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# DELTA REPORT

## 10-Q

MGAM - MOBILE GLOBAL ESPORTS, IN

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 306

■ CHANGES	160
■ DELETIONS	68
■ ADDITIONS	78

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

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal quarter ended **June 30, 2023** **September 30, 2023**

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-41458

MOBILE GLOBAL ESPORTS INC.  
(Exact Name of Registrant as Specified in Its Charter)

<b>Delaware</b> (State or Other Jurisdiction of Incorporation or Organization)	<b>86-2684455</b> (I.R.S. Employer Identification No.)
<b>500 Post Road East Westport, Connecticut</b> (Address of Principal Executive Offices)	<b>06880</b> (Zip Code)

Registrant's telephone number, including area code: **(475) 666-8401**

N/A

(Former name, former address and former fiscal year, if changed since last report)

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, \$0.001 par value per share	MGAM	The Nasdaq Stock Market LLC

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, a 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 financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

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

As of **August 14, 2023** **November 20, 2023**, there were 20,421,593 shares of the registrant's common stock outstanding.

MOBILE GLOBAL ESPORTS INC.

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### Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements other than statements of historical facts contained in this Quarterly Report may be forward-looking statements. The forward-looking statements are contained principally in the sections entitled "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations," but are also contained elsewhere in this Quarterly Report. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "should," "expects," "plans," "anticipates," "could," "would," "intends," "targets," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements include, but are not limited to, statements about:

- Failure of future market acceptance of our mobile esports products and services;
- Increased levels of competition;
- Changes in political, economic or regulatory conditions generally and in the markets in which we operate;
- Our ability to retain and attract senior management and other key employees;
- Our ability to protect our trade secrets or other proprietary rights, operate without infringing upon the proprietary rights of others and prevent others from infringing on the proprietary rights of the Company; and
- Other risks, including those described in the "Risk Factors" discussion.

You should carefully review and consider the information regarding certain factors which could materially affect our business, financial condition or future results set forth under the heading "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. There have been no material changes from the risk factors previously disclosed therein, except as set in the "Risk Factors" section of this Quarterly Report on Form 10-Q for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. The forward-looking statements in this Quarterly Report are only predictions, and we may not actually achieve the plans, intentions or expectations included in our forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements.

These forward-looking statements speak only as of the date of this Quarterly Report. While we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should therefore not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this Quarterly Report on Form 10-Q.

PART I. FINANCIAL INFORMATION

Item 1. Condensed Financial Statements

MOBILE GLOBAL ESPORTS INC.  
Condensed Balance Sheets

	Note	June 30, 2023 (unaudited)	December 31, 2022 (audited)	September 30, 2023 (unaudited)	December 31, 2022 (audited)
<b>Assets</b>					
Current assets:					
Cash		\$ 6,061,078	\$ 7,539,674	\$ 4,514,459	\$ 7,539,674
Prepaid expenses		58,296	113,247	150,962	113,247
Other current assets	3	-	480,000	-	480,000
Total current assets		6,119,374	8,132,921	4,665,421	8,132,921
Restricted cash		23,615	20,000	-	20,000
Property and equipment, net	4	28,265	16,822	27,271	16,822
Advances to suppliers	5	1,441,074	1,025,000	1,457,519	1,025,000
Operating lease right of use asset	6	129,310	54,634	115,302	54,634
Other long-term assets		19,853	7,424	19,884	7,424
Total assets		\$ 7,761,491	\$ 9,256,801	\$ 6,285,397	\$ 9,256,801
<b>Liabilities</b>					
Current liabilities:					
Accounts payable and accrued expenses	7	\$ 167,427	\$ 80,960	\$ 380,620	\$ 80,960
Related party payable	8	18,536	17,763	18,292	17,763
Operating lease liabilities, current	6	50,376	16,786	51,708	16,786
Note payable	9	-	92,307	102,945	92,307
Total current liabilities		236,339	207,816	553,565	207,816
Operating lease liabilities, long term	6	80,470	38,452	65,856	38,452
Total liabilities		316,809	246,268	619,421	246,268
<b>Commitments and contingencies</b>					
	11				
<b>Stockholders' equity</b>					
Preferred stock; \$0.0001 par value; 10,000,000 shares authorized; nil shares issued and outstanding		-	-	-	-
Common stock, \$0.0001 par value, 100,000,000 shares authorized, 20,421,593 shares issued and outstanding		2,042	2,042	2,042	2,042
Additional paid-in capital		10,695,596	10,557,136	10,764,826	10,557,136
Accumulated deficit		(3,251,331)	(1,549,388)	(5,095,765)	(1,549,388)
Accumulated other comprehensive income		933	1,399		
Accumulated other comprehensive income (loss)				(561)	1,399
Total stockholders' equity - Mobile Global Esports Inc.		7,447,240	9,011,189	5,670,542	9,011,189
Non-controlling interest		(2,558)	(656)	(4,566)	(656)
Total stockholders' equity		7,444,682	9,010,533	5,665,976	9,010,533
Total liabilities and stockholders' equity		\$ 7,761,491	\$ 9,256,801	\$ 6,285,397	\$ 9,256,801

The accompanying footnotes are an integral part of these unaudited financial statements.

MOBILE GLOBAL ESPORTS INC.  
Condensed Statements of Operations (Unaudited)  
For the three and six nine months ended June 30, 2023 September 30, 2023 and 2022

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of revenue	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-
Operating expenses:								
Research and development expenses	-	-	-	-	-	-	-	-
General and administrative expenses	12 1,732,102	177,265	915,962	85,783	12 2,976,319	546,567	1,245,377	369,302
Sales and marketing expenses	13 602,466	-	601,306	-	-	-	-	-
Total operating expenses	1,732,102	177,265	915,962	85,783	3,578,785	546,567	1,846,683	369,302
Loss from operations	(1,732,102)	(177,265)	(915,962)	(85,783)	(3,578,785)	(546,567)	(1,846,683)	(369,302)
Interest income	28,257	-	24,610	-	28,498	-	241	-
Interest expense	-	-	-	-	-	(1,322)	-	(1,322)
Net loss before income taxes	(1,703,845)	(177,265)	(891,352)	(85,783)	(3,550,287)	(547,889)	(1,846,442)	(370,624)
Income tax expense	-	-	-	-	-	-	-	-
Net loss	<u>\$ (1,703,845)</u>	<u>\$ (177,265)</u>	<u>\$ (891,352)</u>	<u>\$ (85,783)</u>	<u>\$ (3,550,287)</u>	<u>\$ (547,889)</u>	<u>\$ (1,846,442)</u>	<u>\$ (370,624)</u>
Net loss - non-controlling interest	\$ (1,902)	\$ -	\$ (910)	\$ -	\$ (3,910)	\$ -	\$ (2,008)	\$ -
Net loss attributable to Mobile Global Esports Inc.	<u>\$ (1,701,943)</u>	<u>\$ (177,265)</u>	<u>\$ (890,442)</u>	<u>\$ (85,783)</u>	<u>\$ (3,546,377)</u>	<u>\$ (547,889)</u>	<u>\$ (1,844,434)</u>	<u>\$ (370,624)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.08)</u>	<u>\$ (0.01)</u>	<u>\$ (0.04)</u>	<u>\$ (0.01)</u>	<u>\$ (0.17)</u>	<u>\$ (0.03)</u>	<u>\$ (0.09)</u>	<u>\$ (0.02)</u>
Weighted average common shares outstanding, basic and diluted	<u>20,421,593</u>	<u>16,809,800</u>	<u>20,421,593</u>	<u>16,809,800</u>	<u>14 20,421,593</u>	<u>17,256,256</u>	<u>20,421,593</u>	<u>18,134,610</u>
Comprehensive loss:								
Net loss	(1,703,845)	(177,265)	(891,352)	(85,783)	(3,550,287)	(547,889)	(1,846,442)	(370,624)
Unrealized loss on foreign currency translation	(466)	-	(409)	-	(1,960)	-	(1,494)	-
Total comprehensive loss	<u>\$ (1,704,311)</u>	<u>\$ (177,265)</u>	<u>\$ (891,761)</u>	<u>\$ (85,783)</u>	<u>\$ (3,552,247)</u>	<u>\$ (547,889)</u>	<u>\$ (1,847,936)</u>	<u>\$ (370,624)</u>
Comprehensive loss attributable to non-controlling interest	(1,902)	-	(910)	-	(3,910)	-	(2,008)	-
Comprehensive loss - Mobile Global Esports Inc.	<u>(1,702,409)</u>	<u>(177,265)</u>	<u>(890,851)</u>	<u>(85,783)</u>	<u>(3,548,337)</u>	<u>(547,889)</u>	<u>(1,845,928)</u>	<u>(370,624)</u>

The accompanying footnotes are an integral part of these unaudited financial statements.



