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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, 2024

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

For the transition period from ______ to _______

Commission File Number 001-41326

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.00001 Par Value Per Share	GMGI	**The NASDAQ Stock Market LLC** (The NASDAQ Capital Market)

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 14, 2024, there were 36,615,932 shares of the registrant's $0.00001 par value common stock issued and outstanding.

GOLDEN MATRIX GROUP, INC.

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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 and complete acquisitions, including the Purchase of the Meridian Companies, discussed and defined below under "NOTE 16 – MERIDIAN PURCHASE AGREEMENT" to the unaudited financial statements included under "Part I – Financial Statements – "Item 1. Financial Statements" (the "Meridian Acquisition"), defined below, the availability and the terms of such financing, and potential dilution which may be caused by the availability of such financing, if obtained through the sale of equity or convertible securities;

- dilution caused by the conversion of outstanding preferred stock, and/or acquisitions;

- the Company's ability to complete acquisitions, including the pending acquisition of the Meridian Companies (as defined below), and the available funding for such acquisitions; and disruptions caused by acquisitions, including the pending Meridian Acquisition, changes of control in connection with the Meridian Acquisition and other risks associated therewith;

- the reliance on suppliers of third-party gaming content and the cost of such content;

- the ability of the Company to obtain additional gaming licenses;

- the Company's ability to maintain the listing of its common stock on the Nasdaq Capital Market;

- the ability of the Company to manage growth;

- the Company's expectations for future growth, revenues, and profitability;

- the Company's expectations regarding future plans and timing thereof;

- the Company's reliance on its management;

- the fact that the Company's Chief Executive Officer has voting control over the Company and that the sellers in the Meridian Acquisition will have voting control over the Company following the acquisition;

- related party relationships as well as conflicts of interest related thereto;

- the potential effect of economic downturns, recessions, changes in interest rates and inflation, and market conditions, including recessions, decreases in discretionary spending and therefore demand for our products, and increases in the cost of capital, related thereto, among other affects thereof, on the Company's operations and prospects as a result of increased inflation, increasing interest rates, global conflicts and other events;

- the Company's ability to protect proprietary information;

- • the ability of the Company to compete in its market;

- the effect of current and 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 and changes in the enforcement and interpretation of existing laws and regulations and the adoption of new laws and regulations that may unfavorably impact our business;

- 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 inventory management;

- 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 ability to manage expenses associated with sales and marketing and necessary general and administrative and technology investments; and

- general consumer sentiment and economic conditions that may affect levels of discretionary customer purchases of the Company's products, including potential recessions and global economic slowdowns.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Golden Matrix Group, Inc. and Subsidiary
Consolidated Balance Sheets

	January 31, 2024	October 31, 2023
ASSETS		
Current assets:		
Cash	$ 17,292,978	$ 17,100,280
Accounts receivable, net	4,031,349	3,551,383
Accounts receivable – related parties	296,472	331,246
Prepaid expenses	142,992	103,271
Short-term deposit	53,838	51,971
Inventory, prizes	2,376,836	1,714,525
Total current assets	$ 24,194,465	$ 22,852,676
Non-current assets:		
Property, plant & equipment, net	40,139	46,447
Intangible assets, net	2,145,137	2,245,341
Operating lease right-of-use assets	335,702	56,643
Goodwill	10,381,710	10,381,710
Total non-current assets	12,902,688	12,730,141
Total assets	$ 37,097,153	$ 35,582,817
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 2,865,859	$ 2,847,653
Accounts payable – related parties	3,627	12,921
Accrued income tax liability	664,444	476,485
Deferred revenues	130,560	108,106
Deferred tax liability	19,748	18,819
Current portion of operating lease liability	81,086	59,089
Customer deposits	291,238	348,620
Accrued interest	123	123
Contingent liability	636,650	607,607
Total current liabilities	4,693,335	4,479,423
Non-current liabilities:		
Non-current portion of operating lease liability	257,077	-
Total non-current liabilities	257,077	-
Total liabilities	$ 4,950,412	$ 4,479,423

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 shares authorized; 36,615,932 and 36,162,932 shares issued and outstanding, respectively	$ 366	$ 362
Additional paid-in capital	57,794,735	57,023,788
Accumulated other comprehensive income (loss)	124,732	(73,159)
Accumulated deficit	(25,773,092)	(25,847,597)
Total shareholders' equity of GMGI	32,146,741	31,103,394
Total liabilities and shareholders' equity	$ 37,097,153	$ 35,582,817

See accompanying notes to consolidated financial statements.

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

	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Revenues	$ 11,778,656	$ 10,591,036
Revenues-related party	65,226	186,643
Total revenues	11,843,882	10,777,679
Cost of goods sold	(8,468,622)	(8,334,645)
Gross profit	3,375,260	2,443,034
Costs and expenses:		
General and administrative expense	2,336,792	2,037,295
General and administrative expense- related party	759,264	734,694
Total operating expenses	3,096,056	2,771,989
Gain (Loss) from operations	279,204	(328,955)
Other income (expense):		
Interest expense	(600)	(998)
Interest earned	39,264	11,905
Foreign exchange gain	18,817	20,213
Total other income (expense)	57,481	31,120
Net income (loss) before tax	336,685	(297,835)
Provision for income taxes	262,180	145,686
Net income (loss)	74,505	(443,521)
Weighted average ordinary shares outstanding:		
Basic	36,276,139	33,311,667
Diluted	38,779,778	33,311,667
Net income (loss) per ordinary share attributable to GMGI:		
Basic	$ 0.00	$ (0.01)
Diluted	$ 0.00	$ (0.01)
Statements of Comprehensive Income:		
Net income (loss)	$ 74,505	$ (443,521)
Foreign currency translation adjustments	197,891	152,259
Comprehensive income (loss)	$ 272,396	$ (291,262)

See accompanying notes to consolidated financial statements.

Golden Matrix Group, Inc. and Subsidiaries
Consolidated Statement of Shareholders' Equity
(Unaudited)

Three Months Ended January 31, 2023

	Preferred Stock-Series B Shares	Preferred Stock-Series B Amount	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Unearned Compensation	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Equity of GMGI	Non-controlling interest	Total Stockholder's Equity
Balance at October 31, 2022	**1,000**	**$ -**	**28,182,575**	**$ 282**	**$51,677,727**	**$ -**	**$ (205,747)**	**$ (24,674,847)**	**$26,797,415**	**$ 2,999,066**	**$ 29,796,481**

Shares issued as consideration to acquire RKings	-	-	165,444	2	2,928,450	-	-	-	2,928,452	(2,928,452)	-
Shares issued on cashless exercise of options	-	-	7,122,230	71	(71)	-	-	-	-	-	-
Shares issued for services	-	-	104,277	1	265,999	(2,611)	-	-	263,389	-	263,389
Shares issued for vested RSUs	-	-	525,000	5	(5)	-	-	-	-	-	-
FV of stock-based compensation	-	-	-	-	818,395	-	-	-	818,395	-	818,395
Cumulative translation adjustment	-	-	-	-	-	-	152,259	-	152,259	-	152,259
Adjustment to reduce NCI amount recorded for RKings acquisition	-	-	-	-	-	-	-	-	-	(70,614)	(70,614)
Net loss for the quarter	-	-	-	-	-	-	-	(443,521)	(443,521)	-	(443,521)
Balance at January 31, 2023	**1,000**	**$ -**	**36,099,526**	**$ 361**	**$55,690,495**	**$ (2,611)**	**$ (53,488)**	**$ (25,118,368)**	**$30,516,389**	**$ -**	**$ 30,516,389**

See accompanying notes to consolidated financial statements.

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For the Three Months Ended January 31, 2024

	Preferred Stock-Series B		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Equity of GMGI
	Shares	Amount	Shares	Amount				
Balance at October 31, 2023	**1,000**	**$ -**	**36,162,932**	**$ 362**	**$57,023,788**	**$ (73,159)**	**$ (25,847,597)**	**$31,103,394**
Shares issued for vested RSUs	-	-	453,000	4	(4)	-	-	-
FV of stock-based compensation	-	-	-	-	770,951	-	-	770,951
Cumulative translation adjustment	-	-	-	-	-	197,891	-	197,891
Net income for the quarter	-	-	-	-	-	-	74,505	74,505
Balance at January 31, 2024	**1,000**	**$ -**	**36,615,932**	**$ 366**	**$57,794,735**	**$ 124,732**	**$ (25,773,092)**	**$32,146,741**

See accompanying notes to consolidated financial statements.

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

	Three Months Ended January 31,	
	2024	2023
Cash flows from operating activities:		
Net income (loss)	$ 74,505	$ (443,521)
Adjustments to reconcile net income to cash provided by operating activities:		
Fair value of stock-based compensation	770,951	818,395
Fair value of shares issued for services	-	263,389
Unrealized foreign exchange loss on contingent liability	29,043	42,642
Amortization of intangible assets	111,546	106,666
Depreciation of property, plant and equipment	9,894	9,897
Changes in operating assets and liabilities:		
Increase in accounts receivable	(766,129)	(820,054)
Decrease in accounts receivable – related party	34,774	58,358
(Increase) decrease in prepaid expense	(38,971)	6,601
Increase in inventory, prize	(571,196)	(378,170)
(Increase) decrease in operating lease assets	(280,141)	23,993

Increase in accounts payable and accrued liabilities		251,584		626,252
(Decrease) increase in accounts payable – related party		(9,868)		17,767
Increase in accrued income tax liability		162,611		145,686
(Decrease) increase in deferred revenues		16,927		(55,912)
(Decrease) increase in customer deposit		(67,423)		3,642
(Decrease) increase in operating lease liabilities		280,068		(23,978)
Net cash provided by operating activities	$	8,175	$	401,653
Cash flows from investing activities:				
Cash paid for leasehold improvement		-		(6,202)
Cash paid for purchase of fixed assets		(1,511)		(1,933)
Cash paid for purchase of intangible assets		-		(52,788)
Net cash used in investing activities	$	(1,511)	$	(60,923)
Effect of exchange rate changes on cash		186,034		133,494
Net increase (decrease) in cash and cash equivalents		192,698		474,224
Cash at beginning of year		17,100,280		14,949,673
Cash at end of the quarter	$	17,292,978	$	15,423,897
Supplemental cash flows disclosures				
Interest paid	$	600	$	998
Tax paid	$	99,569	$	-
Supplemental disclosure of non-cash activities				
Cashless exercise of options	$	-	$	71
Acquisition of 20% shares of RKings	$	-	$	488,060
Accounts payable settled with accounts receivable	$	300,000	$	-

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 as (i) 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. In the B2B segment, the Company has developed a proprietary Internet gaming 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 gaming ("RMiG"), Internet sports gaming, and virtual simulated gaming ("SIM").

With the acquisition of 80% of RKingsCompetitions Ltd. ("RKings") effective on November 1, 2021 (and the acquisition of the remaining 20% of RKings effective November 4, 2022), the Company entered into the business-to-consumer ("B2C") segment by offering what we refer to as "pay to enter prize competitions" throughout the UK. These prize competitions are not gambling or a lottery; we do not offer B2C online sports betting and/or online casino services in the UK. 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. Also, effective on August 1, 2022, the Company expanded its B2C reach by acquiring GMG Assets Limited ("GMG Assets"), a UK company, which was formed to facilitate the Company's operations of RKings.

On July 11, 2022, the Company acquired Golden Matrix MX, S.A. DE C.V., which had no assets or operations at the time of acquisition and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico, named Mexplay, which features an extensive number of table games, slots, as well as sportsbook, and offers tournament competition prizes similar to those offered by RKings. The Company's online casino in Mexico, Mexplay, commenced generating revenues in March 2023.

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. The Company commenced marketing efforts in Mexico in March 2023.

On November 29, 2021, the Company entered into a Sale and Purchase Agreement of Ordinary Issued Share Capital (the "RKings Purchase Agreement"), to acquire an 80% ownership interest in RKings. On December 6, 2021, the Company closed the transaction contemplated by the RKings Purchase Agreement, which was effective on November 1, 2021.

Effective March 10, 2022, Luxor Capital LLC ("Luxor"), the then sole shareholder of the Series B Voting Preferred Stock of the Company (the "Series B Preferred Stock"), which entity is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman, transferred all 1,000 shares of Series B Preferred Stock which it held to Mr. Goodman for no consideration.

On March 11, 2022, the Company's Board of Directors and Mr. Goodman, as the then sole shareholder of the Company's Series B Preferred Stock (pursuant to a written consent to action without meeting of the sole Series B Preferred Stock shareholder), approved the adoption of, and filing of, an Amended and Restated

Certificate of Designation of Golden Matrix Group, Inc. Establishing the Designation, Preferences, Limitations and Relative Rights of its Series B Voting Preferred Stock (the terms of which are discussed in greater detail under "NOTE 12 – EQUITY", below).

Effective on August 1, 2022, the Company acquired a 100% ownership interest in GMG Assets Limited ("GMG Assets").

On July 11, 2022, the Company acquired 99.99% of the stock of Golden Matrix MX, S.A. DE C.V. ("Golden Matrix MX").

On November 30, 2022, the Company completed the purchase of the remaining 20% of RKings and effective as of November 4, 2022, the Company owns 100% of RKings.

On January 11, 2023, the Company entered into a Sale and Purchase Agreement of Share Capital (the "Original Purchase Agreement") with Aleksandar Milovanović, Zoran Milošević and Snežana Božović (collectively, the "Meridian Sellers"), the owners of Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia; Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro; Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta; and Meridian Gaming (Cy) Ltd, a company formed and registered in the republic of Cyprus (collectively, the "Meridian Companies"). Pursuant to the Original Purchase Agreement, we agreed to acquire 100% of the Meridian Companies (the "Purchase"). On June 28, 2023, we entered into an Amended and Restated Sale and Purchase Agreement of Share Capital dated June 27, 2023, with the Meridian Sellers (the "A&R Purchase Agreement"), which amended certain provisions of the Original Purchase Agreement. On September 27, 2023, the Company and the Meridian Sellers entered into a First Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital, dated September 22, 2023 (the "First Amendment"). On January 22, 2024, the Company and the Meridian Sellers entered into a Second Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital (the "Second Amendment", and the A&R Purchase Agreement as amended by the First Amendment and Second Amendment, the "Purchase Agreement") which extended the required closing date of the Purchase from March 31, 2024, to June 30, 2024, or such other later date as may be approved by the mutual consent of the parties (subject to an automatic extension right described in the Purchase Agreement). The Purchase Agreement is described in greater detail below under "NOTE 16 – MERIDIAN PURCHASE AGREEMENT". The Purchase has not closed to date.

