

REFINITIV

DELTA REPORT

10-K

AREB - AMERICAN REBEL HOLDINGS I

10-K - DECEMBER 31, 2023 COMPARED TO 10-K - DECEMBER 31, 2022

The following comparison report has been automatically generated

TOTAL DELTAS	5171
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 CHANGES	290
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 DELETIONS	1787
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 ADDITIONS	3094
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2022 2023

☐ 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 001-41267

AMERICAN REBEL HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

NEVADA

State or other jurisdiction
of incorporation or organization

47-3892903

(I.R.S. Employer
Identification No.)

909 18th Avenue South, Suite A
Nashville, Tennessee

(Address of principal
executive offices)

37212

(Zip Code)

Registrant's telephone number, including area code: (833) 267-3235

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	AREB	The Nasdaq Stock Market LLC
Common Stock Purchase Warrants	AREBW	The Nasdaq Stock Market LLC

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 and posted 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 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates was approximately \$13,086,813 15,705,174 on June 30, 2022 June 30, 2023 based on the closing price per common share of \$0.80 \$2.72 on that date.

The number of shares of the registrant's Common Stock common stock issued and outstanding as of March 30, 2023 April 12, 2024, was 16,930,517 5,947,643 shares. An additional 159,737 shares, which includes 67,723 shares of common stock are authorized but unissued, unissued as of this date.

Documents incorporated by reference: None

AMERICAN REBEL HOLDINGS, INC.
TABLE OF CONTENTS

<u>PART I</u>		
ITEM 1.	Business	4
ITEM 1A.	Risk Factors	19
ITEM 1B.	Unresolved Staff Comments	3537
ITEM 2.	Properties	3537
ITEM 3.	Legal Proceedings	3638
ITEM 4.	Mine Safety Disclosures	3638
<u>PART II</u>		
ITEM 5.	Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	3739
ITEM 6.	[Reserved]	41
ITEM 7.	Management’s Discussion and Analysis of Financial Condition and Results of Operation	41
ITEM 7A.	Quantitative and Qualitative Disclosures About Market Risk	4446
ITEM 8.	Financial Statements and Supplementary Data	4547
ITEM 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	4648
ITEM 9A.	Controls and Procedures	4648
ITEM 9B.	Other Information	4749
ITEM 9C.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	4749
<u>PART III</u>		
ITEM 10.	Directors, Executive Officers and Corporate Governance	4850
ITEM 11.	Executive Compensation	5456
ITEM 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	5861
ITEM 13.	Certain Relationships and Related Transactions, and Director Independence	5962
ITEM 14.	Principal Accountant Fees and Services	6065
<u>PART IV</u>		
ITEM 15.	Exhibits and Financial Statement Schedules	6166
ITEM 16.	Form 10-K Summary	6267
SIGNATURES		6368
CERTIFICATIONS		

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (“Annual Report” or “Report”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections. We may use words such as “may,” “could,” “should,” “anticipate,” “expect,” “project,” “position,” “intend,” “target,” “plan,” “seek,” “believe,” “foresee,” “outlook,” “estimate” and variations of these words and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted. These risks and uncertainties include the following:

- the risks and other factors described under the caption “Risk Factors” under Item 1A of this Annual Report on Form 10-K;
- our ability to efficiently manage and repay our debt obligations;
- we recently consummated the purchase of our safe manufacturer and sales organizations, and future acquisitions and operations of new manufacturing facilities and/or sales organizations might prove unsuccessful and could fail;
- our inability to raise additional financing for working capital, especially related to purchasing critical inventory;
- our ability to generate sufficient revenue in our targeted markets to support operations;
- significant dilution resulting from our financing activities;
- actions and initiatives taken by both current and potential competitors;
- shortages of components and materials, as well as supply chain disruptions, may delay or reduce our sales and increase our costs, thereby harming our results of operations;
- we do not have long-term purchase commitments from our customers, and their ability to cancel, reduce, or delay orders could reduce our revenue and increase our costs;
- our success depends on our ability to introduce new products that track customer preferences;
- if we are unable to protect our intellectual property, we may lose a competitive advantage or incur substantial litigation costs to protect our rights;
- as a significant portion of our revenues are derived by demand for our safes and the personal security products for firearms storage, we depend on the availability and regulation of ammunition and firearm storage;
- as we continue to integrate the recent purchase of our safe manufacturer and sales organization, any compromised operational capacity may affect our ability to meet the demand for our safes, which in turn may affect our generation of revenue;
- our future operating results;
- our ability to diversify our operations;
- our inability to effectively meet our short- and long-term obligations;
- the fact that our accounting policies and methods are fundamental to how we report our financial condition and results of operations, and they may require management to make estimates about matters that are inherently uncertain;
- given our limited corporate history it is difficult to evaluate our business and future prospects and increases the risks associated with an investment in our securities;
- adverse state or federal legislation or regulation that increases the costs of compliance, or adverse findings by a regulator with respect to existing operations;
- changes in U.S. GAAP generally accepted accounting principles in the United States (or “U.S. GAAP”) or in the legal, regulatory and legislative environments in the markets in which we operate;
- deterioration in general or global economic, market and political conditions;
- inability to efficiently manage our operations;
- inability to achieve future operating results;
- the unavailability of funds for capital expenditures;
- our ability to recruit and hire key employees;
- the global impact of COVID-19 on the United States economy and our operations;
- the inability of management to effectively implement our strategies and business plans;
- our business prospects;
- any contractual arrangements and relationships with third parties;

- the dependence of our future success on the general economy;
- any possible financings; and
- the adequacy of our cash resources and working capital.

Because the factors referred to above could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made by us, you should not place undue reliance on any such forward-looking statements. New factors emerge from time to time, and their emergence is impossible for us to predict. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

This Annual Report should be read completely and with the understanding that actual future results may be materially different from what we expect. The forward-looking statements included in this Annual Report are made as of the date of this Annual Report and should be evaluated with consideration of any changes occurring after the date of this Annual Report. We will not update forward-looking statements even though our situation may change in the future and we assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Except as otherwise indicated by the context, references in this Annual Report to “Company,” “American Rebel Holdings,” “American Rebel,” “we,” “us” and “our” are references to American Rebel Holdings, Inc. and its operating subsidiaries, American Rebel Beverages, LLC, American Rebel, Inc., Champion Safe Co., Inc., Superior Safe, LLC, Safe Guard Security Products, LLC and Champion Safe De Mexico, S.A. de C.V. All references to “USD” or United States Dollar refer to the legal currency of the United States of America.

AVAILABLE INFORMATION

We file annual, quarterly and special reports and other information with the SEC. You can read these SEC filings and reports over the Internet at the SEC's website at www.sec.gov. You can also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Please call the SEC at (800) SEC-0330 for further information on the operations of the public reference facilities. We will provide a copy of our Annual Report to security holders, including audited financial statements, at no charge, upon receipt **to** of a written request to us at American Rebel Holdings, Inc., 909 18th Avenue South, Suite A, Nashville, Tennessee 37212.

PART I

ITEM 1. BUSINESS

Recent Development and Events

Introduction of American Rebel Beer

On August 9, 2023, the Company entered into a Master Brewing Agreement with Associated Brewing. Under the terms of the Brewing Agreement, Associated Brewing has been appointed as the exclusive producer and seller of American Rebel branded spirits, with the initial product being American Rebel Light Beer. American Rebel Light Beer will launch regionally in early 2024. The Company paid a setup fee and security deposit to Associated Brewing. In late 2023, we established American Rebel Beverages, LLC as a wholly-owned subsidiary specifically to hold our alcohol licenses and operate the beer business.

Acquisition of Champion Entities

On June 29, 2022, the Company entered into a stock and membership interest purchase agreement with Champion Safe Co., Inc. ("Champion Safe"), Superior Safe, LLC ("Superior Safe"), Safe Guard Security Products, LLC ("Safe Guard"), Champion Safe De Mexico, S.A. de C.V. ("Champion Safe Mexico") and, together with Champion Safe, Superior Safe, Safe Guard, and Champion Safe Mexico, collectively, (the "Champion Entities") and Mr. Ray Crosby ("Seller") (the "Champion Purchase Agreement"), pursuant to which the Company agreed to acquire all of the issued and outstanding capital stock and membership interests of the Champion Entities from the Seller. This transaction was completed on July 29, 2022. We **have** included the Champion Entities assets and liabilities as of that date and the subsequent financial activity through the date of this Annual Report in our consolidated financial statements which consist of the consolidated balance sheets, consolidated statement of operations, consolidated statement of stockholders' equity (deficit) and consolidated statement of cash flows (the "Consolidated Financial Statements"). The Champion Entities have been **fully** integrated with our existing operations and are under the **full** control of our management team.

The closing **of the acquisition** occurred on July 29, 2022. Under the terms of the Champion Purchase Agreement, the Company paid the Seller (i) cash consideration in the amount of \$9,150,000, along with (ii) cash deposits previously of \$350,000, and (iii) reimbursement to the Seller for \$397,420 of agreed upon acquisitions and equipment purchases completed by the Seller and the Champion Entities since June 30, 2021.

In addition to the direct payments to the Seller during the year ended December 31, 2022, the Company paid certain costs on behalf of and associated with the acquisition of Champion and its integration totaling \$350,000; \$200,000 was paid to our investment banker in analyzing the acquisition and purchase of Champion as well as \$150,000 was paid to Champion's independent PCAOB registered accounting firm to conduct their two years of audit and subsequent interim review reports to be filed with the SEC in our Annual Report and other forms with the SEC.

During the year ended December 31, 2023 the Company received a claim for refund or right of repayment from the Seller of the Champion Entities with respect to the CARES Act tax credit income the Company received. The Company during the year settled the matter with the Seller and agreed to pay an additional \$325,000 to the Seller as part of its purchase price. This increased the overall purchase price of the Champion Entities by an additional \$325,000.

Corporate Summary

American Rebel Holdings, Inc. was incorporated on December 15, 2014, in the State of Nevada and is authorized to issue 600,000,000 shares of \$0.001 par value common stock ("Common Stock") and 10,000,000 shares of \$0.001 par value preferred stock ("Preferred Stock").

The Company operates primarily as a designer, manufacturer and marketer of branded safes and personal security and self-defense products. Additionally, the Company designs and produces branded apparel and accessories.

We believe that when it comes to their homes, consumers place a premium on their security and privacy. Our products are designed to offer our customers convenient, efficient and secure home and personal safes from a provider that they can trust. We are committed to offering products of enduring quality that allow customers to keep their valuable belongings protected and to express their patriotism and style, which is synonymous with the American Rebel brand.

Our safes and personal security products are constructed primarily of U.S.-made steel. We believe our products are designed to safely store firearms, as well as store our customers' priceless keepsakes, family heirlooms and treasured memories and other valuables, and we aim to make our products accessible at various price points for home and office use. We believe our products are designed for safety, quality, reliability, features and performance.

To enhance the strength of our brand and drive product demand, we work with our manufacturing facilities and various suppliers to emphasize product quality and mechanical development in order to improve the performance and affordability of our products while providing support to our distribution channel and consumers. We seek to sell products that offer features and benefits of higher-end safes at mid-line price ranges.

We believe that safes are becoming a ‘must-have appliance’ in a significant portion of households. We believe our current safes provide safety, security, style and peace of mind at competitive prices.

In addition to branded safes, we offer an assortment of personal security products as well as apparel and accessories for men and women under the Company’s American Rebel brand. Our backpacks utilize what we believe is a distinctive sandwich-method concealment pocket, which we refer to as Personal Protection Pocket, to hold firearms in place securely and safely. The concealment pockets on our Freedom 2.0 Concealed Carry Jackets incorporate a silent operation opening and closing with the use of a magnetic closure.

We believe that we have the potential to continue to create a brand community presence around the core ideals and beliefs of America, in part through our Chief Executive Officer, Charles A. “Andy” Ross, who has written, recorded and performs a number of songs about the American spirit of independence. We believe our customers identify with the values expressed by our Chief Executive Officer through the “American Rebel” brand.

Through our growing network of dealers, we promote and sell our products in select regional retailers and local specialty safe, sporting goods, hunting and firearms stores, as well as online, including our website and e-commerce platforms such as Amazon.com.

American Rebel is boldly positioning itself as “America’s Patriotic Brand” in a time when national spirit and American values are being rekindled and redefined. American Rebel is an advocate for the 2nd Amendment and conveys a sense of responsibility to teach and preach good common practices of gun ownership. American Rebel products keep you concealed and safe inside and outside the home. American Rebel Safes protect your firearms and valuables from children, theft, fire and natural disasters inside the home; and American Rebel Concealed Carry Products provide quick and easy access to your firearm utilizing American Rebel’s Proprietary Protection Pocket in its backpacks and apparel outside the home. The initial company product releases embrace the “concealed carry lifestyle” with a focus on concealed carry products, apparel, personal security and defense. “There’s a growing need to know how to protect yourself, your family, your neighbors or even a room full of total strangers,” says American Rebel’s Chief Executive Officer, Andy Ross. “That need is in the forethought of every product we design.”

The “concealed carry lifestyle” refers to a set of products and a set of ideas around the emotional decision to carry a gun everywhere you go. The American Rebel brand strategy is similar to the successful Harley-Davidson Motorcycle philosophy, referenced in this quote from Richard F. Teerlink, Harley’s chairman and former chief executive, “It’s not hardware; it is a lifestyle, an emotional attachment. That’s what we have to keep marketing to.” As an American icon, Harley has come to symbolize freedom, rugged individualism, excitement and a sense of “bad boy rebellion.” American Rebel – America’s Patriotic Brand has significant potential for branded products as a lifestyle brand. Its innovative Concealed Carry Product line and Safe line serve a large and growing market segment; but it is important to note we have product opportunities beyond Concealed Carry Products and Safes.

American Rebel Safes

Keeping your guns in a location only appropriate trusted members of the household can access should be one of the top priorities for every responsible gun owner. Whenever a new firearm is purchased, the owner should **also** look for a way to store and secure it. Storing the firearm in a gun safe will prevent it from being misused by young household members, and it will **also** prevent it from being stolen in a burglary or damaged in a fire or natural disaster. Gun safes may seem pricy at first glance, but once the consumer is educated on their role to protect expensive firearms and other valuables such as jewelry and important documents, the price is justified.

American Rebel produces large floor safes in a variety of sizes as well as small portable keyed safes. Additional opportunities exist for the Company to develop Wall Safes and Handgun Boxes.

Reasons gun owners should own a gun safe:

- If you are a gun owner and you have children, many states have a law in place that you have to have your gun locked in a safe, away from children. This will prevent your children from getting the gun and hurting themselves or someone else.
- Some states have a law in place that you have to keep your gun locked away when it is not in use even if you don't have children in your home. California has a law that you have to have your gun locked in a firearms safety device that is considered safe by the California Department of Justice (DOJ). When you buy a safe, you should see if it has approval from the California DOJ.
- Many gun owners own more guns than insurance will cover. Many insurance companies only cover \$3,000 worth of guns. Are your weapons worth more? If so, you should invest in a gun safe to make sure your guns are protected from fire, water, and thieves.
- Many insurance companies may give you a discount if you own a gun safe. If you own a gun safe or you purchase one, you should see if your insurance company is one that offers a discount for this. A safe can protect your guns and possibly save you money.
- Do people know you own guns? You might not know that many burglaries are carried out by people they know.
- If a person you know breaks into your home, steals your gun, and murders someone you could be charged with a crime you didn't commit, or the victim's family could sue you.
- Gun safes can protect your guns in the event your home goes up in flames. When buying a safe, you should see if it will protect your firearm or any other valuables from fire damage.
- You might be the type of person that has a gun in your home for protection. A gun locked in a safe can still offer you protection. There are quick access gun safes on the market. With a quick access gun safe, you can still retrieve your gun in a few seconds, but when it isn't needed it will be protected.

A gun safe is the best investment a gun owner can make because the safe can protect guns from thieves, fire, water, or accidents. Bills or ballot measures to require safe storage have been discussed in Delaware, Washington, Oregon, Missouri and Virginia; and various laws are on the books in California and Massachusetts. Even a figure as staunchly pro-gun as Texas's Republican lieutenant governor, Dan Patrick, called on gun-owning parents to lock up their weapons after the Santa Fe shooting. The gun safe industry is experiencing rapid growth and innovation. American Rebel Chief Executive Officer Andy Ross and the rest of the American Rebel team are committed to fulfilling the opportunity in the gun safe market and filling the identified void with American Rebel Gun Safes.

Below is a summary of the different safes we offer:

- i. *Large Safes* – our current large model safe collection consists of six premium safes. All of our large safes share the same high-quality workmanship, are constructed out of 11-gauge U.S.-made steel and feature a double plate steel door, double-steel door casements and reinforced door edges. Each of these safes provide up to 75 minutes of fire protection at 1200 degrees Fahrenheit. Our safes offer a fully adjustable interior to fit our customers' needs. Depending on the model, one side of the interior may have shelves and the other side set up to accommodate long guns. There are optional additions such as Rifle Rod Kits and Handgun Hangers to increase the storage capacity of the safe. These large safes offer greater capacity for secure storage and protection, and our safes are designed to prevent unauthorized access, including in the event of an attempted theft, natural disaster or fire. We believe that a large, highly visible safe **also** acts as a deterrent to any prospective thief.
- ii. *Personal Safes* – the safes in our compact safe collection are easy to operate and carry as they fit into briefcases, desks or under vehicle seats. These personal safes meet Transportation Security Administration ("TSA") airline firearm guidelines and fit comfortably in luggage when required by travel regulations.
- iii. *Vault Doors* – our U.S.-made vault doors combine style with theft and fire protection for a look that fits any decor. Newly-built, higher-end homes often add vault rooms and we believe our vault doors, which we designed to facilitate secure access to such vault rooms, provide ideal solutions for the protection of valuables and shelter from either storms or intruders. Whether it's in the context of a safe room, a shelter, or a place to consolidate valuables, our American Rebel in- and out-swinging vault doors provide maximum functionality to facilitate a secure vault room. American Rebel vault doors are constructed of 4 ½" double steel plate thickness, A36 carbon steel panels with sandwiched fire insulation, a design that provides greater rigidity, security and fire protection. Active boltworks, which is the locking mechanism that bolts the safe door closed so that it cannot be pried open and three external hinges that support the weight of the door, are some of the features of the vault door. For safety and when the door is used for a panic or safe room, a quick release lever is installed inside the door.
- iv. *Dispensary Safes* - our HG-INV Inventory Safe, a safe tailor-made for the cannabis community, provides cannabis and horticultural plant home growers a reliable and safe solution to protect their inventory. Designed with medical marijuana or recreational cannabis dispensaries in mind and increasing governmental and insurance industry regulation to lock inventory after hours, we believe our HG-INV Inventory Safe delivers a high-level user experience.

Upcoming Product Offerings

To further complement our diverse product offerings, we intend to introduce additional products in **2023** **2024** and **2024**, **2025**. Below is a summary of potential upcoming product offerings:

- i. *Biometrics Safes* – we intend to introduce a line of handgun boxes with biometrics, **WiFi** **Wi-Fi** and Bluetooth technologies. These Biometric Safes have been designed, engineered and are ready for production.
- ii. *2A Lockers* – we have developed a unique steel lockbox with a 5-point locking mechanism to provide a secure place to lock up ammunition and other items that may not require the safety and security of a safe, but prevents unauthorized access. We believe there is a strong market for this product that is priced between \$349 - \$449 depending on the model.
- iii. *Wall Safes* – wall safes can be easily hidden and provide "free" storage space since they are able to be tucked into the space between your wall and studs.
- iv. *Economy Safe Line* – we are exploring enhancing our safe line through the introduction of entry level safes built in North America to compete with other safes imported from overseas.

In addition to introducing additional products to add to our existing lines, we are actively seeking acquisition opportunities to diversify our product offerings and enhance stockholder value.

Our Competitive Strengths

We believe we are progressing toward long-term, sustainable growth, and our business has, and our future success will be driven by, the following competitive strengths:

- **Powerful Brand Identity** – we believe we have developed a distinctive brand that sets us apart from our competitors. This has contributed significantly to the success of our business. Our brand is predicated on patriotism and quintessential American character: protecting our loved ones. We strive to equip our safes with technologically advanced features that offer customers advanced security to provide the peace of mind they need. Maintaining, protecting and enhancing the “American Rebel” brand is critical to expanding our loyal enthusiasts base, network of dealers and other partners. Through our branded apparel and accessories, we seek to further enhance our connection with the American Rebel community and share the values of patriotism and safety for which our Company stands for. We strive to continue to meet their need for our safes and our success will depend largely on our ability to maintain customer trust, become a gun safe storage leader and continue to provide high-quality safes.

- **Product Design and Development** – our current safe model relies on time-tested features, such as Four-Way Active Boltworks, pinning the door shut on all four sides (compared to Three-Way Bolt works, which is prevalent in many of our competitors’ safes), and benefits that would not often be available in our price point, including 12-gauge and heavier US-made steel. The sleek exterior of our safes has garnered attention and earned the moniker from our dealers as the “safe with an attitude.” When we set out to enter the safe market, we wanted to offer a safe that we would want to buy, one that would get our attention and provide excellent value for the cost.

- **Focus on Product Performance** - since the introduction of our first safes, we have maintained a singular focus on creating a full range of safe, quality, reliable safes that were designed to help our customers keep their family and valuables safe at all times. We incorporate advanced features into our safes that are designed to improve strength and durability. Key elements of our current model safes’ performance include:

Double Plate Steel Door - 4 ½” Thick
Reinforced Door Edge – 7/16” Thick
Double-Steel Door Casement
Steel Walls – 11-Gauge
Diameter Door Bolts – 1 ¼” Thick
Four-Way Active Boltworks – AR-50(14), AR-40(12), AR-30(10), AR-20(10), AR-15(8), AR-12(8)
Diamond-Embedded Armor Plate

* Double Plate Steel Door is formed from two U.S.-made steel plates with fire insulation sandwiched inside. Thicker steel is placed on the outside of the door while the inner steel provides additional door rigidity and attachment for the locking mechanism and bolt works. The door edge is reinforced with up to four layers of laminated steel. Pursuant to industry-standard strength tests performed, this exclusive design offers up to 16 times greater door strength and rigidity than the “thin metal bent to look thick” doors.

* Double-Steel Door Casement is formed from two or more layers of steel and is welded around the perimeter of the door opening. Pursuant to industry-standard strength tests performed, it more than quadruples the strength of the door opening and provides a more secure and pry-resistant door mounting. Our manufacturer installs a Double-Steel Door Casement™ on our safes. We believe the reinforced door casement feature provides important security as the safe door is often a target for break-in attempts.

* Diamond-Embedded Armor Plate Industrial diamond is bonded to a tungsten steel alloy hard plate. Diamond is harder than either a cobalt or carbide drill. If drilling is attempted the diamond removes the cutting edge from the drill, thus dulling the drill bit to where it will not cut.

- **Trusted Brand** - we believe that we have developed a trusted brand with both retailers and consumers for delivering reliable, secure safe solutions.

- **Customer Satisfaction** - we believe we have established a reputation for delivering high-quality safes and personal security products in a timely manner, in accordance with regulatory requirements and our retailers’ delivery requirements and supporting our products with a consistent merchandising and marketing message. We **also** believe that our high level of service, combined with strong consumer demand for our products and our focused distribution strategy, produces substantial customer satisfaction and loyalty. We **also** believe we have cultivated an emotional connection with the brand which symbolizes a lifestyle of freedom, rugged individualism, excitement and a sense of bad boy rebellion.

- **Proven Management Team** - our founder and Chief Executive Officer, Charles A. Ross, Jr., has led the expansion and focus on the select product line we offer today. We believe that Mr. Ross had an immediate and positive impact on our brand, products, team members, and customers. Under Mr. Ross’s leadership, we believe that we have built a strong brand and strengthened the management team. We are refocusing on the profitability of our products, reinforcing the quality of safes to engage customers and drive sales. We believe our management team possesses an appropriate mix of skills, broad range of professional experience, and leadership designed to drive board performance and properly oversee the interests of the Company, including our long-term corporate strategy. Our management team **also** reflects a balanced approach to tenure that will allow the **Board board of directors** to benefit from a mix of newer members who bring fresh perspectives and seasoned directors who bring continuity and a deep understanding of our complex business.

Our Growth Strategy

Our goal is to enhance our position as a designer, producer and marketer of premium safes and personal security products. We have established plans to grow our business by focusing on three key areas: (1) organic growth and expansion in existing markets; (2) targeted strategic acquisitions that increase our on-premise and online product offerings, distributor and retail footprint and/or have the ability to increase and improve our manufacturing capabilities and output, and (3) expanding the scope of our operation activities to the dispensaries U.S. community.

We have developed what we believe is a multi-pronged growth strategy, as described below, to help us capitalize on a sizable opportunity. Through methodical sales and marketing efforts, we believe we have implemented several key initiatives we can use to grow our business more effectively. We believe we made significant progress in 2022 in the largest growing segment of the safe industry, sales to first-time buyers. We also intend to opportunistically pursue the strategies described below to continue our upward trajectory and enhance stockholder value. Key elements of our strategy to achieve this goal are as follows:

Organic Growth and Expansion in Existing Markets - Build our Core Business

The cornerstone of our business has historically been our safe product offerings. We are focused on continuing to develop our home, office and personal safe product lines. We are investing in adding what we believe are distinctive and advanced technological solutions for our safes and protective product lines.

We are working to increase floor space dedicated to our safes and strengthen our online presence in order to expand our reach to new enthusiasts and build our devoted American Rebel community. We intend to continue to endeavor to create and provide retailers and customers with what we believe are responsible, safe, reliable and stylish products, and we expect to concentrate on tailoring our supply and distribution logistics in response to the specific demands of our customers.

Additionally, our Concealed Carry Product line and Safe line serve a large market segment. We believe that interest in safes increase, as well as in our complimentary concealed carry backpacks and apparel as a byproduct, when interest of the general population in firearms increase. To this extent, the FBI's National Instant Criminal Background Check System (NICS), which we believe serves as a proxy for gun sales since a background check is generally needed to purchase a firearm, reported a record number of background checks in 2020, 39,695,315. The prior annual record for background checks was 2019's 28,369,750. In 2021, there were 38,876,673 background checks conducted, similar to that of 2020's annual record which was 40% higher than the previous annual record in 2019. While we do not expect this increase in background checks to necessarily translate to an equivalent number of additional safes purchased, we do believe it might be an indicator of the increased demand in the safe market. In addition, certain states (such as Massachusetts, California, New York and Connecticut) are starting to legislate new storage requirements in respect of firearms, which is expected to have a positive impact on the sale of safes.

We continue to strive to strengthen our relationships and our brand awareness with our current distributors, dealers, manufacturers, specialty retailers and consumers and to attract other distributors, dealers, and retailers. We believe that the success of our efforts depends on the distinctive features, quality, and performance of our products; continued manufacturing capabilities and meeting demand for our safes; the effectiveness of our marketing and merchandising programs; and the dedicated customer support.

In addition, we seek to improve customer satisfaction and loyalty by offering distinctive, high-quality products on a timely and cost-attractive basis and by offering efficient customer service. We regard the features, quality, and performance of our products as the most important components of our customer satisfaction and loyalty efforts, but we also rely on customer service and support for growing our business.

Furthermore, we intend to continue improving our business operations, including research and development, component sourcing, production processes, marketing programs, and customer support. Thus, we are continuing our efforts to enhance our production by increasing daily production quantities through equipment acquisitions, expanded shifts and process improvements, increased operational availability of our equipment, reduced equipment down times, and increased overall efficiency.

We believe that by enhancing our brand recognition, our market share might grow correspondingly. Industry sources estimate that 70 million to 80 million people in the United States own an aggregate of more than 400 million firearms, creating a large potential market for our safes and personal security products. We are focusing on the premium segment of the market through the quality, distinctiveness, and performance of our products; the effectiveness of our marketing and merchandising efforts; and the attractiveness of our competitive pricing strategies.

Targeted Strategic Acquisitions for Long-term Growth

We are consistently evaluating and considering acquisition opportunities that fit our overall growth strategy as part of our corporate mission to accelerate long-term value for our stockholders and create integrated value chains.

Champion Safe Combined Group

On June 29, 2022, the Company entered into a stock and membership interest purchase agreement with Champion Safe Co., Inc., Superior Safe, LLC, Safe Guard Security Products, LLC, Champion Safe De Mexico, S.A. de C.V. (the "Champion Entities", "Champion Safe Combined Group" or "Champion") and Mr. Ray Crosby (the "Seller") (the "Champion Purchase Agreement"), pursuant to which the Company agreed to acquire all of the issued and outstanding capital stock and membership interests of the Champion Entities from the Seller. The closing occurred on July 29, 2022 (see Recent Events described above).

The acquisition closed on July 29, 2022. Under "Champion Safe Combined Group" consists of Champion Safe Co., Inc. ("Champion Safe") a Utah corporation, Superior Safe, LLC ("Superior Safe") a Utah limited liability company, Safe Guard Security Products, LLC ("Safe Guard") a Utah limited liability company, Champion Safe De Mexico, S.A. de C.V. ("Champion Safe Mexico") a corporation duly organized and existing under the terms laws of Mexico. Each of these entities is under common control and ownership by American Rebel Holdings, Inc.

Champion Safe Combined Group develops and sells branded products in the safe storage product using a wholesale distribution network, utilizing personal appearances, musical venue performances, as well e-commerce and television. Champion Safe Combined Group's products are marketed under the Champion, Purchase Agreement, the Company paid the Seller (i) cash consideration Superior and Safe Guard brands. Champion Safe Combined Group promotes and sells its safe and storage products through a growing network of approximately \$9,150,000, along with (ii) cash deposits dealers, in the amount of \$350,000, select regional retailers and (iii) reimbursed the Seller for approximately \$400,000 of agreed upon acquisitions local specialty safe, sporting goods, hunting and equipment purchases completed by the Seller and the Champion Entities since June 30, 2021. In addition to the payments to the Seller, the Company paid costs on behalf of and specifically associated with the acquisition of Champion and its integration into the Company's operations of \$350,000; \$200,000 was paid to our investment banker in analyzing the acquisition and purchase of Champion prior to the purchase and subsequent financing in July firearms retail outlets, as well as \$150,000 paid to Champion's independent PCAOB registered accounting firm to conduct their two years of audit through online avenues, including website and subsequent interim review reports. e-commerce platforms. Champion Safe Combined Group sells its products under the Champion Safe Co., Superior Safe Company and Safe Guard Safe Co. brands.

Based in Provo, Utah and founded in 1999, Champion Safe is what we believe to be one of the premier designers, manufacturers and marketers of home and gun safes in North America. Champion Safe Co. has three safe lines, which we believe feature some of the most secure and highest quality gun safes.

Following the acquisition, we We operate Champion Safe in the same manner as it was operated pre-acquisition. Champion Safe, Superior Safe and Safe Guard Security Products are valuable and prominent identifiable brands in the safe industry. We plan have begun to expand our manufacturing throughput to fill our the significant backlog of orders and aggressively open new dealer accounts. As a division of the combined company, Champion Safe Company and its management will shift its emphasis to growing revenue and increasing profitability of the combined company businesses.

We believe that the combined company will continue to benefit greatly from access to former Champion founder Mr. Ray Crosby. Mr. Crosby's vast experience and expertise in the industry industry will be instrumental in opening doors and insight into the industry's growth. Mr. Crosby is a foundational figure in the safe business with over 40 years of experience in the industry. Mr. Crosby and his brother Jay Crosby founded Fort Knox Safe in 1982, and Liberty Safe in 1988, 1988. Liberty Safe which was recently sold resold to a middle market private investment firm for approximately \$147.5 million, a significant increase in overall enterprise value. In 1999, Mr. Crosby founded Champion Safe, later expanding to include Superior Safe and Safe Guard Security Products. Champion Safe employs over 60 employees in their Utah factory and over 150 employees in their Nogales, Mexico facility just south of the U.S. border. The majority of the midline and value priced safes industry-wide are manufactured in China, but Mr. Crosby had the foresight to build his own facility in Mexico and utilize American-made steel exclusively. Steep tariffs were imposed on China manufactured safes by the Trump administration and were continued under the first half of the Biden administration. The prices of components for the made-in-China safes have dramatically increased as well as the transportation costs to import these Chinese-made safes. Mr. Crosby's decision to build his own facility in Mexico as opposed to importing Chinese-made safes has proven to be insightful and beneficial for Champion Safe.

Mr. Crosby was eager to expand his manufacturing operation and seize upon the growth opportunities in the safe business. Working closing with the American Rebel team, Mr. Crosby expanded his paint-line capacity and hinge assembly workstations. Mr. Crosby has experience in many prior economic cycles and has found the safe business to be sound in good and bad economic times. Furthermore, the current emphasis on safe storage and the capital infusion from American Rebel positions the Champion operation to grow its footprint.

In addition to the access to capital for Champion to grow its business, American Rebel will benefit from Champion's 350 dealers, nationwide distribution network and seniority with buying groups and trade shows. American Rebel will also benefit from the increased Champion manufacturing throughput as capacity restrictions have limited American Rebel's inventory and potential growth. The collaboration between Champion and American Rebel management teams will focus on increased manufacturing efficiencies and volume expansion.

Expanding Scope of Operations Activities by Offering Servicing Dispensaries and Brand Licensing

We continually seek to target new consumer segments for our safes. As we believe that safes are becoming a must-have household appliance, we strive to establish authenticity by selling our products to additional groups, and to expand our direct-to-consumer presence through our website and our showroom currently in Lenexa, Kansas.

Further, we expect the cannabis dispensary industry to be a material growth segment for our business. Several cannabis dispensary operators have expressed interest in the opportunity to help them with their inventory locking needs. Cannabis dispensaries have various insurance requirements and local ordinances requiring them to secure their inventory when the dispensary is closed. Dispensary operators have been purchasing gun safes and independently taking out the inside themselves to allow them to store cannabis inventory. Recognizing what seems to be a growing need for cannabis dispensary operators, we have designed a safe tailor-made for the cannabis industry. With the legal cannabis hyper-growth market expected to exceed \$43 billion by 2025, and an increasing number of states where the growth and cultivation of cannabis is legal (California, Colorado, Hawaii, Maine, Maryland, Michigan, Montana, New Mexico, Oregon, Rhode Island, Vermont and Washington), we believe we are well positioned to address the need of dispensaries. American Rebel has a long list of dispensary operators, growers, and processors interested in the Company's inventory control solutions. We believe that dispensary operators, growers, and processors are another fertile new growth market for our Vault Doors products, as many in the cannabis space have chosen to install entire vault rooms instead of individual inventory control safes—the American Rebel Vault Door has been the choice for that purpose.

Further, we believe that American Rebel has significant potential for branded products as a lifestyle brand. As the American Rebel Brand continues to grow in popularity, we anticipate generating additional revenues from licensing fees earned from third parties who wish to engage the American Rebel community. While the Company does not currently generate material revenues from licensing fees, our management team believes the American Rebel brand name may in the future have significant licensing value to third parties that seek the American Rebel name to brand their products to market to the American Rebel target demographic. For example, a tool manufacturer that wants to pursue an alternative marketing plan for a different look and feel could license the American Rebel brand name for their line of tools and market their tools under our distinct brand. This licensee would benefit from the strong American Rebel brand with their second line of American Rebel branded tools as they would continue to sell both of the lines of tools. Conversely, American Rebel could potentially also benefit as a licensee of products. If American Rebel determines a third party has designed, engineered, and manufactured a product that would be a strong addition to the American Rebel catalog of products, American Rebel could license that product from the third-party and sell the licensed product under the American Rebel brand.

Our website address is www.americanrebel.com. The information addresses are www.americanrebel.com, www.championsafe.com, www.superiorsafe.com and www.americanrebelbeer.com. Information available on our website websites is not incorporated by reference in and is not deemed a part of this Annual Report, Form 10-K.

Description of Business

Our Company

American Rebel – America’s Patriotic Brand, operates primarily on designing and marketing branded safes and personal security and self-defense products. Additionally, the Company designs and produces branded accessories and apparel, including with concealment pockets.

We believe that when it comes to their homes, consumers place a premium on their security and privacy. Our products are designed to offer our customers convenient, efficient and secure home and personal safes from a provider that they can trust. We are committed to offering products of enduring quality that allow customers to keep their valuable belongings protected and to express their patriotism and style, which is synonymous with the American Rebel brand.

Our safes and personal security products are constructed primarily of U.S.-made steel. We believe our products are designed to safely store firearms, as well as store our customers’ priceless keepsakes, family heirlooms and treasured memories and other valuables, and we aim to make our products accessible at various sizes and price points for home use. We believe our products are designed for safety, quality, reliability, features and performance.

To enhance the strength of our brand and drive product demand, we work with our manufacturing team and our suppliers to emphasize product quality and mechanical development in order to improve the performance and affordability of our products while providing support to our distribution channel and consumers. We seek to sell products that offer features and benefits of higher-end safes at mid-line price ranges.

We believe that safes are becoming a ‘must-have appliance’ in a significant portion of households. We believe our current safes provide safety, security, style and peace of mind at competitive prices. We are in the process of developing an additional value-line model safe. Seventy percent of current industry-wide safe safes are from value-priced safes.

In addition to branded safes, we offer an assortment of personal security products as well as apparel and accessories for men and women under the Company’s American Rebel brand. Our backpacks utilize what we believe is a distinctive sandwich-method concealment pocket, which we refer to as Personal Protection Pocket, to hold firearms in place securely and safely. The concealment pockets on our Freedom 2.0 Concealed Carry Jackets incorporate a silent operation opening and closing with the use of a magnetic closure.

We believe that we have the potential to continue to create a brand community presence around the core ideals and beliefs of America, in part through our Chief Executive Officer, Charles A. “Andy” Ross, who has written, recorded and performs a number of songs about the American spirit of independence. We believe our customers identify with the values expressed by our Chief Executive Officer through the “American Rebel” brand.

