 and $194,458, respectively, which was recorded as stock-based compensation included in General and administrative (G&A) expense -related party. On September 18, 2021, Mr. Goodman exercised options to purchase 2,700,000 shares of common stock in a cashless exercise pursuant to which 355,109 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($2,450,250) and 2,344,891 shares were issued. As of January 31, 2022, the options were fully vested and exercised, and there was no remaining unamortized balance.

On September 19, 2019, the Company granted stock options to its then Chief Financial Officer, Weiting 'Cathy' Feng, to purchase 700,000 shares of common stock of the Company with an exercise price of $0.825 per share, vesting 33% each half yearafter the grant. The fair value of the stock options was $328,855 on September 19, 2019, based on the share price of $0.825, exercise price of $0.825, time to maturity of 2 years, and stock volatility of 110%. During the three months ended January 31, 2022 and 2021, the amortization expense was $0 and $52,574, respectively, which was recorded as stock-based compensation included in General and administrative (G&A) expense -related party. On September 18, 2021, Ms. Feng exercised options to purchase 700,000 shares of common stock in a cashless exercise pursuant to which 83,696 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($577,500) and 616,304 shares were issued. As of January 31, 2022, the options were fully vested and exercised, and there was no remaining unamortized balance.

On April 27, 2020, the Company granted stock options to its Director, Thomas McChesney, to purchase 100,000 shares of common stock of the Company with an exercise price of $0.795 and a vesting period of nine months. The options vested in three instalments as follows: 50% on July 27, 2020, 25% on October 27, 2020, and 25% on January 27, 2021. The fair value of the stock options was $79,966 on April 27, 2020, based on the share price of $1.26, exercise price of $0.795, time to maturity of 3.5 years, and stock volatility of 77%. During the three months ended January 31, 2022 and 2021, the amortization expense was $0 and $12,880, respectively, which was recorded as stock-based compensation included in General and administrative (G&A) expense-related party. On January 28, 2022, Mr. McChesney exercised options to purchase 40,000 shares of common stock in a cashless exercise pursuant to which 4,977 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($31,800) and 35,023 shares were issued. As of January 31, 2022, all of the options were vested with 40,000 options being exercised, and there was no remaining unamortized balance.

On August 1, 2020, the Company granted stock options to its Director, Murray Smith, to purchase 100,000 shares of common stock of the Company with an exercise price of $2.67 per share and a vesting period of nine months. The options vested in three instalments as follows: 50% on November 1, 2020, 25% on February 1, 2020, and 25% on May 1, 2021. The fair value of the stock options was $252,350 on August 1, 2020, based on the share price of $3.48, exercise price of $2.67, time to maturity of 3.5 years, and stock volatility of 107%. During the three months ended January 31, 2022 and 2021, the amortization expense was $0 and $120,771, respectively, which was recorded as stock-based compensation included in General and administrative (G&A) expense-related party. As of January 31, 2022, all of the options were vested without being exercised, and there was no remaining unamortized balance.

On August 20, 2020, the Company granted stock options to its Director, Aaron Johnston, to purchase 100,000 shares of common stock of the Company with an exercise price of $2.67 per share and a vesting period of nine months. The options vested in three instalments as follows: 50% on November 1, 2020, 25% on February 1, 2020, and 25% on May 1, 2021. The fair value of the stock options was $433,096 on August 20, 2020, based on the share price of $5.54, exercise price of $2.67, time to maturity of 3.44 years, and stock volatility of 106%. During the three months ended January 31, 2022 and 2021, the amortization expense was $0 and $217,225, respectively, which was recorded as stock-based compensation included in General and administrative (G&A) expense-related party. As of January 31, 2022, all of the options were vested without being exercised, and there was no remaining unamortized balance.

On April 22, 2021, the Company granted stock options to its Chief Financial Officer / Chief Compliance Officer, Omar Jimenez, to purchase 50,000 shares of common stock of the Company with an exercise price of $9.91 per share and a vesting period of six months. The options vest in two instalments as follows: 50% on April 22, 2021, and 50% on the six-month anniversary of the grant date. The fair value of the stock options was $243,911 on April 22, 2021 based on the share price of $9.91, exercise price of $9.91, time to maturity of 1.5 years, and stock volatility of 108%. During the three months ended January 31, 2022 and 2021, the amortization expense was $0 and $0, respectively, which was recorded as stock-based compensation included in General and administrative (G&A) expense-related party. As of January 31, 2022, 50,000 options were vested without being exercised, and the remaining unamortized balance was $0.

The stock-based compensation related to options was $0 and $597,908, in total for the three months ended January 31, 2022 and 2021, respectively.

Public Offering

On October 25, 2021, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with certain institutional investors (the "Purchasers") for the sale by the Company in a registered direct offering (the "Offering") of an aggregate of 496,429 shares of common stock of the Company (the "Shares"), together with warrants to purchase 496,429 shares of common stock (the "Warrants"), at $7.00 per combined Share and Warrant, for aggregate gross proceeds of $3,475,003, before deducting the placement agent fees and related offering expenses. The Offering closed on October 27, 2021.

The Company has used the net proceeds from the offering for general corporate purposes and working capital.

EF Hutton, division of Benchmark Investments, LLC acted as placement agent (the "Placement Agent") on a "reasonable best efforts" basis, in connection with the Offering. The Company entered into a Placement Agency Agreement, dated as of October 25, 2021, by and between the Company and the Placement Agent (the "Placement Agency Agreement"). Pursuant to the Placement Agency Agreement, the Placement Agent received an aggregate cash fee of 6% of the gross proceeds in the Offering, a non-accountable expense reimbursement of 1% of the gross proceeds in the Offering, the reimbursement of certain of the Placement Agent's expenses not to exceed $60,000, and the reimbursement of certain other expenses.

The Shares sold in the Offering were offered and sold by the Company pursuant to an effective shelf registration statement on Form S-3 (File No. 333-260044), filed with the Securities and Exchange Commission (the "Commission") on October 5, 2021, which was declared effective by the Commission on October 15, 2021, and the base prospectus contained therein (the "Registration Statement"), and a prospectus supplement forming a part of the effective Registration Statement, dated October 25, 2021, which was filed with the Commission on October 26, 2021.

The Warrants sold in the Offering have a term of three years, and an exercise price of $8.63 per share (subject to customary adjustments for stock splits, dividends and recapitalizations). The Warrants may be exercised on a 'cashless exercise' basis if, at any time of exercise, there is no effective registration statement registering, or no current prospectus available for, the issuance or resale of the shares of common stock issuable upon exercise of the Warrants. The exercise of the Warrants is subject to a beneficial ownership limitation, which prohibits the exercise thereof, if upon such exercise the holder of the Warrants, its affiliates and any other persons or entities acting as a group together with the holder or any of the holder's affiliates would hold 4.99% (or, upon election of a purchaser prior to the issuance of any shares, 9.99%) of the number of shares of the common stock outstanding immediately after giving effect to the issuance of shares of common stock issuable upon exercise of the Warrant held by the applicable holder, provided that the holders may increase or decrease the beneficial ownership limitation, provided that any increase in beneficial ownership limitation shall not be effective until 61 days following notice to us and in no event shall such beneficial ownership exceed 9.99% and such 61 day period cannot be waived.

The Warrants also include anti-dilution rights, which provide that if at any time the Warrants are outstanding, we issue (or announce any offer, sale, grant or any option to purchase or other disposition) or are deemed to have issued (which includes shares issuable upon exercise of warrants and options and conversion of convertible securities) any common stock or common stock equivalents for consideration less than the then current exercise price of the Warrants, the exercise price of such Warrants is automatically reduced to the lowest price per share of consideration provided or deemed to have been provided for such securities, subject to certain exceptions.

If we fail for any reason to deliver shares of common stock upon the valid exercise of the Warrants, subject to our receipt of a valid exercise notice and the aggregate exercise price, by the time period set forth in the Warrants, we are required to pay the applicable holder, in cash, as liquidated damages and not as a penalty, for each $5,000 of shares subject to such exercise (as calculated in the Warrant), $10 per trading day (increasing to $20 per trading day on the seventh trading day after such liquidated damages begin to accrue) for each trading day that such shares are not delivered. The Warrants also include customary buy-in rights in the event we fail to deliver shares of common stock upon exercise thereof within the time periods set forth in the Warrant.