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, 2023, and notes thereto, which the Company filed with the Securities and Exchange Commission (the "SEC") on January 17, 2024.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, Global Technology Group Pty Ltd. ("GTG"), RKings, GMG Assets, Golden Matrix (IOM) Limited and its 99.99% ownership interest in Golden Matrix MX. All intercompany transactions and balances have been eliminated.

Business Combination - Acquisitions of RKingsCompetitions Ltd., Golden Matrix MX, S.A. DE C.V. and GMG Assets Limited

- *RKingsCompetitions Ltd.*

Effective on November 1, 2021, the Company acquired 80% of RKings and effective on November 4, 2022, the Company acquired the remaining 20% interest in RKings.

- *Golden Matrix MX, S.A. DE C.V.*

On July 11, 2022, the Company acquired 99.99% of the stock of Golden Matrix MX, a then newly formed shell company incorporated in Mexico for nominal consideration. Golden Matrix MX had no assets or operations at the time of acquisition and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico. The acquisition closed on September 7, 2022, and the Company's online casino (and related activities), in Mexico, commenced generating revenues in March 2023.

- *GMG Assets Limited*

Effective August 1, 2022, the Company acquired a 100% ownership interest in GMG Assets.

The Company accounts for business combinations using the acquisition method of accounting in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (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 US 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

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, 2024 and October 31, 2023.

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, 2024 and October 31, 2023, the allowance for doubtful accounts was $0 and $0, respectively. During the three months ending January 31, 2024, and 2023, there was no bad debt recorded.

Intangible Assets

Intangible assets are capitalized when a future benefit is determined. Intangible assets are amortized over the anticipated useful life of the intangible asset.

Website Development Costs

The Company accounts for website development costs in accordance with 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. The website development costs to upgrade and enhance the functionality of RKings' and Mexplay's websites were capitalized and amortized on a straight-line basis over their expected useful lives, estimated to be 3 years. During the three months ended January 31, 2024 and 2023, $0 and $52,788 in website development costs, or related costs were incurred and capitalized, respectively.

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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 "Costs of Software to Be Sold, Leased, or 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. No software development costs, or related costs were incurred for the three months ended January 31, 2024, and 2023.

RKings Trademarks and Non-Compete Agreements

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 RKings is amortized over 10 years and the non-compete agreements are amortized over 5 years.

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 $111,546 and $106,666 during the three months ended January 31, 2024, and 2023, respectively.

Inventories, Prizes

RKings purchases prizes to be awarded to winners of prize competitions; these prizes are RKings' inventory. Operations that include prizes are only through RKings. Inventory is stated at the lower of cost or net realizable value, using the specific identification method (which approximates the previously reported first-in, first-out ("FIFO") method and there is no change (or cumulative change) resulting from a change in accounting 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 costs to complete and costs incurred in marketing and selling of the prize inventory. Inventory of prizes was $2,376,836 and $1,714,525 at January 31, 2024 and October 31, 2023, respectively.

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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 over the useful life of four years. The depreciable life of leasehold improvements is limited by the expected lease term. Property, plant and equipment, net of depreciation, were $40,139 and $46,447 at January 31, 2024 and October 31, 2023, respectively.

Revenue Recognition

The Company currently has four distinctive revenue streams. In the B2B segment, there are two revenue streams: (i) charges for usage of the Company's software, and (ii) royalty charged on the use of third-party gaming content. In the B2C segment, there are two revenue streams: (i) selling tickets directly to customers to enter prize competitions in the UK through RKings, and (ii) operation of an online casino in Mexico.

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:

1. The Company generates revenues through RKings from sales of prize competitions tickets directly to customers, throughout the UK, for prizes ranging from automobiles to jewelry, as well as travel and entertainment experiences, and through GMG Assets, we facilitate cash alternative offers for winners of prizes within RKings' business.
2. We also generate revenues from our online casino in Mexico, branded as Mexplay, which features an extensive number of table games, slots, as well as sportsbook, and offer tournament competition prizes similar to those offered by RKings.

Pursuant to 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.

For the online casino operation in Mexico, we offer customers digital versions of wagering games available in land-based casinos, such as slots, live, bingo, jackpots, and roulettes. For these offerings, the Company operates similarly to land-based casinos, generating revenue as the users play against the house. The online casino revenue is generated from user wagers net of payouts made on users' winning wagers and incentives awarded to users.

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.

Earnings (Loss) Per Common Share

Basic net earnings (loss) per share of common stock is computed by dividing net earnings (loss) available to common shareholders by the weighted-average number of common stock shares (Common Shares) outstanding during the period. Diluted net earnings (loss) 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. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion would be anti-dilutive.

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

The following is a reconciliation of basic and diluted earnings (loss) per common share for the three months ended January 31, 2024, and 2023:

	For the three months ended January 31, 2024	**2023**
Basic earnings (loss) per common share		
Numerator:		
Net income (loss) available to common shareholders	$ 74,505	$ (443,521)
Denominator:		
Weighted average common shares outstanding	36,276,139	33,311,667

Basic earnings (loss) per common share	$	0.00	$	(0.01)
Diluted earnings (loss) per common share				
Numerator:				
Net income (loss) available to common shareholders	$	74,505	$	(443,521)
Denominator:				
Weighted average common shares outstanding		36,276,139		33,311,667
Preferred shares		1,000,000		-
Warrants/Options		216,139		-
Restricted stock units		1,287,500		-
Adjusted weighted average common shares outstanding		38,779,778		33,311,667
Diluted earnings (loss) per common share	$	0.00	$	(0.01)

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. The Company has foreign currency translation adjustments of $197,891 and $152,259 during the three months ended January 31, 2024, and 2023, respectively.

We record exchange gains and losses resulting from the conversion of transaction currency to functional currency as a component of other income (expense). The Company incurred foreign exchange gains of $18,817 and $20,213 during the three months ended January 31, 2024, and 2023, respectively.

Treasury Stock

Treasury stock is carried at cost.

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 US 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).

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.

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Stock-Based Compensation

The Stock-based compensation expense is recorded as a result of stock options, restricted stock units and restricted stock granted in return for services rendered. The share-based payment arrangements with employees were accounted for under Accounting Standards Update (ASU) 718, "Compensation - Stock Compensation". In 2018, the Financial Accounting Standards Board (FASB) issued ASU 2018-07, which simplifies the accounting for share-based payments granted to non-employees for goods and services. Under the ASU, most of the guidance on such payments to non-employees would be aligned with the requirements for share-based payments granted to employees.

The expenses related to the stock-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, in the amount of $49,651 and $120,054 during the three months ended January 31, 2024, and 2023, respectively.

Stock-based compensation included in general and administrative (G&A) expense was $193,991 and $438,834 during the three months ended January 31, 2024, and 2023, respectively.

Stock-based compensation included in G&A expense concerning a related party was $527,309 and $522,896 during the three months ended January 31, 2024, and 2023, respectively.

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.

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. Through January 31, 2024, Citibank has replenished $709,013 of the unauthorized ACH transactions which resulted in a receivable due from Citibank of $20,492, which amount is still outstanding as of the date of this report.

The Company has accounts receivable of $4,031,349 and $3,551,383 as of January 31, 2024 and October 31, 2023, respectively (net of allowance for bad debt of $0 and $0, respectively). During the three months ended January 31, 2024, and 2023, $300,000 and $0 of accounts payable were settled with accounts receivable.

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 amounted to $296,472 and $331,246 as of January 31, 2024 and October 31, 2023, respectively.

NOTE 4 – PREPAID EXPENSES

Prepaid expenses mainly include prepayments to the Company's broker for stock repurchase, Nasdaq listing fees, rent, insurance, retainer for professional services, prepaid employee wages, and a one-year Gaming License fee. The balances of prepaid expenses are $142,992 and $103,271 as of January 31, 2024, and October 31, 2023, respectively. The components of prepaid expenses are as follows:

	As of January 31, 2024	As of October 31, 2023
Prepayments to suppliers	$ 82,167	$ 90,329
Prepayment for the gaming license fee	56,194	8,528
Prepaid payroll expense	4,631	4,414
Total prepaid expenses	$ 142,992	$ 103,271

NOTE 5 – SHORT-TERM DEPOSITS

Office Lease deposit

Short-term deposits represent a deposit required for an office lease in Australia. On June 1, 2021, the Company (through GTG) entered into a three-year term lease agreement for office space and two parking spaces which commenced on June 1, 2021. The Company has the option to renew for a period of three years and on December 11, 2023, the lease was renewed for an additional 3 years at the rate of $120,324 ($180,993 AUD) per year (subject to a 4% annual increase) plus goods and services tax charged at 10% based on Australian Taxation Law, with the same terms and conditions of the original lease.

Under the terms of the lease, the Company is required to provide a bank guarantee and has entered into a $53,838 ($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, had a one-year maturity and earned 0.25% interest per year. On June 1, 2022, the Term Deposit was automatically reinvested at St. George Bank for an additional one-year term, under the same terms as the original Term Deposit of June 1, 2021; the interest rate on renewal is 0.25%. On June 1, 2023, the Term Deposit was automatically reinvested at St. George Bank for an additional one-year term, under the same terms as the original Term Deposit of June 1, 2021; the interest rate on renewal is 0.25%. The Company has Term Deposits of $53,838 and $51,971 as of January 31, 2024, and October 31, 2023, respectively.

As of January 31, 2024, and October 31, 2023, the operating lease right-of-use asset was $335,702 and $56,643, respectively, and there was also a current operating lease liability of $81,086 and $59,089, respectively and a non-current operating lease liability of $257,077 and $0, respectively.

NOTE 6 – ACQUISITIONS

Related Party Asset Acquisition

Acquisition of GMG Assets

On October 17, 2022, and effective on August 1, 2022, the Company entered into a Stock Purchase Agreement (the "GMG Purchase Agreement"), to acquire a 100% ownership interest in GMG Assets, a private limited company formed under the laws of Northern Ireland from Aaron Johnston and Mark Weir, individuals, the owners of 100% of the ordinary issued share capital (100 Ordinary Shares) of GMG Assets. Aaron Johnston was then a Board Member of the Company, Mark Weir was then a 10% Shareholder in RKings, of which the Company then owned 80% of, and as such were both related parties to the Company.

Pursuant to the GMG Purchase Agreement, the Company agreed to pay the sellers 25,000 British pound sterling (GBP) (approximately $30,708) for 100% of GMG Assets, which represented the combined costs paid by the sellers to form GMG Assets. GMG Assets was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business. The consideration was paid on March 6, 2023.

During the three months ended January 31, 2024, GMG Assets contributed revenues of $1,330,351 and net income attributable to the Company of $73,947.

Third Party Business Acquisition

RKings Acquisition

On November 29, 2021, the Company entered into the RKings Purchase Agreement, and closed the RKings Purchase on December 6, 2021, with an effective date of November 1, 2021, to acquire an 80% ownership interest in RKings from Mark Weir and Paul Hardman, individuals (each an "RKings Seller" and collectively the "RKings Sellers"), the then owners of 100% of the ordinary issued share capital of RKings.

The RKings Purchase Agreement provided for a total of GBP £1,000,000 (USD $1,366,500) (the "Holdback Amount") to be retained by the Company, following closing, which was to be released to the RKings Sellers within six months after the closing date only to the extent that (A) RKings achieved revenue of at least USD $7,200,000 during the six full calendar months immediately following the closing date; and (B) the RKings Sellers did not default in any of their obligations, covenants or representations under the RKings Purchase Agreement or other transaction documents. On June 1, 2022, the Company notified the RKings Sellers that they were in default, under the RKings Purchase Agreement, of their obligations (including (1) use of Company confidential data in breach of the non-disclosure requirements of the RKings Purchase Agreement, (2) tortious interference with the Company's business and customer relationships, and (3) exploitation of Company assets for personal gain, and (3) breaching the Shareholders Agreement dated November 29, 2021). Consequently, the Company notified the RKings Sellers that their right to receive the £1,000,000 Holdback Amount and the £4,000,000 Earn-Out Consideration had been terminated. However, effective on August 4, 2022, we entered into a Settlement and Mutual Release Agreement (the "Settlement Agreement") with Mark Weir, one of the two RKings Sellers of the 80% interest in RKings. The Settlement Agreement was entered into to partially settle certain breaches of the RKings Purchase Agreement with the RKings Sellers (Mr. Mark Weir and Mr. Paul Hardman) whereby we agreed to pay to Mr. Weir the amount of £450,000 (approximately $548,112), representing one-half of the £1,000,000 (approximately $1,218,027) Holdback Amount, less £50,000 (approximately $60,902) in excess salary payments made to Mr. Weir (the "Settlement Payment"). The Settlement Payment was in full satisfaction of all payments (including any portion of the Holdback Amount or Earn-Out Consideration (defined and discussed below)), due to Mr. Weir under the RKings Purchase Agreement. The Settlement Payment was paid in full on August 21, 2022. The Company's ongoing disputes and claims against Mr. Hardman, the other RKings Seller, relating to breaches of the terms of the RKings Purchase Agreement by Mr. Hardman, remain outstanding and the Company is continuing to pursue such claims.

On November 30, 2022, the Company completed the purchase of 10% of RKings from each RKings Seller (20% in aggregate) in consideration for the Buyout Shares and effective as of November 4, 2022, the Company owns 100% of RKings. The fair value of the 165,444 shares issued on November 4, 2022 at $2.95 per share amounted to $488,060.

Consideration paid for RKings	**Amount**
Closing cash consideration of GBP £3,000,000 based on Exchange Rate on November 1, 2020	$ 4,099,500
Fair value of 666,250 restricted shares consideration at $7.60 per share	5,063,500
Fair value of contingent shares consideration for net assets	562,650
Holdback amount paid to Mr. Mark Weir	683,250
Fair value of 165,444 restricted shares at $2.95 per share	488,060
Consideration paid through January 31, 2024	**$ 10,896,960**

In accordance with FASB ASC Section 805, "Business Combinations", the Company has accounted for the RKings 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% of RKings' shares, which was $11,092,150, and (2) the fair value of the 20% noncontrolling interest in RKings, which was estimated to be $2,634,386, 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 FASB ASC 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.