Through our growing network of dealers, we promote and sell our products in select regional retailers and local specialty safe, sporting goods, hunting and firearms stores, as well as online, including our website and e-commerce platforms such as Amazon.com.

Our Products

We design, manufacture, market and sell branded safes and personal security products, including concealed carry/self-defense products, and design and market an apparel line and complimentary accessories. We promote and sell our products primarily through retailers using a dealer network, as well as online, through our website, and on Amazon.com, where customers can place an order for our branded backpacks and apparel items.

Safes

We offer a wide range of home, office and personal safe models, in a broad assortment of sizes, features and styles, which are constructed with U.S.-made steel. Our safes exhibit the strength and rugged independence that America was built upon. American Rebel's design makes keeping your firearms more secure in style. Products are marketed under the American Rebel brand. Although demand for our safes is strong across all segments of our customers, including individuals and families who wish to protect their valuables, to collectors and the dispensary servicing community, the demand for safe storage responsible solutions has been particularly strong among gun owners, sportsmen, competitive shooters and hunters alike. We expect to benefit from increasing awareness of and need for safe storage of firearms in future periods.

Large Safes

Our large safe collection consists of six safes in a range of sizes. All of our large safes share the same high-quality workmanship, are constructed out of 11-gauge U.S.-made steel and feature a double plate steel door, double-steel door casements and reinforced door edges. We believe that our large safes are ideal for storing valuables of significant size, and that they offer greater capacity for storage and protection. Our safes offer a fully adjustable interior to fit our customers' needs. Depending on the model, one side of the interior may have shelves and the other side set up to accommodate long guns. The large safes are designed to be resistant to break-ins, natural disasters and fire damage, and to prevent unauthorized access and to protect your family and their valuables. A large, highly visible safe **also** is believed to act as a deterrent to any prospective thief. Safe storage is **also** a top priority of our customer base who seeks to responsibly secure their firearms. Whenever a new firearm is purchased, gun owners look for our premium solution to responsibly secure them and protect their loved ones.

Our large safes selection includes the following:

AR-50

The AR-50 is our biggest safe. The AR-50 safe is designed to be strong, rugged, constructed of 11-gauge American-made steel and maintains capacity to comfortably store over 40 firearms comfortably. This premium gun safe with a double plate steel door, double-steel door casement and reinforced door edge is designed to give our customers added security and peace of mind, with 75 minutes of fire protection at 1200 degrees Fahrenheit as well as a customized shelf solution and optional additional accessories to increase the capacity to hold firearms. 72" tall, 40" wide with a depth of 28.5".

AR-40

The AR-40 has the same footprint as the AR-50; however, it is 12" shorter with a capacity of over 30 firearms. This gun safe contains a double plate steel door, double-steel door casement and reinforced door edge, designed to give our customers secure storage. It provides 75 minutes of fire protection at 1200 degrees Fahrenheit as well as a flexible shelving system to accommodate firearm storage. The dimensions include 60" tall, 40" wide with a depth of 28.5".

AR-30

The AR-30 offers nearly 50,000 cubic inches of storage. Built with the same strength and ruggedness as the AR-50 and AR-40 models, this safe holds over 20 firearms. This gun safe contains a double plate steel door, double-steel door casement and reinforced door edge. It is designed to give our customers the ability to store their firearms and valuables securely, with 75 minutes of fire protection at 1200 degrees Fahrenheit as well as offering optional add-on accessories to increase storage capacity. The dimensions include 60" tall, 34" wide with a depth of 24.5".

AR-20

The AR-20 shares the quality workmanship as the other sizes with a capacity for over 15 firearms. This gun safe contains a double plate steel door, double-steel door casement and reinforced door edge is designed to prevent theft and provide protection from fire, flood and accidental access, with 75 minutes of fire protection at 1200 degrees Fahrenheit as well as a customized shelving solution. The dimensions include 60" tall, 28" wide with a depth of 22.5".

AR-15

The AR-15 fits the bill for narrow spaces with room for over 10 firearms. Same quality construction as our other large safes including a double plate steel door, double-steel door casement and reinforced door edge is designed to give our customers added security and peace of mind, with 75 minutes of fire protection at 1200 degrees Fahrenheit as well as a customized shelving solution. The dimensions include 60" tall, 22" wide with a depth of 22.5".

AR-12

The AR-12 is our shortest safe. It is the perfect size to store AR rifles, handguns and personal valuables. It has a capacity of over 8 AR rifles. Same quality construction as our other large safes including a double plate steel door, double-steel door casement and reinforced door edge is designed to give our customers safe storage and peace of mind, with 75 minutes of fire protection at 1200 degrees Fahrenheit as well as offering optional add-on accessories to increase storage capacity. The dimensions include 40" tall, 26" wide with a depth of 23".

Personal safes

Our compact safes, which come in two sizes, are a responsible solution to safely secure smaller valuables or handguns. The AR-110 weighs 5 pounds and is 9.5" x 6.5" x 1.75". The AR-120 weighs 6 pounds and is 10.5" x 7.5" x 2.1875". These small, personal safes are easy to operate and carry as they fit into a briefcase, desk or under a vehicle seat. These personal safes meet ("TSA") airline firearm guidelines and fit comfortably in luggage where travel regulations require it.

Vault doors

Our U.S.-made Vault Doors combine style with theft and fire protection for a look that fits any decor. Designed to offer superior protection, vault rooms provide an ideal solution for the protection of the family and any valuables. Newly-built, higher-end homes often add vault rooms and we believe our vault doors, which we designed to facilitate secure access to such vault rooms, provide ideal solutions for the protection of valuables and shelter from either storms or intruders. Whether it is a safe room, a shelter, or a place to consolidate valuables, our American Rebel In-Swinging and Out-Swinging Vault Doors provide maximum functionality to a secure vault room. American Rebel vault doors are constructed of two thick, A36 carbon steel panels with sandwiched fire insulation, a design that provides greater rigidity, security and fire protection. The active **boltworks** **bolt works** and three external hinges are some of the features of the vault door. For safety and to use the door for a panic or safe room door, a quick release lever is installed inside the door.

Dispensaries

Our inventory control safe, the HG-INV Inventory Safe, provides cannabis dispensaries a reliable and safe solution. With wide-spread legalization, medical marijuana or recreational cannabis dispensaries face increasing government regulation and insurance requirements to lock their inventory after hours. Our HG-INV Inventory Safe delivers a higher level higher-level user experience with customized shelving and our inventory notation system. The HG-INV has been introduced to the dispensary industry through trade show appearances and many of our dealers are actively cultivating dispensary business. Expanding our marketing of the HG-INV can open new markets to American Rebel.

Personal Security

Concealed Carry Backpacks – consist of an assortment of sizes, features and styles. Our XL, Large, and Medium concealed carry backpacks feature our proprietary “Personal Protection Pocket” which utilizes a sandwich method to keep handguns secure and in the desired and easily accessible position. The sandwich method is comprised of two foam pads that surround or sandwich the firearm in place. The user can access the isolated Protection Pocket from either side of the backpack. We believe these distinctive concealed carry products are designed for everyday use while keeping your firearm concealed, safe and easily accessible.

The Extra-Large Freedom and Cartwright CCW Backpack

Our largest concealed carry backpack offers ample storage, including a dedicated top loading laptop pouch and additional tablet sleeve. Both compartments are padded to protect your devices. Two large open compartments make this backpack practical for carrying documents and folders or whatever you need to tote from one place to another. Our proprietary “Protection Pocket” allows quick and easy access to your handgun from either side. Multiple interior compartments are strategically placed to secure extra magazines and accessories. Available in the Freedom and Cartwright style as well as a variety of trim color options.

Large Freedom and Cartwright CCW Backpack

Our most popular concealed carry backpack. This backpack offers ample storage, including a dedicated top loading laptop pouch and an additional tablet sleeve. Both compartments are padded to protect your devices. The size of the main compartment opening makes this backpack practical for carrying documents, folders or whatever you need to tote from one place to another. Includes our proprietary “Protection Pocket” and is available in the Freedom and Cartwright style as well as a variety of trim color options.

Medium Freedom CCW Backpack

This medium-sized backpack is designed for those who look to be more streamlined. This backpack offers ample storage, including a dedicated top loading laptop/tablet compartment and two liquid container pouches. The laptop/tablet compartment is padded to protect your devices. The main compartment is practical for carrying documents and folders or whatever you need for everyday use. Includes our proprietary “Protection Pocket”. Available in a variety of trim color options.

Small Plus CCW Backpack

Our small one-strap concealed carry backpack is designed for use while running, jogging, biking or riding a motorcycle. Our concealment pocket contains a holster and attaches to the interior with hook and loop material. Soft fleece lined pockets for your tablet, glasses case and accessories are also included. Available in dark blue or in our signature patriotic “We The People” design.

Small Freedom CCW Backpack

This one strap pack also contains a holster and attaches to the interior with hook and loop material. There is also plenty of room for a small tablet, cell phone, chargers and other necessities. Available in a variety of trim color options.

Apparel

We offer a wide range of concealed carry jackets, vests and coats for men and women, including our Freedom Jacket 2.0 which incorporates a significant advance in the operation of the concealment pocket. We **also** proudly offer patriotic apparel for the whole family, with the imprint of the American Rebel brand. Our apparel line serves as “point man” for the brand, often the first exposure that people have to all things American Rebel. Our branded apparel line is forever relevant, current and bold. We place emphasis on styling that complements our enthusiast customers’ lifestyle, representing the values of our community and quintessential American character. The American Rebel clothing line style is not only a fashion statement; it is the sense of pride of belonging to our patriotic family, on your adventures and in life. Our apparel collection consists of the following:

Cartwright Coats and Vests

Engineered for comfort, warmth, and versatility and mobility. Our Cartwright Concealed Carry Coats and Vests are designed with purpose and informed by the rugged demands of the everyday hard worker. Its quality construction and workmanship are designed to keep you warm and shielded from the elements. Left-hand and right-hand concealment pocket access provides for secure and safe concealment of your firearm with easy access on either side.

Freedom 2.0 Jackets and Vests for men and women

Our lightweight jackets collection is designed with magnetic pocket closures for silent, secure and safe concealment. Our lightweight jackets are crafted to facilitate easy firearm access for both right-handed and left-handed carriers.

American Rebel T-Shirts Collection

American Rebel’s T-shirts collection **is was** created to liberate the spirit of an endless summer inside everyone and to embrace their patriotism.

Competition

The North American safe industry is dominated by a small number of companies. We compete primarily on the quality, safety, reliability, features, performance, brand awareness, and price of our products. Our primary competitors include companies such as Liberty Safe, Fort Knox Security Products, American Security, Sturdy Safe Company, Homeland Security Safes, SentrySafe and as well as certain other domestic manufacturers, as well as certain China-based manufactured safes. Safes manufactured in China, including Steelwater and Alpha-Guardian, have struggled under the import tariffs initiated under the administration of former U.S President Donald Trump and continued during the first half of the current administration. We believe that given the current substantial uncertainty related to the supply chain and delivery of international goods, we have a competitive advantage because our safes are not manufactured overseas.

Intellectual Property

Our commercial success depends in part on our ability to obtain and maintain intellectual property protection for our brand and technology, defend and enforce our intellectual property rights, preserve the confidentiality of our trade secrets, operate our business without infringing, misappropriating or otherwise violating the intellectual property or proprietary rights of third parties and prevent third parties from infringing, misappropriating or otherwise violating our intellectual property rights. We rely on a combination of patent, copyright and trade secret laws in the United States to protect our proprietary technology. We also rely on a number of United States registered, pending and common law trademarks to protect our brand “American Rebel”.

On May 29, 2018, US Patent No. 9,984,552, Firearm Detecting Luggage, was issued to us. The term of the patent is 20 years from the issuance date. In addition to our patent, we rely upon unpatented trade secrets and know-how and continuing technological development and maintain our competitive position. Trade secrets and know-how, however, can be difficult to protect. We seek to protect our proprietary information, in part, by entering into confidentiality and proprietary rights agreements with our employees and independent contractors.

Regulation

The storage of firearms and ammunition is subject to increasing federal, state and local governmental laws. While the current legislative climate does not appear to seek to limit possession of firearms, there is apparent momentum to require safe storage of firearms and ammunition. Although our safes, which are the primary driver of our sales and revenues, are designed to protect any valuables, a significant number of our safes’ end users have traditionally been gun enthusiasts, collectors, hunters, sportsmen and competitive shooters. Therefore, we expect the increasing federal, state and local governmental regulation of gun storage to have a materially positive effect on our business.

Our Customers

We primarily market and sell our products to safe-only specialty stores and independent gun stores nationwide. We also sell our products online to individuals desiring home, personal and office protection, as well as to recreational shooters and hunters. Our customers choose us for a number of reasons, including the breadth and availability of the products we offer, our extensive expertise, and the quality of our customer service.

We believe the nature of our solutions and our high-touch customer service model strengthens relationships, builds loyalty and drives repeat business as our customers’ businesses expand. In addition, we feel as if our premium product lines and comprehensive product portfolio position us well to meet our customers’ needs. Furthermore, we fully anticipate that we will be able to leverage all of the data that we are collecting from our existing customer base to make continuous improvements to our offerings and better serve our current and new customers in the future.

We intend to expand our distribution to sporting goods stores, farm and home stores, other independent retailers as well as our online customer base upon securing additional funding and expanding our manufacturing facilities.

Suppliers

We are dependent on the continued supply of materials for the manufacturing of our safes, as well as the continued supply and manufacturing of backpacks and apparel at third-party facilities locations, which are critical to our success. Any event that causes a disruption of the operation of these facilities for even a relatively short period of time would adversely affect our ability to ship and deliver our safes and other products and to provide service to our customers. We have previously experienced, including during the first months after the spread of the COVID-19 pandemic, and may in the future experience, launch and production ramp up delays for our products as a result of disruption at our suppliers and our suppliers' manufacturing partners. Additionally, we have to date fully qualified only a very limited number of such suppliers and have limited flexibility in changing suppliers. Any disruption in the supply of materials for our branded safes from our suppliers could limit our sales.

Furthermore, the cost of safes depends in part upon the prices and availability of raw manufacturing materials such as steel, locks, fireboard, hinges, pins and other metals. The prices for these materials fluctuate and their available supply may be unstable, depending on market conditions and global demand for these materials, including as a result of increased global production of electric vehicles and energy storage products. Any reduced availability of these materials may impact our access to these parts and any increases in their prices may reduce our profitability if we cannot recoup the increased costs through increased safe prices. Moreover, any such attempts to increase product prices may harm our brand, prospects and operating results.

We currently rely on third-party suppliers to ship our products to our customers. We have found that dedicated truckloads from our warehouse to our dealers reduce freight damage and provide the overall best shipping solution. Several companies offer dedicated truckload shipping. Increased sales will offer the opportunity to establish regional distribution centers.

Sales and Marketing

We market our products to consumers through independent safe specialty stores, select national and regional retailers, local specialty firearms stores, as well as via e-commerce. We maintain consumer-focused product marketing and promotional campaigns, which include print and digital advertising campaigns; social and electronic media; product demonstrations; point-of-sales materials; in-store training; and in-store retail merchandising. Our use of social media includes Facebook, and YouTube.

Marketing Team Aligned with Sales Force to Maximize Our Industry Visibility to Drive Revenue

Our Chief Executive Officer, Charles A. Ross, is familiar to many in the industry due to his twelve years on television as the host of *Maximum Archery World Tour* and later *American Rebel*, that was broadcast on The Outdoor Channel, Sportsman Channel and the Pursuit Channel. Our Marketing and Sales teams have established American Rebel as a brand that our customers want and a brand that they are proud to embrace and bring into their homes.

Direct Marketing

In light of the expertise required to deliver and install safes that weigh 500-1000 pounds, direct marketing is utilized to create awareness and provide information. Our website, AmericanRebel.com, has proven to be a very valuable tool in introducing potential customers to our products. Infomercials and direct-to-consumer campaigns are vehicles to expand our reach at the appropriate time. Currently the demand from our current customers and future customer pool of independent safe specialty stores is high. As the Company grows and seeks out new customers to expand its customer base, direct marketing will be an asset for American Rebel. Chief Executive Officer, Charles A. Ross, was basically making infomercials to promote his Ross Archery products when he was filming *Maximum Archery World Tour* during the mid-2000s.

Social Media and Thought Leadership

A portion of marketing dollars will be directed to social media. American Rebel and Chief Executive Officer Charles A. Ross have large followings on social media and a dedicated social media campaign will efficiently reach large numbers of potential customers and brand adopters. We will leverage our social media assets to cross-promote locally with independent safe specialty store customers to pull out product through the sales channel. Driving demand and awareness of our products to our customers will expand their loyalty to American Rebel and increase each stores' commitment to our brand.

Trade Shows

Trade shows have been an important medium to introducing our brand and our products. The NRA Annual Meeting, a consumer trade show, is a valuable opportunity to meet and greet our final customers. When we launched our Concealed Carry line of products at the NRA Annual Meeting in Atlanta, GA, in the Spring of 2017, the response from the meeting attendees was overwhelming. We immediately knew the product line resonated with consumers. Similarly, when we introduced our line of safes at the 2019 NRA Annual Meeting in the Spring of 2019, we knew we were on to something significant. The USCCA (United States Concealed Carry Association) has an annual Concealed Carry and Home Defense Expo. This is also an excellent opportunity to meet, greet and sell product to our final customers, the buying public. The Iowa Deer Classic and Illinois Deer Classic are carryovers from our Chief Executive Officer Charles A. Ross' hosting duties on *Maximum Archery World Tour*, but we have found that many potential safe buyers attend these shows.

Three industry-only trade shows we attend are the SHOT Show, Nation's Best Sports (NBS) Spring and Fall Buying Markets, and the Sports, Inc trade show. The SHOT Show is very high-profile show that most movers and shakers in the firearms industry attend. Operated by the National Shooting Sports Foundation, the SHOT Show is the first trade show of the calendar year and is a great opportunity to introduce the year's new products. NBS operates buying group shows where retailers who are members of NBS attend the Spring and Fall Market Buying shows to place orders. NBS provides an excellent base of customers for us to introduce our products to. products. Sports, Inc. is also a buying group show where retailers who are members of Sports, Inc. attend to make purchases from attending vendors.

Paid Advertising

We will occasionally purchase paid print advertising to support editorial and events. The American Shooting Journal has been very supportive of our business has featured an interview with our Chief Executive Officer in one of past issues of the magazine.

Legal Proceedings

There are no proceedings to which any director or officer, or any associate of any such director or officer, is a party that is adverse to our Company or any of our subsidiaries or has a material interest adverse to our Company or any of our subsidiaries. No director or executive officer has been a director or executive officer of any business which has filed a bankruptcy petition or had a bankruptcy petition filed against it during the past ten years. No current director or executive officer has been convicted of a criminal offense or is the subject of a pending criminal proceeding during the past ten years. No current director or executive officer has been the subject of any order, judgment or decree of any court permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities during the past ten years. No current director or officer has been found by a court to have violated a federal or state securities or commodities law during the past ten years.

From time to time, however, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. Litigation 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.

Corporate History

The Company was incorporated on December 15, 2014, under the laws of the State of Nevada, as CubeScape, Inc. Effective January 5, 2017, the Company amended its articles of incorporation and changed its name to American Rebel Holdings, Inc. The Company completed a business combination with its majority stockholder, shareholder, American Rebel, Inc. on June 19, 2017. As a result, American Rebel, Inc. became a wholly owned subsidiary of the Company. On July 29, 2022, the Company closed on its the acquisition of the Champion Entities, Champion.

ITEM 1A. Risk Factors

The following risk factors should be considered in connection with an evaluation of our business:

In addition to other information in this Annual Report, the following risk factors should be carefully considered in evaluating our business because such factors may have a significant impact on our business, operating results, liquidity and financial condition. As a result of the risk factors set forth below, actual results could differ materially from those projected in any forward-looking statements. Additional risks and uncertainties not presently known to us, or that we currently consider to be immaterial, may also impact our business, result of operations, liquidity and financial condition. If any such risks occur, our business, operating results, liquidity and financial condition could be materially affected in an adverse manner. Under such circumstances, if and when a trading market for our various securities (besides our Common Stock and certain Common Stock Purchase Warrants) is established, the trading price of our these securities could decline, and you may lose all or part of your investment.

OUR SECURITIES INVOLVE A HIGH DEGREE OF RISK AND, THEREFORE, SHOULD BE CONSIDERED EXTREMELY SPECULATIVE. THEY SHOULD NOT BE PURCHASED BY PERSONS WHO CANNOT AFFORD THE POSSIBILITY OF THE LOSS OF THE ENTIRE INVESTMENT.

RISKS RELATED TO THE BEER INDUSTRY

We face substantial competition within the beer industry.

The beer categories within the United States are highly competitive due to the participation of large domestic and international brewers in the categories and the increasing number of craft brewers and craft distilleries, who distribute similar beers we plan on selling and that have similar pricing and target drinkers.

The two largest brewers in the United States, AB InBev and Molson Coors, participate actively in mass appeal beer offerings as well as the High End and Beyond Beer categories, through numerous launches of new hard seltzers, flavored malt beverages and spirit RTDs from existing brands or new brands, importing and distributing import brands, and with their own domestic specialty beers, either by developing new brands or by acquiring, in whole or part, existing brands. Imported beers, such as Corona®, Heineken®, Modelo Especial® and Stella Artois®, continue to compete aggressively in the United States and have gained market share over the last ten years. All of these brands and companies have substantially greater financial resources, marketing strength and distribution networks than we do. We anticipate competition to be strong as some existing beverage companies are building more capacity, expanding geographically and adding more SKUs and styles. The potential for growth in the sales of hard seltzers, flavored malt beverages, craft-brewed domestic beers, imported beers and spirits RTDs is expected to increase the competition in the market for beer occasions within the United States and, as a result, we anticipate we will face competitive pricing pressures and the demand for and market share of our products, when introduced, may fluctuate and possibly decline.

Our products, when introduced, will compete generally with other alcoholic beverages. We anticipate competing with other beer and beverage companies not only for drinker acceptance and loyalty, but also for traditional retail shelf, cold box and tap space, as well as e-commerce placement and for marketing focus by our distributors and their customers, when established, all of which are anticipated to distribute and sell other alcoholic beverage products. All of our potential competitors at this point in time have substantially greater financial resources, marketing strength and distribution networks than we do. Moreover, the introduction of new products by competitors that compete directly with our intended products or that diminish the importance of our anticipated products to retailers or distributors may have a material adverse effect on our business and financial results.

Further, the alcoholic beverage industry has seen continued consolidation among brewers in order to take advantage of cost savings opportunities for supplies, distribution and operations. Also, in the last several years, both AB InBev and Molson Coors have introduced numerous new hard seltzers and purchased multiple regional craft breweries and craft distilleries with the intention to expand the capacity and distribution of these brands.

More recently in 2021 and into 2022, large non-alcoholic beverage companies including Coca-Cola Company (“Coke”), Pepsi and Monster Beverage Corporation (“Monster”) have begun to enter these markets through licensing agreements with alcoholic beverage companies to develop alcohol versions of existing traditional non-alcohol brands. Coke has entered into agreements with Molson Coors to develop, market and sell Topo Chico brand Hard Seltzer and Simply Spiked Lemonade. Coke announced agreements with Constellation to develop, market and sell FRESCA™ Mixed, a line of spirits RTDs and with Brown Forman to develop, market and sell Jack Daniel’s® Tennessee Whiskey and Coca-Cola®™ Ready-to-Drink Cocktail. The Boston Brewing Company has entered into an agreement with Pepsi to develop, market and sell alcohol beverages which include Hard Mountain Dew, to take advantage of this trend. Pepsi entered an agreement in late 2022 with FIFCO USA, a New York based brewery, to develop, market and sell Lipton Hard Iced Tea which launched in 2023. Lastly, Monster, acquired CANarchy Craft Brewery Collective (“CANarchy”) in early 2022 and launched the Beast Unleashed, a new brand of flavored malt beverages in early 2023 and in January 2024 Monster announced CANarchy will operate under the name of Monster Brewing Company, another testament to craft breweries and distilleries widespread acceptance.

Due to the increased leverage that these combined operations will have in distribution and sales and marketing expenses, the costs to us for competing is anticipated to be great. The potential exists for these large competitors to increase their influence with their distributors, making it difficult for smaller beverage companies to maintain their market presence or enter new markets. The continuing consolidation could reduce the contract brewing capacity that is available to us. These potential increases in the number and availability of competing brands, the costs to compete, reductions in contract brewing capacity and decreases in distribution support and opportunities may have a material adverse effect on our business and financial results.

Changes in public attitudes and drinker tastes could harm our business. Regulatory changes in response to public attitudes could adversely affect our business.

The alcoholic beverage industry has been the subject of considerable societal and political attention for several years, due to public concern over alcohol-related social problems, including driving under the influence, underage drinking and health consequences from the misuse of alcohol, including alcoholism. As an outgrowth of these concerns, the possibility exists that advertising by beer producers could be restricted, that additional cautionary labeling or packaging requirements might be imposed, that further restrictions on the sale of alcohol might be imposed or that there may be renewed efforts to impose increased excise or other taxes on beer sold in the United States.

The domestic beer industry, other than the market for High End beer occasions and Beyond Beer occasions, has experienced a decline in shipments over the last ten years. We believe that this decline is due to declining alcohol consumption per person in the population, drinkers trading up to drink high quality, more flavorful hard seltzers, beers and spirits RTDs, health and wellness trends and increased competition from wine and spirits companies. If consumption of our products, when introduced, in general were to come into disfavor among domestic drinkers, or if the domestic alcohol beverage industry were subjected to significant additional societal pressure or governmental regulations, our business could be materially adversely affected.

Additionally, certain states are considering or have passed laws and regulations that allow the sale and distribution of marijuana. Currently it is not possible to predict the impact of this on sales of alcohol, but it is possible that legal marijuana usage could adversely impact the demand for our products.

We anticipate being dependent on distributors.

In the United States, where we intend for our beer to be sold, we anticipate selling most of its beer to independent beer distributors for distribution to retailers and, ultimately, to drinkers. Although we intend to engage multiple distributors, sustained growth will require us to maintain such relationships and possibly enter into agreements with additional distributors. Changes in control or ownership within the distribution network could lead to less support of our products.

Contributing to distribution risk is the fact that our distribution agreements, when entered into, are anticipated to be generally terminable by the distributor on relatively short notice. While these distribution agreements are anticipated to contain provisions giving us enforcement and termination rights, some state laws prohibit us from exercising these contractual rights. Our ability to maintain distribution arrangements may be adversely affected by the fact that many distributors are reliant on one of the major beer producers for a large percentage of their revenue and, therefore, they may be influenced by such producers. If our distribution agreements are terminated, we may not be able to enter into new distribution agreements on substantially similar terms, which may result in an increase in the costs of distribution.

No assurance can be given that we will be able to establish or maintain a distribution network or secure additional distributors on terms favorable to us.

RISKS RELATED TO THE SAFE INDUSTRY

As a significant portion of our revenues is derived by demand for our safes and personal security products for firearms storage purposes, we depend on the availability and regulation of firearm/ammunition storage, as well as various economic, social and political factors.

Our performance is influenced by a variety of economic, social, and political factors. General economic conditions and consumer spending patterns can negatively impact our operating results. Economic uncertainty, unfavorable employment levels, declines in consumer confidence, increases in consumer debt levels, increased commodity prices, and other economic factors may affect consumer spending on discretionary items and adversely affect the demand for our products. In times of economic uncertainty, consumers tend to defer expenditures for discretionary items, which affects demand for our products. Any substantial deterioration in general economic conditions that diminish consumer confidence or discretionary income could reduce our sales and adversely affect our operating results. Economic conditions affect governmental political and budgetary policies. As a result, economic conditions can have an effect on the sale of our products to law enforcement, government, and military customers.

Political and other factors can affect our performance. Concerns about presidential, congressional, and state elections and legislature and policy shifts resulting from those elections can affect the demand for our products. As most of our revenue is generated from sales of safes, which are purchased in large numbers for firearms storage, speculation surrounding control of firearms, firearm products, and ammunition at the federal, state, and local level and heightened fears of terrorism and crime can affect consumer demand for our products. Often, such concerns result in an increase in near-term consumer demand and subsequent softening of demand when such concerns subside. Inventory levels in excess of customer demand may negatively impact operating results and cash flow.

Federal and state legislatures frequently consider legislation relating to the regulation of firearms, including amendment or repeal of existing legislation. Existing laws may be affected by future judicial rulings and interpretations firearm products, ammunition, and safe gun storage. If such restrictive changes to legislation develop, we could find it difficult, expensive, or even impossible to comply with them, impeding new product development and distribution of existing products.

Shortages of components and materials, as well as supply chain disruptions, may delay or reduce our sales and increase our costs, thereby harming our results of operations.

The inability to obtain sufficient quantities of raw materials and components, including those necessary for the production of our products could result in reduced or delayed sales or lost orders. Any delay in or loss of sales or orders could adversely impact our operating results. Many of the materials used in the production of our products are available only from a limited number of suppliers. We do not have long-term supply contracts with any suppliers. As a result, we could be subject to increased costs, supply interruptions, and difficulties in obtaining raw materials and components.

Our reliance on third-party suppliers for various raw materials and components for our products exposes us to volatility in the availability, quality, and price of these raw materials and components. Our orders with certain of our suppliers may represent a very small portion of their total orders. As a result, they may not give priority to our business, leading to potential delays in or cancellation of our orders. A disruption in deliveries from our third-party suppliers, capacity constraints, production disruptions, price increases, or decreased availability of raw materials or commodities could have an adverse effect on our ability to meet our commitments to customers or increase our operating costs. Quality issues experienced by third party suppliers can adversely affect the quality and effectiveness of our products and result in liability and reputational harm.

We do not have long-term purchase commitments from our customers, and their ability to cancel, reduce, or delay orders could reduce our revenue and increase our costs.

Our customers do not provide us with firm, long-term volume purchase commitments, but instead issue purchase orders for our products as needed. As a result, customers can cancel purchase orders or reduce or delay orders at any time. The cancellation, delay, or reduction of customer purchase orders could result in reduced sales, excess inventory, unabsorbed overhead, and reduced income from operations.

We often schedule internal production levels and place orders for products with third party manufacturers before receiving firm orders from our customers. Therefore, if we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products to deliver to our customers. Factors that could affect our ability to accurately forecast demand for our products include the following:

- an increase or decrease in consumer demand for our products or for the products of our competitors;
- our failure to accurately forecast consumer acceptance of new products;
- new product introductions by us or our competitors;
- changes in our relationships within our distribution channels;
- changes in general market conditions or other factors, which may result in cancellations of orders or a reduction or increase in the rate of reorders placed by retailers;
- changes in laws and regulations governing the activities for which we sell products, such as hunting and shooting sports; and
- changes in laws and regulations regarding the possession and sale of medical or recreational controlled- substances.

Inventory levels in excess of consumer demand may result in inventory write-downs and the sale of excess inventory at discounted prices, which could have an adverse effect on our business, operating results, and financial condition. If we underestimate demand for our products, our suppliers may not be able to react quickly enough to meet consumer demand, resulting in delays in the shipment of products and lost revenue, and damage to our reputation and customer and consumer relationships. We may not be able to manage inventory levels successfully to meet future order and reorder requirements.

We face intense competition that could result in our losing or failing to gain market share and suffering reduced sales.

We operate in intensely competitive markets that are characterized by price erosion and competition from major domestic and international companies. Competition in the markets in which we operate is based on a number of factors, including price, quality, performance, reliability, styling, product features, and warranties, and sales and marketing programs. This intense competition could result in pricing pressures, lower sales, reduced margins, and lower market share.

Our competitors include nationwide safe manufacturers and various smaller manufacturers and importers. Most of our competitors have greater market recognition, larger customer bases, and substantially greater financial, technical, marketing, distribution, and other resources than we possess and that afford them competitive advantages. As a result, they may be able to devote greater resources to the promotion and sale of products, to invest more funds in intellectual property and product development, to negotiate lower prices for raw materials and components, to deliver competitive products at lower prices, and to introduce new products and respond to consumer requirements more quickly than we can.

Our competitors could introduce products with superior features at lower prices than our products and could bundle existing or new products with other more established products to compete with us. Certain of our competitors may be willing to reduce prices and accept lower profit margins to compete with us. Our competitors could gain market share by acquiring or forming strategic alliances with other competitors.

Finally, we may face additional sources of competition in the future because new distribution methods offered by the Internet and electronic commerce have removed many of the barriers to entry historically faced by start-up companies. Retailers also demand that suppliers reduce their prices on products, which could lead to lower margins. Any of the foregoing effects could cause our sales to decline, which would harm our financial position and results of operations.

Our ability to compete successfully depends on a number of factors, both within and outside our control. These factors include the following:

- our success in developing, producing, marketing, and successfully selling new products;
- our ability to efficiently manage our operations;
- our ability to implement our strategies and business plans;
- our ability to achieve future operating results;
- our ability to address the needs of our consumer customers;
- the pricing, quality, performance, and reliability of our products;
- the quality of our customer service;
- the efficiency of our production; and
- product or technology introductions by our competitors.

Because we believe technological and functional distinctions among competing products in our markets are perceived by many end-user consumers to be relatively modest, effectiveness in marketing and manufacturing are particularly important competitive factors in our business.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Our success depends upon our ability to introduce new products that track customer preferences.

Our success depends upon our ability to introduce new products that track consumer preferences. Our efforts to introduce new products into the market may not be successful, and new products that we introduce may not result in customer or market acceptance. We develop new products that we believe will match consumer preferences. The development of a new product is a lengthy and costly process and may not result in the development of a marketable or profitable product. Failure to develop new products that are attractive to consumers could decrease our sales, operating margins, and market share and could adversely affect our business, operating results, and financial condition.

Our advertising and promotional investments may affect the Company's financial results but not be effective.

The Company has made and expects to continue to make, significant advertising and promotional expenditures to enhance its brand. These expenditures may adversely affect the Company's results of operations in a particular quarter or even for the full year, and may not result in increased sales. Variations in the levels of advertising and promotional expenditures have in the past caused, and are expected in the future to continue to cause, variability in the Company's quarterly results of operations. While the Company attempts to invest only in effective advertising and promotional activities, it is difficult to correlate such investments with sales results, and there is no guarantee that the Company's expenditures will be effective in building brand equity or growing long term sales.

Our business depends on maintaining and strengthening our brand, as well as our reputation as a producer of high-quality goods, to maintain and generate ongoing demand for our products, and any harm to our brand could result in a significant reduction in such demand which could materially adversely affect our results of operations.

The "American Rebel" name and brand image are integral to the growth of our business, as well as to the implementation of our strategies for expanding our business. Our success depends on the value and reputation of our brand, which, in turn, depends on factors such as the quality, design, performance, functionality and durability of our products, e-commerce sales and retail partner floor spaces, our communication activities, including advertising, social media and public relations, and our management of the customer experience, including direct interfaces through customer service. Maintaining, promoting, and positioning our brand are important to expanding our customer base and will depend largely on the success of our marketing and merchandising efforts and our ability to provide consistent, high-quality consumer experiences. To sustain long-term growth, we must continue to successfully promote our products to consumers, as well as other individuals, who value and identify with our brand.

Ineffective marketing, negative publicity, product diversion to unauthorized distribution channels, product or manufacturing defects, and those and other factors could rapidly and severely diminish customer confidence in us. Maintaining and enhancing our brand image are important to expanding our customer base. If we are unable to maintain or enhance our brand in current or new markets, or if we fail to continue to successfully market and sell our products to our existing customers or expand our customer base, our growth strategy and results of operations could be harmed.

Additionally, independent third parties and consumers often review our products as well as those of our competitors. Perceptions of our offerings in the marketplace may be significantly influenced by these reviews, which are disseminated via various media, including the Internet. If reviews of our products are negative, or less positive as compared to those of our competitors, our brand may be adversely affected and our results of operations materially harmed.

As a significant portion of our revenues is derived by demand for our safes and personal security products for firearms storage purposes, we depend on the availability and regulation of firearm/ammunition storage, as well as various economic, social and political factors.

Our performance is influenced by a variety of economic, social, and political factors. General economic conditions and consumer spending patterns can negatively impact our operating results. Economic uncertainty, unfavorable employment levels, declines in consumer confidence, increases in consumer debt levels, increased commodity prices, and other economic factors may affect consumer spending on discretionary items and adversely affect the demand for our products. In times of economic uncertainty, consumers tend to defer expenditures for discretionary items, which affects demand for our products. Any substantial deterioration in general economic conditions that diminish consumer confidence or discretionary income could reduce our sales and adversely affect our operating results. Economic conditions also affect governmental political and budgetary policies. As a result, economic conditions also can have an effect on the sale of our products to law enforcement, government, and military customers.

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and subsequent softening of demand when such concerns subside. Inventory levels in excess of customer demand may negatively impact operating results and cash flow.

Federal and state legislatures frequently consider legislation relating to the regulation of firearms, including amendment or repeal of existing legislation. Existing laws may also be affected by future judicial rulings and interpretations firearm products, ammunition, and safe gun storage. If such restrictive changes to legislation develop, we could find it difficult, expensive, or even impossible to comply with them, impeding new product development and distribution of existing products.

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Shortages of components and materials, as well as supply chain disruptions, may delay or reduce our sales and increase our costs, thereby harming our results of operations.

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- changes in general market conditions or other factors, which may result in cancellations of orders or a reduction or increase in the rate of reorders placed by retailers;
- changes in laws and regulations governing the activities for which we sell products, such as hunting and shooting sports; and
- changes in laws and regulations regarding the possession and sale of medical or recreational controlled- substances.