MOBILE GLOBAL ESPORTS INC.  
Condensed Statements of Stockholders' Equity (Unaudited)  
For the six nine months ended June 30, 2023 September 30, 2023 and 2022

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Gain (Loss)	Non-controlling Interest	Total Stockholders' Equity
	Shares	Amount					
<b>Balance, December 31, 2022</b>	20,421,593	\$ 2,042	\$ 10,557,136	\$ (1,549,388)	\$ 1,399	\$ (656)	\$ 9,010,533
Fair value of warrants issued for services	-	-	72,480	-	-	-	72,480
Other comprehensive loss	-	-	-	-	(57)	-	(57)
Net loss	-	-	-	(811,501)	-	(992)	(812,493)
<b>Balance, March 31, 2023 (unaudited)</b>	20,421,593	2,042	10,629,616	(2,360,889)	1,342	(1,648)	8,270,463
Fair value of warrants issued for services	-	-	65,980	-	-	-	65,980
Other comprehensive loss	-	-	-	-	(409)	-	(409)
Net loss	-	-	-	(890,442)	-	(910)	(891,352)
<b>Balance, June 30, 2023 (unaudited)</b>	20,421,593	\$ 2,042	\$ 10,695,596	\$ (3,251,331)	\$ 933	\$ (2,558)	\$ 7,444,682
<b>Balance, December 31, 2021</b>	16,809,000	\$ 1,681	\$ 530,065	\$ (262,360)	\$ -	\$ -	\$ 269,386
Fair value of warrants issued for services	-	-	46,480	-	-	-	46,480
Net loss	-	-	-	(91,482)	-	-	(91,482)
<b>Balance, March 31, 2022 (unaudited)</b>	16,809,000	1,681	576,545	(353,842)	-	-	224,384
Fair value of warrants issued for services	-	-	46,480	-	-	-	46,480
Net loss	-	-	-	(85,783)	-	-	(85,783)
<b>Balance, June 30, 2022 (unaudited)</b>	16,809,000	\$ 1,681	\$ 623,025	\$ (439,625)	\$ -	\$ -	\$ 185,081

  

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Stockholders' Equity
	Shares	Amount					
<b>Balance, December 31, 2022</b>	20,421,593	\$ 2,042	\$ 10,557,136	\$ (1,549,388)	\$ 1,399	\$ (656)	\$ 9,010,533
Fair value of warrants issued for services	-	-	72,480	-	-	-	72,480
Other comprehensive loss	-	-	-	-	(57)	-	(57)
Net loss	-	-	-	(811,501)	-	(992)	(812,493)
<b>Balance, March 31, 2023 (unaudited)</b>	20,421,593	2,042	10,629,616	(2,360,889)	1,342	(1,648)	8,270,463
Fair value of warrants issued for services	-	-	65,980	-	-	-	65,980
Other comprehensive loss	-	-	-	-	(409)	-	(409)
Net loss	-	-	-	(890,442)	-	(910)	(891,352)
<b>Balance, June 30, 2023 (unaudited)</b>	20,421,593	2,042	10,695,596	(3,251,331)	933	(2,558)	7,444,682
Fair value of warrants issued for services	-	-	69,230	-	-	-	69,230

Other comprehensive loss	-	-	-	-	(1,494)	-	(1,494)
Net loss	-	-	-	(1,844,434)	-	(2,008)	(1,846,442)
<b>Balance, September 30, 2023 (unaudited)</b>	<u>20,421,593</u>	<u>\$ 2,042</u>	<u>\$ 10,764,826</u>	<u>\$ (5,095,765)</u>	<u>\$ (561)</u>	<u>\$ (4,566)</u>	<u>\$ 5,665,976</u>
	<b>Common Stock</b>		<b>Additional Paid-In</b>	<b>Accumulated</b>	<b>Accumulated</b>	<b>Non-</b>	<b>Total</b>
	<b>Shares</b>	<b>Amount</b>	<b>Capital</b>	<b>Deficit</b>	<b>Other Comprehensive Income (Loss)</b>	<b>controlling Interest</b>	<b>Stockholders' Equity</b>
<b>Balance, December 31, 2021</b>	16,809,800	\$ 1,681	\$ 530,065	\$ (262,360)	\$ -	\$ -	\$ 269,386
Fair value of warrants issued for services	-	-	46,480	-	-	-	46,480
Net loss	-	-	-	(91,482)	-	-	(91,482)
<b>Balance, March 31, 2022 (unaudited)</b>	<u>16,809,800</u>	<u>1,681</u>	<u>576,545</u>	<u>(353,842)</u>	<u>-</u>	<u>-</u>	<u>224,384</u>
Fair value of warrants issued for services	-	-	46,480	-	-	-	46,480
Net loss	-	-	-	(85,783)	-	-	(85,783)
<b>Balance, June 30, 2022 (unaudited)</b>	<u>16,809,800</u>	<u>1,681</u>	<u>623,025</u>	<u>(439,625)</u>	<u>-</u>	<u>-</u>	<u>185,081</u>
Issuance of common stock from initial public offering, net of stock issuance costs*	1,725,000	172	5,464,760	-	-	-	5,464,932
Issuance of common stock from private placement, net of stock issuance costs*	1,886,793	189	2,328,342	-	-	-	2,328,531
Fair value of warrants issued with common stock*	-	-	2,093,000	-	-	-	2,093,000
Fair value of warrants issued for services	-	-	46,480	-	-	-	46,480
Net loss	-	-	-	(370,624)	-	-	(370,624)
<b>Balance, September 30, 2022 (unaudited)</b>	<u>20,421,593</u>	<u>\$ 2,042</u>	<u>\$ 10,555,607</u>	<u>\$ (810,249)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,747,400</u>

The accompanying footnotes are an integral part of these unaudited financial statements.

MOBILE GLOBAL ESPORTS INC.  
Condensed Statements of Cash Flows (Unaudited)  
For the six nine months ended June 30, 2023 September 30, 2023 and 2022

	Six months ended		Nine months ended	
			September 30, 2023	September 30, 2022
	June 30, 2023 unaudited	June 30, 2022 unaudited	unaudited	unaudited
<b>Cash flows from operating activities</b>				
Net loss	\$ (1,703,845)	\$ (177,265)	\$ (3,550,287)	\$ (547,889)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:				
Depreciation	2,124	-	3,263	-
Fair value of warrants issued for services	138,460	92,960	207,690	139,440
Amortization of right of use assets	21,177	-	33,568	-
<b>Changes in operating assets and liabilities:</b>				
Prepaid expenses	55,460	-	94,708	20,083
Other current assets	480,000	-	480,000	-
Other assets	(12,353)	-	(12,620)	-
Accounts payable and accrued expenses	86,391	(31,814)	300,021	16,481
Related party payable	613	-	612	-
Operating lease liabilities	(20,252)	-	(31,890)	-
Net cash used by operating activities	(952,225)	(116,119)	(2,474,935)	(371,885)
<b>Cash flows from investing activities</b>				
Advances to suppliers for software	(416,074)	-	(432,519)	(300,000)
Payments for property and equipment	(13,416)	-	(13,900)	-
Net cash used in investing activities	(429,490)	-	(446,419)	(300,000)
<b>Cash flows from financing activities</b>				
Issuance of common stock			-	11,900,001
Payment of deferred offering costs	-	(53,348)	-	-
Payment of stock issuance costs			-	(1,950,540)
Repayment of note payable	(92,307)	-	(122,653)	(46,257)
Net cash provided by financing activities	(92,307)	(53,348)		
Net cash provided by (used in) financing activities			(122,653)	9,903,204
Effect of exchange rate changes on cash and restricted cash	(959)	-	(1,208)	-
Net increase in cash and restricted cash	(1,474,981)	(169,467)	(3,045,215)	9,231,319
<b>Cash and restricted cash as of beginning of period</b>	7,559,674	238,202	7,559,674	238,202
<b>Cash and restricted cash as of end of period</b>	<u>\$ 6,084,693</u>	<u>\$ 68,735</u>	<u>\$ 4,514,459</u>	<u>\$ 9,469,521</u>
<b>Supplemental disclosure of cash flow information</b>				
Cash paid for interest			\$ -	\$ 1,322
<b>Supplemental disclosure of non-cash investing and financing activity</b>				
Deferred offering costs reclassified to stock issuance costs			\$ -	\$ 62,998
Right of use assets obtained on operating lease commencement	\$ 95,303	\$ -	\$ 95,100	\$ -
Note payable issued for prepaid insurance policy			\$ 133,291	\$ 186,108