NOTE 13 – SEGMENT REPORTING AND GEOGRAPHIC INFORMATION

We operate our business in two operating segments i.e., B2B for charges for usage of the Company's software, and, royalties charged on the use of third-party gaming content and, the B2C segment which is related to the charges to enter prize competitions in the UK.

All operating segments have been aggregated due to their inter-dependencies, commonality of long-term economic characteristics, products and services, the production processes, class of customer and distribution processes.

For geographical revenue reporting, revenues are attributed to the geographic location in which the distributors are located. Long-lived assets consist of property, plant and equipment, net, intangible assets, operating lease right-of-use assets and goodwill, and are attributed to the geographic region in which they are located.

The following is a summary of revenues by geographic region, for the indicated periods (as a percentage of total revenues):

	Three months ended January 31			
Description	**2022**		**2021**	
Revenues:				
Asia Pacific	$ 3,380,830	38%	$ 1,951,406	100%
UK	5,496,275	62%	-	-%
Total	$ 8,877,105	100%	$ 1,951,406	100%

The following is a summary of revenues by products for the indicated periods (as a percentage of total revenues):

	Three months ended January 31,			
Description	**2022**		**2021**	
Revenues:				
B2B	$ 3,380,830	38%	$ 1,951,406	100%
B2C	5,496,275	62	-	-
Total	$ 8,877,105	100%	$ 1,951,406	100%

Table of Contents

The following is a summary of cost of goods sold by geographic region, for the indicated periods (as a percentage of total cost of goods sold):

	Three months ended January 31			
Description	**2022**		**2021**	
COGS:				
Asia Pacific	$ 2,546,024	37%	$ 954,782	100%
UK	4,306,978	63%	-	-%
Total	$ 6,853,002	100%	$ 954,782	100%

The following is a summary of cost of goods sold by products for the indicated periods (as a percentage of total cost of goods sold):

	Three months ended January 31			
Description	**2022**		**2021**	
COGS:				
B2B	$ 2,546,024	37%	$ 954,782	100%
B2C	4,306,978	63%	-	-%
Total	$ 6,853,002	100%	$ 954,782	100%

Long-lived assets by geographic region as of the dates indicated below were as follows:

Description	**As of January 31, 2022**	**As of October 31, 2021**
Long-lived assets:		
Asia Pacific	$ 303,938	$ 415,446
UK	13,326,850	-
Total	$ 13,630,788	$ 415,446

NOTE 14 – SUBSEQUENT EVENTS

On March 7, 2022, the Company issued 70,332 shares with an agreed value of $562,650, or $8.00 per share, to the owners of RKings (discussed above) as part of the consideration to purchase 80% of the outstanding capital stock of RKings.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General Information

The following discussion should be read in conjunction with the attached consolidated unaudited financial statements and notes thereto, and our consolidated audited financial statements and related notes for the nine-month transition period ended October 31, 2021, found in our Transition Report on Form 10-KT that the Company has filed with the Securities and Exchange Commission on January 13, 2022 (the "Transition Report") and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Transition Report.

Statements made in this "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" are subject to forward-looking statements and various risks and should be read in connection with the "Special Note Regarding Forward-Looking Statements", above and "Risk Factors", incorporated by reference into this Report, as described below.

Certain capitalized terms used below and otherwise defined below, have the meanings given to such terms in the footnotes to our consolidated financial statements included above under "Part I - Financial Information - Item 1. Financial Statements".

Our logo and some of our trademarks and tradenames are used in this Report. This Report also includes trademarks, tradenames and service marks that are the property of others. Solely for convenience, trademarks, tradenames and service marks referred to in this Report may appear without the ®, ™ and SM symbols. References to our trademarks, tradenames and service marks are not intended to indicate in any way that we will not assert to the fullest extent under applicable law our rights or the rights of the applicable licensors if any, nor that respective owners to other intellectual property rights will not assert, to the fullest extent under applicable law, their rights thereto. We do not intend the use or display of other companies' trademarks and trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

The market data and certain other statistical information used throughout this Report are based on independent industry publications, reports by market research firms or other independent sources that we believe to be reliable sources. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. We are responsible for all of the disclosures contained in this Report, and we believe these industry publications and third-party research, surveys and studies are reliable. While we are not aware of any misstatements regarding any third-party information presented in this Report, their estimates, in particular, as they relate to projections, involve numerous assumptions, are subject to risks and uncertainties, and are subject to change based on various factors, including those discussed under the section entitled "Item 1A. Risk Factors". These and other factors could cause our future performance to differ materially from our assumptions and estimates. Some market and other data included herein, as well as the data of competitors as they relate to Golden Matrix Group, Inc., is also based on our good faith estimates.

On April 27, 2020, we filed a Certificate of Change Pursuant to NRS 78.209 with the Nevada Secretary of State pursuant to which we affected a reverse stock split of our authorized and issued and outstanding common stock in a ratio of 1-for-150. As a result of such filing, our authorized shares of common stock decreased from 6 billion to 40 million and our issued and outstanding shares of common stock decreased in a ratio of 1-for-150. All fractional shares of common stock remaining after the reverse split were rounded up to the nearest whole share. Pursuant to Section 78.207(1) of the Nevada Revised Statutes ("NRS"), shareholder approval was not required for this transaction. The Certificate of Change was effective with the Financial Industry Regulatory Authority (FINRA) on June 26, 2020. The effects of the reverse stock split are retroactively reflected throughout this Report.

On May 12, 2020, the Board of Directors of the Company approved a change in the Company's fiscal year from July 31 to January 31, effective immediately.

On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian Company. GTG has an Alderney Gambling Control Commission ("AGCC") license (an AGCC Category 2 Associate Certificate). The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities. Alderney has long been recognized as one of the preferred locations for online Gambling operators. Alderney is regarded in the community as one of the strictest licensing jurisdictions with policies aimed at improving transparency and cultivating a good gaming environment.

The Company is required to have a recognized business-to-business (B2B) gambling license in order to acquire certain gaming content. Currently the Company is not required to have a gaming license for the licensing of its GM-X System or the resale of third-party content to operators in the jurisdictions in which it currently conducts business, however as the Company expands its global distribution licensing regulatory requirements will be required.

On October 29, 2021, the Board of Directors approved a change in the Company's fiscal year from January 31 to October 31, effective as of the same date.

On November 22, 2021, the Board of Directors of the Company approved the filing of a Certificate of Amendment to the Company's Articles of Incorporation to increase the Company's authorized number of shares of Common Stock from forty million (40,000,000) shares to two hundred and fifty million (250,000,000) shares and to restate Article 3, Capital Stock thereof, to reflect such amendment, and clarify the Board of Director's ability to designate and issue 'blank check' preferred stock. The Amendment was filed with the Secretary of State of Nevada and became effective on December 16, 2021.

On November 29, 2021, the Company entered into a Sale and Purchase Agreement of Ordinary Issued Share Capital (the "Purchase Agreement"), to acquire an 80% ownership interest in RKingsCompetitions Ltd, a private limited company formed under the laws of Northern Ireland (the "RKings"). On December 6, 2021, the Company closed the purchase, which was effective on November 1, 2021.

Where You Can Find Other Information

We file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and proxy and information statements and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended. The SEC maintains a website (http: //www.sec.gov) that contains reports, proxy and information statements and other information regarding us and other companies that file materials with the SEC electronically. Our filings can be found at https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001437925. Copies of documents filed by us with the SEC are also available from us without charge, upon oral or written request to our Secretary, who can be contacted at the address and telephone number set forth on the cover page of this Report and are also available on our website at https://goldenmatrix.com/investors-overview/sec-filings/ which website includes information we do not desire to incorporate by reference into this Report.

Definitions:

Unless the context requires otherwise, references to the "Company," "we," "us," "our," and "Golden Matrix" in this Report refer specifically to Golden Matrix Group, Inc. and its consolidated subsidiaries.

Table of Contents

In addition, unless the context otherwise requires and for the purposes of this report only:

- "AUD" means Australian dollars;
- "Exchange Act" refers to the Securities Exchange Act of 1934, as amended;
- "Euro" or "€" refers to the Euro, the official currency of the majority of the member states of the European Union;
- "GBP" or "£" means Pounds Sterling or Great British Pounds;
- "SEC" or the "Commission" refers to the United States Securities and Exchange Commission;
- "Securities Act" refers to the Securities Act of 1933, as amended; and
- "USD" or "$" means United States dollars.