Inventory levels in excess of consumer demand may result in inventory write-downs and the sale of excess inventory at discounted prices, which could have an adverse effect on our business, operating results, and financial condition. If we underestimate demand for our products, our suppliers may not be able to react quickly enough to meet consumer demand, resulting in delays in the shipment of products and lost revenue, and damage to our reputation and customer and consumer relationships. We may not be able to manage inventory levels successfully to meet future order and reorder requirements.

We face intense competition that could result in our losing or failing to gain market share and suffering reduced sales.

We operate in intensely competitive markets that are characterized by price erosion and competition from major domestic and international companies. Competition in the markets in which we operate is based on a number of factors, including price, quality, performance, reliability, styling, product features, and warranties, and sales and marketing programs. This intense competition could result in pricing pressures, lower sales, reduced margins, and lower market share.

Our competitors include nationwide safe manufacturers and various smaller manufacturers and importers. Most of our competitors have greater market recognition, larger customer bases, and substantially greater financial, technical, marketing, distribution, and other resources than we possess and that afford them competitive advantages. As a result, they may be able to devote greater resources to the promotion and sale of products, to invest more funds in intellectual property and product development, to negotiate lower prices for raw materials and components, to deliver competitive products at lower prices, and to introduce new products and respond to consumer requirements more quickly than we can.

Our competitors could introduce products with superior features at lower prices than our products and could also bundle existing or new products with other more established products to compete with us. Certain of our competitors may be willing to reduce prices and accept lower profit margins to compete with us. Our competitors could also gain market share by acquiring or forming strategic alliances with other competitors.

Finally, we may face additional sources of competition in the future because new distribution methods offered by the Internet and electronic commerce have removed many of the barriers to entry historically faced by start-up companies. Retailers also demand that suppliers reduce their prices on products, which could lead to lower margins. Any of the foregoing effects could cause our sales to decline, which would harm our financial position and results of operations.

Our ability to compete successfully depends on a number of factors, both within and outside our control. These factors include the following:

- our success in developing, producing, marketing, and successfully selling new products;
- our ability to efficiently manage our operations;
- our ability to implement our strategies and business plans;
- our ability to achieve future operating results;
- our ability to address the needs of our consumer customers;
- the pricing, quality, performance, and reliability of our products;
- the quality of our customer service;
- the efficiency of our production; and
- product or technology introductions by our competitors.

Because we believe technological and functional distinctions among competing products in our markets are perceived by many end-user consumers to be relatively modest, effectiveness in marketing and manufacturing are particularly important competitive factors in our business.

We have a limited operating history on which you can evaluate our company.

We have a limited operating history on which you can evaluate our company. The corporate entity has existed since 2014 and started engaging in its current primary business operations in April 2019. As a result, our business has been subject to many of the problems, expenses, delays, and risks inherent in the establishment of a relatively new business enterprise.

We have a limited operating history upon which an evaluation of our business plan or performance and prospects can be made. Our business and prospects must be considered in the light of the potential problems, delays, uncertainties and complications encountered in connection with a newly established business and creating a new line of products. The risks include, in part, the possibility that we will not be able to develop functional and scalable products, or that although functional and scalable, our products will not be economical to market; that our competitors hold proprietary rights that preclude us from marketing such products; that our competitors market a superior or equivalent product; that our competitors have such a significant advantage in brand recognition that our products will not be considered by potential customers; that we are not able to upgrade and enhance our technologies and products to accommodate new features as the market evolves; or the failure to receive necessary regulatory clearances for our products. To successfully introduce and market our products at a profit, we must establish brand name recognition and competitive advantages for our products. There are no assurances that we can successfully address these challenges. If it is unsuccessful, we and our business, financial condition and operating results could be materially and adversely affected.

The current and future expense levels are based largely on estimates of planned operations and future revenues. It is difficult to accurately forecast future revenues because our business is relatively new, and our market is rapidly developing. If our forecasts prove incorrect, the business, operating results and our financial condition will be materially and adversely affected. Moreover, we may be unable to adjust our spending in a timely manner to compensate for any unanticipated reduction in revenue. As a result, any significant reduction in revenues would immediately and adversely affect our business, financial condition and operating results.

We are highly dependent on Charles A. Ross, our Chief Executive Officer. The loss of our Chief Executive Officer, whose knowledge, leadership and industry reputational upon which we rely, could harm our ability to execute our business plan.

We are highly dependent on Charles A. Ross, our Chief Executive Officer, Chairman of our board of directors (the “Board” or “Board of Directors”) and largest stockholder. Our success depends heavily upon the continued contributions of Mr. Ross, whose leadership, industry reputation entrepreneurial background and creative marketing skills may be difficult to replace at this stage in our business development, and on our ability to attract and retain similarly positioned prominent leaders. If we were to lose the services of our Chief Executive Officer, our ability to execute our business plan may be harmed and we may be forced to limit operations until such time as we could hire suitable replacements.

We cannot predict when we will achieve profitability.

We have not been profitable and cannot predict when or if we will achieve profitability. We have experienced net losses since our inception in December 2014.

We cannot predict when we will achieve profitability, if ever. Our inability to become profitable may force us to curtail or temporarily discontinue our research and development programs and our day-to-day operations. Furthermore, there can be no assurance that profitability, if achieved, can be sustained on an ongoing basis. As of December 31, 2022 December 31, 2023, we had an accumulated deficit of \$34,112,810. \$45,213,594.

We have limited financial resources. Our independent registered auditors’ report includes an explanatory paragraph stating that there is substantial doubt about our ability to continue as a going concern.

We have recorded net losses since inception and have significant accumulated deficits. We have relied upon loans and equity financings for operating capital. Total revenues will be insufficient to pay off existing debt and fund operations. We may be required to rely on further debt financing, further loans from related parties, and private placements of our common and preferred stock for our additional cash needs. Such funding sources may not be available, or the terms of such funding sources may not be acceptable to the Company, us.

American Rebel has limited financial resources. There is substantial doubt about our ability to continue as a going concern if we are unable to raise additional funds.

We will need additional capital and continued access to operating lines of credit in the future to finance our planned growth, which we may not be able to raise or it may only be available on terms unfavorable to us or our stockholders, which may result in our inability to fund our working capital requirements and harm our operational results.

We have and expect to require additional funds continue to further develop have substantial working capital needs. Our cash on hand, together with cash generated from product sales, cash equivalents and short-term investments will not meet our business plan, including working capital and capital expenditure requirements for the anticipated launch of new products, in addition to next twelve months. Throughout fiscal 2023 and continuing to market our safes and concealed carry product line. Since it is impossible to predict with certainty the timing and into 2024 we have raised a substantial amount of funds required equity and debt capital to establish profitability, we anticipate that fund our operations. Further, our safe subsidiary is highly dependent on access to a line of credit with a major financial institution, which comes due in 2024. In addition, we will need to raise additional funds through equity to fund our operations and implement our growth strategy, or debt offerings to respond to competitive pressures and/or perceived opportunities, such as investment, acquisition, marketing and development activities.

If we experience operating difficulties, lose access to important operating lines of credit or other factors, many of which may be beyond our control, cause our revenues or cash flows from operations, if any, to decrease, we may be limited in our ability to spend the capital necessary to complete our development, marketing and growth programs. We require additional financing, in addition to anticipated cash generated from our operations, to fund our working capital requirements. Additional financing might not be available on terms favorable to us, or at all. If adequate funds were not available or were not available on acceptable terms, our ability to fund our operations, take advantage of unanticipated opportunities, develop or enhance our business or otherwise in order respond to meet competitive pressures would be significantly limited. In such a capital restricted situation, we may curtail our expected future liquidity requirements. Any such financing that we undertake may marketing, development, and operational activities or be dilutive forced to existing stockholders. sell some of our assets on an untimely or unfavorable basis.

The sales of our safes are dependent in large part on the sales of firearms.

We market safes and other personal security products for sale to a wide variety of consumers. Although our customer base is large and diverse, and our products serve our customers' different needs, our products have been particularly popular among collectors, hunters, sportsmen, competitive shooters, and gun enthusiasts. The sale of safe firearms storage and security components is influenced by the sale and usage of firearms. Sales of firearms are influenced by a variety of economic, social, and political factors, which may result in volatile sales.

Our financial results may be affected by tariffs or border adjustment taxes or other import restrictions.

Our current backpack and apparel suppliers have facilities both in China and Mexico and the imposition of tariffs or border adjustment taxes may affect our financial results. The current political climate is hostile to companies manufacturing goods outside of the US. At the current manufacturing levels, it is impractical to seek manufacturing facilities in the United States as US manufacturers are unable to meet or even approach the cost of manufacturing small quantities of custom-made goods. We are in the process of locating an alternative supplier which will have the capacity to produce commercial volumes of our backpacks and apparel to meet our expected demands. However, we have not yet located a suitable supplier and, even if we are able to do so, there is no guarantee that our manufacturing process will scale to produce our products in quantities sufficient to meet demand.

An inability to expand our e-commerce business and sales organization to effectively address existing and new markets that we intend to target could reduce our future growth and impact our business and operating results.

Consumers are increasingly purchasing products online. We operate a direct-to-consumer e-commerce store to maintain an online presence with our end users. The future success of our online operations depends on our ability to use our marketing resources to communicate with existing and potential customers. We face competitive pressure to offer promotional discounts, which could impact our gross margin and increase our marketing expenses. We are limited, however, in our ability to fully respond to competitor price discounting because we cannot market our products at prices that may produce adverse relationships with our customers that operate brick and mortar locations as they may perceive themselves to be at a disadvantage based on lower e-commerce pricing to end consumers. There is no assurance that we will be able to successfully expand our e-commerce business to respond to shifting consumer traffic patterns and direct-to-consumer buying trends.

In addition, e-commerce and direct-to-consumer operations are subject to numerous risks, including implementing and maintaining appropriate technology to support business strategies; reliance on third-party computer hardware/software and service providers; data breaches; violations of state, federal or international laws, including those relating to firearms and ammunition sales; online privacy; credit card fraud; telecommunication failures; electronic break-ins and similar disruptions; and disruption of Internet service. Our inability to adequately respond to these risks and uncertainties or to successfully maintain and expand our direct-to-consumer business may have an adverse impact on our business and operating results.

We sell products that create exposure to potential product liability, warranty liability, or personal injury claims and litigation.

Our products are used to store, in part, items that involve risk of personal injury and death. Our products expose us to potential product liability, warranty liability, and personal injury claims and litigation relating to the use or misuse of our products, including allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product or activities associated with the product, negligence, and strict liability. If successful, any such claims could have a material adverse effect on our business, operating results, and financial condition. Defects in our products may result in a loss of sales, recall expenses, delay in market acceptance, and damage to our reputation and increased warranty costs, which could have a material adverse effect on our business, operating results, and financial condition. Although we maintain product liability insurance in amounts that we believe are reasonable, we may not be able to maintain such insurance on acceptable terms, if at all, in the future and product liability claims may exceed the amount of insurance coverage. In addition, our reputation may be adversely affected by such claims, whether or not successful, including potential negative publicity about our products.

Despite the Company's our indebtedness levels, we are able to incur substantially more debt. This could further increase the risks associated with its leverage.

We may incur substantial additional indebtedness in the future, although certain terms of current debt agreements prohibit us from doing so. To the extent that we incur additional indebtedness, the risks associated with its substantial indebtedness describe above, including its possible inability to service its debt, will increase.

At this stage of our business operations, even with our good faith efforts, investors in our company may lose some or all of their investment.

Because the nature of our business is expected to change as a result of shifts in the industries in which we operate, competition, and the development of new and improved technology, management forecasts are not necessarily indicative of future operations and should not be relied upon as an indication of future performance. Further, we have raised substantial debt and equity to fund our business operations, which to date have generated insufficient revenue to support our working capital needs.

While management believes its estimates of projected occurrences and events are within the timetable of its business plan, our actual results may differ substantially from those that are currently anticipated. If our revenues do not increase to a level to support our working capital needs, we will be forced to seek equity capital to fund our operations and repay our substantial debt balances, which may not be available to us on acceptable terms or at all.

25 27

Product defects could adversely affect the results of our operations.

The design, manufacture and marketing of our products involve certain inherent risks. Manufacturing or design defects, unanticipated use of our products, or inadequate disclosure of risks relating to the use of our products can lead to injury or other adverse events. The Company We may not properly anticipate customer applications of our products and our products may fail to survive such unanticipated customer use. If the Company's our products fail to adequately perform to meet the customer's expectations, the customer may demand refunds or replacements which will negatively affect the Company's our profitability.

We could be exposed to significant liability claims if we are unable to obtain insurance at acceptable costs and adequate levels or otherwise protect ourselves against potential product liability claims.

Our products support the use and access to firearms and if our products are ineffective, we could require protection against potential product liability claims.

We will not be profitable unless we can demonstrate that our products can be manufactured at low prices.

To date, we have manufactured our products in limited volume. As the Company creates we create demand for its our products, our projections require the benefit of volume discounts as we increase the size of our order. We can offer no assurance that either we or our manufacturing partners will develop efficient, automated, low-cost manufacturing capabilities and processes to meet the quality, price, engineering, design and production standards or production volumes required to successfully mass market our products. Even if we or our manufacturing partners are successful in developing such manufacturing capability and processes, we do not know whether we or they will be timely in meeting our product commercialization schedule or the production and delivery requirements of potential customers. A failure to develop such manufacturing processes and capabilities could have a material adverse effect on our business and financial results.

Our profitability in part is dependent on material and other manufacturing costs. We are unable to offer any assurance that either we or a manufacturing partner will be able to reduce costs to a level that will allow production of a competitive product or that any product produced using lower cost materials and manufacturing processes will not suffer from a reduction in performance, reliability and longevity.

War, terrorism, other acts of violence or natural or manmade disasters such as a pandemic, epidemic, outbreak of an infectious disease or other public health crisis may affect the markets in which the Company operates, the Company's we operate, our customers, the Company's our delivery of products and customer service, and could have a material adverse impact on our business, results of operations, or financial costs condition.

Our business and supply chain may be adversely affected by instability, disruption or destruction in a geographic region in which it operates, regardless of cause, including war, terrorism, riot, civil insurrection or social unrest, and natural or manmade disasters, including famine, food, fire, earthquake, storm or pandemic events and spread of disease (including the outbreak of COVID-19).

Such events may cause customers to suspend their decisions on using the Company's our products and services, make it impossible to access some of our inventory, and give rise to sudden significant changes in regional and global economic conditions and cycles that could interfere with purchases of goods or services and commitments to develop new products and services. These events also pose significant risks to the Company's our personnel and to physical facilities, transportation and operations, which could materially adversely affect the Company's our financial results.

Any significant disruption to communications and travel, including travel restrictions and other potential protective quarantine measures against COVID-19 or other public health crisis by governmental agencies, could make it difficult for the Company us to deliver goods services to its customers. War, riots, or other disasters may increase the need for our products and demand by government and military may make it difficult for use to provide products to customers. Further, travel restrictions and protective measures against COVID-19 could cause the Company us to incur additional unexpected labor costs and expenses or could restrain the Company's our ability to retain the highly skilled personnel the Company needs we need for its our operations. Due to the substantial uncertainty related to the effects of the pandemic, its duration and the related market impacts, including the economic stimulus activity, we are unable to predict the specific impact the pandemic and related restrictions (including the lifting or re-imposing of restrictions due to the Omicron variant or otherwise) will have on our results of operations, liquidity or long-term financial results.

We believe COVID-19 has not yet had a materially adverse effect on our operational results, but could at any time and without notice in the foreseeable future. As a result of COVID-19, at any time we may be subject to increased operating costs, supply interruptions, and difficulties in obtaining raw materials and components. COVID-19 has resulted in restrictions, postponements and cancellations of meetings, conferences, trade shows and the impact, extent and duration of the government-imposed restrictions on travel and public gatherings as well as the overall effect of the COVID-19 virus is currently unknown.

The costs of being a public company could result in us being unable to continue as a going concern.

As a public company, we are required to comply with numerous financial reporting and legal requirements, including those pertaining to audits and internal control. The costs of maintaining public company reporting requirements could be significant and may preclude us from seeking financing or equity investment on terms acceptable to us and our stockholders. We estimate these costs to be in excess of \$100,000 \$200,000 per year and may be higher if our business volume or business activity increases significantly. Our current estimate of costs does not include the necessary expenses associated with compliance, documentation and specific reporting requirements of Section 404 as we will not be subject to the full reporting requirements of Section 404 until we exceed \$700 million in public float market capitalization.

If our revenues are insufficient or non-existent, or we cannot satisfy many of these costs through the issuance of shares or debt, we may be unable to satisfy these costs in the normal course of business. This would certainly result in our being unable to continue as a going concern.

Any acquisitions that we potentially undertake will involve significant risks, and any acquisitions that we undertake in the future could disrupt our business, dilute stockholder value, and harm our operating results.

Part of our growth strategy is to expand our operations through strategic acquisitions to enhance existing products and offer new products, enter new markets and businesses, strengthen and avoid interruption from our supply chain, and enhance our position in current markets and businesses. Acquisitions involve significant risks and uncertainties. We cannot accurately predict the timing, size, and success of any future acquisitions. We may be unable to identify suitable acquisition candidates or to complete the acquisitions of candidates that we identify. Increased competition for acquisition candidates or increased asking prices by acquisition candidates may increase purchase prices for acquisitions to levels beyond our financial capability or to levels that would not result in the returns required by our acquisition criteria. Unforeseen expenses, difficulties, and delays frequently encountered in connection with expansion through acquisitions could inhibit our growth and negatively impact our operating results.

Our ability to complete acquisitions that we desire to make will depend upon various factors, including the following:

- the availability of suitable acquisition candidates at attractive purchase prices;
- the ability to compete effectively for available acquisition opportunities;
- the availability of cash resources, borrowing capacity, or stock at favorable price levels to provide required purchase prices in acquisitions;
- the ability of management to devote sufficient attention to acquisition efforts; and
- the ability to obtain any requisite governmental or other approvals.

We may have little or no experience with certain acquired businesses, which could involve significantly different supply chains, production techniques, customers, and competitive factors than our current business. This lack of experience would require us to rely to a great extent on the management teams of these acquired businesses. These acquisitions also could require us to make significant investments in systems, equipment, facilities, and personnel in anticipation of growth. These costs could be essential to implement our growth strategy in supporting our expanded activities and resulting corporate structure changes. We may be unable to achieve some or all of the benefits that we expect to achieve as we expand into these new markets within the time frames we expect, if at all. If we fail to achieve some or all of the benefits that we expect to achieve as we expand into these new markets, or do not achieve them within the time frames we expect, our business, financial condition, and results of operations could be adversely affected.

Unforeseen expenses, difficulties, and delays frequently encountered in connection with future acquisitions could inhibit our growth and negatively impact our profitability. Any future acquisitions may not meet our strategic objectives or perform as anticipated. In addition, the size, timing, and success of any future acquisitions may cause substantial fluctuations in our operating results from quarter to quarter. These interim fluctuations could adversely affect the market price of our Common Stock, common stock.

If we finance any future acquisitions in whole or in part through the issuance of Common Stock, common stock or securities convertible into or exercisable for Common Stock, common stock, existing stockholders will experience dilution in the voting power of their Common Stock, common stock and earnings per share could be negatively impacted. The extent to which we will be able or willing to use our Common Stock, common stock for acquisitions will depend on the market price of our Common Stock, common stock from time-to-time and the willingness of potential acquisition candidates to accept our Common Stock, common stock as full or partial consideration for the sale of their businesses. Our inability to use our Common Stock, common stock as consideration, to generate cash from operations, or to obtain additional funding through debt or equity financings to pursue an acquisition could limit our growth.

We may not be able to successfully fund future acquisitions of new businesses due to the lack of availability of debt or equity financing on acceptable terms, which could impede the implementation of our acquisition strategy and materially adversely impact our financial condition, business and results of operations.

In order to make future acquisitions, we intend to raise capital primarily through debt financing, additional equity offerings, the sale of stock or assets of our businesses, and by offering equity in the businesses to the sellers of target businesses or by undertaking a combination of any of the above. Since the timing and size of acquisitions cannot be readily predicted, we may need to be able to obtain funding on short notice to benefit fully from attractive acquisition opportunities. Such funding may not be available on acceptable terms. In addition, the level of our indebtedness may impact our ability to borrow funds on acceptable terms. Another source of capital for us may be the sale of additional shares of Common Stock, common stock, subject to market conditions and investor demand for the shares at prices that we consider to be in the interests of our stockholders. These risks may materially adversely affect our ability to pursue our acquisition strategy successfully and materially adversely affect our financial condition, business and results of operations.

The industry in which we operate is competitive, price sensitive and subject to risks of governmental regulations or laws. If our competitors are better able to develop and market products that are more effective, less costly, easier to use, or are otherwise more attractive, we may be unable to compete effectively with other companies.

The safe and personal security industry is characterized by intense competition. We will face competition on the basis of product features, reliability, price, apparent value, and other factors. Competitors may include large safe makers and other companies, some of which have significantly greater financial and marketing resources than we do, and firms that are more specialized than we are with respect to particular markets. Our competition may respond more quickly to new or emerging styles, undertake more extensive marketing campaigns, have greater financial, marketing and other resources than ours or may be more successful in attracting potential customers, employees and strategic partners.

Our industry could experience greater scrutiny and regulation by governmental authorities, which may lead to greater governmental regulation in the future.

The rapidly growing interest in new concealed carry products that this rapidly growing market may attract the attention of government regulators and legislators. The current trend in legislation is to roll back or minimize access to firearms restrictions, but there can be no assurance that this trend will continue.

RISKS RELATED TO OUR LEGAL AND REGULATORY ENVIRONMENT

Failure to comply with applicable laws and changing legal and regulatory requirements could harm our business and financial results.

Our policies and procedures are reasonably designed to comply with applicable laws, accounting and reporting requirements, tax rules and other regulations and requirements, including those imposed by the SEC, and foreign countries, as well as applicable trade, labor, safety, environmental, labeling and gun safety related laws, such as the Protection of Lawful Commerce in Arms Act as well as state laws. The complexity of the regulatory environment in which we operate and the related cost of compliance are both increasing due to additional or changing legal and regulatory requirements, our ongoing expansion into new markets and new channels, and the fact that foreign laws occasionally conflict with domestic laws. In addition to potential damage to our reputation and brand, failure by us or our business partners to comply with the various applicable laws and regulations, as well as changes in laws and regulations or the manner in which they are interpreted or applied, may result in litigation, civil and criminal liability, damages, fines and penalties, increased cost of regulatory compliance and restatements of our financial statements and have an adverse impact on our business and financial results.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.

As of **December 31, 2022** **December 31, 2023**, and **December 31, 2021** **December 31, 2022**, we **had continue to have** net operating loss carryforwards, or NOLs, “NOLs”, for federal and state income tax purposes of **\$34,112,810** **\$45,213,594** and **\$26,969,657**, **\$34,112,810**, respectively, which begins to expire in **2034**, **2032**. Net operating loss carryforwards are available to reduce future taxable income. **The federal** **Federal** net operating losses generated before 2018 will begin to expire in 2032. **The federal** **Federal** net operating losses generated in and after 2018 may be carried forward indefinitely. The expiration of state NOL carryforwards vary by state and begin to expire in 2024. It is possible that we will not generate **sufficient** taxable income in time to use **the** NOLs before their expiration, or at all. Under Section 382 and Section 383 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an “ownership change,” the corporation’s ability to use its pre-change NOLs and other tax attributes to offset its post-change income may be limited. In general, an “ownership change” will occur if there is a cumulative change in our ownership by “5 percent **(and greater than 5 percent)** stockholders” that exceeds 50 percentage points **or more in change** over a rolling three-year period. Similar rules may apply under state tax laws. Our ability to use NOLs and other tax attributes to reduce future taxable income and liabilities may be subject to annual limitations as a result of prior ownership changes and ownership changes that may occur in the future (which may be outside our control).

Under the Tax Cuts and Jobs Act of 2017, or the Tax Act, as amended by the CARES Act, NOLs arising in tax years beginning after December 31, 2017, are subject to an 80% of taxable income limitation (as calculated before taking the NOLs into account) **for tax years beginning after December 31, 2020**. In addition, NOLs arising in tax years 2018, 2019, and 2020 **are were** subject to a five-year carryback **and along with an** indefinite carryforward, while NOLs arising in tax years beginning after December 31, 2020, **also** are subject to indefinite carryforward but cannot be carried back. Our NOLs may **also** be subject to limitations in other jurisdictions. For example, California recently enacted legislation suspending the use of NOLs for **taxable tax** years 2020, 2021, and 2022 for many taxpayers. In future years, if and when a net deferred tax asset is recognized related to our NOLs, the changes in the carryforward/carryback periods as well as **the new limitation limitations** on use of NOLs may significantly impact our valuation allowance assessments for NOLs generated after December 31, 2017.

If we are unable to protect our intellectual property, we may lose a competitive advantage or incur substantial litigation costs to protect our rights.

Our future success depends upon our proprietary technology. Our protective measures, including patent and trade secret protection, may prove inadequate to protect our proprietary rights. The right to stop others from misusing our trademarks, service marks, and patents in commerce depends to some extent on our ability to show evidence of enforcement of our rights against such misuse in commerce. Our efforts to stop improper use, if insufficient, may lead to loss of trademark and service mark rights, brand loyalty, and notoriety among our customers and prospective customers. The scope of any patent that we have or may obtain may not prevent others from developing and selling competing products. The validity and breadth of claims covered in technology patents involve complex legal and factual questions, and the resolution of such claims may be highly uncertain, and expensive. In addition, our patents may be held invalid upon challenge, or others may claim rights in or ownership of our patents. Company owned trademarks are listed under the heading Intellectual Property on page 20.

We are subject to the periodic reporting requirements of Section 15(d) and 12(g) of the Exchange Act that require us to incur audit fees and legal fees in connection with the preparation of such reports. These additional costs could reduce or eliminate our ability to earn a profit.

We are required to file periodic reports with the SEC pursuant to the Exchange Act and the rules and regulations promulgated thereunder. In order to comply with these requirements, our independent registered public accounting firm will have to review our financial statements on a quarterly basis and audit our financial statements on an annual basis. Moreover, our legal counsel will have to review and assist in the preparation of such reports. The costs charged by these professionals for such services cannot be accurately predicted at this time because factors such as the number and type of transactions that we engage in, and the complexity of our reports cannot be determined at this time and will affect the amount of time to be spent by our auditors and attorneys. However, the incurrence of such costs will obviously be an expense to our operations and thus have a negative effect on our ability to meet our overhead requirements and earn a profit.

However, for as long as we remain a smaller reporting company as defined in Item 10(f)(1) of Regulation S-K, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not smaller reporting companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, reduced financial statement disclosure in registration statements, which must include two years of audited financial statements, reduced financial statement disclosure in annual reports on Form 10-K, and exemptions from the auditor attestation of management's assessment of internal control over financial reporting. We may take advantage of these reporting exemptions until we are no longer a smaller reporting company.

If we cannot provide reliable financial reports or prevent fraud, our business and operating results could be harmed, investors could lose confidence in our reported financial information, and the trading price of our **Common Stock, if a market ever develops, common stock,** could drop significantly.

Our internal controls may be inadequate, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public.

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting. As defined in Exchange Act Rule 13a-15(f), internal control over financial reporting is a process designed by, or under the supervision of, the principal executive and principal financial officer and effected by the board of directors, management and other personnel, 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 and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of **the Company; ours;**
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of **the Company ours** are being made only in accordance with authorizations of management and/or **directors of the Company; directors;** and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of **the Company's our** assets that could have a material effect on the financial statements.

Our internal controls may be inadequate or ineffective, which could cause financial reporting to be unreliable and lead to misinformation being disseminated to the public. Furthermore, our accounting policies and methods are fundamental to how we report our financial condition and results of operations, and they may require our management to make estimates about matters that are inherently uncertain. Investors relying upon this misinformation may make an uninformed investment decision.

Failure to achieve and maintain an effective internal control environment could cause us to face regulatory action and also cause investors to lose confidence in our reported financial information, either of which could have a material adverse effect on the Company's business, financial condition, results of operations and future prospects.

However, our auditors will not be required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 until we are no longer a smaller reporting company.

RISKS RELATED TO AN INVESTMENT IN OUR SECURITIES

Stockholders' voting power and ownership interest may be diluted significantly through our efforts to obtain financing and satisfy obligations through issuance of additional shares.

Our Second Amended and Restated Articles of Incorporation authorizes our board of directors to issue up to 600,000,000 shares of common stock and up to 10,000,000 shares of preferred stock, of which we have designated 100,000 150,000 shares as Series A – Super Voting Convertible Preferred Stock (“Existing Series A Preferred Stock”) (which (125,000 of which were issued to two three members of management, Messrs. Charles A. Ross, Jr. and, Doug E. Grau) Grau and Corey Lambrecht), and have superior voting rights of 1,000 to 1 over shares of our common stock, resulting in nearly 85% 96% of the available stockholder votes. While the Certificate votes, and are convertible (subject to vesting requirements) at a ratio of Designation is named “Certificate of Designation of Series A Convertible Preferred Stock”, the Company's Existing Series A Preferred Stock is not convertible 500 to 1 into shares of common stock of the Company or redeemable by either the Company or any other person. stock. The power of the board of directors to issue shares of common stock, preferred stock, warrants or options to purchase shares of common stock or preferred stock is generally not subject to stockholder approval, except for issuances of more than 20% of the company's outstanding common stock or its voting power. The Series A Preferred Stock was issued prior to these shareholder approval limitations.

While we just have completed a several capital raise raises utilizing a multiple financial institution, institutions, we may attempt to raise additional capital by returning to the market to sell shares of common or preferred stock, possibly at a deep discount. discount to the market price of our common stock. These actions may result in dilution of the ownership interests and voting power of existing stockholders, further dilute Common Stock common stock book value, and may delay, defer or prevent a change of control. While we are currently in a capital raise utilizing our Series C Preferred Stock, we do not believe that the terms of the offering are at a deep discount.

Additionally, other series of preferred stock, besides our Series C Preferred Stock, currently being offered, may carry the preferred right to our assets upon liquidation, the right to receive dividend payments before dividends are distributed to the holders of Common Stock, common stock, superior voting or conversion rights and the right to the redemption of the shares, together with a premium, prior to the redemption of our Common Stock. common stock.

Our board of directors has the authority, without stockholder approval, to issue additional series of preferred stock with terms that may not be beneficial to Common Stockholders and with the ability to affect adversely stockholder voting power and perpetuate their control over us.

Our Second Amended and Restated Articles of Incorporation allow us to issue shares of preferred stock without any vote or further action by our stockholders. Our board of directors has the authority to fix and determine the relative rights and preferences of preferred stock. As a result, our board of directors could authorize the issuance of a series of preferred stock that would grant to holders the preferred right to our assets upon liquidation, the right to receive dividend payments before dividends are distributed to the holders of Common Stock common stock and the right to the redemption of the shares, together with a premium, prior to the redemption of our Common Stock. common stock.

Our Common Stock common stock may be affected by limited trading volume and our share price may be volatile, which could adversely impact the value of our Common Stock. common stock.

There can be no assurance that an active trading market in our Common Stock will common stock can be maintained. Our Common Stock common stock is likely to experience significant price and volume fluctuations in the future, which could adversely affect the market price of our Common Stock common stock without regard to our operating performance and the market price of our Common Stock common stock may drop below the price paid by investors. In addition, we believe that factors such as our operating results, quarterly fluctuations in our financial results and changes in the overall economy or the condition of the financial markets, including as the result of the COVID-19 pandemic, could cause the price of our Common Stock common stock to fluctuate substantially. These fluctuations may also cause short sellers to periodically enter the market in the belief that we will have poor results in the future. We cannot predict the actions of market participants and, therefore, can offer no assurances that the market for our Common Stock common stock will be stable or appreciate over time.

Short sellers of our common stock may drive down the market price of our common stock.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed or intends to borrow from a third party with the intention of buying identical securities at a later date to return to the lender. A short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is therefore in the short seller's interest for the price of the stock to decline, some short sellers publish, or arrange for the publication of, opinions or characterizations regarding the relevant issuer, its business prospects and similar matters calculated to or which may create negative market momentum, which may permit them to obtain profits for themselves as a result of selling the stock short. Issuers whose securities have historically had limited trading volumes and/or have been susceptible to relatively high volatility levels can be particularly vulnerable to such short seller attacks.

The publication of any such commentary regarding us by a short seller may bring about a temporary, or possibly long term, decline in the market price of our common stock. No assurances can be made that we will not become a target of such commentary and declines in the market price of our common stock will not occur in the future, in connection with such commentary by short sellers or otherwise.

We may not be able to maintain a listing of our common stock on the Nasdaq Capital Market.

We must meet certain financial and liquidity criteria to maintain the listing of our common stock on the Nasdaq Capital Market ("Nasdaq"). If we violate the Nasdaq's listing requirements or fail to meet its listing standards, our common stock may be delisted. In addition, our board of directors may determine that the cost of maintaining our listing on a national securities exchange outweighs the benefits of such listing. A delisting of our common stock from the Nasdaq may materially impair our stockholders' ability to buy and sell our common stock and could have an adverse effect on the market price of, and the efficiency of the trading market for, our common stock. The delisting of our common stock could significantly impair our ability to raise capital and the value of your investment.

On October 23, 2023, we were notified by Nasdaq that we were not in compliance with Nasdaq Listing Rule 5550(a)(2) because the price of our common stock had traded at less than \$1.00 per share for the last thirty consecutive trading days. Nasdaq's notice has no immediate effect on the listing of the common stock on Nasdaq and, at this time. Pursuant to Nasdaq Listing Rule 5810(c)(3)(A), we have been provided an initial compliance period of 180 calendar days, or until April 22, 2024, to regain compliance with the minimum bid price requirement. To regain compliance, the closing bid price of the common stock must meet or exceed \$1.00 per share for a minimum of ten consecutive business days prior to April 22, 2024. In late March of 2024, we requested an additional 180-day extension to regain compliance with the minimum bid price requirement. As of the date of this filing Nasdaq has not responded to our request. Management continues to believe that adherence to its current operating and business plan will enable us to regain compliance. In addition, we have obtained majority stockholder consent to enact up to a 1-for-10 reverse stock split at any time in the following twelve months and would cure the deficiency during the second compliance period, by effecting the reverse stock split, if necessary.

On February 28, 2024, we received a written notice from Nasdaq stating that because we have not yet held an annual meeting of shareholders within 12 months of the end of our 2022 fiscal year end, we no longer comply with Nasdaq Listing Rule 5620(a) for continued listing on Nasdaq. We have until April 15, 2024, which is 45 days from the date of the notice, to submit a plan to regain compliance and, if Nasdaq accepts the plan, it may grant an exception of up to 180 calendar days from the fiscal year end, or until June 28, 2024, to regain compliance. We intend to submit a compliance plan within the specified period, which we expect will consist of holding an annual meeting of stockholders within sixty (60) days of filing of this Form 10-K. While the compliance plan is pending, our securities will continue to trade on Nasdaq.

We believe that delisting of our common stock from the Nasdaq may adversely affect our ability to raise additional financing through the public or private sale of equity securities, may significantly affect the ability of investors to trade our securities and may negatively affect the value and liquidity of our common stock (and our Series C Preferred Stock that we are offering to the public). Delisting could have other negative results, including the potential loss of employee confidence, the loss of institutional investors and/or interest in significant business development opportunities.

If we are delisted from the Nasdaq and we are not able to list our common stock on another exchange, our common stock may be quoted on the OTC Markets or on the “pink sheets.” As a result, we could face significant adverse consequences including, among others:

- a limited availability of market quotations for our securities;
- a determination that our common stock is a “penny stock” which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and little or no analyst coverage of our company;
- we would no longer qualify for exemptions from state securities registration requirements, which may require us to comply with applicable state securities laws; and
- a decreased ability to issue additional securities (including pursuant to short-form registration statements on Form S-3) or obtain additional financing in the future.

In addition, an increase in the per share trading value of our common stock would be beneficial because it would:

- improve the perception of our common stock as an investment security;
- reset our stock price to more normalized trading levels in the face of potentially extended market dislocations;
- assist with future potential capital raises;
- appeal to a broader range of investors to generate greater investor interest in us; and
- reduce stockholder transaction costs because investors would pay lower commissions to trade a fixed dollar amount of our stock if our stock price were higher than they would if our stock price were lower.

Warrants are speculative in nature.

The common stock warrants (“Warrants”) included in our February 2022 various public offering or our July 2022 and private investment in public entity (“PIPE”) offering offerings do not confer any rights of Common Stock common stock ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire shares of our Common Stock common stock at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire the Common Stock common stock and pay an exercise price of per share, prior to five years from the date of issuance, after which date any unexercised Warrants will expire and have no further value. Until holders of the Warrants acquire Common Stock common stock upon exercise of the Warrants, the holders will have no rights with respect to the Common Stock common stock issuable upon exercise of the Warrants. Upon exercise of the Warrants, the holder will be entitled to exercise the rights of a Stockholder as to the security exercised only as to matters for which the record date occurs after the exercise. Moreover, the market value of the Warrants is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their public offering price. There can be no assurance that the market price of the Common Stock common stock will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

Provisions of the Warrants sold in our February public and July 2022 private offerings could discourage an acquisition of us by a third party.

In addition to the discussion of the provisions of our governing organizational documents, certain provisions of the Warrants offered in our February 2022 various public offering and July 2022 PIPE offering private offerings could make it more difficult or expensive for a third party to acquire us. The Warrants prohibit us from engaging in certain transactions constituting “fundamental transactions” unless, among other things, the surviving entity assumes our obligations under the Warrants. These and other provisions of the Warrants could prevent or deter a third party from acquiring us even where the acquisition could be beneficial to our stockholders.