RKings' results of operations have been included in our consolidated financial statements beginning November 1, 2021. During the three months ended January 31, 2024, and 2023, RKings contributed revenues of $5,688,657 and $5,337,706, and net income of $632,592 and $501,312, respectively, to the Company.

Incorporation

Golden Matrix (IOM) Limited

On November 14, 2023, the Company established a wholly-owned shell subsidiary named Golden Matrix (IOM) Limited in the Isle of Man. The primary objective was to engage in the development and ownership of intellectual property, with a future potential of enhancing tax efficiency. However, since its establishment, the subsidiary has not been engaged in any operational activities.

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

Website development costs incurred to upgrade and enhance the functionality of RKings' and Golden Matrix MX's website were capitalized. For the three months ended January 31, 2024 and 2023, website development costs amount to $0 and $52,788, respectively.

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 80% acquisition of RKings, the Company recognized $2,600,000 of definite-lived intangible assets consisting of $2,000,000 of trademarks and $600,000 of non-compete agreements. The trademark for RKings is amortized over 10 years and the non-compete agreement is amortized over 5 years.

In connection with the online casino in Mexico, the Company applied for a gaming permit in Mexico through its subsidiary Golden Matrix MX in the amount of $223,725, which was approved on July 13, 2022. The gaming permit is recognized as an intangible asset and is amortized over 6 years.

Amortization expenses related to intangible assets were $111,546 and $106,666 for the three months ended January 31, 2024, and 2023, respectively. Accumulated amortization was $980,450 and $863,758 as of January 31, 2024, and October 31, 2023, respectively.

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The following table details the carrying values of the Company's intangible assets excluding goodwill:

	As of	
	January 31, 2024	October 31, 2023
Definite-lived intangible assets		
Aggregation Platform	$ 116,000	$ 116,000
Gaming permit in Mexico	257,459	245,644
Website Development Cost	152,128	147,455
Trademarks	2,000,000	2,000,000
Non-compete Agreements	600,000	600,000
Gross definite-lived intangible assets	**3,125,587**	**3,109,099**
Less: accumulated amortization		
Aggregation Platform	(113,354)	(105,240)
Gaming permit in Mexico	(57,200)	(44,265)
Website Development Cost	(89,896)	(74,253)
Trademarks	(450,000)	(400,000)
Non-compete Agreements	(270,000)	(240,000)
Total accumulated amortization	**(980,450)**	**(863,758)**
Net definite-lived intangible assets	**$ 2,145,137**	**$ 2,245,341**

NOTE 8 – ACCOUNTS PAYABLE – RELATED PARTIES

The accounts payable to related parties includes management's superannuation payable of $3,627 and $12,921, as of January 31, 2024, and October 31, 2023, respectively. A Superannuation is mandated by the Australian Government - Superannuation Guarantee (Administration) Act 1992 (currently 11%).

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 $130,560 and $108,106 as of January 31, 2024, and October 31, 2023, respectively.

NOTE 10 – CUSTOMER DEPOSITS

The Company has customer deposits in both the B2B segment and the B2C segment.

In the B2B segment there are two sources of 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, 2024, and October 31, 2023, customer deposits for Progressive Jackpot Games amounted to $69,866 and $68,721, respectively. The other source of deposits is the payment from customers in advance of any usage of gaming content. As the gaming content is utilized by the customers, revenues are recognized. As of January 31, 2024, and October 31, 2023, a total of $198,400 and $259,696 of customer deposits are from this source.

Total customer deposits in the B2B segment amount to $268,266 and $328,417 as of January 31, 2024, and October 31, 2023, respectively.

In the B2C segment, the Company records liabilities for user account balances in Mexico. User account balances consist of user deposits, promotional awards, and user net winnings less user withdrawals. As of January 31, 2024, and October 31, 2023, user account balances were $22,972 and $20,203, respectively.

Total customer deposits amount to $291,238 and $348,620 as of January 31, 2024, and October 31, 2023, respectively.

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NOTE 11 – RELATED PARTY TRANSACTIONS

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

Anthony Brian Goodman, the Company's Chief Executive Officer and Chairman

On September 16, 2022, the Company entered into a First Amended and Restated Employment Agreement ("Goodman Agreement") with Mr. Goodman. The agreement amended and restated, effective as of September 16, 2022, the prior Employment Agreement entered into between the Company and Mr. Goodman dated October 26, 2020, to among other things extend the term thereof for four years to August 20, 2026, increase Mr. Goodman's base salary to $158,400 per year, plus a Superannuation as mandated by the Australian Government - Superannuation Guarantee (Administration) Act 1992 (currently 11%) and to provide for annual increases in Mr. Goodman's salary of no less than 10% per annum. Pursuant to the Goodman Agreement, Mr. Goodman's base salary was increased by the contractual minimum increase of 10% to $174,240, effective as of September 1, 2023. Also on September 16, 2022, the Company granted 750,000 restricted stock units (RSUs) to Mr. Goodman in consideration for services to be rendered by Mr. Goodman through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. Certain revenue goals for the year ended October 31, 2023, were met and 125,000 RSUs for the year ended October 31, 2023, vested upon the filing of the Company's Annual Report on Form 10-K for the year ended October 31, 2023, on January 17, 2024.

125,000 shares of common stock were issued to Mr. Goodman on January 17, 2024, to settle the vested RSUs. More details of the restricted stock units are covered in "NOTE 12 - EQUITY".

On December 1, 2022, Mr. Goodman, exercised options to purchase 5,400,000 shares of common stock in a cashless exercise pursuant to which 151,017 shares of common stock were surrendered to the Company to pay for the aggregate exercise price of the options ($356,400) and 5,248,983 shares of common stock were issued. These shares were issued pursuant to the terms of the Company's 2018 Equity Incentive Plan.

As of January 31, 2024, and December 31, 2023, total wages payable to Mr. Goodman were $0 and $0, respectively, and the superannuation payable was $1,559 and $5,747, respectively.

Weiting 'Cathy' Feng the Company's Chief Operating Officer and Director

On September 16, 2022, we entered into a First Amended and Restated Employment Agreement ("Feng Agreement") with Ms. Feng. The agreement amended and restated, effective as of September 16, 2022, the prior Employment Agreement entered into between the Company and Ms. Feng dated October 26, 2020, to among other things extend the term thereof for four years to August 20, 2026, increase Ms. Feng's base salary to $132,000 per year, plus a Superannuation as mandated by the Australian Government - Superannuation Guarantee (Administration) Act 1992 (currently 11%), and to provide for annual increases in Ms. Feng's salary of no less than 10% per annum. Pursuant to the Feng Agreement, Ms. Feng's base salary was increased by the contractual minimum increase of 10% to $145,200, effective as of September 1, 2023. Also on September 16, 2022, the Company granted 375,000 restricted stock units to Ms. Feng in consideration for services to be rendered by Ms. Feng through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. Certain revenue goals for the year ended October 31, 2023, were met and 62,500 RSUs for the year ended October 31, 2023, vested upon the filing of the Company's Annual Report on Form 10-K for the year ended October 31, 2022, on January 17, 2024. 62,500 shares of common stock were issued to Ms. Feng on January 17, 2024, to settle the vested RSUs. More details of the restricted stock units are covered in "NOTE 12- EQUITY".

On December 1, 2022, Ms. Feng, exercised options to purchase 1,400,000 shares of common stock in a cashless exercise pursuant to which 35,594 shares of common stock were surrendered to the Company to pay for the aggregate exercise price of the options ($84,000) and 1,364,406 shares of common stock were issued. These shares were issued pursuant to the terms of the Company's 2018 Equity Incentive Plan.

As of January 31, 2024, and December 31, 2023, total wage payable to Ms. Feng was $0 and $0, respectively, and the superannuation payable was $1,300 and $4,789, respectively.

Thomas E. McChesney, a member of the Board of Directors of the Company

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 granted 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 16, 2022, the Company granted 150,000 restricted stock units to Mr. McChesney in consideration for services to be rendered by Mr. McChesney through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. Certain revenue goals for the year ended October 31, 2023, were met and 25,000 RSUs for the year ended October 31, 2023 vested upon the filing of the Company's Annual Report on Form 10-K for the year ended October 31, 2023, on January 17, 2024. 25,000 shares of common stock were issued to Mr. McChesney on January 17, 2024, to settle the vested RSUs. More details of the restricted stock units are covered in "NOTE 12- EQUITY".

Compensation for Mr. McChesney's service on the Board, payable in arrears, is $5,000 per month.

During the three months ended January 31, 2024, and 2023, total consulting fees paid to Mr. McChesney were $15,000 and $15,000, respectively. As of January 31, 2024, and October 31, 2023, the amount payable to Mr. McChesney was $0 and $0, respectively.

Murray G. Smith, a member of the Board of Directors of the Company

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 granted Mr. Smith options to purchase 100,000 shares of common stock (at $2.67 per share, expiring August 1, 2025) in connection with his appointment.

On September 16, 2022, the Company granted 150,000 restricted stock units to Mr. Smith in consideration for services to be rendered by Mr. Smith through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. Certain revenue goals for the year ended October 31, 2023 were met and 25,000 RSUs for the year ended October 31, 2023 vested upon the filing of the Company's Annual Report on Form 10-K for the year ended October 31, 2023, on January 17, 2024. 25,000 shares of common stock were issued to Mr. Smith on January 17, 2024, to settle the vested RSUs. More details of the restricted stock units are covered in "NOTE 12- EQUITY".

Compensation for Mr. Smith's service on the Board, payable in arrears, is $5,000 per month.

During the three months ended January 31, 2024, and 2023, total consulting fees paid to Mr. Smith were $15,000 and $15,000, respectively. As of January 31, 2024, and October 31, 2023, the amount payable to Mr. Smith was $0 and $0, respectively.

Philip D. Moyes, a member of the Board of Directors of the Company

Effective on December 3, 2022, the Board of Directors appointed Philip Daniel Moyes as a member of the Board of Directors and as a member of the Audit Committee of the Board of Directors.

On December 8, 2022, the Company granted 100,000 restricted stock units to Mr. Moyes in consideration for services to be rendered by Mr. Moyes through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. Certain revenue goals for the year ended October 31, 2023 were met and 25,000 RSUs for the year ended October 31, 2023 vested upon the filing of the Company's Annual Report on Form 10-K for the year ended October 31, 2023, on January 17, 2024. 25,000 shares of common stock were issued to Mr. Moyes on January 17, 2024, to settle the vested RSUs. More details of the restricted stock units are covered in "NOTE 12- EQUITY".

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Compensation for Mr. Moyes' service on the Board, payable in arrears, is $5,000 per month.

During the three months ended January 31, 2024, and 2023, total consulting fees paid to Mr. Moyes were $15,000 and $10,000, respectively. As of January 31, 2024, and October 31, 2023, the amount payable to Mr. Moyes was $0 and $0, respectively.

Brett Goodman, Vice President of Business Development and son of the Company's Chief Executive Officer

On September 16, 2022, and effective on September 1, 2022, the Company entered into an Employment Agreement with Mr. Brett Goodman. Pursuant to the employment agreement, Mr. Brett Goodman agreed to serve as the Vice President of Business Development for the Company for a term of three years (through September 1, 2025), subject to automatic one-year extensions of the agreement, if not terminated by either party at least three months prior to the renewal date.

The agreement provides for an annual salary of $60,000 per year, plus a Superannuation (currently 11%), subject to annual increases in the discretion of the Audit Committee of the Company. Effective October 1, 2023, Mr. Goodman's salary was increased to $7,000 per month.

In connection with the entry into the employment agreement, the Company granted Mr. Brett Goodman options to purchase 50,000 shares of the Company's common stock, evidenced by a Notice of Grant of Stock Options and Stock Option Award Agreement (the "Option Agreement"), with an exercise price equal to $3.98 per share, the closing sales price of the Company on the Nasdaq Capital Market on the date the grant was approved by the Board of Directors of the Company. A total of 1/2 of the options vested on August 22, 2023, and the other 1/2 of the options vest on August 22, 2024, subject to Mr. Brett Goodman's continued service with the Company on such vesting date and such options shall expire if unexercised on February 22, 2025. The options were granted under, and subject to the terms and conditions of, the Company's 2018 Equity Incentive Plan.

On December 8, 2022, the Company granted Mr. Brett Goodman 40,000 RSUs which vest at the rate of 1/2 of such RSUs on December 8, 2023, and 2024, subject to Mr. Brett Goodman's continued service with the Company on such vesting date. On April 3, 2023, the Company granted Mr. Brett Goodman 5,000 RSUs which vest at the rate of 1/2 of such RSUs on each of April 3, 2024, and 2025, subject to Mr. Brett Goodman's continued service with the Company on such vesting dates. The RSUs will be settled in shares of common stock. On December 8, 2023, 20,000 RSUs vested and 20,000 shares of common stock were issued to Mr. Brett Goodman on the same date to settle the vested RSUs.

As of January 31, 2024, and October 31, 2023, total wages payable to Mr. Brett Goodman were $0 and $0, respectively, and the superannuation payable was $768 and $2,385, respectively.

Marla Goodman, owner of 50% of Articulate Pty Ltd and wife of the Company's Chief Executive Officer

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, 50% owned by Marla Goodman (wife of the Company's Chief Executive Officer) and 50% owned by Mr. Goodman, the Company's Chief Executive Officer

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, 2024, and 2023, revenues from Articulate were $65,226 and $186,643, respectively. As of January 31, 2024, and October 31, 2023, the amount receivable from Articulate was $296,472 and $331,246, respectively.

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Omar Jimenez, Chief Financial Officer/Chief Compliance Officer

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. Mr. Jimenez is paid $25,000 per month, and Mr. Jimenez was granted options to purchase 50,000 shares of common stock (at $9.910 per share, expiring on April 23, 2023), which were granted under the Company's 2018 Equity Compensation Plan; options to purchase 25,000 shares vested on April 22, 2021, and options to purchase 25,000 shares vested on October 22, 2021. The options to purchase 50,000 shares were not exercised and expired on April 23, 2023.

During the three months ended January 31, 2024, and 2023, total consulting fees paid to Mr. Jimenez were $75,000 and $75,000, respectively. As of January 31, 2024, and October 31, 2023, the amount payable to Mr. Jimenez was $0 and $0, respectively.

Elray Resources Inc., Mr. Goodman, the Company's CEO, serves as CEO & Director of Elray and, Ms. Feng, the Company's COO, serves as Treasurer and Director of Elray.