The accompanying footnotes are an integral part of these unaudited financial statements.

MOBILE GLOBAL ESPORTS INC.  
NOTES TO FINANCIAL STATEMENTS

For the **Six Months** **Nine months** Ended **June 30, 2023** **September 30, 2023** and 2022 (unaudited)

Note 1 – Organization and Basis of Presentation

Organization

Mobile Global Esports Inc. (“MOGO Inc”) was incorporated on March 11, 2021 under the laws of the State of Delaware. The Company was originally named Elite Esports, Inc. but changed its name to Mobile Global Esports Inc. on April 21, 2021. MOGO Inc has been assigned certain limited rights to commercialize university esports events for 92 universities in India. The unique advantage of esports is that the events can be virtual, and virtual events bypass any Covid-19 or other pandemic restrictions on in-person events.

During July 2022, MOGO Esports Private Limited (“MOGO Pvt Ltd”) was established and incorporated in India by certain shareholders of MOGO Inc. During November 2022, MOGO Inc acquired approximately 99% of MOGO Pvt Ltd. Prior to October 2022, MOGO Pvt Ltd had limited activity. During October 2022, MOGO Pvt Ltd increased its activity and began operating for the benefit of the Company. The Company determined that MOGO Pvt Ltd was a variable interest entity and it was the primary beneficiary of MOGO Pvt Ltd prior to acquiring 99% of MOGO Pvt Ltd in November 2022. Therefore, the Company has included the results of MOGO Pvt Ltd in its consolidated financial statements from July 13, 2022 (inception of MOGO Pvt Ltd) through **June 30, 2023** **September 30, 2023**. MOGO Pvt Ltd comprised approximately **3.3%** **3.1%** and 1.4% of the Company's total assets as of **June 30, 2023** **September 30, 2023** and December 31, 2022, and **9.3%** **9.2%** and nil of the Company's net loss for the **six** **nine** months ended **June 30, 2023** **September 30, 2023** and 2022, and **8.5%** **9.1%** and nil of the Company's net loss for the three months ended **June 30, 2023** **September 30, 2023** and 2022, respectively.

Basis of Presentation

The accompanying consolidated financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The consolidated financial statements include the accounts of MOGO Inc and MOGO Pvt Ltd (collectively, the “Company”). MOGO Inc owns a 99% controlling interest in MOGO Pvt Ltd. The value of the non-controlling interest in MOGO Pvt Ltd is immaterial.

The functional currency of MOGO Pvt Ltd is the Indian Rupee (“INR”). The assets and liabilities of MOGO Pvt Ltd are translated to United States Dollars (“USD”) at period end exchange rates, while statements of operations accounts are translated at the average exchange rate during the period. The effects of foreign currency translation adjustments are included in other comprehensive loss, which is a component of accumulated other comprehensive **loss** **income** **(loss)** in stockholders’ equity. All significant intercompany accounts and transactions have been eliminated in consolidation.

Interim financial statements

The unaudited condensed financial statements are prepared by the Company, pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). The information furnished herein reflects all adjustments, consisting only of normal recurring adjustments, which in the opinion of management, are necessary to fairly state the Company's financial position, the results of its operations, and cash flows for the periods presented. Certain information and footnote disclosures normally present in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America were omitted pursuant to such rules and regulations. The results of operations for the **six** **nine** months ended **June 30, 2023** **September 30, 2023** are not necessarily indicative of the results expected for the year ending December 31, 2023.

Note 2 – Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected. Significant estimates in the accompanying consolidated financial statements include the valuation allowance on deferred tax assets and the estimated value of warrants issued for services.

Cash Equivalents

For the purpose of the statement of cash flows, cash equivalents include time deposits, certificate of deposits, amounts held in escrow and all highly-liquid debt instruments with original maturities of three months or less. As of June 30, 2023 September 30, 2023 and December 31, 2022, the Company did not have any cash equivalents.

Restricted Cash

As of June 30, 2023 and December 31, 2022, the Company has \$23,615 and \$20,000 of the funds received from the initial public offering held in an escrow account, which is included in Restricted Cash on the consolidated balance sheet. These During July 2023, these funds were had been released to the Company, as such, there are no funds included in July 2023. Restricted Cash as of September 30, 2023.

Property and Equipment

Property and equipment, net, is stated at cost. Depreciation is computed over the estimated useful lives of the assets, generally three to five years, using the straight-line method. Expenditures for maintenance and repairs are charged to operations; major expenditures for renewals and betterments are capitalized and depreciated over their useful lives. Leasehold improvements are amortized over the lesser of the asset life or the life of the lease.

Leases

The Company leases office and warehouse space in India under non-cancelable lease arrangements through MOGO Pvt Ltd. The Company applies the accounting guidance in Accounting Standards Codification ("ASC") 842, *Leases*. As such, the Company assesses all arrangements, that convey the right to control the use of property and equipment, at inception, to determine if it is, or contains, a lease based on the unique facts and circumstances present in that arrangement. For those leases identified, the Company determines the lease classification, recognition, and measurement at the lease commencement date.

Fixed lease payments on operating leases are recognized over the expected term of the lease on a straight-line basis. Variable lease expenses that are not considered fixed are expensed as incurred. Fixed and variable lease expense on operating leases is recognized within operating expenses within the accompanying consolidated statements of operations and comprehensive loss.

The interest rate implicit in the Company's lease contracts is typically not readily determinable and as such, the Company uses its incremental borrowing rate based on the information available at the lease commencement date, which represents an internally developed rate that would be incurred to borrow, on a collateralized basis, over a similar term, an amount equal to the lease payments in a similar economic environment.

#### Long-Lived Assets

The Company reviews long-lived assets for realizability on an ongoing basis. Changes in depreciation and amortization, generally accelerated depreciation and variable amortization, are determined and recorded when estimates of the remaining useful lives or residual values of long-term assets change. The Company also reviews for impairment when conditions exist that indicate the carrying amount of the assets may not be fully recoverable. In those circumstances, the Company performs undiscounted operating cash flow analyses to determine if an impairment exists. When testing for asset impairment, the Company groups assets and liabilities at the lowest level for which cash flows are separately identifiable. Any impairment loss is calculated as the excess of the asset's carrying value over its estimated fair value. Fair value is estimated based on the discounted cash flows for the asset group over the remaining useful life or based on the expected cash proceeds for the asset less costs of disposal. Any impairment losses would be recorded in the consolidated statements of operations. To date, no such impairments have occurred.

#### Fair Value of Financial Instruments

For certain of the Company's financial instruments, including cash and accounts payable, the carrying amounts approximate their fair values due to their short maturities.

ASC Topic 820, *Fair Value Measurements and Disclosures*, requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 825, *Financial Instruments*, defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the balance sheets for receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets in inactive markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology use one or more unobservable inputs which are significant to the fair value measurement.