All dollar amounts in this Report are in U.S. dollars unless otherwise stated.

Summary of The Information Contained in Management's Discussion and Analysis of Financial Condition and Results of Operations

Our Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is provided in addition to the accompanying consolidated financial statements and notes to assist readers in understanding our results of operations, financial condition, and cash flows. MD&A is organized as follows:

- **Critical Accounting Policies and Estimates**. Accounting estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results and forecasts.

- **Overview**. Discussion of our business and overall analysis of financial and other highlights affecting us, to provide context for the remainder of MD&A.

- **Results of Operations**. An analysis of our financial results comparing the three months ended January 31, 2022 and 2021.

- **Liquidity and Capital Resources**. An analysis of changes in our consolidated balance sheets and cash flows and discussion of our financial condition.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The discussion and analysis of the Company's financial condition and results of operations are based upon its consolidated unaudited financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these unaudited financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent liabilities. On an on-going basis, management evaluates past judgments and estimates, including those related to bad debts, accrued liabilities, goodwill and contingencies. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The accounting policies and related risks described in the Company's Transition Report on Form 10-KT for the nine months ended October 31, 2021, filed with the Commission on January 13, 2022 are those that depend most heavily on these judgments and estimates. As of January 31, 2022, there had been no material changes to any of the critical accounting policies contained therein. NOTE 2 -- SUMMARY OF ACCOUNTING POLICIES," of the notes to Consolidated Financial Statements included in the Company's Transition Report on Form 10-KT for the nine months ended October 31, 2021, filed with the Commission on January 13, 2022, describes the significant accounting policies and methods used in the preparation of the Company's consolidated financial statements. The critical accounting estimates include transactions, assets, liabilities and obligations that are stated in foreign local currency and their conversion to US currency. Resulting loss on currency conversions related to assets and liabilities are recognized in shareholders' equity in accumulated other comprehensive income (loss) on the Company's consolidated balance sheets and realized foreign currency translation adjustments are recognized in other income in the consolidated statements of operations and comprehensive income.

OVERVIEW

We operate (i) as an innovative provider of enterprise Software-as-a-Service ("SaaS") solutions for online casino operators and online sports betting operators, commonly referred to as iGaming operators and, (ii) a provider of pay to enter prize competitions in the United Kingdom (UK).

We have historically operated in the B2B segment where we develop and own online gaming intellectual property (IP) and build configurable and scalable, turn-key and white-label gaming platforms for our international customers, located primarily in the Asia Pacific (APAC) region. With the acquisition of RKingsCompetitions Ltd. effective on November 1, 2021, we entered into the business-to-consumer ("B2C") segment by offering pay to enter prize competitions throughout the UK.

Table of Contents

B2B Segment

Our customers are primarily gaming Distributors and licensed online gaming operators. The Company also provides services and resells third party gaming content to licensed online gaming distributors and gaming operators. The Company provides business-to-business services and products and does not deal directly with players.

We derive revenues primarily from licensing fees received from gaming operators, in most cases via gaming Distributors located in the Asia Pacific (APAC) region that utilize the Company's technology.

As of January 31, 2022, our systems had over 6 million registered players and a total of more than 580 unique casino and live game operations within all of our platforms including our GM-X, GM-Ag, Turnkey Solution, and White Label Solutions.

The Company's goal is to expand our customer base globally and to integrate additional operators, launch additional synergistic products and appoint more Distributors.

As described above, our core markets are currently the Asia-Pacific (APAC) region and while we have a solid customer base; we are continuing to engage new gaming Distributors and gaming operators on a regular basis and we anticipate that our current gaming Distributors and gaming operators will continue to grow.

B2C Segment

Our customers are primarily located in Northern Ireland and we have expanded our marketing efforts to encompass the U.K. as our customer reach. As of March 7, 2022, RKings has 126,390 registered users.

We derive revenues primarily from selling prize competitions tickets directly to customers for prizes throughout the United Kingdom ranging from automobiles to jewelry as well as travel and entertainment experiences.

Our objective in managing our resources is to ensure that we have sufficient liquidity to fund our operations and meet our growth objectives while maximizing returns to shareholders. Liquidity is necessary to meet (i) the working capital needs of our operations, (ii) fund our growth and expansion plans, and (iii) consummate strategic acquisitions. We have met, and plan to continue to meet, our cash requirements through our operations and sales of equity securities. As to the funding of strategic acquisitions, we may issue debt in addition to raising funds through the sales of the Company's capital stock.

The COVID-19 pandemic has not had a material impact on our business and we expect our business to be resilient through the pandemic. We have continued operations, supported our online products and customers, and grown our sales, while our employees and consultants work remotely. Notwithstanding the aforementioned, we have experienced minor issues in connection with the transition of certain resources to remote settings as a result of the pandemic.

Key elements of our growth strategy include:

- Supporting our existing customers as they scale up their respective iGaming and online sportsbook operations. As our customers' businesses grow, we intend to deploy additional resources to develop the GM-X and GM-Ag Systems' platform functionality, expand our gaming content portfolios by integrating additional third-party content providers, and seek to obtain additional regulatory approvals to operate in other global markets. The GM-X and GM-Ag Systems' turn-key solution (including modular, configurable and scalable gaming platforms), is a complete software package for starting an online gaming business, incorporating all the tools and gaming content necessary to run an online Casino and/or Sportsbook and offers a full suite of tools and features for successfully operating and maintaining an online gaming website; from player registration to user management and content management.

- Expanding our global reach by securing new gaming Distributors, casino and sportsbook operator customers in existing and newly regulated markets.

- Investing in sales and marketing initiatives to aggressively pursue new deployment opportunities in developing markets such as Africa and Latin America, as well as exploring opportunities in the U.S.

- Developing and deploying our own proprietary gaming content in both casino iGaming as well as E-sport categories. We plan to launch our E-sport portfolio in the second quarter of 2022.

- Pursuing acquisitions of synergistic companies and assets with the goal of expanding our competitive position in the markets in which we operate. We are also exploring the opportunity to selectively acquire independent slot development studios in order to launch our own proprietary games on our platform.

The Company does not intend to make significant investments (except for potential acquisitions, none of which are currently pending) to support our business growth strategy. We believe that our business model is highly scalable and our existing resources can be leveraged to (i) develop new offerings and features, (ii) enhance our existing platform, and (iii) improve our operating infrastructure.

The Company may face significant costs with respect to legal fees incurred in the applications for licenses, continued regulatory requirements, and legal representation.

To acquire complementary businesses and technologies, we may need to pursue equity or debt financings to secure additional funds. Our ability to obtain additional capital, will depend on our business plans, investor demand, our operating performance, capital markets conditions and other factors. If we raise additional funds by issuing equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our then issued and outstanding equity or debt, and our existing shareholders may experience dilution. If we are unable to obtain additional capital when required, or on satisfactory terms, our ability to continue to support our business growth or to respond to business opportunities, challenges or unforeseen circumstances could be adversely affected, and our business may be harmed.

We may acquire other businesses, and our business may be detrimentally affected if we are unable to successfully integrate acquired businesses into our company or otherwise manage the growth associated with multiple acquisitions.

As part of our business strategy, we intend to make acquisitions of new or complementary businesses, products, brands, or technologies. In some cases, the costs of such acquisitions may be substantial, including as a result of professional fees and due diligence efforts. There is no assurance that the time and resources expended on pursuing a particular acquisition will result in a completed transaction, or that any completed transaction will ultimately be successful. In addition, we may be unable to identify suitable acquisition or strategic investment opportunities or may be unable to obtain the required financing or regulatory approvals, and therefore we may be unable to complete such acquisitions or strategic investments on favorable terms. We may pursue acquisitions that our investors may not agree with and we cannot assure investors that any acquisition or investment will be successful or otherwise provide a favorable return on investment. In addition, if we fail to successfully close transactions, integrate new technology or operational teams, or integrate the products and technologies associated with these acquisitions into our company, our business could be seriously harmed.

Cash requirements

The Company generates net profits and does so since 2017. The Company is self-sustaining, and its cash needs are met through current operations; as of January 31, 2022, the cash balance is $15.2 million. There are no future cash demands or commitments other than ongoing operations for the following next 12 months and beyond.