Effective on December 7, 2022, the Company entered into a Software License Agreement (the "License Agreement") with Elray Resources Inc. ("Elray"). Mr. Anthony Brian Goodman, Chief Executive Officer, President, Secretary, Treasurer and Chairman of the Company and Weiting 'Cathy' Feng, Chief Operating Officer and director of the Company, currently serve as Chief Executive Officer, President, Chief Financial Officer, Secretary and Director (Goodman) and Treasurer and Director (Feng), respectively, of Elray.

Elray operates, manages, and maintains a blockchain online gaming operation and provides blockchain currency technology to licensed casino operators.

Pursuant to the License Agreement, which was effective as of December 1, 2022, the Company granted Elray a non-exclusive, non-licensable, non-sublicensable, non-assignable and non-transferable license for the use and further distribution of certain of the Company's online games (as such games may be expanded from time to time), subject to certain exceptions, and in certain approved territories where the Company or Elray holds required licenses and/or certifications, which list of approved territories may be updated from time to time. The license provides Elray the right to use the online games solely for the purpose of running an online blockchain casino enterprise.

The License Agreement also includes a right of first refusal for the Company to provide certain branded gaming content to Elray during the term of the agreement.

Pursuant to the License Agreement, we are required to maintain all permits for the use of the licensed games and operate the platform on which the games will be integrated.

The License Agreement has an initial term of 24 months, commencing from the Go-Live Date, which occurred on January 16, 2024, and continues thereafter indefinitely unless or until either party has provided the other at least six months written notice of termination, provided that the agreement can be terminated earlier by a non-breaching party upon the material breach of the agreement by the other party, subject to a 15 day cure right; by one party if the other party enters into bankruptcy proceedings; or in the event Elray loses rights to any required permits or licenses. Additionally, we may immediately terminate the License Agreement if Elray is unable to comply with certain due diligence requirements set forth in the agreement on a timely basis; if there is threatened or instigated enforcement proceedings or actions against the Company in connection with the agreement or a governmental or governing body orders, notifies or recommends that the Company prevents Elray from using the licensed games; or if the continuation of the agreement will have a detrimental impact on the Company.

The License Agreement contains customary representations, warranties and covenants of the parties, including confidentiality obligations; customary limitations of liability (which total liability under the agreement of each party is limited to 100,000 Euros); and restrictions on Elray's ability to distribute and reverse engineer the licensed games. As part of the License Agreement, we and Elray entered into a customary Service Level Agreement to govern the management and maintenance of the licensed games.

In consideration for licensing the online games to Elray, Elray agreed to pay the Company a monthly license fee equal to 125% of the Company's costs of such games. Elray also agreed to pay the Company a 10,000 Euro deposit under the agreement, paid no later than the date of integration of the licensed software. The deposit is refundable upon the termination of the agreement. For participation in the progressive jackpot games, Elray is required to make an advance payment of 5,000 Euros.

During the three months ended January 31, 2024, and 2023, revenues from Elray were $0 and $0, respectively. As of January 31, 2024, and October 31, 2023, the amount receivable from Elray was $0 and $0, respectively. The blockchain online gaming operations and blockchain currency technology that are expected to be licensed to casino operators are now fully integrated and operational as of January 16, 2024.

As of January 31, 2024, there have been no transactions between Elray and the Company.

Other

On October 17, 2022, effective August 1, 2022, the Company entered into a Stock Purchase Agreement (the "GMG Purchase Agreement"), to acquire a 100% ownership interest in GMG Assets, a private limited company formed under the laws of Northern Ireland from Aaron Johnston and Mark Weir, individuals ("GMG Sellers"), the owners of 100% of the ordinary issued share capital (100 Ordinary Shares) of GMG Assets. Aaron Johnston is a former Board Member of Golden Matrix (through October 31, 2022), and Mark Weir is a former 10% Shareholder in RKings, of which Golden Matrix owned 80% as of October 17, 2022 (and Golden Matrix owns 100% of RKings since November 4, 2022).

Pursuant to the GMG Purchase Agreement, the Company would pay the GMG Sellers 25,000 British pound sterling (GBP) (USD $30,708) for 100% of GMG Assets, which represented the combined costs paid by the GMG Sellers to form GMG Assets. GMG Assets was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business. The consideration was paid on March 6, 2023.

NOTE 12 - EQUITY

Preferred Stock

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

As of January 31, 2024, and October 31, 2023, 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.

Common Stock

As of January 31, 2024, and October 31, 2023, 250,000,000 shares of common stock, par value $0.00001 per share, were authorized, of which 36,615,932 and 36,162,932 shares were issued and outstanding, respectively.

Corporate Action regarding Common Stock and Common Stock Transactions

During the three months ended January 31, 2024, no shares were issued for services. During the three months ended January 31, 2023, 4,277 shares of restricted common stock, with a value of $10,000, were issued to a consultant in connection with investor relations and press release services rendered to the Company.

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.

On December 1, 2022, Mr. Goodman, exercised options to purchase 5,400,000 shares of common stock in a cashless exercise pursuant to which 151,017 shares of common stock were surrendered to the Company to pay for the aggregate exercise price of the options ($356,400) and 5,248,983 shares of common stock were issued. These shares were issued pursuant to the terms of the Company's 2018 Equity Incentive Plan.

On December 1, 2022, Ms. Feng, exercised options to purchase 1,400,000 shares of common stock in a cashless exercise pursuant to which 35,594 shares of common stock were surrendered to the Company to pay for the aggregate exercise price of the options ($84,000) and 1,364,406 shares of common stock were issued. These shares were issued pursuant to the terms of the Company's 2018 Equity Incentive Plan.

On June 8, 2023, the Company agreed to extend the exercise period of certain stock options granted to two external consultants of the Company, which options would have expired on June 18, 2023. The Company extended the expiration date of the options granted to the consultants by one year, which covered options to purchase 100,000 shares of common stock at an exercise price of $1.74 per share for each consultant. The Company recorded a total of $90,230 of expenses due to the option extension.

2018 Equity Incentive 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 is charged to operations through the vesting period. The amount of cost is calculated based on the accounting standard ASU 2018-07. All option awards described below were granted under the 2018 Equity Incentive Plan:

During the three months ended January 31, 2024, no options were exercised, granted, expired, or forfeited.

The total compensation cost related to stock options granted was $61,679 and $132,525, for the three months ended January 31, 2024, and 2023, respectively.

The following table represents stock option activity for the three months ended January 31, 2024:

Options	Number Outstanding	Weighted Average Exercise Price
Options Outstanding as of October 31, 2023	1,010,000	$ 3.14
Options expired	-	$
Options exercised	-	$
Options Outstanding as of January 31, 2024	1,010,000	$ 3.14
Options Exercisable as of January 31, 2024	920,000	$ 2.93

2022 Equity Incentive Plan

On May 5, 2022, the Company's Board of Directors and majority stockholders approved the adoption of the Company's 2022 Equity Incentive Plan (the "2022 Plan"). The 2022 Plan provides an opportunity for any employee, officer, director or consultant of the Company, subject to limitations provided by federal or state securities laws, to receive (i) incentive stock options (to eligible employees only); (ii) nonqualified stock options; (iii) restricted stock; (iv) restricted stock units, (v) stock awards; (vi) shares in performance of services; (vii) other stock-based awards; or (viii) any combination of the foregoing. In making such determinations, the Board of Directors may take into account the nature of the services rendered by such person, his or her present and potential contribution to the Company's success, and such other factors as the Board of Directors of the Company in its discretion shall deem relevant. The 2022 Plan became effective on June 29, 2022.

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Grant and Vesting of Restricted Stock Units to Management, the Independent Directors and other Related Parties

Effective on September 16, 2022, the Compensation Committee and the Board of Directors approved the grant, effective on the same date, of an aggregate of 1,575,000 restricted stock units to the officers and directors of the Company listed below (the "RSU Recipients"), in consideration for services to be rendered by such officers and directors through October 2024 (the "RSUs"):

Recipient	Position with Company	Number of RSUs
Anthony Brian Goodman	President, Chief Executive Officer (Principal Executive Officer), Secretary, Treasurer, and Chairman of the Board of Directors	750,000
Weiting 'Cathy' Feng	Chief Operating Officer and Director of the Company	375,000
Murray G. Smith	Independent Director	150,000
Aaron Richard Johnston	Former Independent Director	150,000
Thomas E. McChesney	Independent Director	150,000
		1,575,000

The RSUs are subject to vesting, and vest to the RSU Recipients, to the extent and in the amounts set forth below, to the extent the following performance metrics are met by the Company as of the dates indicated (the "Performance Metrics" and the "Performance Metrics Schedule"), or earlier upon the occurrence of a change of control of the Company as described in the 2022 Equity Incentive Plan:

	Revenue Targets		Adjusted EBITDA Targets	
Performance Period	Target Goal	RSUs Vested	Target Goal	RSUs Vested
Year ended October 31, 2022	$ 21,875,000	*	$ 3,250,000	*
Year ended October 31, 2023	$39,638,342 (which equals FY 2022 revenue x 1.1)	*	$3,879,197 (which equals FY 2022 Adjusted EBITDA x 1.1)	*
Year ended October 31, 2024	$48,591,457 (which equals FY 2023 revenue x 1.1)	*	$2,637,004 (which equals FY 2023 Adjusted EBITDA x 1.1)	*

* 1/6th of the total RSUs granted to each RSU Recipient above.

For purposes of the calculations above, (a) "Adjusted EBITDA" means net income before interest, taxes, depreciation, amortization and stock-based compensation; (b) "Revenue" means annual revenue of the Company; and (c) "FY 2022" means actual Revenue or EBITDA, as the case may be achieved during the 12 month period from November 1, 2021 to October 31, 2022, and "FY 2023" means actual Revenue or EBITDA as the case may be for the 12 month period from November 1, 2022 to October 31, 2023, in each case as set forth in the Company's audited year-end financial statements (the "Target Definitions"). Both Revenue and EBITDA, and the determination of whether or not the applicable Revenue and EBITDA targets above have been met are to be determined based on the audited financial statements of the Company filed with the Securities and Exchange Commission in the Company's Annual Reports on Form 10-K for the applicable year ends above, and determined on the date such Annual Reports on Form 10-K are filed publicly with the Securities and Exchange Commission (the "Dates of Determination").

The Company also entered into a Restricted Stock Unit Grant Agreement and Award Agreement with each of the RSU Recipients above to evidence such grants of the RSUs.

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The RSUs were granted pursuant to, and subject in all cases to, the terms of the Company's 2022 Equity Incentive Plan.

Effective on November 1, 2022, in connection with Mr. Johnston's resignation as a member of the Board of Directors on such date, the 100,000 RSUs which were to vest upon the Company meeting certain Adjusted EBITDA and revenue targets for 2023 and 2024, which were granted to him as a member of the Board of Directors, were terminated and forfeited.

Effective on December 8, 2022, the Board of Directors, with the recommendation of the Compensation Committee of the Board of Directors, granted Philip Daniel Moyes, 100,000 RSUs, which vest, if at all, at the rate of 1/4th of such RSUs upon the Company reaching the same EBITDA and revenue targets described in the table above for the years ended October 31, 2023 and 2024, or earlier upon the occurrence of a change of control of the Company as described in the 2022 Equity Incentive Plan.

Total revenues and EBITDA for the year ended October 31, 2023, were $44,174,052 and $2,397,276, respectively. As a result, the required revenue performance metrics were met by the Company for the year ended October 31, 2023, and the Adjusted EBITDA performance metrics were not met, and half of the RSUs subject to vesting for fiscal 2023 vested and were settled in shares of common stock, with the other half of the RSUs subject to vesting for fiscal 2023 being forfeited. Total expenses of $999,750 were recognized for the year ended October 31, 2023.

On January 17, 2024, the following RSUs of the officers and directors of the Company vested, and the same number of shares of common stock (one share of common stock for each vested RSU) were issued in connection therewith:

- Anthony Brian Goodman, Chief Executive Officer & Chairman of the Board - 125,000 RSUs vested;
- Feng Weiting, Chief Operating Officer – 62,500 RSUs vested;
- Murray G. Smith, Director – 25,000 RSUs vested;
- Thomas McChesney, Director – 25,000 RSUs vested; and
- Philip Daniel Moyes, Directors – 25,000 RSUs vested.

On December 8, 2022, the Company granted Mr. Brett Goodman 40,000 RSUs which vest at the rate of 1/2 of such RSUs on each of December 8, 2023, and 2024, subject to Mr. Brett Goodman's continued service with the Company on such vesting dates. On April 3, 2023, the Company granted Mr. Brett Goodman 5,000 RSUs which vest at the rate of 1/2 of such RSUs on each of April 3, 2024, and 2025, subject to Mr. Brett Goodman's continued service with the Company on such vesting dates. On December 8, 2023, 20,000 RSUs vested and 20,000 shares of common stock were issued to Mr. Brett Goodman on the same date to settle the vested RSUs.

The total compensation cost related to RSUs granted to related parties was $515,281 and $510,425 for the three months ended January 31, 2024, and 2023, respectively.

Grant or Vesting of Restricted Stock Units and Restricted Stocks to Employees and Consultants (Non-related Parties)

On October 27, 2022, the Company granted 600,000 RSUs to Mr. Aaron Richard Johnston, former member of the Board of Directors, for his consulting services to the Company. 300,000 RSUs vest, if at all, at the rate of 1/4th of such RSUs, upon the Company meeting certain (1) revenue and (2) Adjusted EBITDA targets, as of the end of fiscal 2023 and 2024, and upon the public disclosure of such operating results in the Company's subsequently filed Annual Reports on Form 10-K, subject to Mr. Johnston's continued service through the applicable vesting dates. 300,000 RSUs vest, if at all, upon the closing of a transaction (the "Transaction RSUs") that, on a pro forma basis, doubles the Company's revenues for the fiscal quarter prior to the closing of the acquisition ("Doubling Transaction"), provided that such RSUs shall be terminated and forfeited if such Doubling Transaction does not close prior to November 1, 2023, subject to Mr. Johnston's continued service to the Company on such date. None of these RSUs have vested to date. On October 20, 2023, the Company modified the Transaction RSUs (300,000) to vest upon the closing of a transaction that, on a pro forma basis, as determined in good faith by the Board of Directors, doubles the Company's revenues for the fiscal quarter prior to the closing of the Doubling Transaction, provided that such 300,000 Restricted Stock Units shall be forfeited immediately and not eligible for vesting if such Doubling Transaction does not close prior to May 1, 2024.