Our executive officers and directors, and their affiliated entities, although they own an insignificant percentage of our common stock, super voting preferred stock will allow them to be able to exert significant control over matters subject to stockholder approval.

Our executive officers and directors beneficially own only approximately 4% 1% of our Common Stock common stock. However, as referenced above, we issued 100,000 125,000 shares of the Existing Series A Preferred Stock to two three members of our executive management team, Messrs. Charles A. Ross, Jr., Corey Lambrecht and Doug E. Grau, which have superior voting rights of 1,000 to 1 over shares of our common stock, resulting in nearly 85% 96% of the current available stockholder votes. In addition, these shares are able to be converted into shares of common stock at a rate of 1 share of Series A Preferred Stock into 500 shares of common stock over a three to five-year period under certain circumstances.

Accordingly, these stockholders who are members of management may, as a practical matter, continue to be able to control the election of a majority of our directors and the determination of all corporate actions after these offerings and any future offerings. This concentration of ownership could delay or prevent a change in control of the Company, us.

Certain provisions of our second amended and restated articles of incorporation may make it more difficult for a third party to effect a change-of-control.

Our second amended and restated articles of incorporation authorizes our Board to issue up to a certain number of shares of preferred stock. The preferred stock may be issued in one or more series, the terms of which may be determined at the time of issuance by our Board without further action by the stockholders. These terms may include voting rights including the right to vote as a series on particular matters, preferences as to dividends and liquidation, conversion rights, redemption rights and sinking fund provisions. The issuance of any preferred stock could diminish the rights of holders of existing shares, and therefore could reduce the value of such shares. In addition, specific rights granted to future holders of preferred stock could be used to restrict our ability to merge with, or sell assets to, a third party. The ability of our Board to issue preferred stock could make it more difficult, delay, discourage, prevent or make it costlier to acquire or effect a change-in-control, which in turn could prevent our stockholders from recognizing a gain in the event that a favorable offer is extended and could materially and negatively affect the value of our securities.

We do not anticipate that we will pay dividends on our Common Stock common stock and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our Common Stock common stock.

We have never paid cash dividends on our Common Stock common stock (see Risk Factors related to our Series C Preferred Offering as to the requirement to pay dividends on our Series C Preferred Stock). We do not expect to pay cash dividends on our Common Stock common stock at any time in the foreseeable future. The future payment of dividends directly depends upon our future earnings, capital requirements, financial requirements and other factors that our board of directors will consider. Since we do not anticipate paying cash dividends on our Common Stock common stock, return on your investment, if any, will depend solely on an increase, if any, in the market value of our Common Stock common stock.

RISKS RELATED TO THE INDUSTRY

The industry in We are a smaller reporting company and will be exempt from certain disclosure requirements, which we operate is competitive, price sensitive and subject could make our common stock less attractive to risks of governmental regulations or laws. If our competitors are better able to develop and market products that are more effective, less costly, easier to use, or are otherwise more attractive, we may be unable to compete effectively with other companies.potential investors.

The safe Rule 12b-2 of the Exchange Act defines a “smaller reporting company” as an issuer that is not an investment company, an asset-backed issuer, or a majority-owned subsidiary of a parent that is not a smaller reporting company and personal security industry is characterized by intense competition. We will face competition on the basis of product features, reliability, price, apparent value, and other factors. Competitors may include large safe makers and other companies, some of which have significantly greater financial and marketing resources than we do, and firms that are more specialized than we are with respect to particular markets. Our competition may respond more quickly to new or emerging styles, undertake more extensive marketing campaigns, have greater financial, marketing and other resources than ours or may be more successful in attracting potential customers, employees and strategic partners, that:

- had a public float of less than \$250 million as of the last business day of its most recently completed second fiscal quarter, computed by multiplying the aggregate worldwide number of shares of its voting and non-voting common equity held by non-affiliates by the price at which the common equity was last sold, or the average of the bid and asked prices of common equity, in the principal market for the common equity; or

Our industry could experience greater scrutiny and regulation by governmental authorities, which may lead to greater governmental regulation in the future.

- in the case of an initial registration statement under the Securities Act or the Exchange Act for shares of its common equity, had a public float of less than \$250 million as of a date within 30 days of the date of the filing of the registration statement, computed by multiplying the aggregate worldwide number of such shares held by non-affiliates before the registration plus, in the case of a Securities Act registration statement, the number of such shares included in the registration statement by the estimated public offering price of the shares; or
- in the case of an issuer whose public float as calculated under paragraph (1) or (2) of this definition was zero or whose public float was less than \$700 million, had annual revenues of less than \$100 million during the most recently completed fiscal year for which audited financial statements are available.

The rapidly growing interest in new concealed carry products If a company determines that this rapidly growing market may attract the attention of government regulators and legislators. The current trend in legislation is to roll back it does not qualify for smaller reporting company status because it exceeded one or minimize access to firearms restrictions, but there can be no assurance that this trend will continue.

RISKS RELATED TO THE CANNABIS INDUSTRY

Federal regulation and enforcement may adversely affect the implementation of medical controlled substance laws and regulations may negatively impact our revenues and profits.

Currently, many states plus the District of Columbia have laws or regulations that recognize, in one form or another, legitimate medical uses for cannabis and consumer use of cannabis in connection with medical treatment. Many other states are considering similar legislation. Conversely, under the Controlled Substance Act (the “CSA”), the policies and regulations more of the Federal government and above thresholds, it will remain unqualified unless when making its agencies are that cannabis has no medical benefit and a range of activities including cultivation and annual determination it meets certain alternative threshold requirements which will be lower than the personal use of cannabis is prohibited. Unless and until Congress amends the CSA with respect to medical marijuana, as to the timing above thresholds if its prior public float or scope of any such potential amendments there can be no assurance, there is a risk that federal authorities may enforce current federal law. Active enforcement of the current federal regulatory position on cannabis may thus indirectly and adversely affect our prior annual revenues and profits. The risk of strict enforcement of the CSA in light of Congressional activity, judicial holdings, and stated federal policy remains uncertain.

The DOJ has not historically devoted resources to prosecuting individuals whose conduct is limited to possession of small amounts of marijuana for use on private property but has relied on state and local law enforcement to address marijuana activity. In the event the DOJ reverses its stated policy and begins strict enforcement of the CSA in states that have laws legalizing medical marijuana and recreational marijuana in small amounts, there may be a direct and

adverse impact to our business and our revenue and profits. Furthermore, H.R. 83, enacted by Congress on December 16, 2014, provides that none of the funds made available to the DOJ pursuant to the 2015 Consolidated and Further Continuing Appropriations Act may be used to prevent **exceed** certain states, including Nevada and California, from implementing their own laws that authorized the use, distribution, possession, or cultivation of medical marijuana.

Variations in state and local regulation and enforcement in states that have legalized medical controlled substance that may restrict marijuana-related activities, including activities related to medical cannabis and Biotech complex work on cannabis, may negatively impact our revenues and profits.

Individual state laws do not always conform to the federal standard or to other states laws. A number of states have decriminalized marijuana to varying degrees, other states have created exemptions specifically for medical cannabis, and several have both decriminalization and medical laws. Nineteen states and the District of Columbia and Guam have legalized the recreational use of cannabis. Variations exist among states that have legalized, decriminalized, or created medical marijuana exemptions. For example, Alaska and Colorado have limits on the number of marijuana plants that can be homegrown. In most states, the cultivation of marijuana for personal use continues to be prohibited except for those states that allow small-scale cultivation by the individual in possession of medical marijuana needing care or that person's caregiver. Active enforcement of state laws that prohibit personal cultivation of marijuana may indirectly and adversely affect our business and our revenue and profits.

It is possible that federal or state legislation could be enacted in the future that would prohibit us or potential customers from using our products, and if such legislation were enacted, our revenues could decline, leading to a loss in your investment.

We are not aware of any federal or state regulation that regulates the sale of indoor cultivation equipment to medical or recreational marijuana growers. The extent to which the regulation of drug paraphernalia under the CSA is applicable to the sale of our dispensaries is found in the definition of "drug paraphernalia." Drug paraphernalia means any equipment, product, or material of any kind that is primarily intended or designed for use in manufacturing, compounding, converting, concealing, producing processing, preparing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance, possession of which is unlawful.

Marijuana remains illegal under federal law

Cannabis is illegal under U.S. federal law. In those states in which the use of cannabis has been legalized, its use remains a violation of federal law pursuant to the Controlled Substances Act (21 U.S.C. § 811). The Controlled Substances Act classifies cannabis as a Schedule I controlled substance, and as such, medical and adult use cannabis use is illegal under U.S. federal law. Unless and until Congress amends the Controlled Substances Act with respect to cannabis (and the President approves such amendment), there is a risk that federal authorities may enforce current federal law. Since federal law criminalizing the use of cannabis pre-empts state laws that legalize its use, enforcement of federal law regarding cannabis is a significant risk and would likely result in our inability to precede with our business plans, especially in respect of expanding the reach of our dispensaries sale.

We are indirectly engaged in the medical and adult use cannabis industry in the United States where local state law permits such activities. The legality of the production, cultivation, extraction, distribution, retail sales, transportation and use of cannabis differs among states in the United States. Due to the current regulatory environment in the United States, new risks may emerge, and management may not be able to predict all such risks, thresholds.

As a smaller reporting company, we are not required to include a Compensation Discussion and Analysis section in our proxy statements; we may provide only two years of September 2021, there were 36 states, plus financial statements; and we need not provide the District table of Columbia (and the territories of Guam, Puerto Rico, the U.S. Virgin Islands selected financial data. We will also be exempt from certain greenhouse gas emissions disclosure and the Northern Mariana Islands), related third-party assurance requirements. We also have other “scaled” disclosure requirements that have laws and/or regulations are less comprehensive than issuers that recognize, in one form or another, legitimate medical uses are not smaller reporting companies which could make our common stock less attractive to potential investors, which could make it more difficult for cannabis and consumer use of cannabis in connection with medical treatment. In addition, Alaska, California, Colorado, Illinois, Maine, Massachusetts, Michigan, Nevada, Oregon, Vermont, Washington and the District of Columbia have legalized cannabis for adult use. our stockholders to sell their shares.

Due to the conflicting views between state legislatures and the federal government regarding cannabis, cannabis businesses are subject to inconsistent laws and regulations. There can be no assurance that the federal government will not enforce federal laws relating to cannabis and seek to prosecute cases involving cannabis businesses that are otherwise compliant with state laws in the future. While we are not subject to these laws, the uncertainty of U.S. federal enforcement practices going forward and the inconsistency between U.S. federal and state laws and regulations present risks for our dispensary safes business, including incurring substantial costs associated with compliance or altering certain aspects of our business plan.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

We have processes to assess, identify and manage risks from cybersecurity threats as a part of our overall risk assessment process. On a regular basis we implement into our operations these cybersecurity processes, technologies, and controls to assess, identify, and manage material risks. We engage certain external advisors to enhance our cybersecurity oversight where necessary.

To manage our material risks from cybersecurity threats and to protect against, detect, and prepare to respond to cybersecurity incidents, we endeavor to undertake the below listed activities:

- Monitor emerging data protection laws in conjunction with our advisors and implement changes to our processes to comply;
- Maintain firewall and virus protection software, and 2FA logins to servers; and
- Seek to obtain a cybersecurity insurance policy where necessary.

As part of the above processes, we engage with third party providers to review our cybersecurity program and help identify areas for continued focus, improvement, and compliance.

Our processes also include assessing cybersecurity threat risks associated with our use of third-party service providers in normal course of business use. Third-party risks are included within our cybersecurity risk management processes discussed above. In addition, we assess cybersecurity considerations in the selection and oversight of our third-party service providers, including due diligence on the third parties that have access to our systems and facilities that house our critical systems and data.

The Audit Committee of our board of directors is responsible for oversight of our risk assessment, risk management and cybersecurity risks, and periodically updates our board of directors on such matters. Members of the Audit Committee engage in discussions with management on cybersecurity-related news events and discuss any updates to our cybersecurity risk management and strategy programs.

As of the date of this Annual Report, we have not encountered risks from cybersecurity threats that have materially affected, or are reasonably likely to materially affect, our business strategy, results of operations or financial position.

ITEM 2. PROPERTIES

American Rebel Facilities

American Rebel entities lease the following properties:

Location	Square Feet	Use	Lessee	Lease Expiration
909 18 th Avenue South, Suite A Nashville, TN 37212 37212##	1,750	Corporate Executive Offices	American Rebel Holdings, Inc.	March 31, 2024 2024**
3800 S Ross Lane Chanute, Kansas 66720 66720##	50,000	Warehouse and Shipping	American Rebel Holdings, Inc.	Month to month
8460 Nieman Road 8500 Marshall Drive Lenexa, Kansas 66214 66214#	5,724 13,000	Retail Sales Sales/Offices	American Rebel, Inc.	March July 31, 2026 2028

** Subsequent to year end the above leased property (our corporate offices) we received an extension from the lessor providing for month-to-month to vacate the premises. We currently believe that we will vacate these offices in their entirety on or before May 31, 2024.

The above leased properties should be or shall be vacated by the date this Report is filed or shortly thereafter.

The Company and its wholly owned subsidiary moved from the 8460 Nieman Road facility to the 8500 Marshall Drive facility which adjoins the old 8460 Nieman Road property, increasing the retail sales space from approximately 6,000 square feet to 13,000 square feet.

Champion Safe Facilities

Headquarters for the Champion Entities (Champion, Superior and Safe Guard) are located in Provo, Utah. These entities lease the following locations:

Location	Square Feet	Use	Lessee	Lease Expiration
2055 S. Tracy Hall Parkway Provo, Utah 84606**	8,000	Manufacturing		January 1, 2024 2025
2813 S Sierra Vista Way, Provo, Utah 84606*	8,000	Executive Offices and Factory Sales Outlet		January 1, 2024 December 31, 2024
2813 S Sierra Vista Way, Suite 2 Provo, Utah 84606	24,000	Warehouse		December 31, 2024
200 Rock Industrial Park Bridgeton, Missouri 63044***##	5,000	Warehouse and Shipping		May 1, 2024 January 15, 2024
500 Industrial Drive Lewisberry, Pennsylvania 17339**	2,100	Warehouse and Retail Sales	Champion Safe Company, Inc.	August 1, 2024 2024***
5411 Trebor Lane Knoxville, Tennessee 37914***##	2,500	Warehouse and Retail Sales		September 1, 2024 January 31, 2024
792 N. Gilbert Road, Suite 102 Gilbert, Arizona 85233	2,600	Retail Sales		June 30, 2026
4027 North Oracle Road Tucson, Arizona 85705	1,400	Retail Sales		March 7, 2027
17455 N. Black Canyon Highway Phoenix, Arizona 85023	2,400	Retail Sales		February 28, 2025
9802 N. 91 st Avenue, Suite 108 Peoria, Arizona 85345	3,907	Warehouse and Retail Sales		April 30, 2025
28344 Waterview Drive Boerne, Texas 78006	2,400	Retail Sales	Sublease	Month-to-month
1020 FM 1960 West, Suite 7 Houston, Texas 77090	2,500	Retail Sales	Sublease	Month-to-month
Av. Alvaro Obregon 6745, California, 84065 Nogales, Sonora, Mexico	73,659	Manufacturing	Champion Safe De Mexico, S.A. DE C.V.	September 1, 2024

*** Subleased effective December 15, 2023. Original lease expiration date was August 1, 2024.

** Leased from Utah-Tennessee Holding Company, LLC, a company owned by the current former Champion CEO, Ray founder, owner and Chief Executive Officer, Mr. Crosby.

* Leased from Champion Holdings, LLC, a company owned by former Champion founder, owner and Chief Executive Officer, Mr. Crosby.

The above leased properties should be or shall be vacated by Champion Safe Company, Inc. by the current Champion CEO, Ray Crosby. date this Report is filed or shortly thereafter.

As part of our transaction in acquiring the acquisition of the Champion Entities, several of the long-term leases were held with the Seller, Mr. Ray Crosby through a his ownership in two limited liability company, companies. These long-term leases were considered market fair value as Mr. Crosby through this LLC provides provided rental space at what was deemed market value neither charging the Company and its subsidiaries too much or too little, what could have been negotiated in an arm's length transaction. Please review the footnotes to our Consolidated Financial Statements for further disclosure on the leases that the Company is obligated to the Seller of the Champion Entities.

Recently the Company and Mr. Crosby, through his limited liability companies, entered into several short-term extensions on the leased properties. With the extensions of the leases the Company and the limited liability companies generally increased the base rent to be paid by an average of 10% due to inflation. The Company negotiated these extensions and other terms in an arm's length manner.

The Company believes these facilities are currently adequate for its needs, including providing the space and infrastructure to accommodate its development work based on current its operating plans. In For the foreseeable future, the Company may lease or license additional facilities for manufacturing, corporate offices and other functions. The Company believes that suitable additional facilities will be available on commercially reasonable terms to accommodate the foreseeable expansion of its operations, our operations and warehousing requirements.

The Company intends to for the immediate future, twelve (12) to eighteen (18) months, not to extend the leases on the Lewisberry, Phoenix and Peoria facilities and consolidate its warehousing wholly within its Utah facilities.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm business.

We are not currently a party in any legal proceeding or governmental regulatory proceeding nor are we currently aware of any pending or potential legal proceeding or governmental regulatory proceeding proposed to be initiated against us that would have a material adverse effect on us or our business.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

36 38

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Reverse Stock Split and Potential Reverse Stock Split Market for NASDAQ Continued Listing Requirements

On February 7, 2022, we effectuated a reverse split of our issued and outstanding shares of Common Stock at a ratio of 1-for-80. The share numbers and pricing information in this Annual Report are adjusted to reflect the reverse stock split. certain Common Stock Purchase Warrants

Our common stock is listed on the Nasdaq Capital Market, which has as one of its continued listing requirements a minimum bid price of at least \$1.00 per share. During 2022, our common stock traded significantly below \$1.00 per share. On June 28, 2022, we received a letter from The Nasdaq Stock Market LLC indicating that we failed to comply with the minimum bid price requirement, and that we have been provided with a 180-day grace period (which expired on December 27, 2022) to regain compliance. On December 28, 2022, we received notice from Nasdaq indicating that, while we had not regained compliance with the bid price requirement, Nasdaq has determined that we were eligible for an additional 180-day period, or until June 26, 2023, to regain compliance. According to the notification from Nasdaq, the staff's determination was based on (i) us meeting the continued listing requirement for market value of publicly held shares and all other applicable Nasdaq initial listing standards, with the exception of the minimum bid price requirement, and (ii) our written notice to Nasdaq of the intention to cure the deficiency during the second compliance period by effecting a reverse stock split, if necessary. If at any time during this second 180-day compliance period, the closing bid price of the common stock is at least \$1 per share for a minimum of 10 consecutive business days, Nasdaq will provide us with written confirmation of compliance. If compliance cannot be demonstrated by June 26, 2023, Nasdaq will provide written notification that the common stock will be delisted. At that time, we may appeal Nasdaq's determination to a Hearings Panel.

We have received stockholder consent to implement up to a 1-for-25 reverse stock split of our outstanding shares of common stock at any time prior to January 5, 2024. Our board of directors will determine when, and if, the reverse stock split would be implemented and at what ratio.

Delisting from the Nasdaq Capital Market may adversely affect our ability to raise additional financing through the public or private sale of equity securities, may significantly affect the ability of investors to trade our securities and may negatively affect the value and liquidity of our common stock. Delisting also could have other negative results, including the potential loss of employee confidence, the loss of institutional investors or interest in business development opportunities.

If we are delisted from the Nasdaq Capital Market and we are not able to list our common stock on another exchange, our common stock could be quoted on the OTC Markets or in the "pink sheets." As a result, we could face significant adverse consequences including, among others:

- a limited availability of market quotations for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and little or no analyst coverage of our company;
- we would no longer qualify for exemptions from state securities registration requirements, which may require us to comply with applicable state securities laws; and
- a decreased ability to issue additional securities (including pursuant to short-form registration statements on Form S-3) or obtain additional financing in the future.

In addition, an increase in the per share trading value of our common stock would be beneficial because it would:

- improve the perception of our common stock as an investment security;
- reset our stock price to more normalized trading levels in the face of potentially extended market dislocations;
- assist with future potential capital raises;
- appeal to a broader range of investors to generate greater investor interest in us; and
- reduce stockholder transaction costs because investors would pay lower commissions to trade a fixed dollar amount of our stock if our stock price were higher than they would if our stock price were lower.

Public Offering(s) and Recent Up-listing to Nasdaq

On February 9, 2022, we closed on an underwritten public offering of 2,530,121 units (the “Common Units”), at a price to the public of \$4.15 per Common Unit, for aggregate gross proceeds of approximately \$10.5 million, prior to deducting underwriting discounts, commissions, and other estimated offering expenses. Each Common Unit consisted of one share of common stock and one warrant to purchase one share of common stock. The common stock and warrants were immediately separable from the Common Units and were issued and traded separately. The certain existing warrants are exercisable immediately, expire five years from the date of issuance and have an exercise price of \$5.1875 per share.

On July 12, 2022, we entered into a PIPE transaction with an institutional investor for the purchase and sale of \$12,887,976 of securities, consisting of (i) 509,311 shares of common stock at \$1.11 per share, (ii) prefunded warrants (the “Prefunded Warrants”) that are exercisable into 11,202,401 shares of common stock (the “Prefunded Warrant Shares”) at \$1.10 per Prefunded Warrant, and (iii) immediately exercisable warrants to purchase up to 23,423,424 shares of common stock at an initial exercise price of \$0.86 per share and will expire five years from the date of issuance.

As of December 31, 2022, there were no Prefunded Warrants issued and outstanding. The Prefunded Warrants were purchased by the holders of the warrants for \$1.10 per warrant. The Prefunded Warrants required the payment of an additional \$0.01 per warrant and the written notice of exercise to the Company to convert the Prefunded Warrant into one share of common stock of the Company. During the period ended September 30, 2022, the Company received notice on all the Prefunded Warrants converting into 11,202,401 shares of common stock.

We used the net proceeds from these offerings to repay various outstanding indebtedness, purchase the Champion Safe entities and for general corporate purposes, including working capital, increased research and development expenditures and funding our growth strategies.

The shares of Common Stock and Warrants were approved to up-list traded on the Nasdaq Capital Market under the symbols “AREB” and “AREBW,” respectively, and began trading on February 7, 2022, respectively.

Market for our Common Stock

Our Common Stock was quoted on the OTC:QB Market under the symbol “AREB” and continued with our uplisting to NASDAQ on February 7, 2022 through this date as “AREB”. Our Common Stock traded infrequently on the OTC, which limited our ability to pinpoint high and low bid prices for each quarter during the year ending December 31, 2021. The following table lists the available quotations for the high and low closing prices for fiscal 2021 and 2022 obtained through various investing websites. The quotations reflect inter-dealer prices without retail mark-up, markdown, or commissions and may not represent actual transactions.

	2022		2021	
	High	Low	High	Low
1st Quarter	\$ 6.48	\$ 1.15	\$ 9.12	\$ 3.29
2nd Quarter	\$ 2.12	\$ 0.65	\$ 9.60	\$ 4.00
3rd Quarter	\$ 1.24	\$ 0.33	\$ 9.44	\$ 3.88
4th Quarter	\$ 0.50	\$ 0.16	\$ 7.42	\$ 3.02

On March 30, 2023 April 11, 2024, the closing price of shares of Common Stock common stock of the Company was \$0.15, \$0.3689. Our common stock has been quite volatile over the past two years, with significant fluctuations in volume and price.

Nasdaq Deficiency Notices

On October 23, 2023, we were notified by Nasdaq that we were not in compliance with Nasdaq Listing Rule 5550(a)(2) because the price of our common stock had traded at less than \$1.00 per share for the last thirty consecutive trading days. Nasdaq’s notice has no immediate effect on the listing of the common stock on Nasdaq and, at this time. Pursuant to Nasdaq Listing Rule 5810(c)(3)(A), we have been provided an initial compliance period of 180 calendar days, or until April 22, 2024, to regain compliance with the minimum bid price requirement. To regain compliance, the closing bid price of the common stock must meet or exceed \$1.00 per share for a minimum of ten consecutive business days prior to April 22, 2024. In late March of 2024, we requested an additional 180-day extension to regain compliance with the minimum bid price requirement. As of the date of this filing Nasdaq has not responded to our request. Management continues to believe that adherence to its current operating and business plan will enable us to regain compliance. In addition, we have obtained majority stockholder consent to enact up to a 1-for-10 reverse stock split at any time in the following twelve months and would cure the deficiency during the second compliance period, by effecting the reverse stock split, if necessary.

On February 28, 2024, we received a written notice from Nasdaq stating that because we have not yet held an annual meeting of shareholders within 12 months of the end of our 2022 fiscal year end, we no longer comply with Nasdaq Listing Rule 5620(a) for continued listing on Nasdaq. We have until April 15, 2024, which is 45 days from the date of the notice, to submit a plan to regain compliance and, if Nasdaq accepts the plan, it may grant an exception of up to 180 calendar days from the fiscal year end, or until June 28, 2024, to regain compliance. We intend to submit a compliance plan within the specified period, which we expect will consist of holding an annual meeting of stockholders within sixty (60) days of filing of this Form 10-K. While the compliance plan is pending, our securities will continue to trade on Nasdaq.

Stockholders of Record

As of March 30, 2023 April 1, 2024, an aggregate of 16,930,517 5,947,643 shares of our Common Stock common stock were issued and outstanding and owned by 132 stockholders of record. We also had 159,737 This amount includes 67,723 shares of Common Stock common stock that were authorized, but unissued as of March 30, 2023 April 1, 2024.

Dividends

Dividends

We have not since December 15, 2014 (date of inception) declared or paid any cash dividends on our common stock and currently do not anticipate paying such cash dividends. We currently anticipate that we will retain all of our future earnings for use in the development and expansion of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors and will depend upon our results of operations, financial condition, tax laws and other factors as the board, in its discretion, deems relevant.

Preferred Stock

Our Board is authorized, subject to limitations prescribed by Nevada law, to issue preferred stock in one or more series, to establish from time-to-time the number of shares to be included in each series, and to fix the designation, powers, preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our Board can also increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares then outstanding) the number of shares of any series of preferred stock, without any further vote or action by our stockholders. Our Board may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock or other series of preferred stock. The issuance of preferred stock, while providing flexibility in connection with possible financings, acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control of our company and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock.

Series A Preferred Stock

No Maturity, Sinking Fund or Mandatory Redemption

The Series A Preferred Stock (the “Existing Series A Preferred Stock”) has no stated maturity and will not be subject to any sinking fund or mandatory redemption. Shares of the Existing Series A Preferred Stock will remain outstanding indefinitely unless we decide to redeem or otherwise repurchase them.

Dividend Rights

Holders of shares of the Existing Series A Preferred Stock are not entitled to receive any dividends.

Voting Rights

Holders of the Existing Series A Preferred Stock are entitled to vote together with the holders of our common stock on an as-converted basis. Each Existing Series A Preferred Stock is entitled to cast one thousand (1,000) votes for each share held of the Existing Series A Preferred stock.

Conversion Rights

While the Certificate of Designation is named “Certificate of Designation of Series A Convertible Preferred Stock”, the Company’s Existing Series A Preferred Stock is not convertible into shares of common stock of the Company or redeemable by either the Company or another person.

Series B Preferred Stock

No Maturity, Sinking Fund or Pre-Determined Mandatory Redemption

The Series B (the “Existing Series B Preferred Stock”) has no stated maturity and will not be subject to any sinking fund or pre-determined mandatory redemption. Shares of the Existing Series B Preferred Stock will remain outstanding indefinitely unless we decide to redeem or otherwise repurchase them, or the holders decide to convert them.

Dividend Rights

Holders of shares of the Existing Series B Preferred Stock are not entitled to receive any dividends.

Voting Rights

Holders of the Existing Series B Preferred Stock shall not have any voting rights, except in the case of voting on a change in the preferences of the Existing Series B Preferred Stock shares.

Conversion Rights

Each holder of the Existing Series B Preferred Stock is entitled to convert any portion of the outstanding shares of Existing Series B Preferred Stock held by such holder into validly issued, fully paid and non-assessable shares of our common stock. Each share of the Existing Series B Preferred Stock is convertible into our common stock at the conversion rate of 1 share of Existing Series B Preferred Stock to 1.25 shares of common stock, subject to adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock. Should the Company issue a redemption notice the conversion shall occur on or prior to the fifth (5th) day prior to the redemption date, as may have been fixed in any redemption notice with respect to the Existing Series B Preferred Stock shares, at the office of the Company or any transfer agent for such stock.

Liquidation Preference

The Existing Series B Preferred Stock has senior liquidation preference rights compared to the common stock. Upon a liquidation, the Existing Series B Preferred Stock shares are entitled to receive cash based upon a stated value per share of \$7.00.

Fractional Shares

No fractional shares of our common stock will be issued upon any conversion of the Existing Series B Preferred Stock. If the conversion would result in the issuance of a fraction of a share of common stock, the number of shares of common stock issuable upon such conversion will be rounded up to the nearest whole share.

Securities Authorized for Issuance under Equity Compensation Plans

On January 1, 2021, our board of directors Board approved the establishment of the 2021 Long-Term Equity Incentive Plan ("LTIP"). The LTIP is intended to enable us to continue to attract able directors, employees, and consultants and to provide a means whereby those individuals upon whom the responsibilities rest for successful administration and management of the Company, and whose present and potential contributions are of importance, can acquire and maintain common stock ownership, thereby strengthening their concern for our welfare. The aggregate maximum number of shares of common stock (including shares underlying options) that may be issued under the LTIP pursuant to awards of Restricted Shares or Options will be limited to 10% of the outstanding shares of common stock, which calculation shall be made on the first trading day of each new fiscal year. For fiscal year 2022, up to 159,737 6,390 shares of common stock were available for participants under the LTIP. For fiscal year 2023, up to 67,723 shares of common stock were available for participants under the LTIP. For fiscal year 2024, up to 587,992 shares of common stock are available for participants under the LTIP. The number of shares of common stock that are the subject of awards under the LTIP which are forfeited or terminated, are settled in cash in lieu of shares of common stock or in a manner such that all or some of the shares covered by an award are not issued to a participant or are exchanged for awards that do not involve shares will again immediately become available to be issued pursuant to awards granted under the LTIP. If shares of common stock are withheld from payment of an award to satisfy tax obligations with respect to the award, those shares of common stock will be treated as shares that have been issued under the LTIP and will not again be available for issuance under the LTIP. In December of 2022, we authorized the grant and issuance of all 159,737 6,390 shares of common stock under the LTIP to our executive management team. Further, in December of 2023, we authorized the grant and issuance of all 67,723 shares of common stock under the LTIP to our executive management team.

Recent Sales of Unregistered Securities

On June 27, 2023, we entered into a PIPE transaction with Armistice Capital Master Fund Ltd. for the purchase and sale of \$2,993,850.63 of securities, consisting of (i) 71,499 shares of common stock at \$4.37 per share, (ii) prefunded warrants (the "2023 Prefunded Warrants") that are exercisable into 615,000 shares of common stock (the "2023 Prefunded Warrant Shares") at \$4.37 per Prefunded Warrant, and (iii) immediately exercisable warrants to purchase up to 686,499 shares of common stock at an initial exercise price of \$4.24 per share and will expire five years from the date of issuance.

In connection with the Company's June 27, 2023 1-for-25 reverse split and the round lot rounding associated therewith, approximately 2.1 million new shares of common stock were issued.

On December 27, 2022 July 1, 2023, we authorized the issuance of 103,829 24,129 shares of common stock to our CEO and 55,908 independent board members for past services through June 30, 2023.

On September 8, 2023, holders of certain existing warrants exercised such warrants by paying \$3,287,555.70 for 2,988,687 shares of the Company's common stock at a reduced exercise price of \$1.10 per share in consideration for the Company's agreement to issue two new common stock purchase warrants to purchase, in the aggregate, up to 5,977,374 shares of the Company's common stock.

On December 30, 2023, we authorized the issuance of 40,634 shares of common stock to Mr. Ross, our Chief Executive Officer, and 27,089 shares of common stock to Mr. Grau, our President, under the 2021 LTIP. These shares have not been issued as of the date of this Annual Report.

Repurchase of Equity Securities

We have no plans, programs or other arrangements in regards to repurchases of our common stock. Further, we did not repurchase any of our equity securities during the year ended December 31, 2023.

Subsequent Issuances after Year-End

None

All of the above-described issuances were exempt from registration pursuant to Section 4(a)(2) and/or Regulation D of the Securities Act as transactions not involving a public offering. With respect to each transaction listed above, no general solicitation was made by either the Company or any person acting on its behalf. All such securities issued pursuant to such exemptions are restricted securities as defined in Rule 144(a)(3) promulgated under the Securities Act, appropriate legends have been placed on the documents evidencing the securities, and may not be offered or sold absent registration or pursuant to an exemption there from.

Repurchase of Equity Securities

We have no plans, programs or other arrangements in regards to repurchases of our common stock. Further, we did not repurchase any of our equity securities during the year ended December 31, 2022.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Item 7 contains forward-looking statements. Forward-looking statements in this Annual Report on Form 10-K are subject to a number of risks and uncertainties, some of which are beyond our control. Our actual results, performance, prospects or opportunities could differ materially from those expressed in or implied by the forward-looking statements. Additional risks of which we are not currently aware or which we currently deem immaterial could also cause our actual results to differ, including those discussed in the sections entitled "Forward-Looking Statements" and "Risk Factors" included elsewhere in this Annual Report.

Management's Discussion and Analysis should be read in conjunction with the financial statements included in this Annual Report on Form 10-K (the "Financial Statements"). The financial statements have been prepared in accordance with generally accepted accounting policies principles in the United States ("GAAP"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in United States dollars.

The following discussion of the Company's financial condition and the results of operations should be read in conjunction with the Financial Statements and footnotes thereto appearing elsewhere in this Annual Report.

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In order to comply with the terms of the safe harbor, the Company notes that in addition to the description of historical facts contained herein, this Annual Report contains certain forward-looking statements that involve risks and uncertainties as detailed herein and from time to time in the Company's other filings with the Securities and Exchange Commission and elsewhere. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those, described in the forward-looking statements. These factors include, among others: (a) the Company's fluctuations in sales and operating results; (b) risks associated with international operations; (c) regulatory, competitive and contractual risks; (d) development risks; (e) the ability to achieve strategic initiatives, including but not limited to the ability to achieve sales growth across the business segments through a combination of enhanced sales force, new products, and customer service; and (f) pending litigation.

Operations

On June 9, 2016, a change in control occurred, a sixty percent (60%) ownership interest was obtained by American Rebel, Inc. from our a former officer and director and who was also our founder. On June 17, 2017, the Company acquired the business of its control stockholder accounted for and presented financially as a reverse merger transaction. Our majority stockholder, American Rebel, Inc. became a wholly owned subsidiary of the Company and we distributed the shares to the stockholders of American Rebel, Inc. As a result of this reverse merger, the reported reporting operating history of the Company is now the operating history of American Rebel, Inc. Financial statements of both companies are now consolidated and all material intercompany transactions and balances are eliminated. On July 29, 2022, the Company closed on its acquisition of the Champion Entities. Entities, a major acquisition with significant existing operations.

Recent Developments

Establishment of American Rebel Beer

On August 9, 2023, the Company entered into a Master Brewing Agreement with Associated Brewing. Under the terms of the Brewing Agreement, Associated Brewing has been appointed as the exclusive producer and seller of American Rebel branded spirits, with the initial product being American Rebel Light Beer. American Rebel Light Beer will launch regionally in early 2024. The Company paid a setup fee and security deposit to Associated Brewing. We established American Rebel Beverages, LLC as a wholly-owned subsidiary specifically to hold our alcohol licenses and conduct operations for our beer business.

Acquisition of Champion Entities

On June 29, 2022, the Company entered into a stock and membership interest purchase agreement with Champion Safe Co., Inc. ("Champion Safe"), Superior Safe, LLC ("Superior Safe"), Safe Guard Security Products, LLC ("Safe Guard"), Champion Safe De Mexico, S.A. de C.V. ("Champion Safe Mexico") and, together with Champion Safe, Superior Safe, Safe Guard and Champion Safe Mexico, collectively, the ("Champion Entities") and Mr. Ray Crosby ("Seller") (the "Champion Purchase Agreement"), pursuant to which the Company agreed to acquire all of the issued and outstanding capital stock and membership interests of the Champion Entities from the Seller. This transaction was completed on July 29, 2022. We have included the Champion Entities assets and liabilities as of that date and the subsequent financial activity through the date of this Annual Report in our Consolidated Financial Statements. For all intent and purposes, the Champion Entities have been integrated with our existing operations and are under the control of our management team.

Secured Loans

The closing of

On April 14, 2023, the acquisition occurred on July 29, 2022 Company entered into a \$1,000,000 Business Loan and Security Agreement (the "Secured Loan") with an accredited investor lending source (the "Lender"). Under the terms Secured Loan, the Company received \$980,000 on April 20, 2023, which was net of fees to the Lender. The Secured Loan requires 64 weekly payments of \$20,000, for a total repayment of \$1,280,000 to the Lender. The principal balance bears interest at 22.8%. The Secured Loan is secured by all of the Champion Purchase Agreement, assets of the Company and its subsidiaries second only to a previously secured line of credit and contains other customary terms and conditions for agreements of its type. Further, the Company's CEO, Charles A. Ross, Jr., provided a personal guaranty for the Secured Loan.