Liquidity

There are no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity decreasing in any material way. However, the Company has applied for listing on Nasdaq, Inc.'s stock exchange which may provide additional opportunities to raise funds to expand operations and identify possible acquisitions. No material deficiencies are present. As previously noted, the Company is self-sustaining through its operations and therefore is not considering additional sources of liquidity; however, the Company may consider raising funds through debt, private placements, or additional public offerings for expansion of operations or synergetic acquisitions if additional external funds are sought. Unused sources of liquid assets, as of January 31, 2022, include cash of $15.2 million and receivables of $2.2 million with offsetting liabilities of $4.5 million.

Capital resources.

The Company does not have material cash requirements other than a possible payment (if metrics are met) of approx. $1.3 million (GBP 1 million) as part of the hold-back on the acquisition of RKings that was completed effective November 1, 2022. With a cash balance of $15.2 million and operations that are self-sustaining, the obligation may be met, if the metrics are met, without burdening the Company. In addition, the Company, as part of the acquisition of RKings, provided to the sellers of RKing's shares, the right to earn additional consideration of approximately $5.2 million (GBP 4 million) if metrics are met after April 30, 2022 and, payable at the option of the Company in either cash or shares of the Company's common stock. The Company may consider raising funds through debt, private placements, or additional public offerings for expansion of operations or synergetic acquisitions. Unused sources of liquid assets, as of January 31, 2022, include cash of $15.2 million and receivables of $2.2 million with offsetting liabilities of $4.5 million and, if particular metrics are met (which appear highly unlikely), the possible acquisition contingencies of $1.3 million and $5.2 million will be met with current liquid assets.

Novel Coronavirus (COVID-19)

In December 2019, a novel strain of coronavirus, which causes the infectious disease known as COVID-19, was reported in Wuhan, China. The World Health Organization declared COVID-19 a "Public Health Emergency of International Concern" on January 30, 2020 and a global pandemic on March 11, 2020. In March and April, many U.S. states and foreign jurisdictions began issuing 'stay-at-home' orders. Subsequently, and continuing through the date of this Report, the COVID-19 pandemic has adversely impacted global commercial activity, disrupted supply chains and contributed to significant volatility in financial markets. The ongoing COVID-19 pandemic could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown.

A significant or prolonged decrease in consumer spending on entertainment or leisure activities would likely have an adverse effect on demand for our product offerings, reducing cash flows and revenues, and thereby materially harm our business, financial condition and results of operations. In addition, a recurrence of COVID-19 cases or an emergence of additional variants or strains could cause other widespread or more severe impacts depending on where infection rates are highest. We will continue to monitor developments relating to disruptions and uncertainties caused by COVID-19.

As shown in our results of operations herein, we have to date, not experienced any significant material negative impact to our operations, revenues or gross profit due to COVID-19. However, moving forward, the range of possible impacts on our business from the coronavirus pandemic could include: (i) changing demand for our products and services; (ii) rising bottlenecks in our supply chain; and (iii) increasing contraction in the capital markets. At this time, our operations have not been materially negatively impacted by the coronavirus pandemic to date; although much of the work performed by the Company was in the commuter environment, as opposed to an office setting; however, it is possible that COVID-19 and the worldwide response thereto, may have a material negative effect on our operations, cash flows and results of operations.

Currently we believe that we have sufficient cash on hand, and the ability to raise additional funding, or borrow additional funding, as needed, to support our operations for the foreseeable future; however, we will continue to evaluate our business operations based on new information as it becomes available and will make changes that we consider necessary in light of any new developments regarding the pandemic.

The future impact of COVID-19 on our business and operations is currently unknown. The pandemic is continuing to develop rapidly and the full extent to which COVID-19 will ultimately impact us depends on future developments, including the duration and spread of the virus, virus mutations and variants, the availability and efficacy of vaccines and boosters, and the willingness of individuals to continue to obtain vaccines and boosters, as well as potential seasonality of new outbreaks.

Recent Events

Asset Purchase Agreement

On March 1, 2021, the Company entered into an Asset Purchase Agreement (the "Agreement") with Gamefish Global Pty Ltd, a company incorporated in Australia ("Gamefish"), pursuant to which the Company acquired an instance of certain intellectual property that consists of a fully functional Seamless Aggregation Platform ("Aggregation Platform"). As consideration for the acquisition, the Company agreed to pay Gamefish $174,000, payable pursuant to a schedule set forth in the agreement, and certain milestones being met with respect to the stability, functionality and operation of the Aggregation Platform. The Company also agreed to pay a minimum of three months of monthly fees to Gamefish in the amount of $13,050 per month, for ongoing support for the intellectual property. The purchase was also contingent on the Company entering into mutually acceptable consulting agreements with two principals of Gamefish.

Appointment of Certain Officers

Effective on April 22, 2021, the Board of Directors of the Company, appointed Mr. Omar Jimenez as the Chief Financial Officer and Chief Compliance Officer of the Company effective as of the same date. The Board of Directors also appointed Mr. Jimenez as the Principal Accounting/Financial Officer, effective following the filing of the Company's Annual Report on Form 10-K for the year ended January 31, 2021 (the "Annual Report Filing Date"), which Annual Report Filing Date was April 30, 2021.

In connection with such appointment, Mr. Anthony Brian Goodman, the President Chief Executive Officer and member of the Board of Directors of the Company, ceased serving as the Principal Accounting/Financial Officer of the Company on the Annual Report Filing Date, provided that Mr. Goodman continues to serve as the Chief Executive Officer, President and Principal Executive Officer of the Company. Additionally, in connection with such appointment, Weiting 'Cathy' Feng, who served as Chief Financial Officer and director of the Company prior to Mr. Jimenez's appointment, ceased serving as Chief Financial Officer, and will serve as Chief Operating Officer and director of the Company moving forward.

Licensing Agreement

On June 28, 2021, we entered into a Software Licensing Agreement (the "Licensing Agreement") with Fantasma Games AB (Nasdaq First North Growth Market: FAGA; Stockholm: FAGA:SS) ("Fantasma"), a company incorporated in Sweden, pursuant to which the Company acquired a license to host Fantasma's portfolio of casino betting games. Under the terms of the Licensing Agreement, Fantasma granted us a limited, worldwide, non-exclusive, non-transferable, and non-sublicensable license (unless otherwise stated in the agreement) to integrate Fantasma's portfolio of casino betting games on the online gaming platforms that the Company designs and develops for itself and/or on behalf of operators and allow the users to access and play the games. The agreement contains various representations and warranties of the parties, confidentiality obligations, limitations and exclusion of liability of Fantasma. Pursuant to the Licensing Agreement, Fantasma will provide a portfolio of casino betting games and will also provide various services to the Company.

The Licensing Agreement requires the Company to pay Fantasma the Monthly License Fee to be calculated as a certain percentage of the monthly Net Gaming Revenue (NGR) generated by the betting games. In Asian countries, different percentages will apply based on different range of monthly NGR generated by the betting games. In non-Asian countries, the Monthly License Fee will be on an ad hoc basis. The Licensing Agreement continues until or unless terminated in accordance with the agreement.

Acquisitions

Global Technology Group Pty Ltd

On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian Company. GTG has an Alderney Gambling Control Commission ("AGCC") license (an AGCC Category 2 Associate Certificate). The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities. We believe that Alderney is one of the preferred locations for online Gambling operators and is regarded in the community as one of the strictest licensing jurisdictions with policies aimed at improving transparency and cultivating a good gaming environment. GTG was wholly-owned by Brian Anthony Goodman, our Chief Executive Officer and director, and the indirect beneficial owner of the majority of our voting stock. The purchase price was 85,000 Pounds Sterling (£)(approximately $113,000). On March 22, 2021, the Company paid Mr. Goodman $115,314 USD (equivalent to 85,000 GBP), for the acquisition of GTG.

RKingsCompetitions Ltd

On November 29, 2021, the Company entered into a Sale and Purchase Agreement of Ordinary Issued Share Capital (the "Purchase Agreement"), to acquire an 80% ownership interest in RKingsCompetitions Ltd, a private limited company formed under the laws of Northern Ireland (the "RKings") from Mark Weir and Paul Hardman, individuals (each a "Seller" and collectively the "Sellers"), the owners of 100% of the ordinary issued share capital of RKings. The Company paid the Sellers (a) GBP £3,000,000 (the "Closing Cash Consideration"); and (b) 666,250 restricted shares of the Company's common stock, with an agreed value of GBP £4,000,000, or $8.00 per share of Company common stock (the "Initial Share Value" and the "Closing Shares"); and agreed to pay the Sellers additional shares of common stock of the Company equal to (i) 80% of the Company's net asset value of RKings as of October 31, 2021 (inventory on hand (minus allowances for reserve inventory and allocated goods and materials) plus RKings' total cash and cash equivalents on hand; less (B) RKings' current and accrued liabilities, as described in greater detail in the Purchase Agreement), divided by (ii) the Initial Share Value (the "Post-Closing Shares").