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On November 8, 2022, the Company granted 300,000 RSUs to Mark Weir, the director of RKings. 25,000 RSUs shall vest each quarter until October 31, 2025, provided that the quarterly revenues of RKingsCompetition Ltd increase by 5% compared to the previous quarter. A total of 100,000 of these RSUs have vested through January 31, 2024.

On December 8, 2023, the Company issued 70,500 shares to employees and consultants to settle the vesting of RSUs. The RSUs were granted under the 2022 Equity Incentive Plan. On January 17, 2024, the Company issued 100,000 shares to employees and consultants to settle the vesting of RSUs.

During the three months ended January 31, 2024, no RSUs were granted to employees and consultants, 170,500 RSUs granted to employees and consultants vested, and 79,000 RSUs granted to employees and consultants were forfeited.

The total compensation cost related to the RSUs granted to employees and consultants was $193,991 and $175,445 for the three months ended January 31, 2024, and 2023, respectively.

On October 27, 2022, the Company granted 100,000 restricted shares of common stock to Aaron Richard Johnston, a former member of the Board of Directors and current consultant, for his consulting services to the Company. The restricted shares were issued on November 1, 2022, and vested at the rate of 50,000 shares of restricted common stock on November 1, 2022, and 50,000 shares of restricted common stock on February 1, 2023.

The total compensation cost related to the restricted shares of common stock vested to Mr. Johnston was $0 and $253,389 for the three months ended January 31, 2024, and 2023, respectively.

As of January 31, 2024, and October 31, 2023, the Company had 1,625,000 and 2,082,000 RSUs outstanding.

The following table represents RSU activity for the three months ended January 31, 2024:

RSUs	Number Outstanding
RSUs Outstanding as of October 31, 2023	2,082,000
RSUs issued	-
RSUs forfeited	(341,500)
RSUs vested	(453,000)
RSUs Outstanding as of January 31, 2024	1,287,500

Treasury Stock

On March 29, 2023, the Board approved the purchase of up to $2 million in shares of the Company's common stock for the purpose of mitigation of significant overhang on the market for the Company's common stock; attractive use of the Company's capital to purchase stock at current prices; a more tax-efficient way of returning capital to stockholders compared to declaring cash dividends; and accretion to earnings per share.

On April 12, 2023, April 13, 2023, and April 14, 2023, the Company purchased shares of common stock as follows:

Date	Shares	Price per Share	Total Amount
April 12, 2023	6,868	$ 2.1707	$ 14,908
April 13, 2023	3,800	$ 2.2858	$ 8,686
April 14, 2023	3,926	$ 2.2230	$ 8,728
Totals	**14,594**		**$ 32,322**

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The treasury stock is carried at cost.

On June 16, 2023, the 14,594 treasury shares were cancelled, and the number of outstanding shares was reduced by the same amount. There are no commitments to purchase additional shares of common stock.

No shares of common stock were purchased during the quarter ended January 31, 2024, and the repurchase program expired on September 29, 2023.

NOTE 13 – SEGMENT REPORTING AND GEOGRAPHIC INFORMATION

We operate our business in two operating segments: (i) the B2B for charges for usage of the Company's software, and royalties charged on the use of third-party gaming content, and (ii) the B2C segment which is related to the pay to enter prize competitions in the UK as well as the Company's online casino website (and related activities) in Mexico. The operations in Mexico commenced generating revenues from March 2023, and are reported under the Latin America geographic region. The current segments are (i) B2B with Asia Pacific as its geographic region and, (ii) B2C with UK and Latin America as its geographic region.

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 products for the indicated periods (as a percentage of total revenues):

	For the Three Months Ended			
Description	**January 31, 2024**		**January 31, 2023**	
Revenues:				
B2B	$ 4,620,710	39%	$ 4,224,457	39%
B2C	7,223,172	61%	6,553,222	61
Total	$ 11,843,882	100%	$ 10,777,679	100%

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

	For the Three Months Ended			
Description	**January 31, 2024**		**January 31, 2023**	
Revenues:				
Asia Pacific	$ 4,620,710	39%	$ 4,224,457	39%
UK	7,019,008	59%	6,553,222	61%
Latin America	204,164	2%	-	-%
Total	$ 11,843,882	100%	$ 10,777,679	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):

Description	For the Three Months Ended January 31, 2024		January 31, 2023	
COGS:				
B2B	$ 3,237,072	38%	$ 3,201,410	38%
B2C	5,231,550	62%	5,133,235	62%
Total	$ 8,468,622	100%	$ 8,334,645	100%

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

Description	For the Three Months Ended January 31, 2024		January 31, 2023	
COGS:				
Asia Pacific	$ 3,237,072	38%	$ 3,201,410	38%
UK	5,205,021	61%	5,133,235	62%
Latin America	26,529	1%	-	-%
Total	$ 8,468,622	100%	$ 8,334,645	100%

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

Description	As of January 31, 2024	As of October 31, 2023
Long-lived assets:		
Asia Pacific	$ 384,489	$ 121,675
UK	12,316,210	12,405,323
Latin America	201,989	203,143
Total	$ 12,902,688	$ 12,730,141

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NOTE 14 – INCOME TAXES

United States (U.S.)

The Company has sufficient tax net operating losses to offset the current net income which results in $0 tax liability for the U.S. operations.

United Kingdom (UK)

For the three months ended January 31, 2024, the Company had income tax expense in the amount of $262,180 attributable to its operations of RKings and GMG Assets in the United Kingdom.

The Company, through RKings and GMG Assets, conducts a significant amount of its businesses in the United Kingdom and is subject to tax in this jurisdiction. As a result of its business activities, the Company files tax returns that are subject to examination by the local tax authority. Although the operations in its segments outside of the United Kingdom generate net income, the Company has sufficient tax net operating losses to offset the current net income which results in $0 tax liability for the non-United Kingdom operations.

The Company, through RKings and GMG Assets, is subject to a statutory tax rate of approximately 25% of net income generated in the United Kingdom.

As a result of the acquisition of RKings, the Company assumed the income tax liability of RKings as of November 1, 2021, of $602,628.

No income tax liability was assumed from GMG Assets.

Income Tax Liability as of October 31, 2023	$ 476,485
Income Tax November 1, 2023 through January 31, 2024	262,180
Tax paid November 1, 2023 through January 31, 2024	(99,569)
Currency Adjustment November 1, 2023 through January 31, 2024	25,348
Income Tax Liability as of January 31, 2024	$ 664,444

As of January 31, 2024, and October 31, 2023, the Company had UK income tax payable of $664,444 and $476,485, respectively.

Mexico (Latin America)

For the three months ended January 31, 2024, the Company had no income tax expense attributable to its operations of Golden Matrix MX in Mexico which commenced generating revenues in March 2023.

The Company, through Golden Matrix MX, is subject to a statutory tax rate of approximately 30% of net income generated in Mexico.

As of January 31, 2024, and October 31, 2023, the Company had Mexico income tax payable of $0 and $0, respectively.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Legal Matters

The Company may be involved, from time to time, in litigation or other legal claims and proceedings involving matters associated with or incidental to our business, including, among other things, matters involving breach of contract claims, and other related claims and vendor matters; however, none of the aforementioned matters are currently pending, except as discussed below. The Company believes that we are not exposed to matters that will individually, or in the aggregate, have a material adverse effect on our financial condition or results of operations.

Notwithstanding the above, the outcome of litigation is inherently uncertain. If one or more legal matters were resolved against the Company in a reporting period for amounts in excess of management's expectations, the Company's financial condition and operating results for that reporting period could be materially adversely affected.

The Company is in a dispute with Mr. Paul Hardman (one of the sellers of RKings) with regards to the Holdback Amount of approximately $636,650 that he has alleged is still owed to him, and which we allege was forfeited. That amount is accrued and included in the Company's liabilities as of January 31, 2024. The Company's dispute and claims against Mr. Hardman stem from breaches of the terms of the RKings Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the RKings Purchase Agreement against Mr. Hardman; however, no formal legal action has been initiated by either party to date.

Operating Lease Commitments:

Under ASU No. 2016-02, Leases (Topic 842), lessees are required to recognize all leases (with the exception of short-term leases) on the balance sheet as a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The standard was adopted using a modified retrospective approach.

On June 1, 2021, the Company (through GTG) entered into a three-year term lease agreement for office space and two parking spaces which commenced on June 1, 2021. The Company has the option to renew for a period of three years and on December 11, 2023, the lease was renewed for an additional 3 years at the rate of $120,324 ($180,993 AUD) per year (subject to a 4% annual increase), plus goods and services tax charged at 10% based on Australian Taxation Law, with the same terms and conditions of the original lease.

The Company does not have finance leases. The operating lease cost for the three months ended January 31, 2024, and 2023 was $29,067 and $26,279, respectively.

As of January 31, 2024 and October 31, 2023, the Company recognized $ 335,702 and $56,643, respectively, of operating lease right-of-use asset, $81,086 and $59,089, respectively, of current operating lease liability and $257,077 and $0, respectively, of non-current operating lease liability.

NOTE 16 - MERIDIAN PURCHASE AGREEMENT

On January 11, 2023, we entered into a Sale and Purchase Agreement of Share Capital (the "Original Purchase Agreement") with Aleksandar Milovanović, Zoran Milošević ("Milošević") and Snežana Božović, the owners of Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia ("Meridian Serbia"); Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro; Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta; and Meridian Gaming (Cy) Ltd, a company formed and registered in the republic of Cyprus.

Subsequent to the parties' entry into the Original Purchase Agreement, the parties continued to discuss the consideration payable by the Company to the Meridian Sellers, the breakdown between cash and equity of such consideration, the timing for the payment of such consideration, and the number of closings, and after such discussions, the parties determined to amend and restate the Original Purchase Agreement, to adjust such consideration breakdown, the timing of payments in connection therewith, the number of closings, to extend certain required deadlines set forth in the Original Purchase Agreement, and make various other changes to the Original Agreement.

In connection therewith, on June 28, 2023, we entered into an Amended and Restated Sale and Purchase Agreement of Share Capital dated June 27, 2023 with the Meridian Sellers, and on September 27, 2023, we entered into a First Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital dated September 22, 2023, with the Meridian Sellers (the Amended and Restated Sale and Purchase Agreement of Share Capital, as amended from time to time, including by the First Amendment and Second Amendment (discussed below), the "Meridian Purchase Agreement"), the terms of which are discussed herein.

The Meridian Companies operate online sports betting, online casino, and gaming operations and are currently licensed and operating in more than 15 jurisdictions across Europe, Africa and Central and South America.

Pursuant to the Meridian Purchase Agreement, the Meridian Sellers agreed to sell us 100% of the outstanding capital stock of each of the Meridian Companies (the "Meridian Purchase") in consideration for (a) a cash payment of $30 million, due at the closing of the acquisition (the "Closing"), of which up to $20 million of such amount may be paid after Closing, from cash on hand of the Meridian Companies at Closing, including from the available cash the Meridian Companies are required to have at the Closing under the Meridian Purchase Agreement, as long as after the payment thereof to Meridian Sellers, the Meridian Companies will not be insolvent or left with inadequate cash to pay their debts, bills, and other liabilities as they become due, in the ordinary course of business, subject to the approval, in their sole discretion, of the Meridian Sellers (the amount of Meridian Companies closing cash allocated to the Closing cash payment, the "Allocated Closing Cash Portion"); (b) 82,141,857 restricted shares of the Company's common stock (the "Closing Shares"), with an agreed upon value of $3.00 per share, due at the closing of the acquisition; (c) 1,000 shares of a to be designated series of Series C preferred stock of the Company, discussed in greater detail below (the "Series C Voting Preferred Stock"), due at the closing of the acquisition; (d) $5,000,000 in cash and 5,000,000 restricted shares of Company common stock (the "Post-Closing Contingent Shares"), due within five business days following the six month anniversary of the Closing if (and only if) the Company has determined that: the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Meridian Purchase Agreement, or any of the other transaction documents entered into in connection therewith (the "Contingent Post-Closing Consideration"); (e) $20,000,000 in cash, of which $10,000,000 is due 12 months after the date of the Closing and $10,000,000 is due 18 months after the date of the Closing (the "Non-Contingent Post-Closing Consideration"); and (f) promissory notes in the amount of $15,000,000 (the "Promissory Notes"), due 24 months after the Closing.

The Closing is required to occur prior to June 30, 2024, or such other later date as may be approved by the mutual consent of the parties, subject to an Automatic Closing Date Extension, as discussed below.

The amount of the Allocated Closing Cash Portion is subject to the approval, in their sole discretion, of the Meridian Sellers (provided that such amount cannot be less than $1.00 or more than $20 million). Pursuant to the Meridian Purchase Agreement, the Company is required to provide the Meridian Sellers at least 10 days' prior notice of the amount of the cash on hand of the Meridian Companies that the Company desires to be the Allocated Closing Cash Portion and the expected closing date. Thereafter, the Meridian Sellers have 10 days to either (a) accept such amount and move towards closing on the date requested by the Company, or (b) reject such amount by designating a lesser amount. Any amount of Allocated Closing Cash Portion agreed to by the Meridian Sellers will reduce, on a dollar for dollar basis, the amount of cash consideration required to be delivered by the Company to the Sellers at Closing.

In the event the Meridian Sellers reject the Company's requested Allocated Closing Cash Portion, the Company has no liability for its failure to close the Purchase by the date set forth in its initial notice, based on the failure to pay the cash consideration due at Closing, and the Company has 45 days from the previously disclosed expected closing date to obtain sufficient funding for Closing, which 45 day period will also extend the required Closing date (currently June 30, 2024) in the event that the required Closing date would fall prior to the end of the 45 day period, and instead the last day of the 45 day period (beginning on the previously disclosed expected Closing date), would be the new required closing date under the Meridian Purchase Agreement (an "Automatic Closing Date Extension"). The Company is required to use commercially reasonable efforts to promptly raise funding to pay the amount of any deficiency in closing cash during the extension period. The Meridian Sellers are required to close the Purchase within five business days of the Company obtaining sufficient capital to pay the closing payment, in the event all of the other conditions to Closing have been, or will be, satisfied as of such date.

The Meridian Purchase Agreement does not include a price-based termination right, so there will be no adjustment to the total number of shares of Golden Matrix common stock or Series C Voting Preferred Stock that the Meridian Sellers will be entitled to receive for changes in the market price of Golden Matrix common stock. Accordingly, the market value of the shares of Golden Matrix common stock issued pursuant to the Meridian Purchase Agreement will depend on the market value of the shares of Golden Matrix common stock at the time the Meridian Purchase Agreement closes, and could vary significantly from the market value on the date the Meridian Purchase Agreement was entered into and/or the date of this Report.