On December 28, 2023, the Company entered into a \$500,000 Business Loan and Security Agreement (the "Second Secured Loan") with Alt Banq Inc., an accredited investor lending source ("Alt Banq"). Under the Second Secured Loan, the Company received \$490,000 on December 29, 2023, which was net of fees to Alt Banq. The Second Secured Loan requires 52 weekly payments of \$11,731, for a total repayment of \$610,000 to Alt Banq. The principal balance bears interest at 22% per annum. The Second Secured Loan, is secured by all of the assets of the Company and its subsidiaries second only to a previously secured line of credit and contains other customary terms and conditions for agreements of its type. Further, the Company's CEO, Charles A. Ross, Jr., provided a personal guaranty for the Second Secured Loan.

Unsecured Loan

The Company refinanced a \$600,000 note with an accredited investor that was due March 31, 2023 with a new note dated July 1, 2023. The total amount refinanced with an accredited investor is \$450,000, with \$150,000 due December 31, 2023, and \$300,000 due June 30, 2024. Interest will be paid the Seller (i) cash consideration quarterly in the amount of \$9,150,000, along 12% on the outstanding principal amounts.

Armistice PIPE and Warrant Exercise

On June 27, 2023, we entered into a PIPE transaction with Armistice Capital Master Fund Ltd. for the purchase and sale of \$2,993,850.63 of securities, consisting of (i) 71,499 shares of Common Stock at \$4.37 per share, (ii) cash deposits in the amount prefunded warrants (the "2023 Prefunded Warrants") that are exercisable into 615,000 shares of \$350,000, Common Stock (the "2023 Prefunded Warrant Shares") at \$4.37 per Prefunded Warrant, and (iii) reimbursed Seller for \$397,420 immediately exercisable warrants to purchase up to 686,499 shares of agreed upon acquisitions Common Stock at an initial exercise price of \$4.24 per share and equipment purchases completed by will expire five years from the Seller and the Champion Entities since June 30, 2021, date of issuance.

On September 8, 2023, Armistice exercised certain existing warrants by paying \$3,287,555.70 for 2,988,687 shares of the Company's common stock at a reduced exercise price of \$1.10 per share in consideration for the Company's agreement to issue two new common stock purchase warrants to purchase, in the aggregate, up to 5,977,374 shares of the Company's common stock.

Revenue Interest Purchase Agreement

On December 19, 2023, we entered into a Revenue Interest Purchase Agreement (the “Revenue Interest Purchase Agreement”) with Kingdom Building Inc. (“KBI”), pursuant to which KBI purchased a revenue interest from us for \$500,000, less \$5,000 in transaction expenses.

As consideration for such payment, commencing on April 1, 2024 and continuing thereafter until all amounts are repurchased by us pursuant to the terms of the Revenue Interest Purchase Agreement, KBI has a right to receive \$75,000 per month from us in perpetuity until we purchase the revenue interest from the holder (the “Revenue Interest”). There are no distinct limitations or requirements that we are to produce revenue, or sufficient revenue to cover these payments.

Under the Revenue Interest Purchase Agreement, we have an option (the “Call Option”) to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, KBI has an option (the “Put Option”) to terminate the Revenue Interest Purchase Agreement and to require us to repurchase future Revenue Interest upon us consummating a public offering pursuant to Regulation A. The repurchase price to be paid by us will be, if the Call Option or the Put Option is exercised (i) \$625,000 if repurchased on or before March 31, 2024; and (ii) \$687,500 after April 1, 2024; in each case of (i) or (ii), minus all Revenue Interest or other payments made by us to KBI prior to such date.

In addition, the Revenue Interest Purchase Agreement contains various representations and warranties, covenants and other obligations and other provisions that are customary for a transaction of this nature. Further, in March and April of 2024 we have entered into several additional revenue interest purchase agreements, which are described in Item 9B below.

Description of Our Business

Company Overview

American Rebel is boldly positioning itself as America’s Patriotic Brand. The Company has identified the market opportunity to design, manufacture, and market innovative concealed carry products and safes. American Rebel accesses its market uniquely through its positioning as America’s Patriotic Brand and the appeal of its products as well as through the profile and public persona of its founder and Chief Executive Officer, Andy Ross. Andy hosted his own television show for 12 years, has made multiple appearances over the years at trade shows, and is well-known in the archery world as the founder of Ross Archery, which was the world’s fastest-growing bow company in 2007 and 2008. Andy has also released 3 CDs, done numerous radio and print interviews, and performed many concerts in front of thousands of people. Andy has the ability to present American Rebel to large numbers of potential customers through the appeal of his music and other supporting appearances. For example, his appearance on the History Channel hit show *Counting Cars* in February 2014 has been viewed by over 2 million people times. Bringing innovative products that satisfy an existing demand to the market through exciting means is the American Rebel blueprint for success.

Other

As a corporate policy, we will not incur any cash obligations that we cannot satisfy with known resources, of which there are currently none except as described in “Liquidity” below or elsewhere in this Annual Report. We believe that the perception that many people have of a public company makes it more likely that they will accept restricted securities from a public company as consideration for indebtedness to them than they would from a private company. We have not performed any studies of this matter. Our conclusion is based on our own observations. Additionally, the issuance of restricted shares will dilute the percentage of ownership interest of our stockholders.

Results of Operations for the fiscal year ended December 31, 2022 December 31, 2023

Twelve Months Ended December 31, 2023 Compared to the Twelve Months Ended December 31, 2022

	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	\$ 16,228,310	\$ 8,449,800
Cost of goods sold	13,191,886	6,509,382
Gross margin	3,036,424	1,940,418
Expenses:		
Consulting/payroll and other costs	3,347,070	905,843
Compensation expense – officers – related party	528,107	1,094,781
Compensation expense – officers – deferred comp – related party	1,413,000	-
Rental expense, warehousing, outlet expense	871,032	508,527
Product development costs	132,528	746,871
Marketing and brand development costs	1,273,012	507,503
Administrative and other	3,317,082	3,190,092
Depreciation and amortization expense	104,229	50,087
	10,976,060	7,003,704
Operating income (loss)	(7,939,636)	(5,063,286)
Other Income (Expense)		
Interest expense	(406,252)	(358,689)
Interest expense – pre-emptive rights release	-	(350,000)
Interest income	3,780	5,578
Employee retention credit funds, net of costs to collect	1,113,337	-
Gain/(loss) on sale of equipment	1,900	-
Tangible asset valuation adjustment	(1,570,816)	-
Impairment adjustment – goodwill	(2,525,000)	-
Gain/(loss) on extinguishment of debt	221,903	(1,376,756)
Net income (loss) before income tax provision	(11,100,784)	(7,143,153)
Provision for income tax	-	-
Net income (loss)	\$ (11,100,784)	\$ (7,143,153)
Basic and diluted income (loss) per share	\$ (3.81)	\$ (23.90)
Weighted average common shares outstanding – basic and diluted	2,912,100	298,800

Revenue and cost of goods sold

For the year ended December 31, 2023, we reported Revenues of \$16,228,310 compared to Revenues of \$8,449,800 for the year ended December 31, 2022. The increase in Revenues of \$7,778,510 (or 92% period over period (PoP)) for the year ended December 31, 2023 compared to the year ended December 31, 2022, we reported Sales of \$8,449,800, compared to Sales of \$986,826 for the year ended December 31, 2021. The increase is primarily attributable to the Company's recent acquisition closing of the Champion Entities that closed acquisition on July 29, 2022 and a general increase from Champion's average quarterly sales of product. For the year ended December 31, 2023, we reported Cost of Goods Sold of \$13,191,886, compared to Cost of Goods Sold of \$6,509,382 for the year ended December 31, 2022. The increase in Cost of Goods Sold of \$6,682,504 (or 103% period over period (PoP)) for the current period is due to a significantly greater number of sales of product during the period compared to the year ending December 31, 2022 and again attributable to the closing of the Champion acquisition on July 29, 2022. For the year ended December 31, 2022, we reported Cost Gross Margin of Sales of \$6,509,382, \$3,036,424, compared to Cost Gross Margin of Sales of \$812,130 \$1,940,418 for the year ended December 31, 2021. The increase in Cost of Sales was again primarily attributable to the acquisition of the Champion Entities. For the year ended December 31, 2022, we reported Gross Profit of \$1,940,418, compared to Gross Profit of \$174,696 for the year ended December 31, 2021. The increase in Gross Profit was primarily attributable Margin of \$1,096,006 (or 56% period over period (PoP)) for the year ending December 31, 2023, compared to the acquisition year ending December 31, 2022 is again due to the closing of the Champion Entities. Please review acquisition on July 29, 2022. Gross Margin percentages for the year ended December 31, 2023 was 18.7% compared to 22.9% for the year ended December 31, 2022. We expect our footnotes Gross Margin percentage to remain consistent in the Consolidated Financial Statements for its presentation 20% range until we achieve sufficient sales volume to increase our margins from better pricing power, to better buying power on the pro forma financial information as if the Company and the Champion Entities had been combined since January 1, 2021. This represents a significant difference if we were able to include a full year of revenue and our costs of sales for the Champion Entities for 2022. goods, inventory and inventory management.

Expenses

Total operating expenses for the year ended December 31, 2022 December 31, 2023 were \$7,003,704 \$10,976,060 compared to \$3,486,135 \$7,003,704 for the year ended December 31, 2021 December 31, 2022 as further described below. Overall, we saw a \$3,972,356 increase in operating expenses or a 57% period over period (PoP) increase in operating expenses from the prior year comparable period. With the acquisition and integration of the Champion acquisition we expect this to be about the same going forward dropping as a percentage of Revenues as we increase our overall sales volume.

For the year ended December 31, 2022 December 31, 2023, we incurred consulting consulting/payroll and business development expenses other costs of \$2,000,624, \$3,347,070 compared to consulting consulting/payroll and business development expenses other costs of \$2,012,803 \$905,843 for the year ended December 31, 2021 December 31, 2022. The slight decrease increase in consulting consulting/payroll and business development expenses is other costs of \$2,441,227 (or 269% period over period (PoP)) was primarily due to the decrease overall increase in outside corporate consultants offset the number of employees and the size of the Company's head count post-acquisition of the Champion Entities. This was affected as well by additional the increased payroll expenses costs from a competitive jobs market and the Champion Entities employees receiving pay increases that they were promised for years. The Company expects to maintain its current consulting/payroll and other costs as we further expand our sales volume and increase margins.

For the year ended December 31, 2023, we incurred compensation expense – officers and compensation expense – officers – deferred comp costs of \$518,107 and \$1,413,000 compared to compensation expense – officers and compensation expense – officers – deferred comp costs of \$1,094,781 and \$0 for the year ended December 31, 2022. The increase in compensation expense – officers – deferred comp costs of \$1,413,000 (in excess of 100% period over period (PoP)) was due to Company issuing shares of preferred stock that are convertible into common stock of the Company as a result well as the modification of the acquisition conversion terms of the same preferred stock that were previously issued to two (2) officers that are now able to be converted into common stock of the Company. The Company is required to recognize the cost attributable to the ability to convert the preferred shares into common stock multiplied by the market value or fair value of the Company's common stock on either the grant date, issuance date, or the end of each reporting period. The Company will re-evaluate the fair value of the common stock equivalents underlying the preferred stock that was issued, as well as take into account the vesting (and complete ownership) of the preferred stock and its common stock equivalency. The decrease in compensation expense – officers of \$576,674 (or -53% period over period (PoP)) was due to the Company issuing significant bonuses to its officers in 2022 for the successful closing on the Champion Entities. Entities offset or decreased by reduced bonuses for 2023 as recommended by the board of directors and its compensation committee. Mr. Lambrecht's compensation will be fully integrated into the year ended December 31, 2024 with approximately another \$250,000 to \$300,000 in direct compensation expense – officers attributable to Mr. Lambrecht. Compensation expense is the total value that we pay our officers during the period reported, which includes a base salary, bonus, any equity awards or fringe benefits that we provide our officers. The Company believes that it pays its officers or management a fair and competitive salary, as well as stock grants or awards that are made during the year. Deferred compensation is attributable to the fair value of the common stock equivalents that are underlying our Series A preferred stock that have been issued pursuant to employment agreements and vesting schedules.

For the year ended December 31, 2023, we incurred rental expense, warehousing, outlet expense of \$871,032, compared to rental expense, warehousing, outlet expense of \$508,527 for the year ended December 31, 2022. The increase in rental expense, warehousing, outlet expense of \$362,505 (or 71% period over period (PoP)) was due to the significant number of leases and properties that the Company rents to conduct the Champion business. Prior to the Champion business acquisition, the Company included lease expense in the Administrative and other account. The significant number of leases and properties that the Company rents to conduct its Champion business provides a better presentation of expenses through a separate line item in its Statement of Operations. The Company expects to maintain this level of expense on a go-forward basis with its leases and rented properties. The Company may look to consolidate some of its space as it fine tunes the Champion business.

For the year ended December 31, 2022 December 31, 2023, we incurred rental expense, warehousing and outlet expense product development expenses of \$508,527, \$132,528, compared to rental expense, warehousing and outlet expense product development expenses of \$0 \$746,871 for the year ended December 31, 2021 December 31, 2022. Since the acquisition The decrease in product development expenses of \$614,343 (or -82% period over period (PoP)) is due to some of the Champion Entities that closed on July 29, 2022, the Company now has a much larger physical footprint. Our rental expense, warehousing, etc. was negligible in years prior to 2022 and was Company's current product development expenses being included in consulting/payroll and other costs account which provides for a better presentation of those expenses than pure product development expense, offset by new efforts over these past few months where we've incurred some significant expenses that are attributable to our general private label brewery efforts and administrative should be separated and identified. The Company expects to maintain some level of expense line item, on a go-forward basis with new products and efforts being expended for future sales growth and product needs.

For the year ended December 31, 2022, we incurred product development expenses of \$746,871, compared to product development expenses of \$330,353 for the year ended December 31, 2021. The increase in the amount of product development expenses was due to the increase in product development activity.

For the year ended December 31, 2022 December 31, 2023, we incurred marketing and brand development expenses of \$507,503, \$1,273,012, compared to marketing and brand development expenses of \$171,030 \$507,503 for the year ended December 31, 2021 December 31, 2022. The increase in marketing and brand development expenses of \$765,509 (or 151% period over period (PoP)) relates primarily to an increase of activities including major trade shows and the expanded size availability of working capital for these types of expenses as well as increased costs attributable to our acquisition and integration of the Company and the return of trade shows post the COVID-19 pandemic, Champion business.

For the year ended December 31, 2022 December 31, 2023, we incurred general administrative and administrative expenses other expense of \$3,190,092, \$3,317,082, compared to general administrative and administrative expenses other expense of \$968,306 \$3,190,092 for the year ended December 31, 2021 December 31, 2022. The increase in administrative and other expense of \$126,990 (or 4% period over period (PoP)) relates primarily to significant legal and other professional fees that we incurred during 2022 in anticipation of our registered public offerings, offset by other additional expenses picked up from our acquisition of Champion and recent financing efforts. The Company believes as it grows its sales base it will need to increase administrative and other

expenses commensurate with an increase in professional, consulting and operating fees due to overall increased profit into the expanded size of the Company's future.

For the year ended December 31, 2022 December 31, 2023, we incurred depreciation and amortization expense of \$50,087, \$104,229, compared to depreciation and amortization expense of \$3,643 \$50,087 for the year ended December 31, 2021 December 31, 2022. The increase in depreciation and amortization expense is due relates primarily to the increased size acquisition of Champion and its significant and additional depreciable asset base that it provided to the Company and the assets acquired in the Champion Entities purchase. Company's financial position.

Other income and expenses

For the year ended December 31, 2022 December 31, 2023, we incurred interest expense of \$358,689, \$406,252, compared to interest expense of \$2,061,782 \$358,689 for the year ended December 31, 2021 December 31, 2022. The increase in interest expense (\$47,563) is due to a significant number of notes being paid during 2022 that were able to be paid in full from the various financings, offset by the increased borrowing costs that we have on our working capital notes payable and line of credit. We are currently paying an interest rate of approximately 7% on our line of credit, 12% on our existing working capital notes payable, and our new working capital notes payable we are paying approximately 40% per annum on these debt instruments. We are currently working on re-negotiating some of these debt instruments. We expect our interest expense exposure shall be significantly higher for the year ending December 31, 2024 based on these high interest rate notes or debt instruments.

For the year ended December 31, 2023, we incurred a gain on extinguishment of debt of \$221,903, compared to \$1,376,756 for the year ended December 31, 2022. The decrease in interest expense loss on extinguishment of debt is due to the Company retiring or converting to charges necessary through the amortization of the debt discount recorded for the issuance of shares of common stock most of in connection with working capital loans retired during 2022. The Company expects to manage and maintain its outstanding interest expense exposure despite the increase in interest rates for this year over last year, as well keeping our debt in late 2021. Retirement or converting obligations to common stock a minimum as we grow the business and its sales volume. The gain on extinguishment of debt in 2022 was smaller in comparison. Additionally, the Company incurred interest expense for year ended December 31, 2023 is directly attributable to equity issuances that were static or an agreed upon number of \$350,000 shares for the release services at the time (which was much higher) and the settlement of pre-emptive rights from the shares as payment for the services at a certain lender to time when the Company's shares were significantly less valuable.

For the year ended December 31, 2023 we received approximately \$1,286,000 in tax credits under the CARES Act from the US Department of Treasury and in turn paid approximately \$178,500 to the service provider, netting the Company approximately \$1,113,337 in credits for retaining its employees during COVID. As part of the collection process the Company retained the services of a tax service professional to provide the Company with the specialized tax services. The services included identifying various tax initiatives as well as specifically tasking the tax service professional in applying for and the tax filings for (tax) credits available under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). This is a one-time other income item and we do not expect to receive this type of special income in the future. During the year ended December 31, 2023 the Company received a claim for refund or right of repayment from the Seller of the Champion Entities with respect to the CARES Act tax credits income. The Company prior year end settled with the Seller and agreed to pay an additional \$325,000 to the seller. This amount was not offset against the CARES Act tax credit income but increased the purchase price of the Champion Entities and increased our determined Goodwill value by \$325,000.

For the year ended December 31, 2023, we incurred a loss on tangible asset (inventory) valuation of \$1,570,816, compared to \$0 for the year ended December 31, 2022. The loss on tangible asset valuation is due to the charges necessary to bring the value of inventory in line with net realizable value as determined through a long and arduous process. When inventory is physically disposed of, we account for the write-offs by making a debit to the reserve and a credit to inventory for the standard cost of the inventory item. Our valuation reserve is applied as an estimate to specific product lines. Since the inventory item retains its standard cost until it is either sold or written off, the reserve estimates will differ from the actual write-off. During the 4th quarter of 2023, management completed its analysis of 100% of its inventory acquired in the purchase of the Champion Entities as well as pre-existing subsidiary level inventory. It was determined that the Company needed to write-down, reserve for impairment of approximately \$1,570,816 of excess inventory value.

For the year ended December 31, 2023, we incurred impairment of goodwill of \$2,525,000, compared to \$0 for the year ended December 31, 2022. The impairment of goodwill is due to the charges necessary to write down intangible asset to fair value. Overall, we recognized a \$2.525 million impairment loss in our Champion Entities reporting unit. Changes in future year margin expectations were primarily driven by sustained increases in supply chain costs, expectations for lower or static pricing to maintain a competitive positioning, and expectations for increased marketing investment, primarily in response to increased competition, as well as customer-driven investments. Changes in expectations for lower long-term net sales growth were primarily due to sustained competition and anticipated trends in consumer preferences. Our revised expectations were based on the completion of our fourth quarter results, which were below management's expectations, and the development of our operating plan in December 2023, along with our inventory management and tracking project which was completed during the early part of October 2023. From this inventory management and tracking project it was determined that we had an over-valuation of our inventory acquired in the Champion Entities purchase. Additionally, our revised expectations were based on the development of three-year operating plan, which commenced in early 2023 and is expected to be completed in 2024. The goodwill carrying amount of the Champion Entities reporting unit was \$4.525 million prior to its impairment

Net Loss

Net loss for the year ended December 31, 2022 December 31, 2023, amounted to \$7,143,153, \$11,100,784, resulting in a loss per share of \$0.96, \$3.81, compared to a net loss of \$6,098,944 \$7,143,153 for the year ended December 31, 2021 December 31, 2022, resulting in a loss per share of \$4.85, \$23.90. The increase in the net loss from the year ended December 31, 2021 December 31, 2022 compared to the year ended December 31, 2022 December 31, 2023 is primarily due to acquisition costs of the Champion Entities and our increased expenditures on financing and other activities for growth, growth, along with the write down of the valuation of our inventory of \$1,570,816 as well as impairment of goodwill of \$2,525,000, as well as the \$1,413,000 in additional compensation expense that we are required to recognize with regards the convertibility of our Series A preferred stock to members of management during the year ended December 31, 2023.

Liquidity

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the recoverability of assets and the satisfaction of liabilities in the normal course of business. The Company is in the growth and acquisition stage and, accordingly, will have to raise capital to complete acquisitions and successfully integrate acquired companies. Since inception, the Company has been engaged in financing activities and executing its business plan of operations and incurring costs and expenses related to developing products and market identity, obtaining inventory and preparing for public product launch. As a result, the Company incurred net income (losses) for the years ended December 31, 2022, December 31, 2023 and 2021 2022 of (\$7,143,981), 11,100,784 and (\$6,098,944), 7,143,981, respectively. The Company's accumulated deficit was (\$45,213,594) as of December 31, 2023, and (\$34,112,810) as of December 31, 2022, and (\$26,969,657) as of December 31, 2021. The Company's working capital surplus was \$4,551,927 as of December 31, 2023, compared to \$6,678,562 as of December 31, 2022, and a deficit of (\$4,171,277) as of December 31, 2021. In addition, the Company's development activities since inception have been sustained through equity and debt financing and the deferral of payments on accounts payable and other expenses.

During February 2023, the Company entered into a \$2 million master credit agreement (credit facility) with a major financial institution. The credit facility is secured by all the assets of the Company's Champion subsidiaries. The Line of Credit expires on February 28, 2024. If the Company is unable to extend or replace the credit facility, it would have a material impact on the Company and its Champion subsidiaries working capital needs. Requiring the Company to seek replacement equity or debt financing, which may not be available, or may be on substantially worse terms than the current credit facility.

The ability of the Company to continue as a going concern is dependent upon its ability to raise capital from the sale of its equity and, ultimately, the achievement of increased operating revenues. Management believes the remaining holders of its warrants will execute their outstanding warrants generating investment capital for the Company capital. Management is also in discussion discussions with several investment banks and broker dealers regarding the initiation of a further capital campaign campaigns.

Management believes sufficient funding can be secured through the obtaining of loans, as well as future offerings of its preferred and common stock to institutional and other financial sources. However, no assurance can be given that the Company will obtain this additional working capital, or if obtained, that such funding will not cause substantial dilution its stockholders. If the Company is unable to secure such additional funds from these sources, it may be forced to change or delay its business plan rollout.

As we proceed with the launch of our American Rebel concealed carry product and safe lines we have devoted and expect to continue to devote significant resources in the areas of capital expenditures and marketing, sales, and operational expenditures.

We expect to require additional funds to further develop our business plan. Since it is impossible to predict with certainty the timing and amount of funds required to establish profitability, we anticipate that we will need to raise additional funds through equity or debt offerings or otherwise in order to meet our expected future liquidity requirements. Any such financing that we undertake will likely be dilutive to existing stockholders.

In addition, we expect to also need additional funds to respond to business opportunities and challenges, including our ongoing operating expenses, protecting our intellectual property, developing or acquiring new lines of business and enhancing our operating infrastructure. While we may need to seek additional funding for such purposes, we may not be able to obtain financing on acceptable terms, or at all. In addition, the terms of our financings may be dilutive to, or otherwise adversely affect, holders of our common stock. We may also seek additional funds through arrangements with collaborators or other third parties. We may not be able to negotiate any such arrangements on acceptable terms, if at all. If we are unable to obtain additional funding on a timely basis, we may be required to curtail or terminate some or all of our product lines.

Critical Accounting Policies

The preparation of financial statements and related footnotes requires us to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities.

An accounting policy is considered to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the financial statements.

Financial Reporting Release No. 60 requires all companies to include a discussion of critical accounting policies or methods used in the preparation of financial statements. There are no critical policies or decisions that rely on judgments that are based on assumptions about matters that are highly uncertain at the time the estimate is made. Note 1 to the financial statements, included elsewhere in this Annual Report, includes a summary of the significant accounting policies and methods used in the preparation of our financial statements.

Recent Pronouncements Accounting Standards Updates Adopted

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The updated guidance requires companies to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable supportable forecasts. This replaces the existing incurred loss model and is applicable to the measurement of credit losses on financial assets, including trade receivables. The guidance was adopted by the Company on January 1, 2023. The adoption of the ASU did not have an impact on the Company's consolidated financial statements.

We adopted the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, on January 31, 2021. ASU 2019-12 removes certain exceptions to the general provisions of Topic 740 and provides simplification in other areas of Topic 740. The adoption of ASU 2019-12 had no material impact on our consolidated financial statements.

Recent Accounting Standards Updates Not Yet Adopted

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740)—Improvements to Income Tax Disclosures ("ASU 2023-09"), which is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 provide for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for the Company evaluated recent prospectively to all annual periods beginning after December 15, 2024. Early adoption is permitted. We are currently evaluating the impact this update will have on our consolidated financial statements and disclosures.

In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting (Topic 280)—Improvements to Reportable Segment Disclosures ("ASU 2023-07"), which require public companies disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. The guidance is effective for public entities for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The guidance is applied retrospectively to all periods presented in the financial statements, unless it is impracticable. We are currently evaluating the impact this update will have on our consolidated financial statements and disclosures.

In October 2023, the FASB issued ASU No. 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative. This update modifies the disclosure or presentation requirements of a variety of topics in the Accounting Standards Codification to conform with certain SEC amendments in Release No. 33-10532, Disclosure Update and Simplification. The amendments in this update should be applied prospectively, and the effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or S-K becomes effective. However, if the SEC has not removed the related disclosure from its regulations by June 30, 2027, the amendments will be removed from the Codification and not become effective. Early adoption is prohibited. We are currently evaluating the potential impact of this guidance on our consolidated financial statements.

We continuously monitor and review all current accounting pronouncements through December 31, 2022 and standards from the FASB for applicability to our operations. As of April 12, 2024, and believes there were no other new pronouncements or interpretations that none had or were expected to have a material effect significant impact on the Company's financial statements, our operations.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

44 46

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

AMERICAN REBEL HOLDINGS, INC.
DECEMBER 31, 2022 2023

	Page
Report of Independent Registered Public Accounting Firm (PCAOB ID No. 5041)	F-1
Financial Statements for the years ended December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022	
Balance Sheets	F-2
Statements of Operations	F-3
Statement of Stockholders' Equity (Deficit)	F-4
Statements of Cash Flows	F-5
Notes to the Financial Statements	F-6

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of American Rebel Holdings, Inc.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of American Rebel Holdings, Inc. (the “Company”) as of December 31, 2022 December 31, 2023 and 2021 2022 and the related consolidated statements of operations, shareholders’ equity, and cash flows for the two years in the period ended December 31, 2022 December 31, 2023, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 December 31, 2023 and 2021, 2022, and the results of its operations and its cash flows for the two years in the period ended December 31, 2022 December 31, 2023 and 2021, 2022, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Matter

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations that raises substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

Critical audit matters are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments.

We determined that there are no critical audit matters.

/s/ BF Borgers CPA PC

BF Borgers CPA PC (PCAOB ID 5041)

We have served as the Company’s auditor since 2020

Lakewood, CO

April 14, 2023 12, 2024

F-1

AMERICAN REBEL HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 356,754	\$ 17,607
Accounts receivable	1,613,489	100,746
Prepaid expense	207,052	163,492
Inventory	7,421,696	685,854
Inventory deposits	309,684	-
Total Current Assets	9,908,675	967,699
Property and Equipment, net	456,525	900
OTHER ASSETS:		
Lease deposits	18,032	-
Right-of-use lease assets	1,977,329	-
Goodwill	4,200,000	-
Total Other Assets	6,195,361	-
TOTAL ASSETS	\$ 16,560,561	\$ 968,599
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable and accrued expense	\$ 2,523,551	\$ 1,032,264
Accrued interest	103,919	203,972
Loan – Officers – related party	-	10,373
Loans – Working capital	602,643	3,879,428
Loans - Nonrelated parties	-	12,939
Right-of-use lease liability, current	992,496	-
Total Current Liabilities	4,222,609	5,138,976
Right-of-use lease liability, long-term	984,833	-
TOTAL LIABILITIES	5,207,442	5,138,976
STOCKHOLDERS' EQUITY (DEFICIT):		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 175,000, and 376,501 issued and outstanding, respectively at December 31, 2022 and December 31, 2021		
Preferred Shares A	100	100
Preferred Shares B	75	277
Common Stock, \$0.001 par value; 600,000,000 shares authorized; 16,930,517 and 1,597,370 issued and outstanding, respectively at December 31, 2022 and December 31, 2021		
Additional paid in capital	16,930	1,597
Accumulated deficit	45,448,824	22,797,306
	(34,112,810)	(26,969,657)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	11,353,119	(4,170,377)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 16,560,561	\$ 968,599
	December 31, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,147,696	\$ 356,754
Accounts receivable	2,816,541	1,613,489
Prepaid expense	190,933	207,052

Inventory	5,787,993	7,421,696
Inventory deposits	315,083	309,684
Total Current Assets	<u>10,258,246</u>	<u>9,908,675</u>
Property and Equipment, net	360,495	456,525
OTHER ASSETS:		
Lease deposits and other	83,400	18,032
Right-of-use lease assets	1,946,567	1,977,329
Goodwill, net	2,000,000	4,200,000
Total Other Assets	<u>4,029,967</u>	<u>6,195,361</u>
TOTAL ASSETS	<u>\$ 14,648,708</u>	<u>\$ 16,560,561</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable and other payables	\$ 1,978,768	\$ 2,305,077
Accrued expense and other	271,076	322,393
Loan – Officers – related party	45,332	-
Loans – Working capital	1,954,214	602,643
Line of credit	1,456,929	-
Right-of-use lease liability, current	1,039,081	992,496
Total Current Liabilities	<u>6,745,400</u>	<u>4,222,609</u>
Right-of-use lease liability, long-term	907,486	984,833
TOTAL LIABILITIES	<u>7,652,886</u>	<u>5,207,442</u>
STOCKHOLDERS' EQUITY (DEFICIT):		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 200,000, and 175,000 issued and outstanding, respectively at December 31, 2023 and December 31, 2022		
Preferred Shares A	125	100
Preferred Shares B	75	75
Common Stock, \$0.001 par value; 600,000,000 shares authorized; 9,004,920 and 677,221 issued and outstanding, respectively at December 31, 2023 and December 31, 2022	9,005	677
Additional paid in capital	52,200,211	45,465,077
Accumulated deficit	(45,213,594)	(34,112,810)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	<u>6,995,822</u>	<u>11,353,119</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 14,648,708</u>	<u>\$ 16,560,561</u>

See Notes to Financial Statements.

AMERICAN REBEL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	\$ 8,449,800	\$ 986,826	\$ 16,228,310	\$ 8,449,800
Cost of goods sold	6,509,382	812,130	13,191,886	6,509,382
Gross margin	1,940,418	174,696	3,036,424	1,940,418
Expenses:				
Consulting/payroll and other costs	2,000,624	2,012,803	3,347,070	905,843
Compensation expense – officers – related party			518,107	1,094,781
Compensation expense – officers – deferred comp – related party			1,413,000	-
Rental expense, warehousing, outlet expense	508,527	-	871,032	508,527
Product development costs	746,871	330,353	132,528	746,871
Marketing and brand development costs	507,503	171,030	1,273,012	507,503
Administrative and other	3,190,092	968,306	3,317,082	3,190,092
Depreciation and amortization expense	50,087	3,643	104,229	50,087
	7,003,704	3,486,135	10,976,060	7,003,704
Operating income (loss)	(5,063,286)	(3,311,439)	(7,939,636)	(5,063,286)
Other Income (Expense)				
Interest expense	(358,689)	(2,061,782)	(406,252)	(358,689)
Interest expense – pre-emptive rights release	(350,000)	-	-	(350,000)
Interest income	5,578	-	3,780	5,578
Employee retention credit funds, net of costs to collect			1,113,337	-
Gain/(loss) on sale of equipment			1,900	-
Tangible asset valuation adjustment			(1,570,816)	-
Impairment adjustment – goodwill			(2,525,000)	-
Gain/(loss) on extinguishment of debt	(1,376,756)	(725,723)	221,903	(1,376,756)
Net income (loss) before income tax provision	(7,143,153)	(6,098,944)	(11,100,784)	(7,143,153)
Provision for income tax	-	-	-	-
Net income (loss)	\$ (7,143,153)	\$ (6,098,944)	\$ (11,100,784)	\$ (7,143,153)
Basic and diluted income (loss) per share	\$ (0.96)	\$ (4.85)	\$ (3.81)	\$ (23.90)
Weighted average common shares outstanding - basic and diluted	7,469,000	1,258,000	2,912,100	298,800

See Notes to Financial Statements.

AMERICAN REBEL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

	Common Stock	Common Stock Amount	Preferred Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total
Balance – December 31, 2021	63,895	\$ 64	\$ 377	\$ 22,798,839	\$ (26,969,657)	\$ (4,170,337)
Sale of common stock through registered offering, net of offering costs, includes reverse stock split round lot share increase of 5,140	106,345	106	-	9,038,350	-	9,038,456
Issuance of common stock to pay for expenses at a price of \$103.75 per share	9,345	9	-	969,526	-	969,535
Preferred stock converted into common stock	10,068	10	(202)	192	-	-
Debt converted into common stock warrants	-	-	-	1,566,559	-	1,566,559
Sale of common stock for cash at a price of \$27.75 per share	20,372	20	-	565,315	-	565,335
Sale of 492,902 pre-funded common stock warrants at a price of \$27.50 per share, with an exercise price of \$0.25 per warrant	-	-	-	12,322,542	-	12,322,542
Prefunded common stock warrant offering costs and fees	-	-	-	(1,972,578)	-	(1,972,578)
Issuance of common stock as compensation at a price of \$15.25 per share	4,000	4	-	60,996	-	61,000
Exercise of \$27.50 prefunded warrants into shares of common stock	448,097	449	-	111,576	-	112,025
Exercise of \$103.75 prefunded warrants into shares of common stock	15,099	15	-	3,760	-	3,775
Net loss	-	-	-	-	(7,143,153)	(7,143,153)
Balance – December 31, 2022	677,221	677	175	45,465,077	(34,112,810)	11,353,119
Sale of common stock, net	71,499	72	-	312,380	-	312,452
Sale of 615,000 pre-funded common stock warrants at a price of \$4.36 per share, with an exercise price of \$0.01 per warrant	-	-	-	2,681,400	-	2,681,400
Prefunded common stock warrant offering costs and fees	-	-	-	(529,324)	-	(529,324)
Effect of reverse stock split with 100 share minimum round lot share increase	1,493,272	1,493	-	(1,493)	-	-
Warrant inducement and exercise of 2,988,687 (repriced) common stock warrants at a price of \$1.10 per warrant into shares of common stock	2,988,687	2,989	-	3,284,567	-	3,287,556
Warrant inducement offering costs and fees	-	-	-	(453,756)	-	(453,756)
Exercise of prefunded common stock warrants at \$0.01 per share	615,000	615	-	5,535	-	6,150
Common stock issued as compensation at a price of \$0.78 per share	3,721	4	-	2,900	-	2,904
Common stock issued as compensation pursuant to LTIP – three (3) related parties at a price of \$0.78 per share	6,391	6	-	4,978	-	4,984
Common stock issued as compensation to independent members of the board of directors – related parties at a price of \$0.75 per share	24,129	24	-	18,072	-	18,096
Series A preferred stock issued as compensation pursuant to an employment agreement – related party, issued at par value or \$0.001 per share	-	-	25	-	-	25
Common stock equivalents from Series A Preferred stock issued as compensation pursuant to an employment agreement; convertible into 12,500,000 shares of common stock, 3,125,000 immediate vesting – related party	12,500,000	12,500	-	4,600,000	-	4,612,500
Common stock equivalents from modification of Series A Preferred stock conversion rights, issued per two previously entered into employment agreements, amended November 20, 2023; convertible into 25,000,000 and 25,000,000 shares of common stock, respectively, none vested – two (2) related parties	50,000,000	50,000	-	17,455,000	-	17,505,000
Compensation component of vested and non-vested common stock equivalents attributable to Series A preferred stock – three (3) related parties	-	-	-	1,413,000	-	1,413,000
Unvested shares reserved for through deferred compensation plan – three (3) related parties	(59,375,000)	(59,375)	-	(22,058,125)	-	(22,117,500)
Net loss	-	-	-	-	(11,100,784)	(11,100,784)
Balance – December 31, 2023	9,004,920	\$ 9,005	\$ 200	52,200,211	\$ (45,213,594)	\$ 6,995,822

	Common Stock	Common Stock Amount	Preferred Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total
Balance – December 31, 2020	910,100	\$ 910	\$ -	\$ 15,857,366	\$ (20,870,713)	\$ (5,012,437)
Issuance of common stock as compensation	546,292	546	-	2,501,899	-	2,502,445
Issuance of preferred stock Series A	-	-	100	(100)	-	-
Issuance of preferred stock Series B	-	-	50	547,455	-	547,505
Conversion of debt	96,336	96	227	2,691,618	-	2,691,941
Warrants issued as compensation	-	-	-	974,113	-	974,113
Sale of common stock, net	44,643	45	-	224,955	-	225,000
Net loss	-	-	-	-	(6,098,944)	(6,098,944)
Balance – December 31, 2021	1,597,370	1,597	377	22,797,306	(26,969,657)	(4,170,377)
Sale of common stock through registered offering, net of offering costs, includes reverse stock split round lot shares of 128,509	2,658,630	2,659	-	9,035,797	-	9,038,456
Issuance of common stock to pay for expenses	233,623	234	-	969,301	-	969,535
Preferred stock converted to common stock	251,698	252	(202)	(50)	-	-
Debt converted into warrants	-	-	-	1,566,559	-	1,566,559
Sale of common stock	509,311	509	-	564,826	-	565,335
Sale of pre-funded common stock warrants \$1.10 per share, exercise price of \$0.01	-	-	-	12,322,542	-	12,322,542
Prefunded common stock warrant offering costs and fees	-	-	-	(1,972,578)	-	(1,972,578)
Issuance of common stock as compensation	100,000	100	-	60,900	-	61,000
Exercise of \$1.10 prefunded warrants	11,202,401	11,202	-	100,823	-	112,025
Exercise of \$4.15 prefunded warrants	377,484	377	-	3,398	-	3,775
Net loss	-	-	-	-	(7,143,153)	(7,143,153)
Balance – December 31, 2022	16,930,517	\$ 16,930	\$ 175	\$ 45,448,824	\$ (34,112,810)	\$ 11,353,119

See Notes to Financial Statements.