The Sale and Purchase Agreement provides for GBP £1,000,000 of the Closing Cash Consideration to be retained by the Company for six months, subject to certain revenue requirements and for indemnification rights.

The Sale and Purchase Agreement provides the Sellers the rights to earn additional earn-out consideration, equal in value to GBP £4,000,000, subject to the terms of the Sale and Purchase Agreement payable at the option of the Company in either (a) cash; or (b) shares of Company common stock (such shares, if issued, the "Earn-Out Shares"). Based on the performance of quarter ended January 31, 2022, the Company determined that it was highly unlikely that the Earn-Out EBITDA Threshold would be met; therefore, no contingent liability was recorded.

On December 6, 2021, the Company closed the Purchase, which was effective on November 1, 2021.

The Purchase Agreement also required that the Sellers and the Company enter into a Shareholders Agreement (the "Shareholders Agreement"), which was entered into and became effective on November 29, 2021, and which (a) prohibits the sale or transfer of any shares of RKings without the consent of shareholders who collectively own and can vote more than 50% of all shares of RKings (a "Majority In Interest", i.e., the Company); (b) provides the Company with a buyout right beginning on the date that is six months from November 29, 2021, exercisable upon written notice from the Company to the Sellers, which provides the Company the right to purchase all, but not less than all, of the shares of RKings then held by the Sellers (i.e., the 20% of RKings retained by such Sellers following the closing) for an aggregate purchase price equal to 20% of the product of (i) RKings' then most recent three-month trailing EBITDA multiplied by (ii) sixteen (the "Buyout Price"), which is payable at the option of the Company in either (x) cash; or (y) shares of the Company's common stock valued at $8.00 per share (subject to equitable adjustment in accordance with dividends payable in stock on such Company common stock, stock splits, stock combinations, and other similar events affecting the common stock) or any combination thereof; (c) provides each shareholder of RKings, except as otherwise agreed by a Majority In Interest or subject to certain customary permitted transfer rights, a right of first refusal to purchase any shares of RKings which any shareholder desires to transfer, at the price that they are offered to be transferred or (i) the value of the applicable shares mutually agreed upon between the applicable offering shareholder (or his or her representative, as applicable), if any, and RKings, or all of the remaining shareholders, as applicable, or (ii) if the applicable parties cannot agree, the value of such shares as determined in good faith by a Majority In Interest; (d) includes drag along rights, requiring minority shareholders to be dragged along in any change of control transaction; (e) provides for certain buyout rights in the event of the death or incapacity of an individual shareholder; and (f) provides that certain transactions involving RKings can only be affected with approval of a Majority In Interest.

The Shareholders Agreement also provides for the business and affairs of RKings to be governed by a board of directors consisting of at least three persons. The number of members on the board may be increased (but not decreased) with the consent of a Majority In Interest. The initial directors of RKings will be the Sellers and Aaron Johnston, a director of the Company.

The Shareholders Agreement remains in full force and effect until RKings and a Majority In Interest, agree in writing to its termination or until the first to occur of (i) offering of shares of RKings pursuant to a registration statement effective under the Companies Act 2006 of the United Kingdom; (ii) the purchase by one shareholder of all the issued and outstanding shares of RKings; or (iii) the dissolution, bankruptcy or receivership of RKings.

Increase the Company's authorized shares of Common Stock to 250,000,000 shares

On November 23, 2021, Luxor Capital LLC (the "Majority Stockholder"), which entity is beneficially owned and controlled by Anthony Brian Goodman, the President, Chief Executive Officer and Chairman of the Board of Directors of the Company, which beneficially owned an aggregate of 109,121,634,483 total voting shares, representing approximately 99.982% of the Company's voting stock as of such date, including (a) 7,470,483 shares of common stock, representing 27.4% of the Company's outstanding shares of common stock, and (b) 1,000 shares of the Company's Series B Voting Preferred Voting Stock, representing 100% of the Company's issued and outstanding Series B Voting Preferred Voting Stock, which Series B Voting Preferred Voting Stock shares each vote four times the number of shares of the Company's common stock outstanding (27,278,541 shares), executed a written consent in lieu of a special meeting of stockholders (the "Majority Stockholder Consent"), approving the following matter, which had previously been approved by the Board of Directors of the Company (the "Board") on November 22, 2021: the filing of a Certificate of Amendment to the Company's Articles of Incorporation to increase the Company's authorized number of shares of Common Stock from forty million (40,000,000) shares to two hundred and fifty million (250,000,000) shares and to restate Article 3, Capital Stock thereof, to reflect such amendment, and clarify the Board of Director's ability to designate and issue 'blank check' preferred stock (the "Amendment"). The Amendment was filed with the Secretary of State of Nevada and became effective on December 16, 2021.

RESULTS OF OPERATIONS

Three months ended January 31, 2022, compared to the three months ended January 31, 2021.

Revenues

The Company currently has three distinctive revenue streams.

1) the Company charges gaming operators for the use of its unique intellectual property (IP) and technology systems. Revenues derived from such charges were based on the usage of the systems by the clients. During the three months ended January 31, 2022, the Company generated $238,127 of revenues from its unique IP and technology systems, including $235,246 from Articulate Pty Ltd ("Articulate"), a related party, which is wholly-owned by Anthony Brian Goodman, CEO and Chairman of the Company and his wife Marla Goodman. During the three months ended January 31, 2021, the Company generated $769,000 of revenues from its IP and technology systems, including $615,175 which was from Articulate.

The decrease of $530,873 in revenues in the three-month period ended January 31, 2022, compared to the three-month period ended January 31, 2021, is due to the Company's shift in focus to appointing resellers of the third-party gaming content. The decrease in revenues can be attributed to the loss of certain major operators from our customers.

2) Since June 2020, the Company has contracted with certain clients to offer third party gaming content and as such become a reseller of this gaming content. Revenues derived from the reselling of gaming content during the three-months ended January 31, 2022 and 2021 were $3,142,703 and $1,182,406, respectively.

The increase of $1,960,297 in revenues in the three-month period ended January 31, 2022, compared to the three-month period ended January 31, 2021, is attributable to an increased number of customers and registered players with our customers.

3) Since the acquisition of 80% of RKings effective November 1, 2021, the Company generates revenues from sales of prize competitions tickets directly to customers for prizes throughout the United Kingdom ranging from automobiles to jewelry as well as travel and entertainment experiences. During the three months ended January 31, 2022, $5,496,275 of total revenues were derived from prize competitions ticket sales. The Company did not have revenues from the sales of prize competitions tickets during the three-month period ended January 31, 2021, as it only acquired 80% of RKings effective on November 1, 2021.

Total revenues for the three-months ended January 31, 2022 and 2021 are $8,877,105 and $1,951,406, respectively.

Cost of goods sold

The Company currently has three distinctive sources of cost of goods sold.

1) Historically, the Company only recognized the value of stock options granted to consultants under the 2018 Equity Incentive Plan as cost of goods sold. This recognition was based on the fact that the stock options directly contributed to the revenue generated by the Company's GM2 Asset. During the three months ended January 31, 2022 and 2021, cost of goods sold due to the amortization of options was $137,931 and $111,018, respectively. The increase in the cost of goods sold was due to new options granted last year in March and September. The increase in the share price has increased the option valuation based on the Black-Scholes valuation model and therefore increased the amortization expenses over time.

2) Beginning in June 2020, due to the reselling of the gaming content, the cost of usage of the third-party content is recognized as a cost of goods sold. During the three months ended January 31, 2022 and 2021, cost of goods sold due to the usage of gaming content was $2,408,093 and $843,764, respectively. The increase of $1,564,329 in cost of goods sold from the resale of gaming content in the three-month period ended January 31, 2022, compared with the three months ended January 31, 2021, was attributable to the increased usage of gaming content as a result of an increased number of customers and registered players with our customers.