To the extent that any term sheet, letter of intent or other agreement or understanding relating to up to $30,000,000 in financing raised by, or attempted to be raised by, Golden Matrix, for the purpose of paying the cash payable to the Meridian Sellers at the Closing (the "Required Financing") includes any break-fee, termination fee, or other expenses payable by the Company upon termination thereof, to the proposed lender, financier, investment bank or agent (each a "Break-Fee"), despite the parties' best efforts to avoid such a requirement, each of the Company and Meridian Sellers shall be responsible for 50% of any such Break-Fee.

The Closing contemplated by the Meridian Purchase Agreement is expected to occur in the first calendar quarter of 2024, subject to satisfaction of customary closing conditions, including approval of the transactions contemplated by the Meridian Purchase Agreement, and the issuance of the shares of common stock issuable pursuant to the terms of the Meridian Purchase Agreement, by the stockholders of the Company at a special meeting of stockholders of the Company. The conditions to the closing of the Meridian Purchase Agreement may not be met, and such Closing may not ultimately occur on the terms set forth in the Meridian Purchase Agreement, if at all.

Upon closing of the transactions, the Meridian Sellers will collectively own approximately 70% of the Company's then outstanding shares of common stock, and 67% of the Company's then outstanding voting shares.

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The Meridian Purchase Agreement requires that the Company designate shares of Series C Voting Preferred Stock prior to the Closing, and issue 1,000 shares of Series C Voting Preferred Stock to the Meridian Sellers at the Closing, which shares of Series C Voting Preferred Stock will have the right to convert into an aggregate of 1,000 shares of common stock and the right to vote 7,500,000 voting shares (7,500 voting shares per share of Series C Voting Preferred Stock) on all stockholder matters. Additionally, one of the rights of the holders of the Series C Voting Preferred Stock will be the right, for so long as (a) the Company's Board of Directors has at least five members; and (b) the Meridian Sellers collectively beneficially own more than 40% of the Company's outstanding common stock (without taking into account shares voted by, or convertible into pursuant to, the Series C Preferred Stock) and for so long as the Series C Voting Preferred Stock is outstanding, voting separately, to appoint two members to the Company's Board of Directors. If (x) the Company's Board of Directors has less than five members, or (y) the Meridian Sellers ever collectively beneficially own 40% or less of the Company's outstanding common stock, the holders of the Series C Voting Preferred Stock, voting separately, will have the right to appoint one member to the Board of Directors. The holders of the Series C Voting Preferred Stock will also have the sole right to remove such persons solely appointed by the Series C Voting Preferred Stock and to fill vacancies in such appointees. Each share of Series C Voting Preferred Stock will automatically convert into common stock of the Company (on a one-for-one basis) on the date that the aggregate beneficial ownership of the Company's common stock (calculated pursuant to Rule 13d-3 of the Exchange Act), calculated without regard to any shares of common stock issuable upon conversion of the Series C Preferred Stock, of the Meridian Sellers (collectively), falls below 10% of the Company's common stock then outstanding, without taking into account the shares of common stock issuable upon conversion of the Series C Preferred Stock, or the first business day thereafter that the Company becomes aware of such.

Additionally, a required term and condition of the Closing is that the Company and each of the Meridian Sellers enter into a Nominating and Voting Agreement, which will provide among other things, that each Seller will vote their voting shares of Golden Matrix "For" appointment of those director nominees nominated to the Board by the independent Nominating and Corporate Governance Committee, which shall be composed of two members and not vote their shares to remove any directors nominated by the committee, subject to certain exceptions. Another required term and condition of the Closing is that the Company and Mr. Milošević enter into a Day-to-Day Management Agreement, which will among other things, prohibit Golden Matrix or its executives from materially interfering in the operation of the business of, and day-to-day operations of, the Meridian Companies by its current leadership (i.e., Mr. Milošević, as Chief Executive Officer), while the Voting Agreement is in place.

On, and effective on, January 22, 2024, the Company and the Meridian Sellers entered into a Second Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital (the "Second Amendment") which extended the required closing date of the transactions contemplated by the Meridian Purchase Agreement from March 31, 2024, to June 30, 2024, or such other later date as may be approved by the mutual consent of the parties (subject to an automatic extension right described in the Meridian Purchase Agreement).

NOTE 17 – SUBSEQUENT EVENTS

On February 14, 2024, the Company granted 146,400 RSUs to employees and certain consultants. The RSUs were granted under the 2022 Equity Incentive Plan and shall vest subject to the recipients' continued service through the applicable vesting dates.

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 financial statements for the fiscal year ended October 31, 2023 and notes thereto, which the Company filed with the Securities and Exchange Commission (the "SEC") on January 17, 2024 as part of our Annual Report on Form 10-K for the year ended October 31, 2023 (the "2023 Annual Report") and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our 2023 Annual 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; however, we have not commissioned or paid for any such reports or studies. 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 referenced 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.

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.

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:

- **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, 2024 and 2023.

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

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), through RKingsCompetitions Ltd. and GMG Assets Limited and (iii) an online casino in Mexico through Golden Matrix MX, S.A. DE C.V.

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 acquisitions of RKingsCompetitions Ltd. (effective November 1, 2021 as to 80% and effective November 4, 2022, as to the remaining 20%) and GMG Assets (effective on August 1, 2022), we entered into the business-to-consumer ("B2C") segment by offering pay to enter prize competitions throughout the UK. Also, in the B2C segment, on July 11, 2022, the Company acquired Golden Matrix MX, S.A. DE C.V., which had no assets or operations at the time of acquisition and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico, branded as Mexplay, which features an extensive number of table games, slots, as well as sportsbook, and offers tournament competition prizes similar to those offered by RKings. The Company's online casino and related activities in Mexico commenced generating revenues in March 2023.

B2B Segment

The Company provides business-to-business (B2B) services and products. 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.

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, 2024, our systems had over 8.3 million registered players and a total of more than 808 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 B2C segment customers are primarily located in Northern Ireland and we have expanded our marketing efforts to reach customers throughout the UK. As of January 31, 2024, RKings has over 338,000 registered users. GMG Assets completed 42 transactions from November 1, 2023 to January 31, 2024, representing $1,330,351 in revenues and $73,947 in net income. Also, Mexplay commenced generating revenues from online casino (and related activities) in Mexico in March 2023. As of January 31, 2024, Mexplay has over 84,000 registered users; and for the three months ended January 31, 2024, it generated $204,164 in revenues.

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 and we generate revenues from our online casino in Mexico, branded as Mexplay, which features an extensive number of table games, slots, as well as sportsbook, and offer tournament competition prizes similar to those offered by RKings.

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 (including the Meridian Purchase Agreement, discussed below). 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 (including the pending Meridian Purchase Agreement), we may issue debt in addition to raising funds through the sales of the Company's capital stock.

The Company's financial performance is subject to Asia Pacific, UK and Mexico economic conditions and their impact on levels of spending by consumers and customers, particularly discretionary spending for entertainment, gaming and leisure activities. Economic recessions may have adverse consequences across industries, including the global entertainment and gaming industries, which may adversely affect the Company's business and financial condition. As a result of rising interest rates and inflation, there is substantial uncertainty about the strength of the Asia Pacific, UK and Mexico economies, which may currently or in the near term be in a recession and have experienced rapid increases in uncertainty about the pace of potential recovery. In addition, changes in general market, economic and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among other things, trends in the economy, and increases in inflation and interest rates, as are being currently experienced, may reduce users' disposable income and/or lead to recessions.

We believe that our business will continue to be resilient through a continued economic downturn or recession, or slowing or stalled recovery therefrom, and that we have the liquidity to address the Company's financial obligations and alleviate possible adverse effects on the Company's business, financial condition, results of operations or prospects.

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.
- Investing in sales and marketing initiatives to drive UK and Mexican customers to the respective RKings and Mexplay platforms.
- Expanding the prizes and prize options available to customers on the RKings and Mexplay platforms.
- Developing and deploying our own proprietary gaming content in the casino iGaming category. Our E-sport project is currently on hold.
- Pursuing acquisitions of synergistic companies and assets with the goal of expanding our competitive position in the markets in which we operate, including the pending Meridian Purchase Agreement, which transaction we are currently working to close, as discussed above. We are also exploring the opportunity to selectively acquire independent slot and gaming 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 other than the pending Meridian Purchase Agreement discussed above) 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 financing to secure additional funds, and we are currently seeking debt or convertible debt funding in connection with the acquisition contemplated by the Meridian Purchase Agreement. 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, including the pending Meridian Purchase Agreement. In some cases, the costs of such acquisitions may be substantial, including the costs 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 is self-sustaining, and its cash needs for ongoing operations are met through current operations; as of January 31, 2024, the cash balance is $17,292,978. There are no current expected future cash demands or commitments other than ongoing operations for the following next 12 months and beyond, except that the Company has entered into the Meridian Purchase Agreement, as discussed above in "NOTE 16 – MERIDIAN PURCHASE AGREEMENT" to the unaudited financial statements included under "Part I – Financial Statements – "Item 1. Financial Statements", which will require the Company to raise additional funding to complete the acquisition, and the Company may acquire additional businesses or assets in the future, which acquisitions may require additional capital as well.

As discussed in greater detail in "**NOTE 16 - MERIDIAN PURCHASE AGREEMENT**", in the notes to the financial statements included under "Item 1. Financial Statements", on June 28, 2023, the Company entered into an Amended and Restated Sale and Purchase Agreement of Share Capital (as amended from time to time, the "Meridian Purchase Agreement") with Aleksandar Milovanovic, Zoran Milosevic ("Milosevic") and Snezana Bozovic (collectively, the "Meridian Sellers"), the owners of Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia ("Meridian Serbia"); Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro; Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta; and Meridian Gaming (Cy) Ltd, a company formed and registered in the republic of Cyprus (collectively, the "Meridian Companies").

Pursuant to the Meridian Purchase Agreement, the Meridian Sellers agreed to sell the Company 100% of the outstanding capital stock of each of the Meridian Companies in consideration for (a) a cash payment of $30 million, due at the closing of the A&R Meridian Purchase Agreement (the "Closing"); (b) 82,141,857 restricted shares of the Company's common stock (the "Closing Shares"), with an agreed upon value of $3.00 per share, due at the Closing; (c) 1,000 shares of a to be designated series of Series C preferred stock of the Company (the "Series C Voting Preferred Stock"), due at the Closing; (d) $5,000,000 in cash and 5,000,000 restricted shares of Company common stock (the "Post-Closing Shares"), due within five business days following the six month anniversary of the Closing, if (and only if) the Company has determined that: the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Purchase Agreement, or any of the other transaction documents entered into in connection therewith (the "Contingent Post-Closing Consideration"); (e) $20,000,000 in cash, of which $10,000,000 is due 12 months after the date of the Closing and $10,000,000 is due 18 months after the date of the Closing (the "Non-Contingent Post-Closing Consideration"); and (f) promissory notes in the aggregate amount of $15,000,000 (the "Promissory Notes") issuable to the Meridian Sellers, due 24 months after the Closing.

On, and effective on, January 22, 2024, the Company and the Sellers entered into a Second Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital (the "Second Amendment") which extended the required closing date of the Purchase from March 31, 2024, to June 30, 2024, or such other later date as may be approved by the mutual consent of the parties (subject to an automatic extension right described in the Purchase Agreement).

The Company is actively pursuing funding sources to meet the cash payment requirements described above, which are summarized below, as discussed in greater detail under "Capital Resources", below:

Description		Amount
Cash due at the Closing – up to $20 million may be paid from cash on hand of the Meridian Companies at Closing, with the approval of the Meridian Sellers	$	30,000,000
Cash due 5 days after the six-month anniversary of the Closing	$	5,000,000
Cash due twelve months after the Closing	$	10,000,000
Cash due eighteen months after the Closing	$	10,000,000
Notes due twenty-four months after the Closing	$	15,000,000
Total	$	70,000,000

As discussed above, to the extent the Meridian Purchase Agreement closes, we will need to raise $70 million to pay the amounts summarized above, including $30 million at the Closing, less cash on hand and generated through our operations, and up to $20 million of cash which may be paid from cash on hand of the Meridian Companies at Closing, with the approval of the Meridian Sellers.

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. As previously noted, the Company is self-sustaining through its operations and therefore is not considering additional sources of liquidity, except in connection with the Meridian Purchase Agreement, described above; 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. Sources of liquid assets, as of January 31, 2024, include cash of $17,292,978, receivables of $4,031,349 and inventory of $2,376,836, with offsetting liabilities (current and long-term) of $4,950,412.

Capital Resources

The Company does not require material cash requirements for its ongoing operations other than a possible holdback payment of approximately $636,650 (GBP 500,000) as part of the hold-back on the 80% acquisition of RKings that was completed effective November 1, 2021. The hold-back is contested by the Company and currently subject to ongoing claims. With a cash balance of $17,292,978 and operations that are self-sustaining, the contested obligation to pay the aforementioned holdback of approximately $636,650 may be met without burdening the Company.

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.

The Company is actively pursuing funding sources to meet the cash requirements for the Meridian Purchase Agreement described above in "***Overview - Cash requirements***" of which the initial $30 million is due at the Closing; however, with the consent of, and in the sole discretion of, the Meridian Sellers, up to $20 million of the $30 million required to be paid to the Meridian Sellers by the Company at the closing of the Meridian Purchase Agreement, may be paid from cash on hand of the Meridian Companies at closing, including from the $10 million of cash the Meridian Sellers are required to have as of Closing pursuant to the terms of the Meridian Purchase Agreement. We plan to raise this funding through debt (including potentially convertible debt) and/or equity (which may include conversion rights); however, we have not entered into any agreements regarding such funding to date, and such funding may not be available on favorable terms, if at all. If debt financing is available and obtained, our interest expense may increase and we may be subject to the risk of default, depending on the terms of such financing. If equity financing is available and obtained it may result in our shareholders experiencing significant dilution. If such financing is unavailable, we may be unable to complete the acquisition of the Meridian Companies.

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Assuming we successfully complete the acquisition of the Meridian Companies, it is expected the combined operations of the Company and Meridian will continue to be self-sustaining through their respective operations with minimal impact on liquidity.