The Company analyzes all financial instruments with features of both liabilities and equity under Accounting Standards Codification ("ASC") Topic 480, *Distinguishing Liabilities from Equity*, and ASC Topic 815, *Derivatives and Hedging*. The Company has determined that the warrants issued to date are freestanding financial instruments that are properly classified as equity.

As of June 30, 2023 September 30, 2023 and December 31, 2022, the Company did not identify any assets or liabilities required to be presented on the balance sheet at fair value.

#### Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and restricted cash. The Company places its cash with high quality financial institutions and at times may exceed the Federal Deposit Insurance Corporation \$250,000 insurance limit. The Company has not and does not anticipate incurring any losses related to this credit risk.

#### Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. The Company has no material uncertain tax positions for any of the reporting periods presented.

#### Basic and Diluted Earnings Per Share

Earnings per share is calculated in accordance with ASC Topic 260, *Earnings Per Share*. Basic earnings per share (“EPS”) is based on the weighted average number of common shares outstanding. Diluted EPS assumes that all dilutive securities are converted. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period.

#### Recent Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board (“FASB”) issued ASU 2019-12, *Simplifying the Accounting for Income Taxes* which amends ASC 740 *Income Taxes* (ASC 740). This update is intended to simplify accounting for income taxes by removing certain exceptions to the general principles in ASC 740 and amending existing guidance to improve consistent application of ASC 740. This update is effective for fiscal years beginning after December 15, 2021. The guidance in this update has various elements, some of which are applied on a prospective basis and others on a retrospective basis with earlier application permitted. The Company adopted this standard as of January 1, 2022 and the adoption did not have a material effect on the Company's financial statements and related disclosures.

Other current assets as of December 31, 2022 consist of \$480,000 paid to a party as advance payment for potential future services and a deposit of \$100,000 paid to a party for the potential purchase of software. No services were provided by the party as of **June 30, 2023** **September 30, 2023**, and the \$480,000 was refunded to the Company in June 2023 with interest of \$24,000. The Company finalized the agreement for the purchase of software and the \$100,000 deposit was reclassified in Advances to suppliers as of **June 30, 2023** **September 30, 2023**.

**Note 4 – Property and Equipment**

Property and equipment consisted of the following as of:

	June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Furniture, fixtures and equipment	30,424	16,857	30,534	16,857
Accumulated depreciation	(2,159)	(35)	(3,263)	(35)
Property and equipment, net	28,265	16,822	27,271	16,822

Depreciation expense was approximately \$1,000 and \$2,000 \$3,000 for the three and six nine months ended June 30, 2023 September 30, 2023 and was nil for the three and six nine months ended June 30, 2022 September 30, 2022.

**Note 5 – Advances to Suppliers**

As of June 30, 2023 September 30, 2023 and December 31, 2022, the Company paid funds to a supplier of approximately \$1,241,000 \$1,258,000 for the development of a software platform, which has not been placed in service. In addition, as of June 30, 2023 September 30, 2023, the Company entered into an agreement for the development of a mobile application (“App”) and made payments of \$200,000 towards the development of the App. See Note 11.

**Note 6 – Leases**

The Company has office leases in India that are classified as operating leases. These office leases commenced in October 2022 and have a term of three years. During January 2023, the Company leased a godown (which is a warehouse) in Borivali (East), Mumbai. This lease has a term of 33 months. The Company used its expected incremental borrowing rate of 10.0% in determining the value of the right-of-use asset and lease liability associated with these leases. The cash paid for operating leases for the six nine months ended June 30, 2023 September 30, 2023 approximated \$26,600 \$41,000 and the operating lease cost recorded in the Consolidated Statements of Operations and Comprehensive Loss approximated \$28,000. \$43,000. The weighted average remaining lease term for the operating leases was 2.3 2.1 years and the weighted average discount rate was 10.0%.

The maturities of the operating lease liabilities as of June 30, 2023 September 30, 2023 are as follows:

July 1, 2023 – December 31, 2023	\$	29,960	
October 1, 2023 – December 31, 2023			\$ 14,872
2024		62,893	62,067
2025		54,721	54,002
Total		147,574	130,941
Less imputed interest		(16,728)	(13,377)
Present value of operating lease liabilities	\$	130,846	\$ 117,564

**MOBILE GLOBAL ESPORTS INC.**  
**NOTES TO FINANCIAL STATEMENTS**

For the Six Months Nine months Ended June 30, 2023 September 30, 2023 and 2022 (unaudited)

**Note 7 – Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses consist of the following as of:

	June 30, 2023	December 31, 2022	September 30, 2023	December 1, 2022
Accounts payable	\$ 6,766	\$ 453	\$ 270,235	\$ 453
Accrued payroll and payroll taxes	134,501	-	90,626	-
Accrued consulting and professional fees	10,000	60,937	-	60,937
Other accrued expenses	16,160	19,570	19,759	19,570
Total	<u>\$ 167,427</u>	<u>\$ 80,960</u>	<u>\$ 380,620</u>	<u>\$ 80,960</u>

**Note 8 – Related Party Transactions**

Included in related party payable at June 30, 2023 September 30, 2023 and December 31, 2022 \$18,536 was approximately \$18,000 and \$17,763, \$17,800, respectively, due to Sports Industry of India, Inc., a stockholder of the Company.

During the six nine months ended June 30, 2023 September 30, 2023, the Company paid its Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) compensation totaling \$178,000, \$248,000. The CEO and CFO are shareholders of the Company.

During the six nine months ended June 30, 2023 September 30, 2023, the Company paid a total of \$36,000 \$66,000 for the quarterly board stipend payable to the Board of Directors for services provided in the first, second and second third quarters of 2023.

During the nine months ended September 30, 2023, the Company incurred sponsorship expenses of approximately \$24,000 with an entity that shares common ownership with Sports Industry of India, Inc., a stockholder of the Company.

**Note 9 – Note Payable**

During July 2022, August 2023, the Company entered into an agreement with a financing institution for payment of certain of the Company’s insurance policies. The financing agreement is payable over a ten-month period ending May 2024 with monthly payments of principal and interest (8.75%) totaling \$13,294 per month. As of September 30, 2023, approximately \$103,000 of principal is outstanding under this agreement, and the same amount is included in prepaid expenses.

During July 2022, the Company entered into an agreement with a financing institution for payment of certain of the Company’s insurance policies. The financing agreement was payable over a twelve-month period ending June 2023 with monthly payments of principal and interest totaling \$15,848 per month. As of June 30, 2023 and December 31, 2022, approximately nil and \$92,000 respectively, of principal is was outstanding under this agreement, and the same amount is was included in prepaid expenses. This agreement was paid off in June 2023.

**Note 10 – Stockholders’ Equity**

Preferred Stock

The Company has authorized the issuance of 10,000,000 shares of \$0.0001 par value preferred stock. At June 30, 2023 September 30, 2023 and December 31, 2022, there were nil shares issued and outstanding.

Common Stock

The Company has authorized the issuance of 100,000,000 shares of \$0.0001 par value common stock. At June 30, 2023 September 30, 2023 and December 31, 2022, there were 20,421,593 shares issued and outstanding.

Warrants

Warrants

During the six nine months ended June 30, 2023 September 30, 2023, the Company issued warrants (“2023 Consultant Warrants”) to purchase up to 170,000 shares of the Company’s common stock in exchange for the provision of services. The 2023 Consultant Warrants have an exercise price of \$3.00 per share, expire 6 years from the date of issuance, with 25% vested in the first quarter of 2023 and the remaining shares vest quarterly through December 31, 2023.

**MOBILE GLOBAL ESPORTS INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**For the Six Months Nine months Ended June 30, 2023 September 30, 2023 and 2022 (unaudited)**

The Company utilized the Black-Scholes option-pricing model to value the warrants issued and the estimated fair value of the 2023 Consultant Warrants was \$91,000, with \$45,500 \$68,250 recognized as expense for the six nine months ended June 30, 2023 September 30, 2023.