3) Beginning November 1, 2021, in connection with the acquisition of an 80% interest in RKings, the Company incurs cost of goods sold due to the prizes purchased which are awarded to winners of prize competitions throughout the United Kingdom ranging from automobiles to jewelry as well as travel and entertainment experiences. During the three months ended January 31, 2022, $4,306,978 of cost of goods related to prizes that were awarded in the prize competitions. The Company did not have cost of goods related to prize competitions during the three-month period ended January 31, 2021.

Total costs of goods sold for the three-months ended January 31, 2022 and 2021 were $6,853,002 and $954,782, respectively.

Gross Profit and Gross Profit Margin

We had gross profit of $2,024,103 for the three months ended January 31, 2022, compared to gross profit of $996,624 for the three months ended January 31, 2021, an increase of $1,027,479 from the prior period, mainly due to $1,189,297 gross profits contributed from B2C segment starting November 1, 2021, with our acquisition of 80% of RKings. A decrease of gross profit of $161,818 in B2B segment was mainly due to the decrease in revenues from the usage of IP and technology systems as discussed above.

Gross profit margin was 23% for the three months ended January 31, 2022, compared to 51% for the three months ended January 31, 2021, mainly due to the increase in revenues in the resale of gaming content and high revenues in B2C segment which have lower gross profit margin compared with revenues from the usage of IP and technology systems. The gross profit margin on revenues from resale of gaming content was approximately 23% for the three months ended January 31, 2022. The Company believes that the resale revenue stream is highly scalable and there is a significant opportunity to scale this resale revenue stream with low related expenses and no capital expenditures and also to expand its global reach. The gross profit margin on B2C segment was approximately 22% for the three months ended January 31, 2022.

Moving forward, the Company expects to consolidate several operating aspects that are redundant and generate increased gross profit and gross profit margin due to the economies of scale. Also, the competition prizes are expected to generate larger profit margins with a focus on increasing the margins on individual prizes.

General and administrative expenses

During the three months ended January 31, 2022 and 2021, general and administrative expenses were $1,298,886 and $151,628, respectively. General and administrative expenses consisted primarily of advertising and promotion expenses, travel expenses, website maintenance expenses, payroll expenses, office expenses, bank charges, commission expenses, lease expenses, gaming license expenses and depreciation and amortization expense. The increase of general and administrative expenses was mainly due to the $787,674 general and administrative expenses from our B2C segment starting November 1, 2021, with our acquisition of 80% of

RKings, which mainly include the payroll costs and bank charges for the transaction fees. The depreciation and amortization expense also increased due to the newly acquired intangible assets of trademarks and non-compete agreement associated with RKings. More details of the intangible assets are covered in "NOTE 7 – INTANGIBLE ASSETS" in the notes to the financial statements included under "Item 1. Financial Statements." The general and administrative expenses from our B2B segment also increased due to the increased costs of marketing fees, lease expenses, and payroll costs.

General and administrative expenses – Related parties

General and administrative expenses from related parties consisted primarily of amortization expenses due to stock options granted to Directors and Officers, back-office expenses (which have been terminated as of June 30, 2021), consulting expenses and salary expenses payable to the Company's Management and Directors. During the three months ended January 31, 2022 and 2021, general and administrative expenses from related parties were $155,600 and $737,598, respectively. The components of general and administrative expenses from related parties are as follows:

	Three months ended January 31,	
	2022	2021
Amortization expenses of Directors' and Officers' stock options	$ -	$ 597,908
Back-office expenses	-	33,000
Consulting & salary expenses	155,600	106,690
Total	$ 155,600	$ 737,598

During the three-month period ended January 31, 2022 and 2021, the amortization expenses decreased due to the stock options becoming fully amortized during last fiscal year; therefore, there was no amortization expense during this quarter; the back-office expenses decreased due to the cancellation of Back Office Services Agreement with Articulate; the consulting & salary expenses increased mainly due to the increased compensation to the Company's officers, and hiring of new officers.

Research and development expense

During the three months ended January 31, 2022 and 2021, the research and development expense was $20,212 and $28,887, respectively. The $20,212 research and development expense during the three months ended January 31, 2022 was incurred in connection with the building of the Company's Seamless Aggregation Platform ("Aggregation Platform") acquired on March 1, 2021, from Gamefish Global Pty Ltd. The $28,887 research and development cost during the three months ended January 31, 2021 was incurred in connection with the building of the Company's Proprietary Peer to Peer gaming system.

Professional fees

Professional fees consisted primarily of SEC filing fees, legal fees, transfer agent service fees and accounting and audit fees. During the three months ended January 31, 2022 and 2021, professional fees were $145,447 and $48,755, respectively. The increase in professional fees of $96,692 was mainly due to the recent corporate actions relating to the Company's acquisition of RKings, the Company's NASDAQ uplisting application, which is pending with NASDAQ, and other corporate matters.

Interest expense

During the three months ended January 31, 2022 and 2021, interest expense was $0 and $955, respectively. The interest expense during the three months ended January 31, 2021 was mainly attributable to the settlement payable to Luxor, a Nevada limited liability corporation, which is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman. The settlement payable was fully paid as of January 31, 2021; therefore, no interest was incurred during the three months ended January 31, 2022.

Interest income

The interest income was attributable to the interests from the bank savings. During the three months ended January 31, 2022 and 2021, interest income was $441 and $41, respectively.

Foreign exchange gain

The foreign exchange gain was due to the fluctuation of the Euro against the US dollar, and as a result of certain suppliers billing the Company in Euros, and settlement of other liabilities in currencies other than US dollars. During the three months ended January 31, 2022 and 2021, foreign exchange gain was $84,676 and $23,316, respectively. The increase of foreign exchange gain was due to the settlement of one million GBP consideration payable to acquire RKings.

Provision for income taxes

The provision for income taxes was $75,404 for the three months ended January 31, 2022, compared to $0 for the three months ended January 31, 2021. The increase was attributable to the tax expenses incurred in the B2C segment starting November 1, 2021, with our acquisition of 80% of RKings. There is no provision for income taxes in the B2B segment during the three months ended January 31, 2022 and 2021 as a result of operating losses carryforward in B2B segment.

Net income attributable to noncontrolling interest

For the three months ended January 31, 2022, we recorded net income of $64,292 and for the three months ended January 31, 2021, we recorded net income of $0, attributable to the noncontrolling interest. The net income attributable to noncontrolling interest was due to the acquisition of 80% interest in RkingsCompetition Ltd, effective on November 1, 2021. These amounts represent the share of income that is not attributable to the Company.

Net income attributable to GMGI

The Company had net income attributable to GMGI of $349,379 and $52,158 for the three months ended January 31, 2022 and 2021, respectively. The increase in net income attributable to GMGI of $297,221 was primarily due to an increase in revenues from the B2C operations of $5,496,275 and from the B2B operations of $1,429,424 (of which $1,809,353 of the increase was attributable to revenues from third-party distributors, offset by a $379,929 decrease attributable to related party revenues, each as discussed above); which increase in revenues were offset by (i) an increase of cost of goods sold of $5,898,220 and (ii) an increase of operating expenses of $653,277, as discussed in greater details above.

LIQUIDITY AND CAPITAL RESOURCES

	As of January 31, 2022	As of October 31, 2021
Cash and cash equivalents	$ 15,242,266	$ 16,797,656
Working capital	14,091,225	18,694,687
Shareholders' equity of GMGI	24,808,473	18,928,109

The Company had $15,242,266 of cash on hand at January 31, 2022 and total assets of $32,134,960 ($18,504,172 of which were current assets) and total working capital of $14,091,225 as of January 31, 2022. Included in total assets of January 31, 2022 was $10,718,824 of goodwill associated with the Company's 80% interest in RKingsCompetition Ltd. and $2,520,000 intangible assets related to trademarks and non-compete agreements, which were not included in the prior period.

The Company had total liabilities of $4,557,195 (of which $ 4,412,947 were current liabilities) as of January 31, 2022, which mainly included $109,662 of accounts payable to related parties, $1,207,750 of accounts payable and accrued liabilities, $592,142 of accrued income tax liability related to Rkings' operations, $1,366,500 of contingent liability related to the RKings acquisition (due if RKings' operating metrics are met), $562,650 of consideration payable related to the RKings acquisition which was paid on March 7, 2022, and $239,955 of operating lease liabilities related to the office lease. See "NOTE 1 – BASIS OF PRESENTATION AND ACCOUNTING POLICIES, Recent Issued Accounting Pronouncements" to the financial statements included herein. The decrease in cash of $1,555,390 was due to $4,099,500 of cash consideration paid to acquire 80% interest in RkingsCompetition Ltd in December 2021.