In the future, we may be required to seek additional capital by selling equity securities or debt securities, or taking on additional debt, or otherwise be required to bring cash flows in balance when we approach a condition of cash insufficiency. 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.

Our historical primary sources of liquidity are the cash flows generated from our operations, along with debt and equity financing and available cash and cash equivalents. Our primary use of this liquidity is to fund ongoing cash requirements, including our working capital needs, capital investments, and acquisitions. As previously mentioned, we believe that the cash generated from our operations will be sufficient to meet our working capital needs for the next 12 months and beyond, including investments made and expenses incurred in connection with system development, marketing initiatives, and inventory purchase.

Adjusted EBITDA – Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization

In addition to our results calculated under generally accepted accounting principles in the United States ("GAAP"), we also present EBITDA and Adjusted EBITDA below. EBITDA and Adjusted EBITDA are "non-GAAP financial measures" presented as a supplemental measure of the Company's performance. They are not presented in accordance with GAAP. The Company uses EBITDA and Adjusted EBITDA as a metric of profits and successful operations management. In particular, we use Adjusted EBITDA as a milestone for the purposes of certain incentive compensation programs applicable to some of our officers and directors, in order to evaluate our company's performance and determine whether certain restricted stock units vest as of the end of October 31, 2023 and 2024. EBITDA means net income (loss) before interest, taxes, depreciation and amortization. Adjusted EBITDA means EBITDA before stock-based compensation. Adjusted EBITDA should be viewed as supplemental to, and not as an alternative for net income or loss calculated in accordance with GAAP.

EBITDA and Adjusted EBITDA are presented because we believe it provides additional useful information to investors due to the various noncash items during the period. EBITDA and Adjusted EBITDA are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. EBITDA and Adjusted EBITDA are unaudited, and have limitations as an analytical tool, and you should not consider them in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are: EBITDA and Adjusted EBITDA do not reflect cash expenditures, or future or contractual commitments; EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, capital expenditures or working capital needs; EBITDA and Adjusted EBITDA do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments; although depreciation and amortization are noncash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements. In addition, other companies in this industry may calculate EBITDA and Adjusted EBITDA differently than the Company does, limiting its usefulness as a comparative measure. The Company's presentation of these measures should not be construed as an inference that future results will be unaffected by unusual or nonrecurring items. We compensate for these limitations by providing a reconciliation of such non-GAAP measures to the most comparable GAAP measure, below. We encourage investors and others to review our business, results of operations, and financial information in their entirety, not to rely on any single financial measure, and to view non-GAAP measures in conjunction with the most directly comparable GAAP financial measure.

Reconciliation of EBITDA and Adjusted EBITDA to Net income (loss):

	Three Month Periods Ended	
	January 31, 2024	January 31, 2023
Net income (loss)	$ 74,505	$ (443,521)
+ Interest expense	600	998
- Interest income	(39,264)	(11,905)
+ Taxes	262,180	145,686
+ Depreciation	9,894	9,897
+ Amortization	111,546	106,666
EBITDA	419,461	(192,179)
+ Stock-based compensation	770,951	1,081,784
Adjusted EBITDA	$ 1,190,412	$ 889,605

Recent and Pending Transactions

Meridian Purchase Agreement:

See "NOTE 16 – MERIDIAN PURCHASE AGREEMENT", included herein in the notes to the financial statements included under "Item 1. Financial Statements", for a detailed discussion of the Meridian Purchase Agreement.

RESULTS OF OPERATIONS

Three months ended January 31, 2024, compared to the three months ended January 31, 2023.

Revenues

The Company currently has four 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, there are two revenue streams (i) selling tickets directly to customers to enter prize competitions in the UK through RKings, and (ii) the operation of an online casino in Mexico.

B2B segment, revenue descriptions:

(i). charges for usage of the Company's software

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.

Total revenues recognized from the usage of our gaming IP and technology systems for the three months ended January 31, 2024, and 2023, are shown in the following table:

	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Related party	$ 65,226	$ 186,643
Third party	2,873	2,738
Total	$ 68,099	$ 189,381

The decrease of $121,282 in revenues in the three-month period ended January 31, 2024, relating to IP gaming revenues, compared to the three-month period ended January 31, 2023, is due to the Company focusing on appointing more resellers of third-party gaming content and reducing its reliance on related parties. The increase in revenues from third-party clients can be attributed to the acquisition of new customers. Although the Company operates in a highly competitive environment, the Company's aim is to appoint more resellers that will expand the Company's global presence while it continues to broaden its product offerings which have already resulted in an increase in alternate revenue streams, as discussed below.

Included in the IP and technology systems revenues are $65,226 of revenues 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, 2024, the Company generated $68,099 of revenues from its unique IP and technology systems, including $65,226 from Articulate.

(ii). a royalty charged on the use of third-party gaming content

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. The Company acquires the third-party gaming content for a fixed cost and resells the content at a margin.

Revenues derived from the reselling of gaming content during the three-months ended January 31, 2024, and 2023, are shown in the following table:

		Three Months Ended January 31, 2024		Three Months Ended January 31, 2023
Revenues from reselling of gaming content	$	4,552,611	$	4,035,076

Revenues from reselling of gaming content increased by $517,535 in the three-month period ended January 31, 2024, compared to the three-month period ended January 31, 2023. The increase can be attributed to the adjustment of an accrued liability of $564,957 which led to an increase in revenues of $639,895 and cost of goods sold (COGS) of $74,938. The accrued liability was due to customer usage of our gaming content via a third-party platform which was not conclusively verified at the time. During the period of November 2021 to December 2023, the total amount of invoices issued to the customers for this usage via the third-party platform was $639,895, and this usage was accounted for as other income. The Company chose to be prudent and transferred the balance of this income and its related expense, in the amount of $564,957, to accrued liability, whilst the Company substantiated and validated the data on the third-party platform. All of the usage amounts have now been confirmed and fully paid by the customers. The data has now been verified and as a result the Company has adjusted the total other income from November 2021 to December 2023 in the amount of $639,895 and captured the revenue, adjusted the total corresponding other expense in the amount of $74,938 to COGS, and reversed the accrued liability of $564,957.

There has been recent pressure from the highly competitive online gaming landscape in the Asian Pacific region and the Company has also been affected by the loss of certain gaming operators. The Company has implemented certain strategies to overcome the recent loss of certain gaming operators and also to mitigate the competitive environment. These strategies include adding new popular gaming content to its portfolio that offers higher margins and implementing certain innovations in the Company's GM-Ag system.

The Company's strategic emphasis on expanding product diversity is expected to attract more resellers, allowing the Company to scale its distribution more efficiently and broaden its global reach. As the Company engages additional resellers, it is also expected to increase its number of operators and broaden its global market. We believe that this is achievable via the Company's GM-Ag system which we believe is more suitable for Latin American and European markets, where the Company plans to market its services in the future.

B2C segment, revenue description:

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. In addition, prize winners may elect to accept the cash value of a prize instead of accepting the prize. The cash value of the prize is less than the actual value of the prize. If the cash value is accepted, GMG Assets purchases the prize from the prize winner and then sells the prize in the market, which has historically generated a profit on the sale.

The Company also generates revenues from operating an online casino in Mexico, branded Mexplay, which features an extensive number of table games, slots, as well as sportsbook, and offers tournament competition prizes similar to those offered by RKings. Mexplay commenced generating revenues in March 2023.

Revenues derived from the sales of prize competitions tickets, purchases and sales of prizes from the RKings prize winners as well as the online casino in Mexico during the three-months ended January 31, 2024, and 2023, are shown in the following table:

		Three Months Ended January 31, 2024		Three Months Ended January 31, 2023
RKings - prize competition tickets	$	5,688,657	$	5,337,706
GMG Assets - purchases and sales of prizes from the RKings prize winners		1,330,351		1,215,516
Online casino in Mexico		204,164		-
Total	$	7,223,172	$	6,553,222

Prize competition tickets and purchases and sales of prizes from the RKings prize winners

During the three months ended January 31, 2024, and 2023, revenues from prize competitions were $7,019,008 and $6,553,222, respectively, which included $1,330,351 and $1,215,516, respectively, of revenues which were derived from facilitating cash alternative offers for winners of prizes within RKings' business. This aspect of the business became effective August 1, 2022. The increase of $465,786 in revenues in the three-month period ended January 31, 2024, relating to sales of prize competitions tickets, compared to the three-month period ended January 31, 2023, is mainly attributable to the introduction of an expanded tournament platform at RKings beginning in June 2023, which has increased the popularity and revenues of RKings.

Online casino in Mexico

During the three months ended January 31, 2024, and 2023, revenues from online casinos were $204,164 and $0, respectively. The increase of $204,164 is due to the Mexplay online casino not being operational until March 2023.

Total B2B and B2C combined revenues for the three months ended January 31, 2024 and 2023 were $11,843,882 and $10,777,679, respectively, as discussed in greater detail above.

Costs of goods sold

The Company currently has four distinctive sources of cost of goods sold. Two are related to the B2B segment (i.e., *(i). charges for usage of the Company's software* and *(ii). a royalty charged on the use of third-party gaming content*) and two are related to the B2C segment (i.e., *(iii) prizes purchased which are awarded to winners of RKings' prize competitions* and *(iv) usage of third-party gaming content for the online casino*).

B2B segment, Cost of goods sold descriptions:

(i). charges for usage of the Company's software

The Company recognizes the value of stock options granted to consultants under the 2018 Equity Incentive Plan as cost of goods sold. These stock options directly contributed to the revenue generated by the Company's GM2 Asset. The amortization expenses of the stock options granted to consultants recognized in the three months ended January 31, 2024, and 2023 are shown in the following table:

	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Amortization of Consultants Options	$ 49,651	$ 120,054

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During the three months ended January 31, 2024, and 2023, cost of goods sold, due to the amortization of options, was $49,651 and $120,054, respectively. The decrease of $70,403 was due to certain stock options being fully amortized in the prior fiscal years.

(ii). a royalty charged on the use of third-party gaming content

The cost of usage of the third-party content (the reselling of the gaming content) is recognized as a cost of goods sold (COGS). The cost of goods sold during the three months ended January 31, 2024, and 2023 is shown in the following table:

	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
COGS due to reselling of gaming content	$ 3,187,421	$ 3,081,356

During the three months ended January 31, 2024, and 2023, the cost of goods sold due to the usage of gaming content was $3,187,421 and $3,081,356, respectively. The increase of $106,065 in cost of goods sold from the resale of gaming content in the three months ended January 31, 2024, compared to the three months ended January 31, 2023, was attributable to the increase in the diversity and usage of the gaming content via the Company's GM-Ag system. The Company incorporated new popular gaming content into its GM-Ag system between 2022 and 2023, leading to enhanced royalty charges. The increase in the cost of goods sold was mainly due to the increased royalty charges associated with the newly integrated gaming content.

B2C segment, Cost of goods sold descriptions:

The Company incurs cost of goods sold due to the prizes purchased which are awarded to winners of RKings' prize competitions throughout the United Kingdom, ranging from automobiles to jewelry as well as travel and entertainment experiences.

The Company also incurs the cost of goods sold related to the online casino Mexplay for usage of third-party gaming content. Mexplay commenced generating revenues in March 2023.

Cost of goods sold due to prizes purchased which are awarded to winners of RKings' prize competitions throughout the United Kingdom and the purchases of prizes from the RKings prize winners as well as the costs of goods sold related to the online casino in Mexico during the three months ended January 31, 2024, and 2023, are shown in the following table:

	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
RKings - prize competition tickets	$ 3,994,341	$ 3,992,548
GMG Assets - purchases and sales of prizes from the RKings prize winners	1,210,680	1,140,687
Online casino in Mexico	26,529	-
Total	$ 5,231,550	$ 5,133,235

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(iii) prizes purchased which are awarded to winners of RKings' prize competitions

During the three months ended January 31, 2024, and 2023, cost of goods sold relating to prizes purchased to be awarded in the prize competitions was $5,205,021 and $5,133,235, respectively. The increase of $71,786 in cost of goods sold from the resale of prizes in the three months ended January 31, 2024, compared to the three months ended January 31, 2023, was mainly attributable to the increase in the COGS from GMG Assets, as a result of the increase in the revenues.

(iv) usage of third-party gaming content for the online casino

During the three months ended January 31, 2024, and 2023, cost of goods sold due to usage of third-party gaming content on the online casino in Mexico was $26,529 and $0, respectively. The increase of $26,529 in cost of goods sold in the three months ended January 31, 2024, relating to online casinos, compared to the three months ended January 31, 2023, is due to the online casino not being operational during the three months ended January 31, 2023.

Total cost of goods sold for the three months ended January 31, 2024, and 2023 was $8,468,622 and $8,334,645, respectively.

Gross Profit and Gross Profit Margin

We had gross profit of $3,375,260 for the three months ended January 31, 2024, compared to gross profit of $2,443,034 for the three months ended January 31, 2023, an increase of $932,226 from the prior period, mainly due to the adjustment of the accrued liability in the amount of $564,957 as discussed above and an increase in the gross profit in the B2C segment of $571,635, also as discussed above.

Gross profit margin was 28% for the three months ended January 31, 2024, compared to 23% for the three months ended January 31, 2023. The gross profit margin on the B2B segment was approximately 30% for the three months ended January 31, 2024, compared to 24% for the three months ended January 31, 2023, which increase was mainly due to the adjustment of the accrued liability. The gross profit margin on the B2C segment was approximately 28% for the three months ended January 31, 2024, compared to 22% for the three months ended January 31, 2023, which increase is mainly due to the introduction of tournaments that offer higher margins.

Moving forward, the Company expects to enhance the variety of gaming content within its GM-Ag system and to emphasize the promotion of gaming content with higher profit margins in the B2B segment. Additionally, the Company plans to persist in the expansion of RKings' website, undertaking initiatives to introduce a new and more diverse range of tournaments offering higher margins.

General and administrative expenses

During the three months ended January 31, 2024, and 2023, general and administrative expenses were $2,336,792 and $2,037,295, respectively. General and administrative expenses consisted primarily of stock-based compensation, advertising and promotion expenses, travel expenses, website maintenance expenses, payroll expenses, office expenses, bank charges, commission expenses, lease expenses, gaming license expenses, depreciation, amortization expense, and professional fees.

The increase of general and administrative expenses was mainly due to increased payroll costs of $54,906 in the B2B segment and increased operating expenses of $256,986 for our Mexplay operation. The increase in payroll costs was mainly due to an increase in inflation. The operating expenses of Mexplay were primarily associated with the marketing expenditures, payment gateway transaction fees and accounting service fees.