AMERICAN REBEL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31, 2022	For the year ended December 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (7,143,153)	\$ (6,098,944)
Depreciation	50,087	3,643
Gain on disposition of property	(1,994)	-
Compensation paid through issuance of common stock	1,030,535	3,476,559
Amortization of loan discount	1,000,457	1,262,109
Adjustments to reconcile net loss to cash (used in) operating activities (net of acquired amounts from Champion):		
Accounts receivable	613,104	75,334
Prepaid expenses	(34,286)	(8,010)
Inventory	(2,289,695)	(4,145)
Inventory deposits and other	(3,149)	141,164
Accounts payable and accrued expense	(50,042)	304,445
Net Cash (Used in) Operating Activities	<u>(6,828,136)</u>	<u>(847,845)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Champion	(10,247,420)	-
Purchase of property and equipment	(20,888)	-
Net Cash (Used in) Investing Activities	<u>(10,268,308)</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from sale of common and preferred stock, net of offering costs	9,603,791	772,505
Proceeds from sale of prefunded warrants, net of offering costs	10,349,964	-
Proceeds from exercise of prefunded warrants	115,798	-
Proceeds (repayments) of loans – officer - related party	(81,506)	35,548
Proceeds of working capital loan	60,000	2,244,100
Repayment of loans – nonrelated party	(2,612,456)	(2,247,600)
Net Cash Provided by Financing Activities	<u>17,435,591</u>	<u>804,553</u>
CHANGE IN CASH	339,147	(43,292)
CASH AT BEGINNING OF PERIOD	<u>17,607</u>	<u>60,899</u>
CASH AT END OF PERIOD	<u>\$ 356,754</u>	<u>\$ 17,607</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for:		
Interest	<u>\$ 270,146</u>	<u>\$ 214,798</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>
Non-cash investing and financing activities:		
Conversion of debt to equity	<u>\$ 2,011,224</u>	<u>\$ 2,691,940</u>

	For the year ended December 31, 2023	For the year ended December 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (11,100,784)	\$ (7,143,153)
Depreciation	104,229	50,087
Gain on disposition of property	(1,900)	(1,994)
Compensation paid through issuance of common stock	2,904	1,030,535

Compensation paid through issuance of common stock – related parties	23,080	-
Amortization of loan discount	-	1,000,457
Recognition of deferred compensation attributable to convertibility of Series A preferred stock issued to three (3) related parties	1,413,000	-
Goodwill impairment	2,525,000	-
Inventory adjustment	1,570,816	-
Adjustments to reconcile net loss to cash (used in) operating activities (net of acquired amounts from Champion):		
Accounts receivable	(1,203,052)	613,104
Prepaid expense and other	(49,428)	(34,286)
Inventory	57,488	(2,292,844)
Accounts payable	(544,784)	-
Accrued expenses	167,362	(50,042)
Net Cash (Used in) Operating Activities	<u>(7,036,069)</u>	<u>(6,828,136)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Champion Entities	(325,000)	(10,247,420)
Purchase of property and equipment	(6,300)	(20,888)
Net Cash (Used in) Investing Activities	<u>(331,300)</u>	<u>(10,268,308)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from sale of common and preferred stock, net of offering costs	-	9,603,791
Proceeds from sale of warrant inducement, net of offering costs	2,833,800	-
Proceeds from sale of common stock and prefunded warrants, net of offering costs	2,464,530	10,349,964
Proceeds from exercise of prefunded warrants	6,150	115,798
Proceeds (repayments) of loans – officer - related party	45,332	(81,506)
Proceeds from line of credit	1,700,000	-
Principal payments on line of credit, net	(243,071)	-
Proceeds of working capital loans	2,000,000	60,000
Principal payments on working capital loan	(648,430)	-
Repayment of loans – nonrelated party	-	(2,612,456)
Net Cash Provided by Financing Activities	<u>8,158,311</u>	<u>17,435,591</u>
CHANGE IN CASH	790,942	339,147)
CASH AT BEGINNING OF PERIOD	<u>356,754</u>	<u>17,607</u>
CASH AT END OF PERIOD	<u><u>\$ 1,147,696</u></u>	<u><u>\$ 356,754</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for:		
Interest	<u><u>\$ 415,472</u></u>	<u><u>\$ 270,146</u></u>
Income taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Non-cash investing and financing activities:		
Issuance of Series A preferred stock pursuant to employment agreement – related party	<u><u>\$ 4,612,500</u></u>	<u><u>\$ -</u></u>
Modification of conversion terms of Series A preferred stock previously issued pursuant to employment agreements – related parties	<u><u>\$ 17,505,000</u></u>	<u><u>\$ -</u></u>
Conversion of debt to equity	<u><u>\$ -</u></u>	<u><u>\$ 2,011,224</u></u>

See Notes to Financial Statements.

AMERICAN REBEL HOLDINGS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The “Company” Company was incorporated on December 15, 2014 (date of inception), under the laws of the State of Nevada, as CubeScape, Inc. Effective January 5, 2017, the Company amended its articles of incorporation and changed its name to American Rebel Holdings, Inc. The On June 19, 2017, the Company completed a business combination with its majority stockholder, American Rebel, Inc. on June 19, 2017. As a result, American Rebel, Inc. became a wholly owned wholly-owned subsidiary of the Company.

The acquisition of American Rebel, Inc. was accounted for as a reverse merger. The Company issued 217,763 shares of its common stock and issued warrants to purchase 6,250 shares of common stock to stockholders of American Rebel, Inc. and cancelled 112,500 shares of common stock owned by American Rebel, Inc.

The Company filed a registration statement on Form S-1 which was declared effective by the Securities and Exchange Commission on October 14, 2015. Twenty six (26) investors invested at a price of \$0.80 per share for a total of \$60,000 and closed on December 11, 2015. On July 29, 2022, the Company closed on the acquisition of the Champion Entities.

Nature of operations

The Company develops and sells branded products in the self-defense, safe storage and other patriotic product areas that are promoted and sold using a wholesale distribution network, utilizing personal appearance, music, Internet appearances, musical venue performances, as well e-commerce and television avenues, television. The Company’s products are marketed under the American Rebel Brand and are proudly imprinted with such branding. Through its recent acquisition of the “Champion Entities” (which consists of Champion Safe Co., Inc., Superior Safe, LLC, Safe Guard Security Products, LLC, and Champion Safe De Mexico, S.A. de C.V.) the Company promotes and sells its safe and storage products through a growing network of dealers, in select regional retailers and local specialty safe, sporting goods, hunting and firearms stores, retail outlets, as well as through a multitude of online avenues, including its website and various e-commerce platforms such platforms. The Company sells its products under the Champion Safe Co., Superior Safe Company and Safe Guard Safe Co. brands as Amazon.com, well as the American Rebel Brand. On August 9, 2023, the Company entered into a Master Brewing Agreement (the “Brewing Agreement”) with Associated Brewing Company, a Minnesota limited liability company (“Associated Brewing”). Under the terms of the Brewing Agreement, Associated Brewing has been appointed as the exclusive producer and seller of American Rebel branded spirits, with the initial product being the American Rebel Light Beer (“American Rebel Beer”). We established American Rebel Beverages, LLC as a wholly-owned subsidiary to hold our licenses with respect to the beer business. American Rebel Beer plans to launch regionally in 2024.

To varying degrees, the consequences of the COVID-19 pandemic continue to affect our operating business. Significant government and private sector actions have taken place to control the spread and mitigate the economic effects of the virus and its variants. The development of geopolitical conflicts, supply chain disruptions and government actions to slow rapid inflation in recent years have produced varying effects on our business. The economic effects from these events over long term cannot be reasonably estimated at this time. Accordingly, estimates used in the preparation of our financial statements, including those associated with the evaluation of certain long-lived assets, goodwill and other intangible assets for impairment, expected credit losses on amounts owed to us (through accounts receivable) and the estimations of certain losses assumed under warranty and other liability contracts, may be subject to significant adjustments in future periods.

Principles of Consolidation

The Consolidated Financial Statements consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries, American Rebel, Inc., American Rebel Beverages, LLC and the Champion Entities. All significant intercompany accounts and transactions have been eliminated.

Cash and cash equivalents

For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. The carrying value of these investments approximate approximates fair value.

F-6

Inventory and Inventory Deposits

Inventory consists of safes, backpacks, jackets, safes, other storage products and accessories manufactured to our design and held for resale and are carried at the lower of cost (First-in, First-out Method) or net realizable market value. The Company determines the an estimate for the adjustment for reserve of slow moving or obsolete inventories by regularly evaluating individual inventory levels, projected sales and current economic conditions. The Company also makes deposit payments on certain inventory to be manufactured that are carried separately until the manufactured goods are received into inventory.

Fixed assets and depreciation

Property and equipment are stated at cost, net of accumulated depreciation. Additions and improvements are capitalized while ordinary maintenance and repair expenditures are charged to expense as incurred. Depreciation is recorded by using the straight-line method over the estimated useful life of the asset, which ranges from five to seven years, years.

Revenue recognition

In accordance with the Financial Accounting Standards Board's Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers, revenues are recognized when control of the promised goods or services is transferred to our clients, in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods and services. To achieve this core principle, we apply the following five steps: (1) *Identify the contract with a client*; (2) *Identify the performance obligations in the contract*; (3) *Determine the transaction price*; (4) *Allocate the transaction price to performance obligations in the contract*; and (5) *Recognize revenues when or as the company satisfies a performance obligation*.

These steps are met when an order is received, a price is agreed to, and the product is shipped or delivered to that customer.

Advertising costs

Advertising costs are expensed as incurred; Marketing costs incurred were \$507,503 1,273,012 and \$171,030 507,503 for the years ended December 31, 2022 December 31, 2023 and 2021 2022, respectively.

Fair value Value of financial instruments Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2022 December 31, 2023, and December 31, 2021 December 31, 2022, respectively. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair value, values. These financial instruments include cash, and accounts payable. Fair values were assumed to approximate carrying values for cash and payables because they are short-term short term in nature and their carrying amounts approximate fair values or they are payable on demand.

Level 1: The preferred inputs to valuation efforts are "quoted prices in active markets for identical assets or liabilities," with the caveat that the reporting entity must have access to that market. Information at this level is based on direct observations of transactions involving the same assets and liabilities, not assumptions, and thus offers superior reliability. However, relatively few items, especially physical assets, actually trade in active markets.

Level 2: The FASB acknowledged that active markets for identical assets and liabilities are relatively uncommon and, even when they do exist, they may be too thin to provide reliable information. To deal with this shortage of direct data, the board provided a second level of inputs that can be applied in three situations.

Level 3: If inputs from levels 1 and 2 are not available, FASB acknowledges that fair value measures of many assets and liabilities are less precise. The board describes Level 3 inputs as "unobservable," and limits their use by saying they "shall be used to measure fair value to the extent that observable inputs are not available." This category allows "for situations in which there is little, if any, market activity for the asset or liability at the measurement date". Earlier in the standard, FASB explains that "observable inputs" are gathered from sources other than the reporting company and that they are expected to reflect assumptions made by market participants.

Stock-based compensation

The Company records stock-based compensation in accordance with the guidance in ASC Topic 505 and 718 which requires the Company to recognize expense related to the fair value of its employee stock option awards. This eliminates accounting for share-based compensation transactions using the intrinsic value and requires instead that such transactions be accounted for using a fair-value-based method. The Company recognizes the cost of all share-based awards on a graded vesting basis over the vesting period of the award.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC 718-10 and the conclusions reached by ASC 505-50. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by FASB ASC 505-50.

F-7

Earnings per share

Net loss per common share is computed by dividing net loss by the weighted average common shares outstanding during the period as defined by ASC 260 - Earnings per Share. Basic earnings per common share ("EPS") calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. Dilutive common share equivalents are negligible or immaterial as dilutive shares to be issued during net loss years were non-existent. For the years ended **December 31, 2022**, **December 31, 2023** and **2021, 2022**, net loss per share was \$(0.96)(3.81) and \$(4.85)(23.90), respectively.

Fully diluted shares outstanding is the total number of shares that the Company would theoretically have if all dilutive securities were exercised and converted into shares. Dilutive securities include options, warrants, convertible debt, preferred stock and anything else that can be converted into shares. Potential dilutive shares consist of the incremental common shares issuable upon the exercise of dilutive securities, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes out-of-the-money options (i.e., such options' exercise prices were greater than the average market price of our common shares for the period) because their inclusion would have been antidilutive. Out-of-the-money stock options totaled none and none as of **December 31, 2022**, **December 31, 2023** and **December 31, 2021**, **December 31, 2022**, respectively. All other dilutive securities are listed below.

The following table illustrates the total number of common shares that would be converted from common stock equivalents issued and outstanding at the end of each period presented; as of **December 31, 2020**, **December 31, 2023** and as of **December 31, 2021**, **December 31, 2022**, respectively.

	December 31, 2022	December 31, 20
Shares used in computation of basic earnings per share for the year ended	7,469,000	1,25
Total dilutive effect of outstanding stock awards or common stock equivalents	16,864,000	68
Shares used in computation of fully diluted earnings per share for the year ended	24,333,000	1,94
Net income (loss)	\$ (7,143,153)	\$ (6,09
Fully diluted income (loss) per share	\$ (0.29)	\$
	December 31, 2023	December 31, 20
Shares used in computation of basic earnings per share for the year ended	2,912,100	298,800
Total dilutive effect of outstanding stock awards or common stock equivalents	11,909,000	67
Shares used in computation of fully diluted earnings per share for the year ended	14,821,100	97
Net income (loss)	\$ (11,100,784)	\$ (7,14
Fully diluted income (loss) per share	\$ (0.75)	\$

In periods of losses, diluted loss per share is computed on the same basis as basic loss per share as the inclusion of any other potential shares outstanding would be anti-dilutive.

Income taxes

The Company follows ASC Topic 740 for recording provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expense or benefit is based on the changes in the asset or liability for each period. If available evidence suggests that it is more likely than not that some portion or the entire deferred tax asset will not be realized, a valuation allowance is required to reduce the deferred tax asset to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income tax in the period of change.

Deferred income tax may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse.

The Company applies a more-likely-than-not recognition threshold for all tax uncertainties. ASC Topic 740 only allows the recognition of tax benefits that have a greater than fifty percent likelihood of being sustained upon examination by taxing authorities. As of December 31, 2022, December 31, 2023 and December 31, 2021, December 31, 2022, the Company reviewed its tax positions and determined there were no outstanding, or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities, therefore this standard has not had a material effect on the Company.

The Company does not anticipate any significant changes to its total unrecognized tax benefits within the next 12 months.

The Company classifies tax-related penalties and net interest as income tax expense. For the years ended December 31, 2022, December 31, 2023 and 2021, 2022, respectively, no income tax expense has been recorded.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

Warranties

The Company's safe manufacturing business estimates their exposure to warranty claims based on both current and historical (Champion Entities) product sales data and warranty costs (actual) incurred, incurred each year. The Company assesses the adequacy of its recorded warranty liability quarterly and adjusts the amount as necessary. Warranty liability is included in our accrued expenses expense account of our subsidiaries in the accompanying consolidated balance sheets. We estimate that our warranty liability is nominal or negligible based on the quality of our products and our excellent customer relationships, relationships that we have. Warranty liability is was \$82,238 as of December 31, 2023 and \$93,458 as of December 31, 2022. We had no Based on our current warranty costs we adjusted our warranty liability as of December 31, 2021, downward.

F-9

Business Combinations

The Company accounts for business combinations in accordance with ASC Topic 805, Business Combinations, and as further defined by ASU 2017-01, Business Combinations (Topic 805), which requires the purchase price to be measured at fair value. When the purchase consideration consists entirely of shares of our common stock, the Company calculates the purchase price by determining the fair value, as of the acquisition date, of shares issued in connection with the closing of the acquisition and, if the transaction involves contingent consideration based on achievement of milestones or earn-out events, the probability-weighted fair value, as of the acquisition date, of shares issuable upon the occurrence of future events or conditions pursuant to the terms of the agreement governing the business combination. If the transaction involves such contingent consideration, our calculation of the purchase price involves probability inputs that are highly judgmental due to the inherent unpredictability of drug development, particularly by development-stage companies. The Company recognizes estimated fair values of the tangible assets and intangible assets acquired, including in process research and development (“IPR&D”), and liabilities assumed as of the acquisition date, and we record as goodwill any amount of the purchase price of the tangible and intangible assets acquired and liabilities assumed in excess of the fair value (see Note 8 - Goodwill and Acquisition Of Champion Entities and [Note 15 - Pro Forma Condensed Combined Financial Information \(Unaudited\)](#) for further information in accordance with ASC 805-10-55-37 through ASC 805-10-55-50).

Right of Use Assets and Lease Liabilities

In February 2016, the FASB issued Accounting Standards Update (“ASU”) No. 2016-02, Leases (Topic 842). The standard requires lessees to recognize almost all leases on the balance sheet as a [Right-of-Use](#) [Right-of-use](#) (“ROU”) asset and a lease liability and requires leases to be classified as either an operating or a finance type lease. The standard excludes leases of intangible assets or inventory. The standard became effective for the Company beginning January 1, 2019. The Company adopted ASC 842 using the modified retrospective approach, by applying the new standard to all leases existing at the date of initial application. Results and disclosure requirements for reporting periods beginning after January 1, 2019 are presented under ASC 842, while prior period amounts have not been adjusted and continue to be reported in accordance with our historical accounting under ASC 840. The Company elected the package of practical expedients permitted under the standard, which [also](#) allowed the Company to carry forward historical lease classifications. The Company [also](#) elected the practical expedient related to treating lease and non-lease components as a single lease component for all equipment leases as well as electing a policy exclusion permitting leases with an original lease term of less than one year to be excluded from the ROU assets and lease liabilities.

Under ASC 842, the Company determines if an arrangement is a lease at inception. ROU assets and liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. For this purpose, the Company considers only payments that are fixed and determinable at the time of commencement. As most of the Company's leases do not provide an implicit rate, the Company estimated the incremental borrowing rate in determining the present value of lease payments. The ROU asset also includes any lease payments made prior to commencement and is recorded net of any lease incentives received. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options.

Operating leases are included in operating lease Right-of-Use Right-of-use assets and operating lease liabilities, current and non-current, on the Company's consolidated balance sheets.

Recent pronouncements

The Company evaluated recent accounting pronouncements through December 31, 2022 December 31, 2023, and believes that none have a material effect on the Company's consolidated financial statements.

Concentration Risk

In 2022 prior Prior to the closing of the Champion Entities in 2022, the Company purchased a substantial portion (over 20%) of its inventory from two third-party vendors. With the closing of the Champion Entities, the Company no longer purchases a substantial portion (over 20%) of its inventory from these specific third-party vendors. As of December 31, 2022 and December 31, 2023, the net amount due to these specific third-party vendors (accounts payable and accrued expense) was \$0. Similarly, as of December 31, 2021, the net amount due to these specific third-party vendors (accounts payable and accrued expenses) was also \$0. The loss of manufacturing vendor relationships could have a material effect on the Company, however the Company believes numerous other suppliers that could be substituted should these specific third-party vendors/suppliers become unavailable or non-competitive.

F-10

NOTE 2 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the recoverability of assets and the satisfaction of liabilities in the normal course of business. As noted above, the Company is in the growth and acquisition stage and, accordingly, has not yet reached profitability from its operations (which now includes the Champion Entities business). Since inception, the Company has been engaged in financing activities and executing its plan of operations and incurring costs and expenses related to product development, branding, inventory buildup and product launch. As a result, the Company has continued to incur significant net losses for the years ended **December 31, 2022** **December 31, 2023** and **2021** 2022 amounting to **(\$7,143,153 11,100,784)** and **(\$6,098,944 7,143,153)**, respectively. The Company's accumulated deficit was **(\$45,213,594)** as of **December 31, 2023** and **(\$34,112,810)** as of **December 31, 2022** and **(\$26,969,657)** as of **December 31, 2021**. The Company's working capital surplus was **\$4,551,927** as of **December 31, 2023** compared to **\$6,678,562** as of **December 31, 2022** compared to a working capital deficit of **(\$4,171,277)** as of **December 31, 2021**. The **increase** **decrease** in working capital from **December 31, 2021** **December 31, 2022**, to **December 31, 2022** **December 31, 2023**, is due primarily to several factors which affected the Company, **closing on its registered public offering** the first is the **\$1,570,816** inventory valuation adjustment which is attributable to an overvalued inventory that we acquired in February 2022 its July 2022 private investment in public equity ("PIPE") transaction and its acquisition and integration of the Champion Entities. Until most recently purchase, along with entering into several debt instruments which totaled over **\$3,700,000** for the Company's activities have been primarily sustained through equity/debt financing and the continued usage year ending **December 31, 2023**, net of deferral of principal payments on accounts payable and other expenses, those debt instruments.

The ability of the Company to continue as a going concern is dependent upon its ability to raise capital from the sale of its equity and, ultimately, the achievement of significant operating **revenues**. revenues and profitability. The Company is currently conducting a Reg. A+ offering on Form 1-A that became effective on March 13, 2024. Total amount to be sought under this Reg. A+ offering is approximately \$20.0 million.

Management believes that sufficient funding can be secured through the obtaining of loans, as well as future offerings of its preferred and common stock. However, no assurance can be given that the Company will obtain this additional working capital, or if obtained, that such funding will not cause substantial dilution to its existing stockholders. If the Company is unable to secure such additional funds from these sources, it may be forced to change or delay some of its business objectives and efforts. These factors raise substantial doubt regarding the Company's ability to continue as a going concern.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

F-9

NOTE 3- INVENTORY AND DEPOSITS

Inventory and deposits include the following:

	December 31, 2022	December 31, 2021	December 31, 2023	December 31, 2022
Inventory - Finished goods	\$ 7,421,696	\$ 685,854	\$ 5,787,993	\$ 7,421,696
Inventory - Deposits and other	309,684	-	315,084	309,684
Total Inventory	\$ 7,731,380	\$ 685,854	\$ 6,103,077	\$ 7,731,380

With The Company accounts for excess or obsolete inventory with a reserve that is established based on management's estimates of the net realizable value of the related products. These reserves are product specific and are based upon analyses of product lines that are slow moving or expected to become obsolete due to significant product enhancements.

When inventory is physically disposed of, we account for the write-offs by making a debit to the reserve and a credit to inventory for the standard cost of the inventory item. Our valuation reserve is applied as an estimate to specific product lines. Since the inventory item retains its standard cost until it is either sold or written off, the reserve estimates will differ from the actual write-off. During the 4th quarter of 2023, management completed its analysis of 100% of its inventory acquired in the purchase of the Champion acquisition we will soon eliminate Entities as well as pre-existing subsidiary level inventory. It was determined that the need Company needed to hold inventory with our American Rebel, Inc subsidiary at its facility. We do not believe we have a risk of concentration in our purchasing of inventory materials, sourcing needs or manufacturing. The Champion acquisition added approximately \$5,400,000 in inventory on the date of purchase less intercompany deposits write-down, reserve for impairment of approximately \$600,000. We have added approximately \$1,600,000 1,570,816 in new of excess inventory purchases over the past 5 months and 3 days, enabling us to take advantage of pricing discounts. value.

F-11

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment include the following:

	December 31, 2022	December 31, 2021	December 31, 2023	December 31, 2022
Plant, property and equipment	\$ 367,317	\$ 32,261	\$ 353,885	\$ 367,317
Vehicles	448,542	277,886	435,153	448,542
Property and equipment gross	815,859	310,147	789,038	815,859
Less: Accumulated depreciation	(359,334)	(309,247)	(428,543)	(359,334)
Net property and equipment	\$ 456,525	\$ 900	\$ 360,495	\$ 456,525

For the years ended **December 31, 2022**, **December 31, 2023** and **2021**, 2022 we recognized **\$50,087**, **104,229** and **\$3,643**, **50,087** in depreciation expense, respectively. We depreciate these assets over a period of sixty (60) months which has been deemed their useful life. We recognized 5 months and 3 days of depreciation expense from the assets that we acquired with the Champion acquisition. The Champion acquisition added approximately \$400,000 in assets on the date of the purchase.

NOTE 5 –RELATED PARTY NOTE PAYABLE AND RELATED PARTY TRANSACTIONS

For the year ended December 31, 2016, the Company received loans from its sole officer and director at the time totaling \$221,155. Balances outstanding during the year ended December 31, 2021 were paid in full during 2021.

During the year ended December 31, 2016, the Company acquired three vehicles from various related parties and assumed the debt secured by each one of the vehicles. Accordingly, the recorded value for each vehicle is the total debt assumed under each related loan, or a total of \$277,886. All of the loans associated with these transactions were paid in full as of December 31, 2022.

Charles A. Ross, Jr. serves as the Company's Chief Executive Officer and director. Officer. Compensation for Mr. Ross was \$681,400, \$18,667 and \$200,000, \$681,400 plus stock awards (granted and issued in 2023 and 2022) of \$20,766 and \$393,490, \$20,766, respectively for the years ended **December 31, 2022**, **December 31, 2023** and **2021**, 2022. Doug E. Grau serves as the Company's President and Interim Principal Accounting Officer and a director. Officer. Compensation for Mr. Grau was \$413,381, \$186,456 and \$200,000, \$413,381 plus stock awards (granted and issued in 2023 and 2022) of \$11,182 and \$393,490, \$11,182, respectively for the years ended **December 31, 2022**, **December 31, 2023** and **2021**, 2022.

Both Messrs. Ross and Grau serve as the Company's Chief Executive Officer and President, respectively. Compensation for both, Messrs. Ross and Grau, includes a base salary and a bonus based upon certain performance measures approved by the board of directors. In addition to Mr. Grau's employment Mr. Grau lent the Company approximately \$95,332, net of repayments during the twelve months ended December 31, 2023, the loan is an unsecured non-interest-bearing demand note. Mr. Grau provides these loans as short-term funding and usually receives repayment a few months later, pending working capital needs.

Corey Lambrecht serves as the Company's Chief Operating Officer. Mr. Lambrecht and the Company entered into an employment agreement on November 20, 2023. Mr. Lambrecht's employment agreement provides for an initial annual base salary of \$260,000, which may be adjusted by the board of directors of the Company. Mr. Lambrecht at this time ceased being an independent director of the Company. Mr. Lambrecht received approximately \$10,025 for his services as an officer of the Company for the year ended December 31, 2023, and \$185,000 and \$185,000 as an independent consultant for the Company for the year ended December 31, 2023 and 2022, respectively.

Prior to his employment with the Company on November 20, 2023 Mr. Lambrecht was an independent director of the Company's board of directors. On July 1, 2023, the Company authorized 8,132 shares of common stock to Mr. Lambrecht for his services as a non-employee or independent director of the board as full payment for his services from February 8, 2022 through June 30, 2023. The Company accrued board compensation due and owing to Mr. Lambrecht from July 1, 2023 through November 20, 2023 of approximately \$23,333 which shall be settled in shares of the Company's common stock based on the formula for non-employee directors of Board.

The Company in connection with its employment agreements (both newly entered (for Mr. Lambrecht) into as well as amended (for Mr. Ross and Mr. Grau)) with Messrs. Ross, Grau and Lambrecht reserved for issuance 62,500,000 shares of its common stock that are convertible under the Series A preferred stock new conversion terms.

Per Mr. Lambrecht's employment agreement entered into on November 20, 2023, the share-award grant is to vest 1/4th upon the signing of Mr. Lambrecht's employment, another 1/4th on January 1, 2024, another 1/4th on January 1, 2025 and the remaining 1/4th on January 1, 2026. Mr. Lambrecht's employment agreement has a term running from November 20, 2023 through December 31, 2026, a term of 37 and ½ months. The Company on November 20, 2023 for Mr. Lambrecht recognized \$4,612,500 as a charge for the share-award grant and recognized \$184,500 in compensation expense for the year ending December 31, 2023 for the grants and respective earn-outs of the common stock equivalents under the employment agreement through December 31, 2023.

Per Mr. Ross's amended employment agreement with an effective date of November 20, 2023, the already issued or existing share-award grant is to vest 1/5th on January 1, 2024, another 1/5th on January 1, 2025, 1/5th on January 1, 2026, 1/5th on January 1, 2027 and the remaining 1/5th on January 1, 2028. Mr. Ross's amended employment agreement has an effective term running from November 20, 2023 through December 31, 2026, a term of 37 and ½ months. The Company on October 31, 2023 for Mr. Ross recognized \$8,752,500 as a charge for the share-award grant on October 31, 2023 (the modification date) and recognized \$466,800 in compensation expense for the year ending December 31, 2023 for the grants and respective earn-outs of the common stock equivalents under the employment agreement through December 31, 2023.

Per Mr. Grau's amended employment agreement with an effective date of November 20, 2023, the already issued or existing share-award grant is to vest 1/5th on January 1, 2024, another 1/5th on January 1, 2025, 1/5th on January 1, 2026, 1/5th on January 1, 2027 and the remaining 1/5th on January 1, 2028. Mr. Grau's amended employment agreement has an effective term running from November 20, 2023 through December 31, 2026, a term of 37 and ½ months. The Company on October 31, 2023 for Mr. Grau recognized \$8,752,500 as a charge for the share-award grant on October 31, 2023 (the modification date) and

recognized \$466,800 in compensation expense for the year ending December 31, 2023 for the grants and respective earn-outs of the common stock equivalents under the employment agreement through December 31, 2023.

F-10

On December 30, 2023, the Company authorized the issuance of 40,634 shares of common stock to Mr. Ross and 27,089 shares of common stock to Mr. Grau under the 2021 LTIP. These shares have not been issued and will be valued in accordance with US GAAP on the date of issuance. This value may change significantly from the date of authorization. Based on the Company's fair value of its common stock on December 31, 2023, this would approximate \$12,600 in additional compensation for Mr. Ross, and \$8,400 in additional compensation for Mr. Grau.

The Company in connection with various employment and independent directors' agreements is required to issue shares of its common stock as payment for services performed or to be performed. The value of the shares issued is determined by the fair value of the Company's common stock that trades on the Nasdaq Capital Market. This value on the date of grant is afforded to the Company for the recording of stock compensation to employees and other related parties or control persons and the recognition of this expense over the period in which the services were incurred or performed. Most of the Company's agreement for stock compensation provide for services performed to have been satisfied by the initial grant, thereby incurring the cost immediately from the grant.

Stock-based compensation is presented in accordance with the guidance of ASC Topic 718, "Compensation – Stock Compensation" ("ASC 718"). Under the provisions of ASC 718, the Company is required to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our statements of operations. Where the stock-based compensation is not an award, option, warrant or other common stock equivalent, the Company values the shares based on fair value with respect to its grant date and the price that investors may have been paying for the Company's common stock on that date in its various exempt private placement offerings.

Taxable value of the stock-based compensation is recorded in accordance with the Internal Revenue Service's regulations as it pertains to employees, control persons and others whereby they receive share-based payments. This may not always align with what the Company records these issuances in accordance with GAAP. There are no provisional tax agreements or gross-up provisions with respect to any of our share-based payments to these entities. The payment or withholding of taxes is strictly left to the recipient of the share-based payments, or the modification of share-based payments.

NOTE 6 – NOTES PAYABLE LINE OF CREDIT – NONRELATED PARTIES FINANCIAL INSTITUTION

Effective January 1, 2016, During February 2023, the Company acquired three vehicles from various related parties in exchange entered into a \$2 million master credit agreement (credit facility) with a major financial institution ("Line of Credit"). The Line of Credit accrues interest at a rate determined by the Bloomberg Short-Term Bank Yield Index ("BSBY") Daily Floating Rate plus 2.05 percentage points (which at December 31, 2023 for the assumption Company was 7.48%), and is secured by all the assets of the liabilities related to those vehicles. Champion Entities. The liabilities assumed are as follows Line of Credit expires February 28, 2024. The outstanding amount due on the Line of Credit at December 31, 2023 and December 31, 2022 and December 31, 2021, was, respectively.

	December 31, 2022	December 31, 2021
Loan secured by a tour bus, payable in monthly payments of \$1,426 including interest at 12% per annum through January 2023 when the remaining balance is payable.	\$ -	\$ 12,939
Total recorded as current liability	\$ -	\$ 12,939

	December 31, 2023	December 31, 2022
Line of credit from a financial institution.	\$ 1,456,929	\$ -
Total recorded as a current liability	\$ 1,456,929	\$ -

Current and long-term portion. Total As of December 31, 2023 the total balance due of \$1,456,929 reported as current as the Line of Credit is to be repaid within one year, with subsequent drawdowns as needed by the Company. The Company paid a one-time loan balance was fee equal to 0.1% of the Line of Credit amount available. In the likelihood of default, the default interest automatically increases to 6% over the BSBY plus an additional 2.05% rate.

Initially the Company drew down on the Line of Credit in the amount of \$1.7 million, with subsequent net payments and draws on the Line of Credit in the amount of approximately \$250,000. The Company has not increased the Line of Credit amount beyond its initial drawdown and has paid interest expense of approximately \$65,000 for the year ended December 31, 2023. The Company intends to keep the Line of Credit open and in full prior existence to December 31, 2022, enhance the profitability and working capital needs of the Champion entities and may in the future seek to expand the Line of Credit, The Company received a short-term extension on the Line of Credit expiration date.

NOTE 7 – NOTES PAYABLE – WORKING CAPITAL

	December 31, 2023	December 31, 2022
Working capital loan with a limited liability company domiciled in the state of Georgia. The working capital loan is a demand loan and accrues interest at 12% per annum and interest only payments that are due by the 15 th of month following the close of the quarter.	-	600,000
Working capital loans with an irrevocable trust established in the state of Georgia, managed and owned by the same entity as the limited liability company that previously held the \$600,000 in combined loans made on or about June 30, 2022. The two working capital loans are demand loans and accrue interest at 12% per annum and interest only payments that are due by the last day of the quarter. The 1 st loan in the amount of \$150,000 is due and payable on December 31, 2023, the 2nd loan in the amount of \$300,000 is due and payable on June 30, 2024. As of December 31, 2023 we are in technical default on the \$150,000 loan.	450,000	-
Working capital loans with a major financial institution converted from a revolving line of credit to a strict payoff loan agreement with the major financial institution. Annual interest rate approximates 22.5% per annum and consists of two revolving line of credit accounts.	-	2,643
Working capital loan agreement structured as a Revenue Interest Purchase Agreement (“revenue participation interest”) with a corporate entity domiciled in the state of California. The working capital loan provided for a purchase of an ownership interest in the revenues of our Champion subsidiary. The revenue participation interest requires payments of \$75,000 per month (beginning on May 5, 2024) until the revenue participation interest is repurchased by the Company. The revenue participation agreement is subject to a repurchase option by the Company. The repurchase price prior to April 1, 2024 is 125% or \$625,000, the repurchase price prior to May 5, 2024 is 137.5% or \$687,500, thereafter the repurchase price is \$687,500 plus payments of \$75,000 per month on the fifth calendar day.	500,000	-
Working capital loan agreement with a limited liability company domiciled in the state of New York. The working capital loan is secured by all the assets of the Company that is not secured by the first priority interest of the major financial institution line of credit facility as well as a personal guaranty by our Chief Executive Officer, Mr. Charles A Ross. The working capital loan requires payments of \$11,731 each for 62 weeks on the Friday following funding. The working capital loan is due and payable on December 27, 2024 with a final payment of \$11,731.	500,000	-
Working capital loan agreement with a limited liability company domiciled in the state of New York. The working capital loan is secured by all the assets of the Company that is not secured by the first priority interest of the major financial institution line of credit facility as well as a personal guaranty by our Chief Executive Officer, Mr. Charles A Ross. The working capital loan requires payments of \$20,000 each for 64 weeks on the Friday following funding. The working capital loan is due and payable on July 5, 2024 with a final payment of \$20,000.	504,214	-
	<u>\$ 1,954,214</u>	<u>\$ 602,643</u>
Total recorded as a current liability	<u>\$ 1,954,214</u>	<u>\$ 602,643</u>

F-13

During the year ending December 31, 2021, On April 14, 2023, the Company entered into a \$1,000,000 Business Loan and Security Agreement (the “Secured Loan”) with an accredited investor lending source (the “Lender”). Under the Company’s wholly-owned operating subsidiary completed Secured Loan, the sale Company received the loan net of several additional short term notes and extensions fees of short term notes under similar terms with additional principal amount totaling \$2,244,100 20,000. The notes were Secured Loan requires 64 weekly payments of \$20,000 each, for a total repayment of \$1,280,000. The Secured Loan bears interest at 41.4%. The Secured Loan is secured by a pledge of certain all of the Company’s current inventory and the chief executive officer’s personal guaranty. These short-term working capital notes mature in 30-180 days. In connection with these notes, the Company issued 546,292 shares assets of its common stock, warrants to purchase 662,713 shares of its common stock. The fair value of these share incentives was calculated to be \$1,437,432. The fair value of the share incentive was recorded as a discount to the note payable and the discount was amortized over the term of those agreements to interest expense using the straight-line method that approximates the effective interest method. Interest expense recorded as a result of amortization of discount for the year ended December 31, 2021 was \$1,261,695.