We do not currently have any additional commitments or identified sources of additional capital from third parties or from our officers, directors or majority stockholders. Additional financing may not be available on favorable terms, if at all.

In the future, we may be required to seek additional capital by selling additional debt or equity securities, or otherwise be required to bring cash flows in balance when we approach a condition of cash insufficiency. We also plan to sell equity in connection with an underwritten offering pursuant to which we currently plan to uplist our common stock on The NASDAQ Capital Market, which offering may not be completed on favorable terms, or the terms disclosed, if at all, and which offering remains subject to among other things, the successful uplisting of our common stock on The NASDAQ Capital Market. The sale of additional equity or debt securities, if accomplished, may result in dilution to our then stockholders. Financing may not be available in amounts or on terms acceptable to us, or at all. In the event we are unable to raise additional funding and/or obtain revenues sufficient to support our expenses, we may be forced to scale down our operations, which could cause our securities to decline in value.

See "NOTE 3 – ACCOUNTS RECEIVABLE – RELATED PARTY", for a description of related party accounts receivable; "NOTE 7 – INTANGIBLE ASSETS", for a description of the Company's intangible assets; "NOTE 8 – ACCOUNTS PAYABLE – RELATED PARTIES", for a description of related party accounts payable; and "NOTE 11 – RELATED PARTY TRANSACTIONS", for a description of related party transactions, each included herein in the notes to the financial statements included under "Item 1. Financial Statements."

	Three Months Ended January 31,	
	2022	2021
Cash provided by operating activities	$ 1,841,399	$ 78,964
Cash provided by (used in) investing activities	(3,395,318)	192
Cash provided by financing activities	200	6,617,198

Cash flows from operating activities include net income adjusted for certain non-cash expenses, and changes in operating assets and liabilities. Non-cash expenses for the three months ended January 31, 2022, include stock-based compensation, and amortization expenses on intangible assets.

The Company generated cash from operating activities of $1,841,399 during the three months ended January 31, 2022, due primarily to $413,671 of net income, non-cash expenses relating to stock-based compensation of $143,931 (including options issued for services of $137,931, and stock issued for services of $6,000), depreciation and amortization of $96,701, $773,290 of decrease in accounts receivable from related party, and $126,983 of increase in accounts payable and accrued liabilities . Cash provided by operating activities was $78,964 for the three months ended January 31, 2021, which was mainly due to $52,158 of net income, non-cash expenses relating to stock-based compensation (related parties) of $597,908, options issued for services of $111,018, $310,205 of increase in accounts payable and accrued liabilities

During the three months ended January 31, 2022, cash used in investing activities was $3,395,318 which was primarily due to the cash consideration paid to acquire an 80% interest in RkingsCompetition Ltd of $4,099,500. During the three months ended January 31, 2021, cash provided by investing activities was $192 which was mainly due to the investment in GTG.

During the three months ended January 31, 2022 cash provided by financing activities was $200, which was due to the advance from shareholders to open the Company's new bank accounts. During the three months ended January 31, 2021 cash provided by financing activities was $6,617,198, which was due primarily to the sales of equity securities through private placements and warrant exercise.

The Company had a net decrease in cash of $1,555,390 for the three months ended January 31, 2022, which is mostly attributable to the cash used in investing activities of $3,395,318, offset by the net cash provided by operating activities of $1,841,399, as discussed above.

Material Events and Uncertainties

Our operating results are difficult to forecast. Our prospects should be evaluated in light of the risks, expenses and difficulties commonly encountered by comparable development stage companies.

There can be no assurance that we will successfully address such risks, expenses and difficulties.

Item 3. Quantitative And Qualitative Disclosures About Market Risk

Pursuant to Item 305(e) of Regulation S-K (§ 229.305(e)), the Company is not required to provide the information required by this Item as it is a "smaller reporting company," as defined by Rule 229.10(f)(1).

Item 4. Controls and Procedures

Disclosure controls and procedures

The Company's Chief Executive Officer (the principal executive officer) and Chief Financial Officer (principal financial/accounting officer) have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 3, 2022. Based upon such evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in our reports filed with the Commission pursuant to the Exchange Act, is recorded properly, processed, summarized and reported within the time periods specified in the rules and forms of the Commission and that such information is accumulated and communicated to our management, including our CEO and CFO, to allow timely decisions regarding required disclosures.

Table of Contents

Changes in Internal Control over Financial Reporting

We regularly review our system of internal control over financial reporting to ensure we maintain an effective internal control environment. During the three months ended January 31, 2022 and as of January 31, 2022, the Company has hired personnel and contractors with sufficient accounting and GAAP knowledge to ensure separation of duties and supervision of accounting and financial activity. Procedures and practices have been implemented that ensure timely and accurate reporting of financial data for the quarter ended January 31, 2022, covered by this Quarterly Report on Form 10-Q. On March 3, 2022, the Audit Committee approved and adopted a comprehensive Financial Procedural Manual. These changes have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Table of Contents

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Although we may, from time to time, be involved in litigation and claims arising out of our operations in the normal course of business, we are not currently a party to any material legal proceeding. In addition, we are not aware of any material legal or governmental proceedings against us or contemplated to be brought against us. The impact and outcome of litigation, if any, is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We believe the ultimate resolution of any such current proceeding will not have a material adverse effect on our continued financial position, results of operations or cash flows.

On August 25, 2021, the Company first became aware of a default judgment entered against the Company (under its former name Source Gold Corp.), pursuant to an action filed against the Company by NPNC Management LLC ("NPNC"), in the Eighth Judicial District Court of Clark County, Nevada (Case No: A-15-716733-C). The action was originally filed on April 9, 2015, with a default judgment originally granted on November 3, 2015, which default judgment was renewed on August 24, 2021. The default judgment was in the amount of $42,485, plus interest at 18% per annum.

The Company was unaware of the prior default judgment until August 25, 2021, and has no knowledge of any liability, contracts with, or amounts due to, NPNC. On October 1, 2021, in an effort to settle the matter, the Company paid $40,000 to NPNC in full satisfaction of amounts owed.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A of the Company's Transition Report on Form 10-K for the nine months ended October 31, 2021, filed with the Commission on January 13, 2022 (the "Form 10-KT"), under the heading "Risk Factors", except as set forth below, and investors should review the risks provided in the Form 10-KT and below, prior to making an investment in the Company. The business, financial condition and operating results of the Company can be affected by a number of factors, whether currently known or unknown, including but not limited to those described below and in the Form 10-KT, under "Risk Factors", which risk factors from the Form 10-KT are incorporated by reference in this Item 1A. Risk Factors, any one or more of which could, directly or indirectly, cause the Company's actual financial condition and operating results to vary materially from past, or from anticipated future, financial condition and operating results. Any of these factors, in whole or in part, could materially and adversely affect the Company's business, financial condition, operating results and stock price.

In the past we have been affected by, and in the future, we may be affected by, unauthorized transfers, withdrawals, wires, checks and payments, from our bank accounts.

In August, 2021, we first became aware of certain Automated Clearing House (ACH) transfers that were erroneously posted to the Company's bank account. The Company first notified Citibank of ACH transfers that were erroneously posted to the account. Overall, $729,505 of ACH transactions had posted to the Company's accounts that were not authorized. Citibank immediately recognized that it was an error under the Electronic Fund Transfer Act of 1978 (EFTA) and proceeded to immediately replenish $392,921 of the unauthorized ACH transactions which resulted in a receivable due from Citibank of $336,584 as of October 31, 2021. In November 2021, an additional $247,908 was replenished by Citibank which resulted in a balance due from Citibank of $88,676. As of January 31, 2022, the balance due from Citibank was $88,676. The Company received confirmation from Citibank on February 25, 2022 that they were working to address the issues. While these unauthorized transfers were for the most part remedied quickly, and we believe that our liability and exposure to such transfers is minimal as a result of the EFTA, future unauthorized transfers, withdrawals, wires, checks and payments, from our bank accounts could have a material adverse effect on our cash flows and results of operations and result in material losses. The risk of such losses and unauthorized transactions may also be exacerbated by potential ineffective controls and procedures relating to the safeguarding of our account information.