The following table summarizes the assumptions used for estimating the fair value of the 2023 Consultant Warrants issued:

Expected dividend yield	-
Risk-free interest rate	3.99%
Expected volatility	100%
Expected life (years)	6

As of June 30, 2023 September 30, 2023, the Company also had the following warrants outstanding:

	Outstanding	Ex Price	Exercisable	Ex Price	Outstanding	Ex Price	Exercisable	Ex Price
2021 Consultant Warrants	1,000,000	\$ 1.00	625,000	\$ 1.00	1,000,000	\$ 1.00	687,500	\$ 1.00
IPO Warrants	172,500	\$ 6.60	172,500	\$ 6.60	172,500	\$ 6.60	172,500	\$ 6.60
PIPE Warrants	1,886,793	\$ 2.90	1,886,793	\$ 2.90	1,886,793	\$ 2.90	1,886,793	\$ 2.90
Placement Agent Warrants	339,623	\$ 2.92	339,623	\$ 2.92	339,623	\$ 2.92	339,623	\$ 2.92
2023 Consultant Warrants	170,000	\$ 3.00	85,000	\$ 3.00	170,000	\$ 3.00	127,500	\$ 3.00
Total Warrants	3,568,916		3,108,916		3,568,916		3,213,916	

The 2021 Consultant Warrants were granted to three individuals ("Consultants") that are advising the Company on developing, establishing, operating, commercializing, marketing, promoting, and expanding the Company's esports business with an aim to commercialize esports tournaments, esports sponsorships, esports advertising revenues, esports merchandise revenues, esports broadcast revenues, esports video revenues, esports game development and marketing and distribution revenues, and all other manner of esports revenue streams for the benefit of the Company. The Consultant Warrants have an exercise price of \$1.00 share and expire in five years with 250,000 of these warrants vested immediately and the balance of 750,000 warrants having provisions making the vesting contingent on the Consultants' performance in meeting goals and milestones set quarterly by the Company. Specifically, the Company will consult with the Consultants and reach agreement on the Consultants' goals and milestones at the beginning of each calendar quarter. Out of the 750,000 unvested warrants, 62,500 warrants vest at the end of each quarter, beginning with the quarter ended March 31, 2022, provided in the Company's judgement the Consultants have made satisfactory progress over the course of the quarter in meeting set goals and milestones. 62,500 of these warrants vested on March 31, 2022, 62,500 warrants vested on June 30, 2022, 62,500 of these warrants vested on September 30, 2022, 62,500 of these warrants vested on December 31, 2022, 62,500 of these warrants vested on June 30, 2023, and 62,500 of these warrants vested on June 30, 2023 September 30, 2023. Any 2021 Consultant Warrants not vested on their designated end of quarter vesting date expire.

In conjunction with the Company's initial public offering ("IPO") in July 2022, the Company issued warrants ("IPO Warrants") to purchase up to 172,500 shares of common stock to the underwriters of the IPO. These IPO Warrants have an exercise price of \$6.60 per share, expire 5 years from the date of issuance, and are fully exercisable six months after their issuance. The estimated fair value of the IPO Warrants approximated \$474,000. The IPO Warrants are recorded as stock issuance costs but the net impact to the Company's equity from the issuance of these warrants is nil since these warrants are classified as equity.

In conjunction with a financing in September 2022, the Company issued 1,886,793 PIPE Warrants to investors with an exercise price of \$2.90 per share, which expire 5 years from the date of issuance, and are fully exercisable upon issuance. The estimated fair value of the PIPE Warrants approximated \$2,093,000. Additionally, 339,623 warrants ("Placement Agent Warrants") were issued to the placement agent as a part of their fee. The Placement Agent warrants have an exercise price of \$2.915 per share, expire 5 years from the date of issuance, and are fully exercisable upon issuance. The estimated fair value of the Placement Agent Warrants approximated \$516,000. The Placement Agent Warrants are recorded as stock issuance costs but the net impact to the Company's equity from the issuance of these warrants is nil since these warrants are classified as equity.

The PIPE Warrants and Placement Agent Warrants also include certain anti-dilution adjustments and potential adjustments upon the occurrence of certain change of control transactions.

**MOBILE GLOBAL ESPORTS INC.****NOTES TO FINANCIAL STATEMENTS****For the Six Months Nine months Ended June 30, 2023 September 30, 2023 and 2022 (unaudited)**

The fair value of the 2023 Consultant Warrants and 2021 Consultant Warrants are being amortized to expense over their vesting period. The Company recorded total expense of approximately \$66,000 \$69,000 and \$138,000 \$208,000 during the three and six nine months ended June 30, 2023 September 30, 2023, and \$46,000 and \$93,000 \$139,000 during the three and six nine months ended June 30, 2022 September 30, 2022, respectively. At June 30, 2023 September 30, 2023, the unamortized warrant expense was approximately \$576,000, \$255,000, which will be amortized into expense through a weighted-average period of 1.0 0.7 years.

**Note 11 – Commitments and Contingencies**

**Legal**  
**Legal**  
From time to time, the Company may be involved in various litigation matters, which arise in the ordinary course of business. There is currently no litigation that management believes will have a material impact on the financial position of the Company.

**Advances to Suppliers**

The Company entered into a commitment with a supplier for the development of an Esports Platform for total cost of \$1,200,000. As of June 30, 2023 September 30, 2023, the Company had paid the supplier 100% of the commitment amount plus an additional amount approximating \$58,000, and the software was in Beta testing. The Company expects to put the software in service during the 3<sup>rd</sup> or 4<sup>th</sup> quarter of 2023, 2023 or early 2024.

During May 2023, the Company entered into an agreement with a supplier to acquire the intellectual property for an App under development. As of June 30, 2023 September 30, 2023, the Company had paid the supplier \$200,000 toward the purchase of the App and agreed to issue the supplier 400,000 shares of the Company's common stock. In addition, the Company is committed to pay the supplier an additional amount totaling \$200,000 upon the achievement of certain technological milestones related to the development of the App.

**Consultants****Consultants**

The Company has entered into various agreements with consultants or other professional advisors and has committed to issue up to 350,000 shares of the Company's common stock in the future.

**Note 12 – General and Administrative Expense**

General and administrative costs are expensed as incurred and primarily include personnel costs in the U.S. and India, public filing fees, travel expenses, contractor fees, and professional fees.

**Note 13 – Sales and Marketing Expense**

Sales and marketing costs are expensed as incurred and include expenses associated with Esport events sponsored by the Company, including the MOGO National Championship 2.0, which occurred in September 2023. The Company expenses advertising costs as incurred. Advertising expense consists primarily of event sponsorships and social media advertising and totaled approximately \$13,000 \$29,000 and \$39,000 for the three and six nine months ended June 30, 2023 September 30, 2023, respectively. Advertising expense was nil for the three and six nine months ended June 30, 2022 September 30, 2022.

**Note 13 14 – Net Loss Per Share**

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the periods. Fully diluted net loss per common share is computed using the weighted-average number of common and dilutive common equivalent shares outstanding during the periods. Common equivalent shares consist of warrants that are computed using the treasury stock method.

At June 30, 2023 September 30, 2023 and December 31, 2022, there were 3,568,916 and 3,398,916 warrants outstanding. Due to the net loss incurred potentially dilutive instruments would be anti-dilutive. Accordingly, diluted net loss per share is the same as basic net loss per share for all periods presented.

**Note 14 15 – Subsequent Events**

Management has evaluated events that occurred subsequent to the end of the reporting period and there are no subsequent events to report.

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

*You should read the following discussion and analysis of our financial condition and results of operations together with our condensed financial statements and related notes appearing in this Quarterly Report on Form 10-Q. This discussion and other parts of this Quarterly Report contain forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions. As a result of many factors, including those factors set forth in the "Risk Factors" section of this Quarterly Report, our actual results could differ materially from the results described in, or implied by, the forward-looking statements contained in the following discussion and analysis.*

### Overview

Mobile Global Esports Inc. ("MOGO" or "Mogo," or the "Company") was organized in March of 2021 to continue and expand an esports business (the "Business") created in 2016 by Sports Industry of India ("SII"). Through a series of contracts, the rights to the Business were assigned to MOGO by SII and its affiliates beginning in October of 2021. MOGO is now building out and expanding the business created by SII. MOGO is focused on the rapidly-growing esports industry, with special emphasis on India and other South Asian markets. The Indian market for esports, and particularly university esports events in India, represent, in management's opinion, one of the largest and fastest growing esports markets in the world.