During the year ended December 31, 2021, the Company and its subsidiaries second to a first priority lien secured the holder of the Line of Credit. Furthermore, the Company’s wholly-owned operating subsidiary completed Chief Executive Officer, provided a personal guaranty for the conversion Secured Loan. The Secured Loan provides for a default fee of short term notes \$15,000 for any late payments on the weekly payments. No prepayment of the loan is allowed as well as any default by the Company allows the Lender to take necessary actions to secure its collateral and recovery of funds. The Company was required to pay a fee associated with the Lender and its introduction to the Company of \$80,000 to be made in equity of the Company at the time the loan was entered into. The Company issued 3,721 post-reverse stock split shares, which on the date of issuance had a face value of approximately \$1,713,904 2,900 and accrued interest into. Since the number of shares had been established upon consummation of the loan but not valued or recorded on the books at the time, because of the leeway on grant date; total cost to the Company for the issuance of the 96,336 3,721 shares of common stock on the grant date was \$2,900 which was recorded to interest expense and attributable to the loan.

On July 1, 2023, the Company entered into an assignment and assumption loan agreement (the “Assumption Loan”) with a fair value an accredited lender. Under the Assumption Agreement the Company agreed to pay \$150,000 immediately to the holder of the \$600,000 working capital loans that the Company had in place. The Assumption Agreement provided for the accredited lender, who effectively had the same management and ownership as the old working capital holders and assumed the debt instruments under the same terms and conditions and is due one year from the date of the Assumption Agreement, June 30, 2024 for one of the loans and the other loan (in the amount of \$2,691,940 150,000, resulting in) is due and payable on December 31, 2023. The Company made a loss on extinguishment of debt one-time payment of \$725,723 150,000 recorded to the holder and was released from the prior obligations and the default status that it had been in our consolidated statement with that holder since March 31, 2023.

On July 1, 2023 the Company received a release from the lender of operations, the working capital loans that were in default since March 31, 2023, and the accredited lender of the new working capital loans paid the holder of the old working capital loans \$450,000 which required no additional working capital outlay from the Company. The terms of the new loan are 12% per annum and interest only payments that are due by last day of the quarter based on a calendar year. This reduces the Company’s interest payments on the working capital loans (old) of \$600,000 from \$18,000 per quarter to just \$13,500 per quarter (for quarter ending December 31, 2023) and \$9,000 per quarter thereafter (for quarters ending March 31, 2024 and June 30, 2024).

On December 19, 2023, the Company entered into a \$500,000 Revenue Interest Purchase Agreement (the “Revenue Interest Loan”) with an accredited lender. Under the Revenue Interest Loan, the Company received the revenue interest purchase price/loan net of fees of \$5,000. The Revenue Interest Loan requires monthly payments of \$75,000 each, until the Revenue Interest Loan is repurchased by the Company. The Revenue Interest Loan bears interest at 40.5%. The Secured Loan is secured by all of the product revenues of the Company and its subsidiaries second to a first priority lien secured the holder of the Line of Credit. Furthermore, the Company’s is obligated to provide for 50% of the Reg. 1-A offering proceeds to the holder of the Revenue Interest Loan as payment towards the amounts due. The Revenue Interest Loan may be repurchased by the Company. The repurchase price for the Revenue Interest Loan prior to April 1, 2024 is 125% or \$625,000, the repurchase price for the Revenue Interest Loan prior to May 5, 2024 is 137.5% or \$687,500, thereafter the repurchase price of the Revenue Interest Loan is \$687,500 plus payments of \$75,000 per month on the fifth calendar day until repurchased by the Company. The Revenue Interest Loan bears an effective interest of 81.3% through March 31, 2024, an effective interest rate of 87.3% through May 4, 2024, and an effective interest rate of 116.9% thereafter until the Company repurchases the Revenue Interest Loan from the holder.

On December 29, 2023, the Company entered into a \$500,000 Business Loan and Security Agreement (the “Secured Loan”) with an accredited investor lending source (the “Lender”). Under the Secured Loan, the Company received the loan net of fees of \$10,000. The Secured Loan requires 52 weekly payments of \$11,731 each, for a total repayment of \$610,000. The Secured Loan bears interest at 40.5%. The Secured Loan is secured by all of the assets of the Company and its subsidiaries second to a first priority lien secured the holder of the Line of Credit. Furthermore, the Company’s Chief Executive Officer, provided a personal guaranty for the Secured Loan. The Secured Loan provides for a default fee of \$15,000 for any late payments on the weekly payments. No prepayment of the loan is allowed as well as any default by the Company allows the Lender to take necessary actions to secure its collateral and recovery of funds. The Company is required to pay a fee associated with the Lender and its introduction to the Company of \$40,000 to be made in equity of the Company at the time the loan was entered into.

F-14

During the year ended December 31, 2022, the Company through one of its wholly-owned operating subsidiaries completed the sale of several short-term notes under similar terms totaling \$60,000. The notes are secured by a pledge of certain items of the Company's current inventory and the chief executive officer's personal guaranty.

During the year ended December 31, 2022, the Company and one of its wholly-owned operating subsidiaries repaid \$2,541,634 of these its short-term notes payable and completed the conversion of converted several short-term notes payable with a face value of \$1,950,224 and along with accrued interest into shares of common stock with a fair value of \$2,803,632, resulting in a loss on debt extinguishment of debt of \$1,376,756 recorded in our consolidated statement of operations. The conversion of a substantial portion of the outstanding short-term notes payable and accrued interest was accomplished and done in connection with the Company's our registered public offering completed during in February of 2022.

As of December 31, 2022 At December 31, 2023, and 2021, December 31, 2022, the outstanding balance due on all of the working capital notes payable was \$602,643 1,954,214 and \$3,879,428 602,643, respectively. These amounts do not include any interest payable on the various notes where interest was not paid in full per the terms of the notes.

F-11

NOTE 8 – GOODWILL AND ACQUISITION OF CHAMPION ENTITIES

Goodwill

Goodwill is initially recorded as of the acquisition date, and is measured as any excess of the purchase price over the estimated fair value of the identifiable net assets acquired. Goodwill is not amortized, but rather is subject to impairment testing annually (on the first day of the fourth quarter), or between annual tests whenever events or changes in circumstances indicate that the fair value of a reporting unit may be below its carrying amount. We first perform a qualitative assessment to evaluate goodwill for potential impairment. If based on that assessment it is more likely than not that the fair value of the reporting unit is below its carrying value, a quantitative impairment test is necessary. The quantitative impairment test requires determining the fair value of the reporting unit. We use the income approach, whereby we calculate the fair value based on the present value of estimated future cash flows using a discount rate that approximates our weighted average cost of capital. The process of evaluating the potential impairment of goodwill is subjective and requires significant estimates and assumptions about the future such as sales growth, gross margins, employment costs, capital expenditures, inflation and future economic and market conditions. Actual future results may differ from those estimates. If the carrying value of the reporting unit's assets and liabilities, including goodwill, exceeds its fair value, impairment is recorded for the excess, not to exceed the total amount of goodwill allocated to the reporting unit.

As of December 31, 2022, December 31, 2023 and December 31, 2021, we had goodwill of \$2,000,000 and \$4,200,000 and none, respectively, presented within other long-term assets in our consolidated balance sheets, primarily directly related to our 2022 acquisition of the Champion Entities. In During the 4th quarter of 2022, we 2023, management performed a qualitative assessment of potential goodwill impairment and determined it was more likely than not that the fair value of our its reporting units exceeded unit did not exceed its carrying value. Accordingly, no further impairment testing of goodwill was performed, and we did not recognize any recognized goodwill impairment for the 4th quarter or of \$2,525,000 for the year ending December 31, 2022, December 31, 2023.

As a result of our interim test, we recognized a non-cash impairment loss of \$2,525,000. We utilized the discounted cash flow method under the income approach to estimate the fair value of our reporting unit. Drivers of these impairment losses, by reporting unit, were as follows:

- We recognized a \$2.525 million impairment loss in our Champion Entities reporting unit. Changes in future year margin expectations were primarily driven by sustained increases in supply chain costs, expectations for lower or static pricing to maintain a competitive positioning, and expectations for increased marketing investment, primarily in response to increased competition, as well as customer-driven investments. Changes in expectations for lower long-term net sales growth were primarily due to sustained competition and anticipated trends in consumer preferences. Our revised expectations were based on the completion of our fourth quarter results, which were below management's expectations, and the development of our operating plan in December 2023, along with our inventory management and tracking project which was completed during the early part of October 2023. From this inventory management and tracking project it was determined that we had an over-valuation of our inventory acquired in the Champion Entities purchase. Additionally, our revised expectations were based on the development of three-year operating plan, which commenced in early 2023 and is expected to be completed in 2024. The goodwill carrying amount of the Champion Entities reporting unit was \$4.525 million prior to its impairment.

The Company will review its goodwill for impairment periodically (based on economic conditions) and more specifically in the 4th quarter of its financial reporting year and determine whether impairment is to be recognized within its consolidated statement of operations. See Note 1, Summary of Significant Accounting Policies, for more information on the impairment testing.

Business Combination Consideration

On June 29, 2022, the Company entered into a stock and membership interest purchase agreement with Champion Safe Co., Inc., Superior Safe, LLC, Safe Guard Security Products, LLC, Champion Safe De Mexico, S.A. de C.V. (the "Champion Entities" or "Champion") and Mr. Ray Crosby (the "Seller") (the "Champion Purchase Agreement"), pursuant to which the Company agreed to acquire all of the issued and outstanding capital stock and membership interests of the Champion Entities from the Seller.

The acquisition occurred on July 29, 2022. Under the terms of the Champion Purchase Agreement, the Company paid the Seller (i) cash consideration of approximately \$9,150,000, along with (ii) cash deposits in the amount of \$350,000, and (iii) reimbursed the Seller for approximately \$400,000 of agreed upon acquisitions and equipment purchases completed by the Seller and the Champion Entities since June 30, 2021. In addition to the direct payments to the Seller, the Company paid certain costs on behalf of and specifically associated with the acquisition of Champion and its integration into the Company's operations of \$350,000; \$200,000 was paid to our investment banker in analyzing the acquisition and purchase of Champion prior to the purchase and subsequent financing in July as well as \$150,000 was paid to Champion's independent PCAOB registered accounting firm to conduct their two years of audit and subsequent interim review reports.

During the year ended December 31, 2023 the Company received a claim for refund or right of repayment from the Seller of the Champion Entities with respect to the CARES Act tax credits income the Company received. The Company during the year settled the matter with the Seller and agreed to pay an additional \$325,000 to the Seller. This amount was not recorded as an offset against the Company's CARES Act tax credit income but as an increase to the overall purchase price of the Champion Entities which increased our determined goodwill value by and additional \$325,000 at the time.

F-15

Accounting for the Business Combination

Under the acquisition method of accounting, the acquired tangible and intangible assets and assumed liabilities are recognized based on their estimated fair values as of the business combination closing date. The pro forma adjustments were preliminary and based on estimates of the fair value and useful lives of the assets acquired and liabilities assumed as of December 31, 2022 and have been prepared to illustrate the estimated effect of the business combination (see Note 15 – Pro Forma Condensed Combined Financial Information (Unaudited) to our Annual Report filed on Form 10-K).

The Company may recognize a negligible deferred tax benefit as a result of the acquisition. Due to the acquisition, a temporary difference between the book and the tax basis for the intangible assets acquired may be created resulting in a deferred tax liability and additional goodwill. No deferred tax benefit increase goodwill; we believe this to be negligible and no recording was recorded in the combined pro forma financial statements, necessary.

The acquisition was accounted for as a business combination in accordance with ASC 805. As such, the total purchase consideration was allocated to the assets acquired and liabilities assumed based on their fair values as of July 29, 2022. The purchase price allocation was dependent upon certain valuation and other studies that have not yet been completed. Accordingly, the pro forma purchase price allocation at this time is not subject to further adjustments as additional information becomes available and as adjustment. Due to the timing of some of our additional analyses and the final valuations are conducted following the completion determination of the business combination. There can be no assurances that these additional analyses acquired inventory and final valuations will its valuation was outside of the one (1) year lookback we did not result in significant make any changes to the estimates of fair value set forth below purchase price allocation.

The For the year ending December 31, 2022 the following is the preliminary estimate of was the fair value of the assets acquired, liabilities assumed, and ensuing goodwill identified, reconciled to the purchase price transferred:

Cash	\$	-	\$	-
Accounts receivable		1,337,130		1,337,130
Inventory		5,229,426		5,229,426
Fixed assets		473,326		473,326
Deposits and other assets		53,977		53,977
Customer list and other intangibles**		637,515		637,515
Accounts payable		(1,609,657)		(1,609,657)
Accrued expenses and other		(84,297)		(84,297)
Goodwill		4,200,000		
Goodwill prior to December 31, 2023				4,525,000
Consideration	\$	10,237,420	\$	10,562,420
Consideration:				
Payments of cash direct to Seller	\$	8,455,177	\$	8,455,177
Additional payments of cash to Seller during 2023				285,000
Amounts due on accounts payable to Seller (over the next 12 months)				40,000
Debt payments on behalf of Seller - guarantor		1,442,243		1,442,243
Payments to various service providers		340,000		340,000
	\$	10,237,420		
				10,562,420

The Company's preliminary estimates estimate of fair values value of the net assets acquired are based solely on the information that was available to us at the date of the acquisition, and the acquisition. The Company is continuing to evaluate evaluated the underlying inputs and assumptions used in its valuations. Accordingly, these preliminary estimates valuations on an interim periodic basis as well as at year end, December 31, 2022 and December 31, 2023. Estimates are subject to change during measurement periods, we determined that the final measurement period which is up to be one year from the date of the acquisition. acquisition (July 29, 2023). (**- Customer list lists and other intangibles are combined with goodwill at the end of each period and evaluated as to fair value. At December 31, 2023 and December 31, 2022, it was determined that total intangible assets (which includes goodwill) has had a fair value of \$2.0 million and \$4.2million, respectively). As discussed in Note 3- Inventory and Deposits the Company recorded an inventory valuation adjustment of \$1.5 million), million with respect to its inventory acquired in the Champion Entities acquisition. This inventory valuation adjustment was recognized in our consolidated statement of operations for the year ended December 31, 2023, as well as affecting our analysis of goodwill.

Goodwill and Reserve for Impairment:

Goodwill as of December 31, 2022	\$	4,200,000
Additional amounts owed to Seller during 2023 – an increase goodwill		325,000
		4,525,000
Reserve for impairment as of December 31, 2022		-
Impairment reserve for the year ending December 31, 2023		(2,525,000)
	\$	2,000,000

F-12 F-16

NOTE 9 – INCOME TAXES

At December 31, 2022, December 31, 2023 and December 31, 2021, the Company had a net operating loss carryforward of \$34,112,810, \$45,213,594 and \$26,969,657, respectively, which begins to expire in 2034.

Components of net deferred tax asset, including a valuation allowance, are as follows:

	December 31, 2022	December 31, 2021	December 31, 2023	December 31, 2022
Deferred tax asset:				
Net operating loss carryforward	\$ 7,163,690	\$ 5,663,628	\$ 9,494,850	\$ 7,163,690
Total deferred tax asset	7,163,690	5,663,628	9,494,850	7,163,690
Less: Valuation allowance	(7,163,690)	(5,663,628)	(9,494,850)	(7,163,690)
Net deferred tax asset	\$ -	\$ -	\$ -	\$ -

Valuation allowance for deferred tax assets as of December 31, 2022, December 31, 2023 and December 31, 2021 was \$7,163,690, \$9,494,850 and \$5,663,628, respectively. In assessing the recovery of the deferred tax asset, management considers whether it is more likely than not that some portion or the entire deferred tax asset will not be realized. The ultimate realization of the deferred tax asset is dependent upon the generation of future taxable income in the periods in which those temporary differences become deductible. Management considers the scheduled reversals of future deferred tax assets, projected future taxable income, and tax planning strategies in making this assessment. As a result, management determined it was more likely than not deferred tax assets will not be realized as of December 31, 2022, December 31, 2023 and December 31, 2021 and recognized 100% valuation allowance for each period.

Reconciliation between statutory rate and the effective tax rate for and as of December 31, 2022, December 31, 2023 and 2021:

Federal statutory rate	(21.0)%
State taxes, net of federal benefit	(0.00)%
Change in valuation allowance	21.0%
Effective tax rate	0.0%

NOTE 10 – SHARE CAPITAL

The Company is authorized to issue 600,000,000 shares of its \$0.001 par value common stock and 10,000,000 shares of its \$0.001 par value preferred stock.

On June 27, 2023, the Company effectuated a reverse split of its issued and outstanding shares of common stock at a ratio of 1-for-25. Share numbers and pricing information in this Report are adjusted to reflect the reverse stock split as of December 31, 2023.

Common and Preferred stock

For the month of January 2021 the following transactions occurred: On January 5, 2021, the Company issued 3,875 shares of common stock of the Company valued at \$4.80 per share as an interest payment on an outstanding note payable. On January 12, 2021, the Company received an equity investment of \$50,000 to purchase 10,417 shares of the Company's common stock by subscription agreement at \$4.80 per share.

For the month of March 2021 the following transactions occurred: The Company entered into a one-year promissory note dated March 4, 2021 in the amount of \$50,000. The Company will pay monthly interest payments at 12% per annum to the holder of the note. As a component of the note we issued 7,500 shares of common stock to the note holder. On March 5, 2021 the Company received an equity investment of \$100,000, to purchase 20,833 shares of the Company's common stock by subscription agreement at \$4.80 per share. On March 10, 2021, the Company issued 3,500 shares of common stock to pay interest on an outstanding note. On March 10, 2021, the Company issued 3,875 shares of common stock to pay interest on an outstanding note. On March 10, 2021, the Company issued 3,991 shares of common stock of the Company valued at \$4.80 per share as payment for services rendered.

F-13

For the month of April 2021 the following transactions occurred: On April 9, 2021, in connection with a \$1,000,000 bridge loan, the Company issued Ronald A. Smith, our Chief Operating Officer, a warrant to purchase 25,000 shares of the Company's common stock at an exercise price of \$8.00 per share with a five-year term. On April 9, 2021, the Company entered into two employment agreements with recently appointed officers, whereby it agreed to issue 109,375 shares of common stock to such officers. In addition, the Company entered into amendments to the current employment agreements with its Chief Executive Officer and President, whereby it agreed to issue 100,000 shares of its common stock. On April 20, 2021, the Company issued 1,875 shares of common stock in return for services rendered. On April 22, 2021, the Company entered into a settlement agreement with a current debt holder, whereby the Company agreed to repay the \$151,688 balance owing on the note owed with a cash payment of \$50,000 and the issuance of 25,000 shares of common stock, with a stated value of \$100,688.

For the month of June 2021 the following transactions occurred: On June 11, 2021, the Company sold 10,000 units at \$7 per unit consisting of 10,000 shares of Series B preferred stock and 12,500 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor. On June 14, 2021, the Company sold 5,000 units at \$7 per unit consisting of 5,000 shares of Series B preferred stock and 6,250 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor. On June 14, 2021, a holder of various outstanding notes converted outstanding principal and interest to 42,658 units at \$7 per unit consisting of 42,658 shares of Series B Preferred Stock and 53,322 three-year warrants to purchase 1 share of common stock per warrant at \$8.00. On June 15, 2021, a holder of various outstanding notes converted outstanding principal and interest to 57,143 units at \$7 per unit consisting of 57,143 shares of Series B preferred stock and 71,429 three-year warrants to purchase 1 share of common stock per warrant at \$8.00. On June 15, 2021, a holder of an outstanding note converted outstanding principal and interest to 75,143 units at \$7 per unit consisting of 75,143 shares of Series B preferred stock and 93,929 three-year warrants to purchase 1 share of common stock per warrant at \$8.00. On June 18, 2021, the Company sold 28,572 units at \$7 per unit consisting of 28,572 shares of Series B preferred stock and 35,715 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor. On June 21, 2021, a holder of an outstanding note converted a portion of outstanding principal to 50,000 units at \$7 per unit consisting of 50,000 shares of Series B preferred stock and 62,500 three-year warrants to purchase 1 share of common stock per warrant at \$8.00. On June 28, 2021, the Company sold 5,000 units at \$7 per unit consisting of 5,000 shares of Series B preferred stock and 6,250 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor. On June 29, 2021, a holder of an outstanding note converted outstanding principal and interest to 16,000 units at \$7 per unit consisting of 16,000 shares of Series B preferred stock and 20,000 three-year warrants to purchase 1 share of common stock per warrant at \$8.00. On June 29, 2021, a holder of an outstanding note converted outstanding principal and interest to 8,000 units at \$7 per unit consisting of 8,000 shares of Series B preferred stock and 10,000 three-year warrants to purchase 1 share of common stock per warrant at \$8.00. On June 30, 2021, the Company sold 15,000 units at \$7 per unit consisting of 15,000 shares of Series B preferred stock and 18,750 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor. On June 30, 2021, the Company sold 7,143 units at \$7 per unit consisting of 7,143 shares of Series B preferred stock and 8,929 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor.

F-14

For the month of July 2021 the following transactions occurred: On July 21, 2021, the Company issued 15,250 shares of common stock as interest payments on an outstanding note. On July 22, 2021, the Company issued 16,250 shares of common stock as a component of a note payable. On July 26, 2021, the Company filed a Certificate of Designation and Amendment with the Nevada Secretary of State to increase the number of shares constituting the Series B Convertible preferred stock from 250,000 to 350,000. On July 26, 2021, the Company sold 7,500 units at \$7 per unit consisting of 7,500 shares of Series B preferred stock and 9,375 three-year warrants to purchase 1 share of common stock per warrant at \$8.00 to an accredited investor by subscription agreement. On July 29, 2021, the Company issued 10,000 shares of common stock as a conversion of Series B preferred stock. On July 30, 2021, pursuant to its 2021 Long-Term Incentive Plan, the Company issued 9,416 shares of common stock to Rocco LaVista, our VP of Business Development, for services.

For the month of August 2021 the following transactions occurred: On August 3, 2021, pursuant to its 2021 Long-Term Incentive Plan, the Company issued 9,416 shares of common stock to Charles A. Ross, Jr., our CEO, for services. On August 4, 2021, pursuant to its 2021 Long-Term Incentive Plan, the Company issued 9,416 shares of common stock to Doug E. Grau, our President, for services. On August 12, 2021, the Company issued 3,875 shares of common stock as an interest payment on an outstanding note. On August 18, 2021, the Company issued 53,322 shares of common stock upon conversion of 42,658 shares of Series B preferred stock.

For the month of September 2021 the following transactions occurred: On September 3, 2021, the Company issued 431 shares of common stock as a component of a note. On September 8, 2021, the Company issued 3,875 shares of common stock as an interest payment on an outstanding note. On September 21, 2021, the Company issued 1,250 shares of common stock as a component of a note. On September 21, 2021, the Company issued 6,250 shares of common stock as a component of a note. On September 30, 2021, the Company issued 1,563 shares of common stock as a component of a note extension. On September 30, 2021, the Company issued 3,750 shares of common stock as an interest payment on an outstanding note. On September 30, 2021, the Company issued 34,492 shares of common stock as an interest payment on outstanding notes.

F-15

For the month of October 2021 the following transactions occurred: On October 25, 2021, the Company issued 13,393 shares of common stock and 13,393 three-year warrants to purchase common preferred stock on a month-to-month basis and presentation for \$8.00 for an investment of \$75,000 by an accredited investor. On October 29, 2021, the Company issued 14,750 shares of common stock as an interest payment on an outstanding note. On October 29, 2021, pursuant to its 2021 Long-Term Incentive Plan, the Company issued 6,250 shares of common stock to a legal consultant of the Company for services. On October 29, 2021, pursuant to its 2021 Long-Term Incentive Plan, the Company issued 6,250 shares of common stock to a financial consultant of the Company for services. years ending December 31, 2022 and December 31, 2023:

For the month of December 2021 the following transactions occurred: On December 2, 2021, pursuant to its 2021 Long-Term Incentive Plan, the Company issued 6,250 shares of common stock to a consultant of the Company for services. On December 2, 2021, the Company issued 44,125 shares of common stock as interest payments on outstanding notes. On December 2, 2021, the Company issued 18,878 shares of common stock to convert three outstanding notes to equity. On December 2, 2021, the Company issued 23,705 shares of common stock as a conversion of Series B Preferred stock. On December 2, 2021, the Company issued 1,250 shares of common stock in return for services.

For the month of February 2022, the following transactions occurred: On February 3, 2022, multiple Series B Convertible Preferred stockholders converted 201,358 shares of their Series B Convertible preferred stock to 251,698 10,068 shares of common stock of the Company. On February 3, 2022, the Company converted two outstanding notes into 186,067 7,443 shares of common stock of the Company. On February 10, 2022, the Company received an equity investment of \$10,500,000 to purchase 2,530,121 101,205 shares of the Company's common stock through a registered public offering at \$4.15 103.75 per share.

F-17

For the month of July 2022, the following transactions occurred: On July 12, 2022, we entered into a PIPE transaction with Armistice Capital Master Fund Ltd. for the purchase and sale of \$12,887,976.31 of securities, consisting of (i) 509,311 20,372 shares of common stock at \$1.11 27.75 per share, (ii) prefunded warrants (the “Prefunded Warrants”) that are exercisable into 11,202,401 448,096 shares of common stock (the “Prefunded Warrant Shares”) at \$1.10 27.50 per Prefunded Warrant, and (iii) immediately exercisable warrants to purchase up to 23,423,424 936,937 shares of common stock at an initial exercise price of \$0.86 21.50 per share and will expire five years from the date of issuance.

For the month of August 2022, the following transactions occurred: On August 22, 2022, 100,000 4,000 shares of common stock were issued in return for services as a component of a February 2022 services agreement. During the month of August 2022, Armistice Capital Master Fund Ltd. exercised 440,441 17,618 Prefunded Warrants. Along with the exercise notice and payment of \$4,404.41, 440,441 17,618 shares of common stock were issued. issued.

For the month of September 2022, the following transactions occurred: During the month of September 2022, Armistice Capital Master Fund Ltd. exercised 2,682,960 107,318 Prefunded Warrants. Along with several exercise notices and payments totaling \$26,829.60, 2,682,960 107,318 shares of common stock were issued. issued.

For the month of October 2022, the following transactions occurred: During the month of October 2022, Armistice Capital Master Fund Ltd. exercised 8,079,000 323,160 Prefunded Warrants. Along with several exercise notices and payments totaling \$80,790.00, 8,079,000 323,160 shares of common stock were issued. issued.

For the month of November 2022, the following transactions occurred: During the month of November 2022, Calvary Fund exercised 377,484 15,099 Calvary Warrants (see Note 11 – Warrants and Options). Along with an exercise notice and payment totaling \$3,774.84, 377,484 15,099 shares of common stock were issued. issued.

For the month of June 2023, the following transactions occurred: On June 27, 2023, we entered into a PIPE transaction with Armistice Capital for the purchase and sale of \$2,993,850.63 of securities, consisting of (i) 71,499 shares of common stock at \$4.37 per share, (ii) prefunded warrants (the “2023 Prefunded Warrants”) that are exercisable into 615,000 shares of common stock (the “ 2023 Prefunded Warrant Shares”) at \$4.37 per Prefunded Warrant, and (iii) immediately exercisable warrants to purchase up to 686,499 shares of common stock at an initial exercise price of \$4.24 per share and will expire five years from the date of issuance.

For the month of July 2023, the following transactions occurred: Approximately 1,493,272 shares of the Company’s common stock were issued pursuant to the 100-share lot roundup caused by the reverse stock split on June 27, 2023. The Depository Trust and Clearing Corporation (the “DTCC”) which handles the clearing and settlement of virtually all broker-to-broker equity, listed corporate and municipal bond and unit investment trust (UIT) transactions in the U.S. equities markets submitted numerous requests for share allocations. In connection with the Company’s June 27, 2023 1-for-25 reverse split DTCC made these requests. An additional 1.488 million shares of the Company’s common stock were newly issued and added to its post-reverse stock split numbers. As described in the Company’s Information Statement filed on Schedule 14C dated December 14, 2022, shareholders holding at least a “round lot” (100 shares or more) prior to the reverse stock split shall have no less than one round lot (100 shares) after the reverse stock split.

Pursuant to the PIPE transaction 71,499 shares of common stock were issued to Armistice Capital. The 2023 Prefunded Warrants held by Armistice Capital were not exercised for the month of July.

For the month of August 2023, the following transactions occurred: On August 21, 2023 245,000 of the 2023 Prefunded Warrants were exercised. Along with an exercise notice and payment totaling \$2,450.00, 245,000 shares of common stock were issued.

For the month of September 2023, the following transactions occurred: On September 8, 2023, the Company, entered into an inducement offer letter agreement (the “Inducement Letter”) with Armistice Capital the holders of existing common stock purchase warrants to purchase shares of common stock of the Company. The existing common stock purchase warrants were issued on July 8, 2022 and June 28, 2023 and had an exercise price of \$4.37 and \$4.24, respectively per share.

Pursuant to the Inducement Letter, Armistice Capital agreed to exercise for cash their existing common stock purchase warrants to purchase an aggregate of 2,988,687 shares of the Company's common stock at a reduced exercise price of \$1.10 per share in consideration for the Company's agreement to issue new common stock purchase warrants (the "New Warrants"), to purchase up to 5,977,374 shares of the Company's common stock (the "New Warrant Shares"). The Company received aggregate gross proceeds of approximately \$3,287,555.70 from the exercise of the existing common stock purchase warrants by Armistice Capital. Armistice Capital received 2 New Warrant for each existing common stock purchase warrant that they exercised. No compensation or expense was recognized as the repricing of the existing common stock purchase warrants was in excess of the current market price of the Company's common stock, and the New Warrants were not compensatory as well due to the market conditions. The Company issued 2,988,687 shares of the Company's common stock, of which 2,242,000 shares of common stock are held in reserve by the Company's transfer agent. Armistice Capital Fund Ltd. is limited to total ownership at one time to be no more than 9.99% of the Company's issued and outstanding common stock. Armistice Capital took ownership and possession of 356,687 shares of common stock (September 21st) and 390,000 shares of common stock (September 12th), representing less than 9.99% ownership interest by Armistice Capital on such dates.

On September 8, 2023 370,000 of the 2023 Prefunded Warrants were exercised. Along with an exercise notice and payment totaling \$3,700.00, 370,000 shares of common stock were issued. On September 19, 2023 the Company issued 6,391 shares of common stock pursuant to the Company's 2021 LTIP equity plan. The shares were valued at \$4,984.98 with a per share value of \$0.78 which was the Company's common stock closing market price on the grant date and date of issuance. Under the 2021 LTIP equity plan 3,954 shares of common stock were issued to Mr. Ross our Chief Executive Officer and 2,237 shares of common stock were issued to Mr. Grau our President and Interim Principal Accounting Officer. Additionally, on September 19, 2023, 3,721 shares of common stock were granted and issued to a vendor associated with our current working capital loan. The shares were valued at \$2,902.38 with a per share value of \$0.78. On September 20, 2023, the Company issued 24,129 shares of common stock pursuant to the Company's board compensation plan for its independent directors. The shares were valued at \$18,096.75 with a per share value of \$0.75 which was the Company's common stock closing market price on the grant date as well as issuance date. The Company recognized approximately \$228,000 in gain on settlement of debt through the issuance of 24,129 shares of common stock to its independent directors on this date.

Shares Reserved for Issuance Pursuant to Certain Executive Employment Agreements

The Company in connection with its employment agreement with Messrs. Ross, Grau and Lambrecht reserved for issuance 62,500,000 shares of its common stock that are convertible under the Series A preferred stock. Per Mr. Lambrecht's employment agreement entered into on November 20, 2023, the share-award grant is to vest 1/4th upon the signing of Mr. Lambrecht's employment, another 1/4th on January 1, 2024, another 1/4th on January 1, 2025 and the remaining 1/4th on January 1, 2026. Mr. Lambrecht's employment agreement has a term running from November 20, 2023 through December 31, 2026, a term of 37 and ½ months. The Company for Mr. Lambrecht recognized \$4,612,500 as a charge for the share-award grant and recognized \$184,500 in compensation expense for the year ending December 31, 2023 for the grants and respective earn-outs of the common stock equivalents under the employment agreement through December 31, 2023. The Company values the shares granted and earned out, as well as the additional shares granted but not earned out in accordance with ASC 718 and employee share-awards. Market value for the Company's publicly traded stock at the time of grant for Mr. Lambrecht's shares was \$0.369.

Per Mr. Ross's amended employment agreement with an effective date of November 20, 2023, the already issued or existing share-award grant is to vest 1/5th on January 1, 2024, another 1/5th on January 1, 2025, 1/5th on January 1, 2026, 1/5th on January 1, 2027 and the remaining 1/5th on January 1, 2028. Mr. Ross's amended employment agreement has an effective term running from November 20, 2023 through December 31, 2026, a term of 37 and ½ months. The Company for Mr. Ross recognized \$8,752,500 as a charge for the share-award grant on October 31, 2023 (the modification date) and recognized \$466,800 in compensation expense for the year ending December 31, 2023 for the grants and respective earn-outs of the common stock equivalents under the employment agreement through December 31, 2023. The Company values the shares granted and earned out, as well as the additional shares granted but not earned out in accordance with ASC 718 and employee share-awards. Market value for the Company's publicly traded stock at the time of modification of the terms of the Series A preferred stock for Mr. Ross's shares was \$0.3501.

Per Mr. Grau's amended employment agreement with an effective date of November 20, 2023, the already issued or existing share-award grant is to vest 1/5th on January 1, 2024, another 1/5th on January 1, 2025, 1/5th on January 1, 2026, 1/5th on January 1, 2027 and the remaining 1/5th on January 1, 2028. Mr. Grau's amended employment agreement has an effective term running from November 20, 2023 through December 31, 2026, a term of 37 and ½ months. The Company for Mr. Grau recognized \$8,752,500 as a charge for the share-award grant on October 31, 2023 (the modification date) and recognized \$466,800 in compensation expense for the year ending December 31, 2023 for the grants and respective earn-outs of the common stock equivalents under the employment agreement through December 31, 2023. The Company values the shares granted and earned out, as well as the additional shares granted but not earned out in accordance with ASC 718 and employee share-awards. Market value for the Company's publicly traded stock at the time of modification of the terms of the Series A preferred stock for Mr. Grau's shares was \$0.3501.

Shares Issued as Compensation

The Company in connection with various consulting and advisory agreements is required to issue shares of its common stock. The value of the shares issued is determined by the fair value of the Company's common stock that trades on the Nasdaq Capital Market. This value on the date of grant is afforded to the Company for the recording of stock compensation to non-employees and the recognition of this expense over the period in which the services were incurred or performed. Most of the Company's agreement for stock compensation provide for services to have been satisfied upon the initial grant, thereby incurring the cost immediately from the grant.

Stock-based compensation is presented in accordance with the guidance of ASC Topic 718, "Compensation – Stock Compensation" ("ASC 718"). Under the provisions of ASC 718, the Company is required to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our statements of operations. Where the stock-based compensation is not an award, option, warrant or other common stock equivalent, the Company values the shares based on fair value with respect to its grant date and the price that investors may have been paying for the Company's common stock on that date in its various exempt private placement offerings.

Modified Terms of Series A Preferred Stock

On October 31, 2023, the Company board of directors approved amending and restating the certificate of designation of the Company's Series A Convertible Preferred Stock to increase the number of shares from 100,000 to 150,000 and to allow for the conversion of the Series A Preferred Stock under certain circumstances and vesting requirements. On November 20, 2023 the Company issued 25,000 shares of its Series A Preferred Stock to Mr. Lambrecht, pursuant to his employment agreement as Chief Operating Officer. Mr. Lambrecht's shares of Series A Preferred Stock will vest in the following manner, 25% upon signing of the employment agreement, 25% on the 1st of January 2024, and 25% for the following two anniversaries. Messrs. Ross and Grau who are holders of the Series A Preferred Stock will also enjoy the vesting of their shares of Series A Preferred Stock in the following manner; 20% on the 1st of January 2024 and 20% thereafter for the following 4 anniversaries. The Company has determined, and appropriately recorded in its statement of operations a compensation expense associated with the conversion or convertibility of the Series A Preferred Stock into common stock of the Company on a 500:1 basis. Based on the vesting schedule afforded to the holders of the Series A Preferred Stock, 3,125,000 shares of common stock could be issued upon the conversion of 6,250 shares of Series A Preferred Stock as of December 31, 2023, and immediately subsequent to December 31, 2023, another 13,125,000 shares of common stock could be issued upon the conversion of 26,250 shares of Series A Preferred Stock on January 1, 2024. The conversion of the Series A Preferred Stock is at the discretion of the holder unless there are special circumstances. The Company will recognize the fair value of the modified share awards over the employment agreement period and will record any changes to that fair value in accordance with ASC 718 on a period-by-period basis as part of that compensation expense, attributable to the employee.

New Preferred Stock Series Designation and Current Reg. A+ Offering

On November 3, 2023, the Company's board of directors approved the designation of a new Series C Convertible Cumulative Preferred Stock (the "Series C Designation"). The rights, preferences, restrictions and other matters relating to the Series C Convertible Cumulative Preferred Stock (the "Series C Preferred Stock") are as follows:

- The Series C Preferred Stock ranks, as to dividend rights and rights upon liquidation, dissolution, or winding up, junior to the Company's Series A Preferred Stock and senior to its common stock and Series B Preferred Stock. The terms of the Series C Preferred Stock do not limit the Company's ability to (i) incur indebtedness or (ii) issue additional equity securities that are equal or junior in rank to the shares of its Series C Preferred Stock as to distribution rights and rights upon liquidation, dissolution or winding up.