Impact of COVID-19 Pandemic

The outbreak of the 2019 novel coronavirus disease ("COVID-19"), which was declared a global pandemic by the World Health Organization on March 11, 2020, and the related responses by public health and governmental authorities to contain and combat its outbreak and spread has severely impacted the U.S. and world economies. Decreased demand for our products and services caused by COVID-19 could have a material adverse effect on our results of operations. Separately, economic recessions, including those brought on by the COVID-19 outbreak may have a negative effect on the demand for our products, services and our operating results. The range of possible impacts on the Company's business from the coronavirus pandemic could include, but are not limited to: (i) changing demand for the Company's products and services; (ii) the closure of, or reduction in the number of persons who may be present in, establishments using the Company's technology (resulting in a decrease in demand for such technology); (iii) travel restrictions and stay at home orders; (iv) recessions and other economic contractions which may decrease the amount of discretionary spending available to consumers and/or the amount such consumers are willing to spend; and (v) increasing contraction in the capital markets. At this time, our operations have not been materially negatively impacted by the coronavirus pandemic although much of the Company's work was performed in the commuter environment, as opposed to the office setting.

The COVID-19 pandemic has not had a material impact on our business, and we expect our business to be resilient through the pandemic. We have continued operations, supported our online products and customers, and grown our sales, while our employees and consultants work remotely. Notwithstanding the aforementioned, we have experienced minor issues in connection with the transition of certain resources to remote settings as a result of the pandemic.

We have not experienced any significant material negative impact to our operations, revenues or gross profit due to COVID-19. However, moving forward, the range of possible impacts on our business from the coronavirus pandemic could include: (i) changing demand for our products and services; (ii) rising bottlenecks in our supply chain; and (iii) increasing contraction in the capital markets. At this time, our operations have not been materially negatively impacted by the coronavirus pandemic to date; although much of the work performed by the Company was in the commuter environment, as opposed to an office setting; however, it is possible that COVID-19 and the worldwide response thereto, may have a material negative effect on our operations, cash flows and results of operations.

Currently we believe that we have sufficient cash on hand, and the ability to raise additional funding, or borrow additional funding, as needed, to support our operations for the foreseeable future; however, we will continue to evaluate our business operations based on new information as it becomes available and will make changes that we consider necessary in light of any new developments regarding the pandemic.

The future impact of COVID-19 on our business and operations is currently unknown. The pandemic is continuing to develop rapidly and the full extent to which COVID-19 will ultimately impact us depends on future developments, including the duration and spread of the virus, virus mutations and variants, the availability and efficacy of vaccines and boosters, and the willingness of individuals to continue to obtain vaccines and boosters, as well as potential seasonality of new outbreaks.

Table of Contents

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Securities

There have been no sales of unregistered securities during the quarter ended January 31, 2022, and from the period from November 1, 2021 to the filing date of this Report, which have not previously been disclosed in the Form 10-KT, Form 10-Q or in a Current Report on Form 8-K, except as follows:

Recent sales of unregistered securities during the quarter ended January 31, 2022.

On November 29, 2021, the Company issued 666,250 shares with an agreed value of GBP £4,000,000, or $8.00 per share, to the owners of RKings (discussed above) as part of the consideration to purchase 80% of the outstanding capital stock of RKings.

On November 30, 2021, the Company issued an aggregate of 808 shares of restricted common stock to two consultants for IT consultation services provided in connection with the maintenance and development of the Company's GM-Ag system.

The issuances described above were exempt from registration pursuant to Section 4(a)(2), Rule 506 of Regulation D and/or Regulation S of the Securities Act, since the foregoing issuances did not involve a public offering, the recipients took the securities for investment and not resale, we took appropriate measures to restrict transfer, and the recipients were (a) "accredited investors"; (b) had access to similar documentation and information as would be required in a Registration Statement under the Securities Act; and/or (c) were non U.S. persons. The securities are subject to transfer restrictions, and the certificates evidencing the securities contain an appropriate legend stating that such securities have not been registered under the Securities Act and may not be offered or sold absent registration or pursuant to an exemption therefrom. The securities were not registered under the Securities Act and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

Recent issuances of unregistered securities subsequent to our fiscal quarter ended January 31, 2022.

On March 7, 2022, the Company issued 70,332 shares with an agreed value of $562,650, or $8.00 per share, to the owners of RKings (discussed above) as part of the consideration to purchase 80% of the outstanding capital stock of RKings.

The offer and sales described above were exempt from registration pursuant to Section 4(a)(2), Rule 506 of Regulation D and/or Regulation S of the Securities Act, since the foregoing issuances did not involve a public offering, the recipients took the securities for investment and not resale, we took appropriate measures to restrict transfer, and the recipients were (a) "accredited investors"; (b) had access to similar documentation and information as would be required in a Registration Statement under the Securities Act; (c) were non U.S. persons; and/or (d) were directors of the Company. The securities are subject to transfer restrictions, and the certificates evidencing the securities contain an appropriate legend stating that such securities have not been registered under the Securities Act and may not be offered or sold absent registration or pursuant to an exemption therefrom. The securities were not registered under the Securities Act and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

Purchases of equity securities by the issuer and affiliated purchasers

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

Table of Contents

Item 6. Exhibits

			Incorporated by Reference			
Exhibit Number	**Description of Exhibit**	**Filed/ Furnished Herewith**	**Form**	**Exhibit**	**Filing Date/Period End Date**	**File Number**
2.1+	Sale and Purchase Agreement of Ordinary Issued Share Capital dated November 29, 2021, by and between Golden Matrix Group, Inc., as Purchaser, and Mark Weir and Paul Hardman, as Shareholders of RKingsCompetitions Ltd, a Private Limited Company Formed and Registered in and Under the Laws of Northern Ireland, as Sellers		8-K	2.1	12/3/2021	000-54840
3.1	Articles of Incorporation Since Formation		10-KT/A	3.1	10/28/2020	000-54840
3.2	Certificate of Designation of Series B Voting Preferred Stock filed with the Nevada Secretary of State on August 10, 2015		10-KT/A	3.2	10/28/2020	000-54840
3.3	Certificate of Correction (correcting Certificate of Change filed with the Secretary of State of Nevada on April 27, 2020) filed with the Secretary of State of Nevada on October 26, 2020		8-K	3.2	10/28/2020	000-54840
3.4	Certificate of Amendment to Articles of Incorporation, as filed with the Secretary of State of Nevada on December 16, 2021		8-K	3.1	12/16/2021	000-54840
3.5	Bylaws of the Company		S-1	3.2	10/7/2008	333-153881
10.1	Shareholders Agreement dated November 29, 2021, by and between Golden Matrix Group, Inc. and Mark Weir and Paul Hardman		8-K	10.1	12/3/2021	000-54840
31.1*	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act	x				
31.2*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act	x				
32.1**	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act	x				
32.2**	Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act	x				
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	x				
101.SCH*	XBRL Taxonomy Extension Schema Document	x				
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document	x				
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document	x				
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document	x				
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document	x				
104*	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set	x				

* Filed herewith.
** Furnished herewith.
+ A copy of any omitted schedule or Exhibit will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however that Golden Matrix Group, Inc. may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedule or Exhibit so furnished.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GOLDEN MATRIX GROUP, INC.

Dated: March 8, 2022

/s/ Anthony Brian Goodman
Anthony Brian Goodman
Its: President and Chief Executive Officer
(Principal Executive Officer)

Dated: March 8, 2022

/s/ Omar Jimenez
Omar Jimenez
Its: Chief Financial Officer & Chief Compliance Officer
(Principal Accounting/Financial Officer)

EXHIBIT 31.1

CERTIFICATION

I, Anthony Brian Goodman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended January 31, 2022 of Golden Matrix Group, Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: March 8, 2022

/s/ Anthony Brian Goodman
Anthony Brian Goodman
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Omar Jimenez, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended January 31, 2022, of Golden Matrix Group, Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 8, 2022

/s/ Omar Jimenez
Omar Jimenez
Chief Financial Officer
(Principal Financial/Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Golden Matrix Group, Inc. on Form 10-Q for the quarter ended January 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anthony Brian Goodman, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief: (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Dated: March 8, 2022

/s/ Anthony Brian Goodman
Anthony Brian Goodman
Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Golden Matrix Group, Inc. on Form 10-Q for the quarter ended January 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Omar Jimenez , Principal Financial/Accounting Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief: (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Dated: March 8, 2022

/s/ Omar Jimenez
Omar Jimenez
Chief Financial Officer & Chief Compliance Officer
(Principal Accounting/Financial Officer)

The foregoing certification is not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.