SII is an American branding, marketing and sports promotion company that, through subsidiaries and affiliates primarily in India and Pakistan, enters into exclusive long-term arrangements with universities for the purpose of promoting, expanding and commercializing university sports programs, creating professional opportunities for university athletes and alumni and developing and marketing university and event-branded merchandise. The SII esports business, which has now been transferred to and is operated by MOGO, is the only business in India to organize and sponsor officially-sanctioned national championship for university esports. SII holds a 12.98% minority common share interest in MOGO, and thus has no controlling interest in MOGO.

Esports are the competitive playing of video games by amateur and professional teams for cash and other prizes. Esports typically take the form of organized, multiplayer video games that include real-time strategy and competition, including virtual fights, first-person shooter and multiplayer online battle arena games. Esports are defined as competitive games of skill, timing, knowledge, experience, practice, attention and teamwork, but not games of chance or luck. Mobile esports are defined as esports that are streamed on an electronic esports platform and played by individuals or teams on mobile devices, usually smartphones. Competitors participate at large in-person events, small in-person events and virtually from home or computer cafes. Interest in esports is rapidly growing. In 2020, the global audience for gaming video content, including esports, grew to 1.2 billion viewers, an 18 percent increase from 2019, according to Statista, as gaming streams became a popular social activity and distraction during coronavirus-related lockdowns. A DataProt report in January 2023 placed the number of gamers at 1.7 billion.

Management believes that MOGO is the first company specifically focused on mobile esports to become a publicly listed company in the United States.

MOGO's esports business began in 2016 when SII introduced esports to the Association of Indian Universities ("AIU"), an academic and sports body that represents 854 major universities. AIU sanctioned esports as a championship event in a unique and exclusive 10-year renewable agreement with SII. SII has assigned most of its esports rights under these and other agreements involving esports to MOGO under a series of contracts between the two companies. SII licensed to MOGO exclusive rights to develop, organize, promote and monetize mobile esports events in collaboration with AIU and with a second major university sports association, Elite University Sports Alliance of India Pvt. Ltd. ("EUSAI"), a for-profit subsidiary of SII. EUSAI itself has direct contracts with over 100 leading Indian universities pursuant to which EUSAI is granted exclusive rights to organize and monetize a range of sports, including esports. Although any AIU or EUSAI members may choose to not participate in MOGO's esports business, the combination of AIU and EUSAI's member universities potentially gives MOGO access to students attending these 854 Indian universities.

The first SII esports championship was held at Lovely Professional University (LPU) in 2017, the second at Maharshi Dayanand University in 2018 and the third at SRM Institute of Science and Technology in 2019. The 2020 championships were cancelled during the Covid-19 lockdowns. MOGO sponsored the 2021-2022 championships at LPU in April 2022 and again in 2023. During the period of May through December 2021, MOGO, with the help of SII and SII's subsidiaries pursuant to their mutual contracts, organized and commercialized a total of 27 virtual esports tournaments in India. These events included inter- and intra-university competitions that reached an aggregate audience of over 450,000 viewers (most of whom were added in the last quarter of calendar year 2021, reflecting recent momentum in interest in university esports), according to SII's YouTube channel analytics. The events in the 2023-2024 academic year are scheduled to begin began in September, including the 4-sport Conference Championships in basketball, volleyball, kabaddi, and esports. MOGO is producing produced the esports championship.

Management expects commercialization of these events will be similar to events in more developed esports markets, such as South Korea, China and the U.S. Revenue is expected to come from sponsorships, advertising, subscriptions, tickets to future events, branded merchandise and fees. In addition, monetization of the data collected through MOGO's game platform is expected to provide additional revenues. In the past events, the viewers' data was collected by third-party streaming services, such as YouTube and Facebook. Once the players and viewers are routed through MOGO's proprietary game and social media platform, MOGO anticipates collecting the data (names, phone numbers, email addresses, university affiliation, etc.), processing the data, combining the data with other commercially-available data sets, including geo-tracking data, and offering the data to the markets following strict government and university privacy guidelines, particularly since a subset of our users will likely be underage first-year university students. Management believes that the value of the data may become one of the dominant revenue elements in MOGO's business model.

During May 2023, the Company entered into an agreement to acquire the technology, assets and rights to a former online application focused on "Social Media Peer-to-Peer Challenges" ("Social App"). The Social App would focus on peer-to-peer social challenges, where active users could create challenges between themselves over any future event or action and could set their own non-monetary awards for such challenges. The Social App is also expected to permit participants to create challenges to groups of active users for charitable endeavors, as well as non-charitable promotions, and activities. As of June 30, 2023 September 30, 2023, the Company had paid \$200,000 toward the purchase of the Social App and agreed to issue 400,000 shares of the Company's common stock. In addition, the Company is committed to pay an additional amount totaling \$200,000 upon the achievement of certain technological milestones related to the development of the Social App.

MOGO complies with General Data Protection Regulation (GDPR) protocols as all individual data is fully anonymized. MOGO expects to be creating extremely valuable datasets that also respect individual consent and align with future privacy standards.

Since our inception, we have incurred operating losses. Our net loss was approximately \$891,000 \$1,846,000 and \$1,704,000 \$3,550,000 for the three and six nine months ended June 30, 2023 September 30, 2023, and \$86,000 \$371,000 and \$177,000 \$548,000 for the three and six nine months ended June 30, 2022 September 30, 2022. As of June 30, 2023 September 30, 2023, we had an accumulated deficit of approximately \$3,251,000. \$5,096,000. We expect to incur significant expenses and operating losses for the foreseeable future as we continue to implement and execute our business plan and expand our business. We raised approximately \$9,887,000 of net proceeds from our initial public offering ("IPO") and private equity placement in July and September 2022 but we believe we will likely require additional capital beyond this offering if our business is to be successful.

#### Recent Events

##### *Issuance of Common Stock in IPO*

During July 2022, we issued 1,725,000 shares of common stock for total gross proceeds of \$6,900,000 through an initial public offering ("IPO"). We received net proceeds after commissions, fees and expenses of approximately \$5,465,000.

#### *Issuance of Common Stock and Warrants in PIPE*

During September 2022, we issued 1,886,793 units, each consisting of one share of common stock and one warrant for a total of 1,886,793 shares of common stock and 1,886,793 warrants to acquire our common stock in the future for total gross proceeds of \$5,000,001 through a private equity placement agreement ("PIPE"). In conjunction with this issuance of common stock, 1,886,793 warrants ("PIPE Warrants") to purchase common stock were issued to the investors having an exercise price of \$2.90 per share and 339,623 warrants ("Placement Agent Warrants") were issued to the placement agent as a part of their fee, having an exercise price of \$2.915 per share. The Company received net proceeds, after commissions, fees and expenses of approximately \$4,422,000.

#### *Collaboration in Central and South America with Infinity and a Championship Event*

In July 2023 we co-produced an esports/gaming event in San Jose, Costa Rica, created by Infinity. The host company operates in 11 Central and South American countries and operates two gaming houses. Infinity has also created the first gaming and training center for an esports club in Latin America. With 50 professional gamers under contract and a successful record of winning major events, Infinity is also in the position to provide commercial, production, marketing and management expertise to MOGO.

This agreement with Infinity expands MOGO's geographic footprint in a rapidly-expanding region and provides a new source of esports revenue.

MOGO's first major event, scheduled for September 2023 is we conducted the MOGO National Championship 2.0 event, which was a 4-sport conference championship at Lovely Professional University (LPU), in Phagwara, India. We will produce collaborated on the event with Skyesports, who produced the event, and S8UL Esports, an Indian professional esports segment organization. The initial rounds will be were virtual events, and the top 16 university will play universities played in front of a live audience.

#### **Components of Statements of Operations**

##### **Revenue and Cost of Revenue**

We have not generated any revenue or cost of revenue to date. We expect to generate revenue during the quarter ending September 30, 2023 December 31, 2023.