General and administrative expenses – Related parties

General and administrative expenses from related parties consisted primarily of stock-based compensation, consulting expenses and salary expenses payable to the Company's management and Directors. During the three months ended January 31, 2024, and 2023, general and administrative expenses from related parties were $759,264 and $734,694, respectively. The components of general and administrative expenses from related parties were as follows:

	Three months ended January 31,	
	2024	**2023**
Stock-based compensation	$ 527,309	$ 522,896
Consulting and salary expenses	231,955	211,798
Total	$ 759,264	$ 734,694

During the three-month period ended January 31, 2024, and 2023, the stock-based compensation was $527,309 and $522,896, respectively, which was mainly due to RSUs issued to directors and officers, as discussed in greater detail above under "NOTE 12 – EQUITY" to the unaudited financial statements included under "Part I – Financial Statements – "Item 1. Financial Statements". The consulting and salary expenses increase of $4,856 was mainly due to the increase in salaries to the Company's directors and officers.

Interest expense

During the three months ended January 31, 2024, and 2023, interest expense was $600 and $998, respectively.

Interest income

Interest income was attributable to the interest from the bank savings. During the three months ended January 31, 2024, and 2023, interest income was $39,264 and $11,905, respectively.

Foreign exchange gain

The foreign exchange gain was due to the fluctuation of the Euro, British Pound and Mexican Peso, 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, 2024, foreign exchange gain was $18,817, compared to $20,213 for the three months ended January 31, 2023.

Provision for income taxes

The provision for income taxes was $262,180 for the three months ended January 31, 2024, compared to $145,686 for the three months ended January 31, 2023. The increase of $116,494 was attributable to the increase in UK gross profits resulting in the corresponding increase in tax expenses in the B2C segment in the UK. There was no provision for income taxes in the B2B segment during the three months ended January 31, 2024, and 2023, as a result of operating losses carried forward in the B2B segment.

Net income (loss) attributable to the Company

During the three months ended January 31, 2024, and 2023, the Company had net income/(loss) attributable to the Company of $74,505 and $(443,521), respectively. The increase in net income attributable to the Company of $518,026 was primarily due to an increase in gross profit of $932,226, offset by an increase in general and administrative expenses of $299,497 and an increase in income taxes of $116,494, each as discussed in greater detail above.

LIQUIDITY AND CAPITAL RESOURCES

	As of January 31, 2024	As of October 31, 2023
Cash	$ 17,292,978	$ 17,100,280
Working capital	$ 19,501,130	$ 18,373,253
Shareholders' equity of GMGI	$ 32,146,741	$ 31,103,394

The Company had $17,292,978 of cash on hand at January 31, 2024 and total assets of $37,097,153 ($24,194,465 of which were current assets) and total working capital of $19,501,130 as of January 31, 2024. Included in total assets at January 31, 2024 was $10,381,710 of goodwill associated with the Company's interest in RKingsCompetition Ltd. and $1,880,000 in net intangible assets related to trademarks and non-compete agreements, as discussed in greater detail above under "NOTE 7 – INTANGIBLE ASSETS – SOFTWARE PLATFORM, WEBSITE DEVELOPMENT COSTS, TRADEMARKS AND NON-COMPETE AGREEMENTS" to the unaudited financial statements included under "Part I – Financial Statements – "Item 1. Financial Statements".

The Company had $17,100,280 of cash on hand and total assets of $35,582,817 ($22,852,676 were current assets) at October 31, 2023. The Company had total working capital of $18,373,253 as of October 31, 2023. Included in total assets at October 31, 2023 was $10,381,710 of goodwill associated with the Company's interest in RKings and $1,960,000 in net intangible assets related to trademarks and non-compete agreements, as discussed in greater detail above under "NOTE 7 – INTANGIBLE ASSETS – SOFTWARE PLATFORM, WEBSITE DEVELOPMENT COSTS, TRADEMARKS AND NON-COMPETE AGREEMENTS" to the unaudited financial statements included under "Part I – Financial Statements – "Item 1. Financial Statements".

The increase in cash of $192,698 between January 31, 2024, and October 31, 2023, was mainly due to the effect of exchange rate changes on cash.

Our financial focus is on long-term, sustainable growth in revenue with the goal of marginal increases in expenses. The Company's operations are highly scalable and we plan to continuously add new products to our offerings with the anticipation that they will provide successful revenue growth.

The Company has generated positive cash flows from operations since 2018. The Company is self-sustaining, and its cash needs are met through current operations which, as noted above, has resulted in cash balances of $17,292,978 as of January 31, 2024, and $17,100,280 as of October 31, 2023. Except as discussed above under "***Overview-Cash Requirements***" and "***Overview-Capital Resources***" in connection with the pending Meridian Purchase Agreement, we believe that the cash generated from our operations will be sufficient to meet our working capital needs for the next 12 months and beyond, including investments made and expenses incurred in connection with system development, marketing initiatives, and inventory purchase.

Because the Company is self-sustaining through its operations, it is not considering additional sources of liquidity, except to complete the acquisition of the Meridian Companies as discussed above; however, the Company may also consider raising funds through debt, private placements, or additional public offerings for expansion of operations or synergetic acquisitions if additional external funds are sought.

The Company does not have material cash requirements other than a possible payment of approximately $636,650 (GBP 500,000) in connection with the acquisition of RKings, which payment is currently subject to ongoing claims, and the requirement to raise funds to complete the transactions contemplated by the Meridian Purchase Agreement, discussed above.

Except as discussed above under "***Overview-Cash Requirements***" and "***Overview-Capital Resources***" in connection with the pending Meridian Purchase Agreement, 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. We do not currently have any additional commitments or identified sources of additional capital from third parties or from our officers, directors or majority shareholders. Additional financing may not be available on favorable terms, if at all.

In the future, we may be required to seek additional capital, including in connection with the Meridian Purchase Agreement, as discussed above, 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. The sale of additional equity or debt securities, if accomplished, may result in dilution to our then shareholders. 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 – SOFTWARE PLATFORM, WEBSITE DEVELOPMENT COSTS, TRADEMARKS AND NON-COMPETE AGREEMENTS", 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,	
	2024	2023
Cash provided by operating activities	$ 8,175	$ 401,653
Cash used in investing activities	(1,511)	(60,923)
Cash provided by financing activities	-	-

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, 2024, include stock-based compensation, amortization expenses on intangible assets, and unrealized foreign exchange gain on contingent liability.

The Company generated cash from operating activities of $8,175 during the three months ended January 31, 2024, due primarily to $74,505 of net income, non-cash expenses relating to stock-based compensation of $770,951, depreciation and amortization of $121,440, a $34,774 increase in accounts receivable from related party, and $251,584 of increase in accounts payable and accrued liabilities, and offset by $766,129 of increase in accounts receivable, and $571,196 of increase in inventory, prize. The Company generated cash from operating activities of $401,653 during the three months ended January 31, 2023, due primarily to non-cash expenses relating to stock-based compensation of $1,081,784 (including RSUs and options issued for services of $818,395, and stock issued for services of $263,389), depreciation and amortization of $116,563, and $626,252 of increase in accounts payable and accrued liabilities, offset by $443,521 of net loss, $820,054 of increase in accounts receivable, and $378,170 of increase in inventory, prize.

During the three months ended January 31, 2024, cash used in investing activities was $1,511 which was primarily due to the purchase of computer equipment. During the three months ended January 31, 2023, cash used in investing activities was $60,923 which was primarily due to a $52,788 payment related to website development costs.

During the three months ended January 31, 2024, and 2023, cash provided by financing activities was $0.

The Company had a net increase in cash of $192,698 for the three months ended January 31, 2024, which is mostly attributable to cash provided by operating activities of $8,175, the effect of exchange rate changes on cash of $186,034, offset by cash used in investing activities of $1,511, as discussed above.

Material Events and Uncertainties

RKings Purchase – Holdback Amount In Dispute:

The Company has an ongoing dispute with Mr. Paul Hardman (one of the sellers of RKings) with regards to the Holdback Amount of approximately $636,650 that he has alleged is still owed to him, and which we alleged was forfeited. That amount is accrued and included in the Company's liabilities as of January 31, 2024. The Company's dispute and claims against Mr. Hardman stem from breaches of the terms of the Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the Purchase Agreement against Mr. Hardman; however, at this point, no formal legal action has been initiated by either party to date.

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.

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 Annual Report on Form 10-K for the year ended October 31, 2023, filed with the Commission on January 17, 2024, are those that depend most heavily on these judgments and estimates. As of January 31, 2024, 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 Annual Report on Form 10-K for the year ended October 31, 2023, filed with the Commission on January 17, 2024, 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 is 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.

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 January 31, 2024. 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.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the three months ended January 31, 2024, that 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.

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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.

Item 1A. Risk Factors

Our business is subject to numerous risks and uncertainties, including those described below and elsewhere in this Report. These risks include, but are not limited to, the following:

Risks Related to the Company's Need for Additional Funding and Demand For Products and Services

- our need for significant additional financing to grow and expand our operations, the availability and terms of such financing, and potential dilution which may be caused by such financing, if obtained through the sale of equity or convertible securities;
- the impact of pandemics and epidemics on the Company;
- the potential effect of economic downturns and market conditions, including recessions, on the Company's operations and prospects as a result of increased inflation, increasing interest rates, global conflicts and other events;
- general consumer sentiment and economic conditions that may affect levels of discretionary customer purchases of the Company's products; and
- our limited operating history.

Risks Related to Our Business Operations and Industry

- our reliance on suppliers of third-party gaming content and the cost of such content;
- the ability of the Company to manage growth;
- the ability of the Company to compete in its market and develop, market or sell new products or adopt new technology;
- disruptions caused by acquisitions;
- the risks associated with gaming fraud, user cheating and cyber-attacks;
- risks relating to inventory management;
- risks associated with systems failures, disruptions and failures of technology and infrastructure on which the Company's programs rely, as well as cybersecurity and hacking risks;
- 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 ability to manage expenses associated with sales and marketing and necessary general and administrative and technology investments;
- cyber security risks that could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data and systems failures and resulting interruptions in the availability of our websites, applications, products, or services that could harm our business; and
- our non-U.S. operations.

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Risks Relating to Regulation

- the effect of future regulation, the Company's ability to comply with regulations (current and future) and potential penalties in the event it fails to comply with such regulations; and
- material increases to our taxes or the adoption of new taxes or the authorization of new or increased forms of gaming could have a material adverse effect on our future financial results.

Risks Related to Intellectual Property and Technology

- we may be subject to claims of intellectual property infringement or invalidity and adverse outcomes of litigation could unfavorably affect our operating results; and
- the Company's ability to protect proprietary information.

Risks Relating to our Management

- the Company's reliance on its management;
- the fact that the Company's Chief Executive Officer has voting control over the Company; and
- related party relationships, as well as conflicts of interest related thereto.

Risks Related to International Operations

- The risks related to international operations, in particular in countries outside of the United States, could negatively affect the Company's results; and
- foreign exchange risks.

Risks Relating to our Common Stock and Securities

- dilution caused by efforts to obtain additional financing;
- our ability to issue common and preferred stock without further shareholder approval;
- the lack of a market for our securities and the volatility in the trading prices thereof caused thereby;
- no assurance that we will be able to comply with Nasdaq's continued listing standards; and
- dilution caused by the sale of common stock or convertible securities.

Risks relating to the Meridian Purchase Agreement

- dilution and a change of control which will result from the closing of the Meridian Purchase Agreement;
- costs, fees and expenses, and the timing associated with, the Meridian Purchase Agreement;
- the Company's ability to meet conditions to closing the Meridian Purchase Agreement, including required funding, the terms and availability of such funding, and the ability of the parties to the Meridian Purchase Agreement to terminate such agreement, and potential break-fees due in connection therewith;
- uncertainties while the Meridian Purchase Agreement is pending; and
- risks related to the ability of the combined company to recognize the benefits of the acquisition.

Other risks

- risks related to our governing documents and indemnification obligations;
- risks related to future acquisitions;
- risks related to inventory impropriety;
- risks related to behavior and acts by management and/or employees to the detriment of the Company;
- risks related to significant sales by officers, directors and third parties; and
- Other risks disclosed below.

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A of the Company's Form 10-K for the year ended October 31, 2023, filed with the Commission on January 17, 2024 (the "Form 10-K"), under the heading "Risk Factors", which includes more detailed information regarding the summary risk factors described above, and investors should review the risks provided in the Form 10-K, 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 in the Form 10-K, under "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 conditions 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.

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, 2024, and from the period from February 1, 2024, to the filing date of this Report.

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

Rule 10b5-1 Trading Plans. During the quarter ended January 31, 2024, none of the Company's directors or officers (as defined in Rule 16a-1(f)) adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement".

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#£	Amended and Restated Sale and Purchase Agreement of Share Capital dated June 27, 2023 by and between Golden Matrix Group, Inc., as purchaser and the shareholders of: Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia, Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the		8-K	2.2	6/30/2023	001-41326

	laws of Montenegro, Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta, and Meridian Gaming (Cy) Ltd, a company formed and registered in the Republic of Cyprus, as sellers					
2.2	First Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital dated September 22, 2023 by and between Golden Matrix Group, Inc., as purchaser and the shareholders of: Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia, Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro, Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta, and Meridian Gaming (Cy) Ltd, a company formed and registered in the Republic of Cyprus, as sellers		8-K	2.2	9/28/2023	001-41326
2.3	Second Amendment to Amended and Restated Sale and Purchase Agreement of Share Capital dated January 22, 2024, by and between Golden Matrix Group, Inc., as purchaser and the shareholders of: Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia, Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro, Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta, and Meridian Gaming (Cy) Ltd, a company formed and registered in the Republic of Cyprus, as sellers		8-K	2.3	1/24/2024	001-41326
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*	Inline XBRL Taxonomy Extension Schema Document	x				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document	x				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document	x				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document	x				
101.PRE*	Inline 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.
# Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2)(ii) of Regulation S-K. 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.

£ Certain personal information which would constitute an unwarranted invasion of personal privacy has been redacted from this exhibit pursuant to Item 601(a)(6) of Regulation S-K.

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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 14, 2024

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

Dated: March 14, 2024

/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, 2024, 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 14, 2024

/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, 2024, 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 14, 2024

/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, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anthony Brian Goodman, 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 14, 2024

/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, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Omar Jimenez, 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 14, 2024

/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.