##### **General and Administrative Expenses**

General and administrative expenses consist principally of personnel costs, public filing fees, travel expenses, operating expenses for the office in Mumbai, platform, data and technology expenses, and other professional fees for consulting, legal, auditing and tax services.

##### **Critical Accounting Estimates**

We discussed our accounting policies and significant assumptions used in our estimates in Note 2 of our audited financial statements included in our 2022 Form 10K, and that disclosure should be read in conjunction with the Quarterly Report on Form 10-Q. There have been no material changes during the three and six nine months ended June 30, 2023 September 30, 2023 to our critical accounting policies, significant judgments and estimates disclosed in our Form 10K.

## Results of Operations

**Three and Six Months** **Nine months Ended June 30, 2023** **September 30, 2023** compared with the **Three and Six Months** **Nine months Ended June 30, 2022** **September 30, 2022**

The following table summarizes the results of our operations for each of the three month and six nine month periods ended June 30, 2023 September 30, 2023 and 2022, 2022, together with the changes in those items in dollars and as a percentage:

	Three Months Ended				Six Months Ended				Three Months Ended				Nine months	
	June 30,		\$	%	June 30,		\$	%	September 30,		\$	%	September	
	2023	2022	Change	Change	2023	2022	Change	Change	2023	2022	Change	Change	2023	2022
Revenue	\$ —	\$ —	\$ —	*	\$ —	\$ —	\$ —	*	\$ —	\$ —	\$ —	*	\$ —	\$ —
Costs and expenses:														
Cost of revenue	—	—	—	*	—	—	—	*	—	—	—	*	—	—
General and administrative	915,962	85,783	830,179	**	1,732,102	177,265	1,554,837	**	1,245,377	369,302	876,075	**	2,976,319	
Sales and marketing									601,306	—	601,306	*	602,466	
Total costs and expenses	915,962	85,783	830,179	**	1,732,102	177,265	1,554,837	**	1,846,683	369,302	1,477,381	**	3,578,785	
Loss from operations	(915,962)	(85,783)	(830,179)	**	(1,732,102)	(177,265)	(1,554,837)	**	(1,846,683)	(369,302)	(1,477,381)	**	(3,578,785)	
Interest income	24,610	—	24,610	*	28,257	—	28,257	*						
Interest income/(expense)									241	(1,322)	(1,081)	**	28,498	
Net loss	\$(891,352)	\$(85,783)	\$(805,569)	**	\$(1,703,845)	\$(177,265)	\$(1,526,580)	**	\$(1,846,442)	\$(370,624)	\$(1,475,818)	**	\$(3,550,287)	\$(3,550,287)

\* Not meaningful

\*\* Change is significantly more than 500% 100%

### General and Administrative Expenses

General and administrative expenses were \$915,962 approximately \$1,245,000 for the three months ended June 30, 2023 September 30, 2023, compared with \$85,783 \$369,000 for the three months ended June 30, 2022 September 30, 2022. The increase in general and administrative expenses was primarily driven by an increase of approximately \$212,000 \$272,000 in professional and consulting fees, \$359,000 \$203,000 in compensation to U.S. personnel, \$50,000 in accounting and legal fees, \$52,000 in insurance, \$49,000 \$289,000 in travel, and \$76,000 \$100,000 in expenses incurred by MOGO Pvt Ltd.

General and administrative expenses were \$1,732,102 approximately \$2,976,000 for the six nine months ended June 30, 2023 September 30, 2023, compared with \$177,265 \$547,000 for the six nine months ended June 30, 2022 September 30, 2022. The increase in general and administrative expenses was primarily driven by an increase of approximately \$455,000 \$727,000 in professional and consulting fees, \$487,000 \$690,000 in compensation to U.S. personnel, \$228,000 \$287,000 in accounting and legal fees, \$99,000 \$84,000 in insurance, \$74,000 \$364,000 in travel and \$158,000 \$257,000 in expenses incurred by MOGO Pvt Ltd.

### Sales and Marketing Expenses

Sales and marketing expenses were approximately \$601,000 for the three months ended September 30, 2023, compared with nil for the three months ended September 30, 2022. The increase in sales and marketing expenses was primarily driven by the MOGO National Championship 2.0 event that occurred in September 2023.

General and administrative expenses were \$602,000 for the nine months ended September 30, 2023, compared with nil for the nine months ended September 30, 2022. The increase in sales and marketing expenses was primarily driven by the MOGO National Championship 2.0 event that occurred in September 2023.

### Liquidity and Capital Resources

As of June 30, 2023 September 30, 2023 and December 31, 2022, we had cash and restricted cash of \$6,084,693 approximately \$4,514,000 and \$7,559,674, \$7,560,000, respectively.

We have financed our operations through the issuance of common stock and common stock with warrants. In July 2022, we issued 1,725,000 shares of common stock for total gross proceeds of \$6,900,000 through an initial public offering ("IPO"). We received net proceeds after commissions, fees and expenses of approximately \$5,465,000. In September 2022, we issued 1,886,793 shares of common stock along with 1,886,793 warrants, for total gross proceeds of \$5,000,001 through a private equity placement ("PIPE"). We received net proceeds after commissions, fees and expenses of approximately \$4,422,000.

## Funding Requirements

We believe the net proceeds of the IPO and the PIPE will be sufficient to meet our cash, operational and liquidity requirements for at least 12 months after the date of this quarterly report.

We cannot specify with certainty all of the particular uses for the net proceeds to us from the IPO and the PIPE. Accordingly, our management will have broad discretion in the application of these proceeds.

We intend to use the net proceeds from the IPO and the PIPE for operating expenses, marketing, event expenses, streaming, retention of additional staff in the United States and India, working capital and general corporate purposes, including perhaps acquisitions of game licenses, technology platform agreements, data development and strategic partnerships. Investors are cautioned, however, that expenditures may vary substantially from these uses. Investors will be relying on the judgment of our management, who will have broad discretion regarding the application of the proceeds of the IPO and the PIPE. The amounts and timing of our actual expenditures will depend upon numerous factors, including the amount of cash generated by our operations and the amount of competition we face and other operational factors. We may find it necessary or advisable to use portions of the proceeds from the IPO and the PIPE for other purposes.

Because of the numerous risks and uncertainties associated with establishing a new business in India, we are unable to estimate the exact amount of our working capital requirements. Our future funding requirements will depend on many factors, including:

- Failure of future market acceptance of our mobile esports products and services;
- Increased levels of competition;
- Changes in political, economic or regulatory conditions generally and in the markets in which we operate;
- Our ability to retain and attract senior management and other key employees;
- Our ability to protect our trade secrets or other proprietary rights, operate without infringing upon the proprietary rights of others and prevent others from infringing on the proprietary rights of the Company; and
- Other risks, including those described in the “Risk Factors” discussion.

See “Risk Factors” for additional risks associated with our substantial capital requirements.

## Cash Flows

The following table summarizes our sources and uses of cash and restricted cash:

	Six Months Ended June 30,		Nine months Ended September 30,	
	2023	2022	2023	2022
Net cash provided by (used in):				
Operating activities	\$ (952,225)	\$ (116,119)	\$ (2,474,935)	\$ (371,885)
Investing activities	(429,490)	-	(446,419)	(300,000)
Financing activities	(92,307)	(53,348)	(122,653)	9,903,204
Effect of exchange rate changes on cash and restricted cash	(959)	-	(1,208)	-
Net decrease in cash and restricted cash	\$ (1,474,981)	\$ (169,467)	\$ (3,045,215)	\$ 9,231,319
Net increase (decrease) in cash and restricted cash				

**Operating Activities**

Net cash used in operating activities increased by approximately \$836,000 \$2,103,000 for the six nine months ended June 30, 2023 September 30, 2023 compared with the six nine months ended June 30, 2022 September 30, 2022. The increase was primarily due to an increase in general and administrative operating expenses of approximately \$1,554,000 \$3,032,000 offset by changes in prepaid expenses and other current assets of \$535,000, \$555,000, accounts payable of \$118,000 \$284,000 and the fair value of warrants of \$46,000. \$68,000.

**Investing Activities**

Net cash used in investing activities increased by approximately \$429,000 \$146,000 for the six nine months ended June 30, 2023 September 30, 2023 compared with the six nine months ended June 30, 2022 September 30, 2022. The increase was due to an increase in the amount of advance payments to suppliers for software of approximately \$132,000 and payments for property and equipment, equipment of approximately \$14,000.

**Financing activities**

Net cash used in financing activities increased changed by approximately \$39,000 \$10,026,000 for the six nine months ended June 30, 2023 September 30, 2023 compared with the six nine months ended June 30, 2022 September 30, 2022. The increase change was primarily due to approximately \$9,950,000 of net proceeds received in the nine months ended September 30, 2022 for the issuance of common stock compared to nil proceeds in the nine months ended September 30, 2023. The additional change of approximately \$76,000 was from an increase in payments on the note payable of approximately \$92,000 for the six nine months ended June 30, 2023 combined with a decrease of payments of deferred offering costs of approximately \$53,000, September 30, 2023 compared to the nine months ended September 30, 2022.

**JOBS Act**

As an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, as amended, or the JOBS Act, we can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards when they are required to be adopted by public companies that are not emerging growth companies.

Subject to certain conditions, as an emerging growth company, we rely on certain of these exemptions, including without limitation:

- reduced disclosure about our executive compensation arrangements;
- no advisory votes on executive compensation or golden parachute arrangements; and
- exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting.

We may take advantage of these exemptions for up to five years or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company on the date that is the earliest of (i) the last day of the fiscal year in which we have total annual gross revenue of \$1.07 billion or more; (ii) the last day of 2027; (iii) the date on which we have issued more than \$1.0 billion in nonconvertible debt during the previous three years; or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC. We may choose to take advantage of some but not all of these exemptions. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock.

**Off-Balance Sheet Arrangements**

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not applicable.

**Item 4. Controls and Procedures.****Evaluation of Disclosure Controls and Procedures**

As of **June 30, 2023** **September 30, 2023**, management, with the participation of the Chief Executive Officer and Chief Financial Officer, performed an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective at the reasonable assurance level as of **June 30, 2023** **September 30, 2023**.

**Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting during the quarter ended **June 30, 2023** **September 30, 2023** that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION.

### Item 1. Legal Proceedings.

We are not currently subject to any legal proceedings or claims, however, we may become subject to legal proceedings and claims arising in connection with the normal course of our business.

### Item 1A. Risk Factors.

#### RISK FACTORS

You should carefully review and consider the information regarding certain factors which could materially affect our business, financial condition or future results set forth under the heading "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. There have been no material changes from the risk factors previously disclosed therein, except as set forth below;

***We will require additional financing in order to implement and execute our business plan, and we cannot be certain that such additional financing will be available on reasonable terms when required, or at all.***

As of ~~June 30, 2023~~ September 30, 2023, we had a cash balance of approximately ~~\$6,085,000.~~ \$4,514,000. While management estimates this amount is sufficient to continue with operating activities over the next ~~18 months,~~ 12 months, we will need to raise additional capital to fund our operations while we implement and execute our business plan and expand our business.

We currently do not have any contracts or commitments for additional financing. Any future equity financing may involve substantial dilution to existing shareholders. There can be no assurance that such additional capital will be available on a timely basis, or on terms acceptable to the Company. If adequate funds are not available or are not available on acceptable terms when needed, the Company may not be able to fund its business or its expansion, take advantage of strategic acquisitions or investment opportunities or respond to competitive pressures. Such inability to obtain additional financing when needed could have a material adverse effect on the Company's business, results of operations, cash flow, financial condition and prospects.

If we raise additional funds by issuing equity or convertible debt securities, we will reduce the percentage ownership of our then-existing stockholders, and the holders of those newly-issued equity or convertible debt securities may have rights, preferences, or privileges senior to those possessed by our then-existing stockholders and/or note holders. Additionally, future sales of a substantial number of shares of our Common Stock or other equity-related securities could depress the market price of our Common Stock in the public market, and could impair our current or future ability to raise capital through the sale of additional equity or equity-linked securities or the sale of debt. We cannot predict the effect that future sales of our Common Stock or other equity-related securities would have on the market price of our Common Stock.

***We will need to expand our organization, and we may experience difficulties in managing this growth, which could disrupt our operations.***

As of ~~June 30, 2023~~ September 30, 2023, we had ~~30~~ 28 full-time employees and ~~9~~ 6 paid advisors. ~~23~~ 20 employees are based in India. As our company grows, we plan to expand our employee base. In addition, we intend to grow by expanding our business, increasing market penetration and developing new products and services. Future growth will impose significant additional responsibilities on our management, including the need to develop and improve our existing administrative and operational systems and our financial and management controls and to identify, recruit, maintain, motivate, train, manage and integrate additional employees, consultants and contractors. Also, our management may need to divert a disproportionate amount of its attention away from our day-to-day activities to managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our organization, give rise to operational mistakes, loss of business opportunities, loss of employees and/or reduced productivity. If our management is unable to effectively manage our growth, our expenses may increase more than expected, our ability to generate and grow revenue could be reduced, and we may not be able to implement our business strategy. Our future financial performance and our ability to compete effectively will depend, in part, on our ability to effectively manage the expansion of employees and manage future growth.

**Item 6. Exhibits**

The exhibits listed on the Exhibit Index hereto are filed or furnished (as stated therein) as part of this Quarterly Report on Form 10-Q.

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Document</b>
31.1*	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.</a>
31.2*	<a href="#">Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.</a>
32.1**	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.</a>
32.2**	<a href="#">Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.</a>
101*	The following materials from Mobile Global Esports Inc.'s Quarterly Report on Form 10-Q for the quarter ended <b>June 30, 2023</b> September 30, 2023, formatted in Extensible Business Reporting Language (iXBRL): (i) Balance Sheets as of <b>June 30, 2023</b> September 30, 2023 (unaudited) and December 31, 2022, (ii) Statements of Operations (unaudited) for the <b>six nine</b> months ended <b>June 30, 2023</b> September 30, 2023 and 2022 (iii) Statement of Stockholders' Equity (unaudited) for the <b>six nine</b> months ended <b>June 30, 2023</b> September 30, 2023 and 2022, (iv) Statements of Cash Flows (unaudited) for the <b>six nine</b> months ended <b>June 30, 2023</b> September 30, 2023 and 2022 and (v) Notes to Financial Statements (unaudited).
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\* Filed herewith.

\*\* Furnished herewith.

## 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.

DATE: August 14, 2023 November 20, 2023

### MOBILE GLOBAL ESPORTS INC.

By: /s/ David Pross  
David Pross  
Chief Executive Officer

### MOBILE GLOBAL ESPORTS INC.

By: /s/ Kiki Benson  
Kiki Benson  
Chief Financial Officer

DATE: August 14, 2023 November 20, 2023

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Exhibit 31.1

### CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David Pross, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Mobile Global Esports 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 15(d)-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.

Date: August 14, 2023 November 20, 2023

By: /s/ David Pross  
Name: David Pross  
Title: Chief Executive Officer  
(Principal Executive Officer)

Exhibit 31.2

### CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kiki Benson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Mobile Global Esports 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 15(d)-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.

Date: August 14, 2023 November 20, 2023

By: /s/ Kiki Benson  
Name: Kiki Benson  
Title: Chief Financial Officer  
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Mobile Global Esports Inc., a Delaware corporation (the "Company"), on Form 10-Q for the three and six nine months ended June 30, 2023 September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Pross, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2023 November 20, 2023

By: /s/ David Pross  
Name: David Pross  
Title: Chief Executive Officer  
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Mobile Global Esports Inc., a Delaware corporation (the "Company"), on Form 10-Q for the three and six nine months ended June 30, 2023 September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kiki Benson, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2023 November 20, 2023

By: /s/ Kiki Benson  
Name: Kiki Benson  
Title: Chief Financial Officer  
(Principal Financial Officer)

#### **DISCLAIMER**

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