- Each share of Series C Preferred Stock has an initial stated value of \$7.50, subject to appropriate adjustment in relation to certain events, such as recapitalizations, stock dividends, stock splits, stock combinations, reclassifications or similar events affecting the Series C Preferred Stock.
- Dividends on the Series C Preferred Stock are cumulative and payable quarterly in arrears to all holders of record on the applicable record date. Holders of Series C Preferred Stock are entitled to receive cumulative quarterly dividends at a per annum rate of 8.53% of the stated value (or \$0.16 per share per quarter based on the liquidation preference per share); provided that upon an event of default (generally defined as the Company's failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to \$0.225 per quarter, which is equivalent to the annual rate of 12% of the \$7.50 liquidation preference per share. In the Company's sole discretion, dividends may be paid in cash or in kind in the form of common stock equal to the closing price of common stock on the last day of the quarter. Dividends on each share begin accruing on, and are cumulative from, the date of issuance and regardless of whether the Board declares and pays such dividends. Dividends on shares of Series C Preferred Stock will continue to accrue even if any of the Company's agreements prohibit the current payment of dividends or it does not have earnings.
- Upon a liquidation, dissolution or winding up of the Company, holders of shares of Series C Preferred Stock are entitled to receive, before any payment or distribution is made to the holders of common stock or Series B Preferred Stock and on a *junior* basis with holders of Series A Preferred Stock, a liquidation preference equal to the stated value per share, plus accrued but unpaid dividends thereon (whether or not declared).
- The Company may redeem the shares of Series C Preferred Stock, in whole or in part at any time after the fifth anniversary of the initial closing of offering selling such shares and continuing indefinitely thereafter, at the Company's option, for cash, at \$11.25 per share of Series C Preferred Stock, plus any accrued and unpaid dividends.
- Once per calendar quarter beginning any time after the fifth-year anniversary of date of issuance, a Holder of record of shares of Series C Preferred Stock may elect to cause the Company to redeem all or any portion of their shares of Series C Preferred Stock for an amount equal to \$11.25 per share plus any accrued and unpaid dividends, which amount may be settled by delivery of cash or shares of common stock, at the option of the holder. If the holder elects settlement in shares of common stock, the Company will deliver such number of shares of common stock equal to \$11.25 per share of Series C Preferred Stock to be redeemed plus any accrued and unpaid dividends corresponding to the redeemed shares, divided by \$2.25 per share (subject to pro rata adjustment in connection with any stock splits, stock dividends, or similar changes to the Company's capitalization occurring after the date of this Certificate), with any fraction rounded up to the next whole share of common stock. A holder making such election shall provide written notice thereof to the Company specifying the name and address of the holder, the number of shares to be redeemed and whether settlement shall be in cash or shares of common stock. The Company shall redeem the specified shares of Series C Preferred Stock for shares of common stock no later than ten (10) days, or for cash no later than 365 days, following receipt of such notice.
- The Company is not be obligated to redeem or repurchase shares of Series C Preferred Stock if it is restricted by applicable law or its articles of incorporation from making such redemption or repurchase or to the extent any such redemption or repurchase would cause or constitute a default under any borrowing agreements to which it or any of its subsidiaries are a party or otherwise bound. In addition, the Company has no obligation to redeem shares in connection with a redemption request made by a holder if it determines, as of the redemption date, that it does not have sufficient funds available to fund that redemption. In this regard, the Company will have complete discretion under the certificate of designation for the Series C Preferred Stock to determine whether it is in possession of "sufficient funds" to fund a redemption request. Redemptions will be limited to five percent (5%) of the total outstanding shares of Series C Preferred Stock per quarter. To the extent the Company is unable to complete redemptions it may have earlier agreed to make, the Company will complete those redemptions promptly after it becomes able to do so, with all such deferred redemptions being satisfied on a first come, first served, basis.

F-21

- The Series C Preferred Stock has no voting rights relative to matters submitted to a vote of the Company's stockholders (other than as required by law). The Company may not authorize or issue any class or series of equity securities ranking senior to the Series C Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend its articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series C Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of the Company's outstanding shares of Series C Preferred Stock, voting together as a class.
- The Company will not be required to redeem shares of Series C Preferred Stock at any time except as otherwise described above. Accordingly, the shares of Series C Preferred Stock will remain outstanding indefinitely, unless the Company decides, at its option, to exercise its call right, or the holder of the Series C Preferred Stock exercises their put right. The shares of Series C Preferred Stock will not be subject to any sinking fund.
- Each share of Series C Preferred Stock shall be convertible into shares of common stock at a price per share of \$1.50 (1 share of Series C Preferred Stock converts into 5 shares of common stock), at the option of the holder thereof, at any time following the issuance date of such share of Series C Preferred Stock and on or prior to the fifth (5th) day prior to a redemption date, if any, as may have been fixed in any redemption notice with respect to the shares of Series C Preferred Stock, at the Company's office or any transfer agent for such stock.

The Company filed a registration statement on Form 1-A offering up to 2,666,666 shares of Series C Preferred Stock, at an offering price of \$7.50 per share, for a maximum offering amount of \$19,999,995. There is a minimum initial investment amount per investor of \$300.00 for the Series C Preferred Stock and any additional purchases must be made in increments of at least \$7.50 (see Note 15 – Subsequent Events).

At December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022, there were 16,930,517 9,004,920 and 1,597,370 677,221 shares of common stock issued (which includes reserved for) and outstanding, respectively; and 75,143 and 276,501 75,143 shares of Series B preferred stock issued and outstanding, respectively, and 100,000 125,000 and 100,000 shares of its Series A preferred stock issued and outstanding, respectively. No Series C preferred stock was issued or outstanding at December 31, 2023 or December 31, 2022.

F-16

NOTE 11 – WARRANTS AND OPTIONS

In April 2021, the Company issued five-year warrants to purchase 25,000 shares of the Company's common stock at \$8.00 per share in connection with short term financing. In July 2021, the Company issued three-year warrants to purchase 23,705 shares of the Company's common stock at \$8.00 per share in connection with conversion of short-term debt to Preferred and common stock. In August 2021, the Company issued three-year warrants to purchase 9,375 shares of the Company's common stock at \$8.00 per share in connection with conversion of short-term debt to Preferred and common stock. In September 2021, the Company issued five-year warrants to purchase 191,667 shares of the Company's common stock at \$8.00 per share in connection with short term financing. In October 2021, the Company issued three-year warrants to purchase 13,393 shares of the Company's common stock at \$8.00 per share in connection with sale of common stock.

On February 10, 2022, the Company received an equity investment of \$10,500,000 to purchase 2,530,121 101,205 shares of the Company's common stock through a registered public offering at \$4.15 103.75 per share. Along with the issuance of the shares of common stock, the Company issued immediately exercisable warrants to purchase up to 2,530,121 101,205 shares of common stock with an exercise price of \$5.1875 129.6875 per warrant and will expire five years from the date of issuance. Commensurate with the February 10, 2022 offering the Company issued to its underwriters immediately exercisable warrants to purchase up to 379,518 15,181 shares of common stock with an exercise price of \$5.1875 129.6875 per warrant and will expire five years from the date of issuance.

On February 11, 2022, we entered into a transaction with Calvary Fund, the provider of our 2021 bridge financing for the retirement of its debt instrument, principal and interest with a combined value of \$1,566,659.00 through the issuance of securities, consisting of (i) prefunded warrants (the "Calvary Warrants") that are exercisable into 377,484 15,099 shares of common stock (the "Calvary Warrant Shares") at \$4.15 103.75 per Calvary Warrant, and (iii) immediately exercisable warrants to purchase up to 377,484 15,099 shares of common stock with an exercise price of \$5.1875 129.6875 per warrant and will expire five years from the date of issuance.

On July 12, 2022, we entered into a PIPE transaction with Armistice Capital Master Fund Ltd. for the purchase and sale of \$12,887,976.31 of securities, consisting of (i) 509,311 20,372 shares of common stock at \$1.11 27.75 per share, (ii) prefunded warrants (the "Prefunded Warrants") that are exercisable into 11,202,401 448,096 shares of common stock (the "Prefunded Warrant Shares") at \$1.10 27.50 per Prefunded Warrant, and (iii) immediately exercisable warrants to purchase up to 23,423,424 936,937 shares of common stock with an exercise price of \$0.86 21.50 per warrant and will expire five years from the date of issuance.

F-22

As of **December 31, 2022** **December 31, 2023**, no Prefunded Warrants remained issued and outstanding with respect to the July PIPE transaction. The Prefunded Warrants were purchased in their entirety by the holders of the warrants for **\$1.10** **27.50** per warrant. The Prefunded Warrants required the payment of an additional **\$0.01** **0.25** per warrant and the written notice of exercise to the Company to convert the Prefunded Warrant into one share of common stock of the Company. During the period from July 12, 2022 through **December 31, 2022** **December 31, 2023**, the Company received notice on **11,202,401** **448,096** Prefunded Warrants converting into **11,202,401** **448,096** shares of common stock.

Calvary Fund exercised all of its Calvary Warrants by November 30, 2022 requiring the payment of an additional **\$0.01** **0.25** per warrant and the written notice of exercise to the Company to convert the Calvary Warrant into one share of common stock of the Company. Calvary Fund continues to hold the **377,484** **15,099** warrants exercisable at a price of **\$5.1875** **129.6875** per warrant.

Along with the Prefunded Warrants the PIPE investors were issued immediately exercisable warrants to purchase up to **23,423,424** **936,937** shares of the Company's common stock with an exercise price of **\$0.86** **21.50** per share expiring five years from the date of issuance, or July 11, 2027. Each Prefunded Warrant and share of common stock issued in the PIPE transaction received two warrants that were exercisable at **\$0.86** **21.50** per share with a five-year expiry. None of these warrants have been exercised by the holders.

On June 27, 2023, we entered into a PIPE transaction with Armistice Capital for the purchase and sale of \$2,993,850.63 of securities, consisting of (i) 71,499 shares of common stock at \$4.37 per share, (ii) prefunded warrants (the "2023 Prefunded Warrants") that are exercisable into 615,000 shares of common stock (the "2023 Prefunded Warrant Shares") at \$4.37 per Prefunded Warrant, and (iii) immediately exercisable warrants to purchase up to 686,499 shares of common stock at an initial exercise price of \$4.24 per share and will expire five years from the date of issuance. The 686,499 warrants were repriced to \$1.10 per share as part of the Inducement Letter and exercise terms with Armistice Capital.

On September 8, 2023, the Company, entered into an inducement offer letter agreement with Armistice Capital the holders of existing common stock purchase warrants to purchase shares of common stock of the Company. The existing common stock purchase warrants were issued on July 8, 2022 and June 28, 2023 and had an exercise price of \$4.37 and \$4.24, respectively per share.

Pursuant to the Inducement Letter, Armistice Capital agreed to exercise for cash their existing common stock purchase warrants to purchase an aggregate of 2,988,687 shares of the Company's common stock at a reduced exercise price of \$1.10 per share in consideration for the Company's agreement to issue new common stock purchase warrants (the "New Warrants"), to purchase up to 5,977,374 shares of the Company's common stock (the "New Warrant Shares"). The Company received aggregate gross proceeds of approximately \$3,287,555.70 from the exercise of the existing common stock purchase warrants by Armistice Capital. Armistice Capital received 2 New Warrant for each existing common stock purchase warrant that they exercised. No compensation or expense was recognized as the repricing of the existing common stock purchase warrants was in excess of the current market price of the Company's common stock, and the New Warrants were not compensatory as well due to the market conditions. The Company issued 2,988,687 shares of the Company's common stock, of which 2,242,000 shares of common stock are held in reserve by the Company's transfer agent. Armistice Capital Fund Ltd. is limited to total ownership at one time to be no more than 9.99% of the Company's issued and outstanding common stock. Armistice Capital took ownership and possession of 356,687 shares of common stock (September 21st) and 390,000 shares of common stock (September 12th), representing less than 9.99% ownership interest by Armistice Capital on such dates. The common stock purchase warrants that were induced into being exercised were all held by Armistice Capital and consisted of the July 12, 2022 immediately exercisable warrants with an exercise price of \$21.50, the additional issuance of warrants to Armistice Capital that contractually were part of the July 12, 2022 issuance but were triggered by the June 27, 2023 offering that occurred with Armistice Capital and resulting in an additional 1,365,251 immediately exercisable warrants with an exercise price of \$21.50, along with 686,499 immediately exercisable warrants with an exercise price of \$4.24 that were issued on June 27, 2023.

F-23

On August 21, 2023 245,000 of the 2023 Prefunded Warrants were exercised. Along with an exercise notice and payment totaling \$2,450.00, 245,000 shares of common stock were issued. On September 8, 2023 370,000 of the 2023 Prefunded Warrants were exercised. Along with an exercise notice and payment totaling \$3,700.00, 370,000 shares of common stock were issued. A total of 615,000 2023 Prefunded Warrants were exercised along with 746,687 warrants per the Inducement Letter.

Along with the Prefunded Warrants the previous year's PIPE investors were issued immediately exercisable warrants to purchase up to 936,937 shares of the Company's common stock with an exercise price of \$21.50 per share expiring five years from the date of issuance, or July 11, 2027. Each Prefunded Warrant and share of common stock issued in the PIPE transaction received two warrants that were exercisable at \$21.50 per share with a five-year expiry. None of these warrants have been exercised by the holders. These warrants were repriced to \$1.10 per share as part of the Inducement Letter and exercise agreement by and between Armistice Capital and the Company.

As of **December 31, 2022** December 31, 2023, there were **27,411,385** 6,136,892 warrants issued and outstanding to acquire additional shares of common stock.

As of **December 31, 2021** December 31, 2022, there were **701,776** 1,096,455 warrants issued and outstanding to acquire additional shares of common stock.

F-17

The Company evaluates outstanding warrants as derivative liabilities and will recognize any changes in the fair value through earnings. The Company determined that the Warrants warrants have an immaterial fair value at December 31, 2022 December 31, 2023. The warrants do not trade in a highly active securities market, and as such, the Company estimated the fair value of these common stock equivalents using Black-Scholes and the following assumptions:

Expected volatility was based primarily on historical volatility. Historical volatility was computed using daily pricing observations for recent periods. The Company believes this method produced an estimate that was representative of the Company’s expectations of future volatility over the expected term which due to their maturity period as expiry, it was three years. The Company had no reason to believe future volatility over the expected remaining life of these common stock equivalents was likely to differ materially from historical volatility. Expected life was based on three years due to the expiry of maturity. The risk-free rate was based on the U.S. Treasury rate that corresponded to the expected term of the common stock equivalents.

	December 31, 2022	December 31, 2021	December 31, 2023	December 31, 2022
Stock Price	\$ 0.19	\$ 5.68	\$ 0.31	\$ 4.75
Exercise Price	\$ 0.86	\$ 8.00	\$ 1.10	\$ 21.50
Term (expected in years)	4.5	3.2	4.7	4.5
Volatility	38.14 %	203.44 %	17.18 %	38.14 %
Annual Rate of Dividends	0.0 %	0.0 %	0.0 %	0.0 %
Risk-Free Rate	4.69 %	1.52 %	4.79 %	4.69 %
Measurement input				

F-24

Stock Purchase Warrants

The following table summarizes all warrant activity for the years ended **December 31, 2022**, **December 31, 2023** and **2021, 2022**.

	Shares	Weighted-Average Exercise Price Per Share	Remaining term	Intrinsic value	Shares	Weighted-Average Exercise Price Per Share	Remaining term	Intrinsic value
Outstanding and Exercisable at December 31, 2020	43,688	\$ 20.80	3.48 years	-				
Granted	662,713	\$ 8.00	2.95 years	-				
Exercised	-	-	-	-				
Expired	(4,625)	-	-	-				
Outstanding and Exercisable at December 31, 2021	701,776	\$ 8.80	2.95 years	-	28,071	\$ 220.00	2.95 years	-
Granted	2,909,639	\$ 5.1875	5.00 years	-	116,386	\$ 129.6875	5.00 years	-
Granted in Debt Conversion	377,484	\$ 5.1875	5.00 years	-	15,099	\$ 129.6875	5.00 years	-
Granted Prefunded Warrants	11,579,885	\$ 0.01	5.00 years	-	463,195	\$ 0.25	5.00 years	-
Granted in PIPE transaction	23,423,424	\$ 0.86	5.00 years	-	936,937	\$ 21.50	5.00 years	-
Exercised	(11,579,885)	\$ 0.01	-	-	(463,195)	\$ 0.25	-	-
Expired	(938)	-	-	-	(38)	-	-	-
Outstanding and Exercisable at December 31, 2022	27,411,385	\$ 1.22	4.50 years	-	1,096,455	\$ 30.50	4.50 years	-
Granted Prefunded Warrants					615,000	\$ 4.37	5.00 years	-
Granted in PIPE transaction					686,499	\$ 4.24 *	5.00 years	-
Granted pursuant to repricing transaction					1,365,251	\$ 1.10 *	4.00 years	-
Granted pursuant to Inducement Agreement – New Warrants					5,977,374	\$ 1.10	5.00 years	-
Exercised					(3,603,687)	\$ 0.88	5.00 years	-
Expired					-	-	-	-
Outstanding and Exercisable at December 31, 2023					6,136,892	\$ 3.15	4.70 years	-

F- 18* Pursuant to the Inducement Agreement the following warrants were repriced with an exercise price of \$1.10per warrant.

NOTE 12 – LEASES AND LEASED PREMISES

Rental Payments under Non-cancellable Operating Leases and Equipment Leases

The Company through its purchase of Champion acquired several long term long-term (more than month-to-month) leases for two manufacturing facilities, three office spaces, five distribution centers and five retail spaces. Four of its distribution centers also have retail operations for which it leases its facilities. Lease terms on the various spaces spaces' expiry from a month-to-month lease (30 days) to a long-term lease expiring in March September of 2027. 2028.

Rent expense for operating leases totaled approximately \$502,421 1,214,000 and \$179,589 502,000 for the years ended December 31, 2022 December 31, 2023, and 2021, 2022, respectively. These amounts are included in our consolidated statement of operations in Rental expense, warehousing, outlet expense and Administrative and other. Rental expense, warehousing, outlet expense is specific to warehousing and final manufacturing of our products.

The Company does not have any equipment leases whereby we finance this equipment needed for operations at competitive finance rates. New equipment to be financed in the near term, if necessary, may not be obtainable at competitive pricing with increasing interest rates.

Rental equipment expense for finance leases totaled approximately none and none for the years ended December 31, 2022 December 31, 2023, and 2021, 2022, respectively.

F-25

Right of Use Assets and Lease Liabilities

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The standard requires lessees to recognize almost all leases on the balance sheet as a Right-of-Use Right-of-use (“ROU”) asset and a lease liability and requires leases to be classified as either an operating or a finance type lease. The standard excludes leases of intangible assets or inventory. The standard became effective for the Company beginning January 1, 2019. The Company adopted ASC 842 using the modified retrospective approach, by applying the new standard to all leases existing at the date of initial application. Results and disclosure requirements for reporting periods beginning after January 1, 2019, are presented under ASC 842, while prior period amounts have not been adjusted and continue to be reported in accordance with our historical accounting under ASC 840. The Company elected the package of practical expedients permitted under the standard, which also allowed the Company to carry forward historical lease classifications. The Company also elected the practical expedient related to treating lease and non-lease components as a single lease component for all equipment leases as well as electing a policy exclusion permitting leases with an original lease term of less than one year to be excluded from the ROU assets and lease liabilities.

Under ASC 842, the Company determines if an arrangement is a lease at inception. ROU assets and liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. For this purpose, the Company considers only payments that are fixed and determinable at the time of commencement. As most of the Company’s leases do not provide an implicit rate, the Company estimated the incremental borrowing rate in determining the present value of lease payments. The ROU asset also includes any lease payments made prior to commencement and is recorded net of any lease incentives received. The Company’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options.

On January 1, 2019, the Company adopted ASC 842 which increases transparency and comparability by recognizing a lessee’s rights and obligations resulting from leases by recording them on the balance sheet as lease assets and lease liabilities. ASC 842 requires the recognition of the right-of-use (“ROU”) assets and related operating and finance lease liabilities on the balance sheet. The Company adopted the new guidance using the modified retrospective approach with a cumulative-effect adjustment recorded on January 1, 2019.

The adoption of ASC 842 resulted in the recognition of ROU assets of \$none0 and lease liabilities for operating leases of \$none0 on the Company’s consolidated balance sheet as of January 1, 2019, with no material impact to its consolidated statements of operations. The Any difference between the ROU assets and the operating lease liability represents the reclassification of (i) deferred rent balances, resulting from the historical operating leases, and (ii) certain accrued restructuring liabilities. The Company’s accounting for finance leases remained substantially unchanged from its accounting for capital leases in for prior periods.

The Company elected the package of practical expedients permitted within the standard, which allow an entity to forgo reassessing (i) whether a contract contains a lease, (ii) classification of leases, and (iii) whether capitalized costs associated with a lease meet the definition of initial direct costs. Also, the Company elected the expedient allowing an entity to use hindsight to determine the lease term and impairment of ROU assets and the expedient related to land easements which allows the Company not to retrospectively treat land easements as leases; however, the Company must apply lease accounting prospectively to land easements if they meet the definition of a lease.

For contracts entered into on or after the effective date, at the inception of a contract the Company will assess whether the contract is, or contains, a lease. The Company’s assessment is based on: (i) whether the contract involves the use of a distinct identified asset, (ii) whether the Company obtained the right to substantially all the economic benefit from the use of the asset throughout the period, and (iii) whether the Company has the right to direct the use of the asset. Leases entered into prior to January 1, 2019, are accounted for under ASC 840 and were not reassessed for classification.

F-19 F-26

For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments. For finance leases, the lease liability is initially measured in the same manner and date as for operating leases, and is subsequently measured at amortized cost using the effective interest method. The Company generally uses its incremental borrowing rate as the discount rate for leases, unless an interest rate is implicitly stated in the lease. The lease term for all of the Company's leases includes the noncancellable period of the lease plus any additional periods covered by either a Company an option to extend the lease that the Company is reasonably certain to exercise, or an option to extend the lease controlled by the lessor. All ROU assets are reviewed for impairment.

Lease expense for operating leases consists of the lease payments plus any initial direct costs, net of lease incentives, and is recognized on a straight-line basis over the lease term. Lease expense for finance leases consists of the amortization of the asset on a straight-line basis over the earlier of the lease term or its useful life and interest expense determined on an amortized cost basis. The lease payments are allocated between a reduction of the lease liability and interest expense.

The Company's operating leases are comprised primarily of a facility lease leases and we have no finance leases for our vehicles or equipment. equipment at this time. The Company added approximately \$1,000,000 in right-of-use lease assets offset by right-of-use lease liabilities during the 4th quarter for the year ended December 31, 2023, this included multiple leases that were increased in size and as well as several leases that were extended or options to extend were added in the lease terms.

Balance sheet information related to our leases is presented below: below for the years then ended:

	Balance Sheet location	2022	2021	Balance Sheet location	2023	2022
		December 31,			December 31,	
	Balance Sheet location	2022	2021	Balance Sheet location	2023	2022
<i>Operating leases:</i>						
Right-of-use lease assets	Right-of-use operating lease assets	\$ 1,977,329	\$ -	Right-of-use operating lease assets	\$ 1,946,567	\$ 1,977,329
Right-of-use lease liability, current	Other current liabilities	992,496	-	Other current liabilities	1,039,081	992,496
Right-of-use lease liability, long-term	Right-of-use operating lease liability	984,833	-	Right-of-use operating lease liability	907,486	984,833
<i>Finance leases:</i>						
Right-of-use lease assets	Property, plant and equipment	-	-	Property, plant and equipment	-	-
Right-of-use lease liability, current	Current portion of long-term debt	-	-	Current portion of long-term debt	-	-
Right-of-use lease liability, long-term	Long-term debt	-	-	Long-term debt	-	-

The following provides details of the Company's lease expense:

	Years Ended December 31,	
	2023	2022
Operating lease expense, net	\$ 1,214,681	\$ 502,421
Finance lease expense:		
Amortization of assets	-	-
Interest on lease liabilities	-	-
Total finance lease expense	-	-
Operating lease expense, net	\$ 1,214,681	\$ 502,421

	Years Ended December 31,	
	2022	2021
Operating lease expense, net	\$ 502,421	\$ -
Finance lease expense:		
Amortization of assets	-	-
Interest on lease liabilities	-	-
Total finance lease expense	-	-
Operating lease expense, net	\$ 502,421	\$ -

Other information related to leases is presented below:

	2022	2021	2023	2022
Right-of-use assets acquired in exchange for operating lease obligations	\$ 1,977,329	\$ -	\$ 1,946,567	\$ 1,977,329
Cash Paid For Amounts Included In Measurement of Liabilities:				
Cash Paid for Amounts Included in Measurement of Liabilities:				
Operating cash flows from finance leases	-	-	-	-
Operating cash flows from operating leases	1,038,647	-	1,101,797	1,038,647
Weighted Average Remaining Lease Term:				
Operating leases	3.0 years	0.0 years	3.0 years	3.0 years
Finance leases	0.0 years	0.0 years	0.0 years	0.0 years
Weighted Average Discount Rate:				
Operating leases	5.00 %	5.00 %	10.00 %	5.00 %
Finance leases	n/a %	n/a %	n/a %	n/a %

The minimum future annual payments under non-cancellable leases during the next five years and thereafter, at rates now in force, are as follows:

	Finance leases	Operating leases
2023	\$ -	\$ 1,106,358
2024	-	688,526
2025	-	163,794
2026	-	62,792
2027	-	3,733
Thereafter	-	-
Total future minimum lease payments, undiscounted	-	2,025,203
Less: Imputed interest	(-)	(104,664)
Present value of future minimum lease payments	\$ -	\$ 1,920,539
	Finance leases	Operating leases
2024	\$ -	\$ 1,239,855
2025	-	407,861
2026	-	291,375
2027	-	258,282
2028	-	194,262
Thereafter	-	-
Total future minimum lease payments, undiscounted	-	2,391,634
Less: Imputed interest	(-)	(286,669)
Present value of future minimum lease payments	\$ -	\$ 2,104,965

Rental expense totaled approximately \$502,421, 1,214,681 and \$179,589, 502,421 for years ended December 31, 2022, December 31, 2023 and 2021, 2022, respectively. The Company extended several leases and increased the payments on several more in connection with its expansion, while closing several facility leases in streamlining operations and inventory storage and warehousing.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

During the years ended December 31, 2022, December 31, 2023 and December 31, 2021, December 31, 2022, various claims and lawsuits, incidental to the ordinary course of our business, may be brought against the Company. In the opinion of management, after consultation with legal counsel, resolution of any of these matters is not expected to have a material effect on the Company's consolidated financial statements.

Contractual Obligations

The Company does not believe there are any off-balance sheet arrangements that have, or are reasonably likely to have, a material effect on the Company. As of December 31, 2022, December 31, 2023 and December 31, 2021, December 31, 2022 there was approximately none and none, respectively, in outstanding letters of credit issued in the normal course of business. These letters of credit would reduce our available borrowings, if we had any. The During the year ended December 31, 2023 the Company subsequent to year end entered into a line of credit with a major financial institution (see Note – 14 - Subsequent Events) institution. The amount due on the line of credit as of December 31, 2023 was \$1,456,929. The Company was in compliance with the terms and covenants of the line of credit as of December 31, 2023.

Executive Employment Agreements and Independent Contractor Agreements

The Company has written employment agreements with its Chief Executive Officer and various other executive officers. All payments made to its executive officers and other significant outside service providers are analyzed and determined by the board of directors' compensation committee; some payments made to independent contractors (or officer payments characterized as non-employee compensation) may be subject to backup withholding or the general withholding of payroll taxes, which may make the Company responsible for the withholding and remittance of those taxes. Certain Generally outside service providers are responsible for their own withholding and payment of taxes. Certain state taxing authorities may otherwise disagree with that analysis, analysis and Company policy.

NOTE 14 – OTHER INCOME – EMPLOYEE RETENTION CREDIT

The Company retained the services of a tax service professional to provide the Company with certain specialized tax services. The services included identifying various tax initiatives as well as specifically tasking the tax service professional in applying for and the preparation of tax filings for (tax) credits available under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The Company received approximately \$1,291,000 in tax credits under the CARES Act from the US Department of Treasury and paid approximately \$178,000 in fees to the service provider, netting the Company approximately \$1,113,000 in credits for the retaining of its employees during COVID.

NOTE 14 15 – SUBSEQUENT EVENTS

The Company evaluated all events that occurred after the balance sheet date of December 31, 2022, December 31, 2023 through the date the financial statements were issued and determined that there were the following subsequent events.

On February 10, 2023 January 1, 2024 the Company recognized an additional 16,250,000 shares of common stock equivalents earned out on that date (based on the respective vesting that occurs on January 1, 2024) for its three executive officers that were issued Series A preferred stock. Approximate value as of January 1, 2024 attributable to the vesting of the Series A preferred stock convertible into common stock is \$4,500,000. The Company will recognize that amount over the next twelve months as deferred compensation – officers unless there is a significant change in the market value of the Company's common stock.

F-28

On January 1, 2024, our wholly-owned subsidiary Champion Safe the Company secured entered into a line of credit new loan agreement with Bank of America an existing lender who was owed \$150,000 which provides for was due December 31, 2023. The Company repaid the lender \$75,000 due under the prior loan and entered into new loan agreement where the Company agreed to pay the lender the remaining \$75,000 on or before March 31, 2024. The principal balance bears interest at 12% per annum.

The Company filed a registration statement on Form 1-A offering up to 2,666,666 shares of Series C Preferred Stock, at an offering price of \$2,000,000 7.50 per share, for a maximum offering amount of \$19,999,995. There is a minimum initial investment amount per investor of \$300.00 for the Series C Preferred Stock and any additional purchases must be made in additional funding increments of at least \$7.50. The registration statement on Form 1-A became effective on March 13, 2024. As of the date of this Report the Company has not closed on any investor funds under this registration statement.

On March 21, 2024, the Company entered into a securities purchase agreement with an accredited investor ("the Lender"), pursuant to which the Lender made a loan to the Company, evidenced by a promissory note in the principal amount of \$235,750. A one-time interest charge or points amounting to 15% (or \$35,362) and fees of \$5,000 were applied at the issuance date, resulting in net proceeds to the Company of \$200,000. Accrued, unpaid interest and outstanding principal, subject to adjustment, is required to be paid in seven payments; the first payment shall be in the amount of \$162,667.20 and is due on June 30, 2024 with six (6) subsequent payments each in the amount of \$18,074.14 due on the 30th of each month thereafter (total repayment of \$271,112 on or by December 31, 2023). the Company has the right to prepay the note within one hundred eighty days at a discount of 5%. Effective interest rate on this loan is 81.1% with 15 points paid up front as a fee.

On March 21, 2023, the Company entered into a Securities Purchase Agreement with an accredited investor Lender, pursuant to which the Lender made a loan to the Company, evidenced by a promissory note in the principal amount of \$235,750 (the "Note"). A one-time interest charge of 15% (\$35,362) and fees of \$5,000 were applied on the issuance date, resulting in net loan proceeds to us of \$200,000. Accrued, unpaid interest and outstanding principal, subject to adjustment, is required to be paid in seven payments; the first payment shall be in the amount of \$162,667.20 and is due on June 30, 2024 with six (6) subsequent payments each in the amount of \$18,074.14 due on the 30th of each month thereafter (a total payoff to the Lender of \$271,112.00). the Company has the right to prepay the Note within one hundred eighty days at a discount of 5%. Upon the occurrence and during the continuation of any Event of Default, the Note shall become immediately due and payable and the Company will be obligated to pay to the Lender, in full satisfaction of its obligations, an amount equal to 150% times the sum of (w) the then outstanding principal amount of the Note plus (x) accrued and unpaid interest on the unpaid principal amount of the Note to the date of payment plus (y) default interest, if any, at the rate of 22% per annum on the amounts referred to in clauses (w) and/or (x) plus (z) any amounts owed to the Lender pursuant to the conversion rights referenced below. Only upon an occurrence of an event of default under the Note, the Lender may convert the outstanding unpaid principal amount of the Note into restricted shares of common stock of the Company at a discount of 25% of the market price. The Lender agreed to limit the amount of stock received to less than 4.99% of the total outstanding common stock. There are no warrants or other derivatives attached to this Note. the Company agreed to reserve a number of shares of common stock equal to four times the number of shares of common stock which may be issuable upon conversion of the Note at all times.

On March 22, 2024, the Company entered into another Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$100,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Revenue Interest Purchase Agreement, the investor has a right to receive \$10,000 per month from the Company generated from its operating subsidiaries (the "Revenue Interest"). Under the Revenue Interest Purchase Agreement, the Company has an option (the "Call Option") to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option (the "Put Option") to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$140,000 if repurchased on or before May 31, 2024; and (ii) \$154,000 after June 1, 2024; in each case of (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. In addition, the Revenue Interest Purchase Agreement contains various representations and warranties, covenants and other obligations and other provisions that are customary for a transaction of this nature.

On March 27, 2024, the Company entered into a \$1,300,000 Business Loan and Security Agreement (the "Secured Loan") with an accredited investor lending source (the "Lender"). Under the Secured Loan, the Company received the loan net of fees of \$26,000. The Company repaid two outstanding secured notes to affiliates of the Lender totaling \$769,228, resulting in net proceeds to the Company of \$504,772. The Secured Loan requires 64 weekly payments of \$26,000 each, for a total repayment of \$1,664,000. The Secured Loan bears interest at 22.8% per annum. The Secured Loan is secured by all of Champion Safe the assets of the Company and its subsidiaries second to a first priority lien secured the holder of the Line of Credit. Furthermore, the Company's inventory Chief Executive Officer, provided a personal guaranty for the Secured Loan. The Secured Loan provides for a default fee of \$15,000 for any late payments on the weekly payments. As long as the Secured Loan is not in default, the Company may prepay the Secured Loan pursuant to certain prepayment amounts set forth in the Secured Loan. Further, any default by the Company allows the Lender to take necessary actions to secure its collateral and account receivables.

F-21

NOTE 15 – PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (UNAUDITED)

Introduction/recovery of funds.

The following unaudited pro forma condensed combined financial information presents On April 1, 2024, the unaudited pro forma condensed combined balance sheet Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$100,000. As consideration for such payment, commencing on June 1, 2024 and unaudited pro forma condensed combined statements continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of operations based the Revenue Interest Purchase Agreement, the investor has a right to receive \$10,000 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the combined historical financial statements Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$140,000 if repurchased on or before May 31, 2024; and (ii) \$154,000 after June 1, 2024; in each case of American Rebel Holdings, Inc. (the “Company”) and Champion Safe Co. (i) or (ii), Inc., Superior Safe, LLC, Safe Guard Security Products, LLC, Champion Safe De Mexico, S.A. de C.V. (collectively “Champion Entities”), after giving effect minus all Revenue Interest or other payments made by the Company to the consummation investor prior to such date. In addition, the Revenue Interest Purchase Agreement contains various representations and warranties, covenants and other obligations and other provisions that are customary for a transaction of the transaction completed on July 29, 2022 (as disclosed on Current Report Form 8-K, dated August 4, 2022), by and among the Company and Champion Entities, and the related adjustments described in the accompanying notes. The transaction is accounted for under the acquisition method of accounting, which requires determination of the accounting acquirer. this nature.

On April 9, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$100,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Revenue Interest Purchase Agreement, the investor has a right to receive \$10,000 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The Company is considered repurchase price to be paid by the acquirer Company will be, if the Call Option or the Put Option is exercised (i) \$140,000 if repurchased on or before May 31, 2024; and (ii) \$154,000 after June 1, 2024; in each case of Champion Entities (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. In addition, the Revenue Interest Purchase Agreement contains various representations and warranties, covenants and other obligations and other provisions that are customary for accounting purposes a transaction of this nature.

On April 9, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$300,000. As consideration for such payment, commencing on June 1, 2024 and will allocate continuing thereafter until all amounts are repurchased by the purchase Company pursuant to the terms of the Revenue Interest Purchase Agreement, the investor has a right to receive \$30,000 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the fair value Company will be, if the Call Option or the Put Option is exercised (i) \$420,000 if repurchased on or before May 31, 2024; and (ii) \$462,000 after June 1, 2024; in each case of Champion Entities’ assets (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. In addition, the Revenue Interest Purchase Agreement contains various representations and liabilities as warranties, covenants and other obligations and other provisions that are customary for a transaction of this nature.

On April 9, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$75,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the acquisition date, with Revenue Interest Purchase Agreement, the investor has a right to receive \$7,500 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any excess purchase time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price recorded as goodwill. to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$105,000

if repurchased on or before May 31, 2024; and (ii) \$115,500

The unaudited pro forma condensed combined balance sheet data as after June 1, 2024; in each case of December 31, 2022 (i) or (ii), gives effect minus all Revenue Interest or other payments made by the Company to the transaction as if it occurred on that date for which it is reported on, which incidentally the Company acquired Champion Entities on July 29, 2022. The unaudited pro forma condensed combined statement of operations for the years ended December 31, 2021 and 2022, gives effect to the transaction as if it had occurred on January 1, 2021, more than one full calendar year investor prior to such date. In addition, the actual acquisition date of July 29, 2022.

The unaudited pro forma condensed combined financial information was prepared in accordance with Article 11 of Regulation S-X. The unaudited pro forma adjustments reflecting the transaction have been prepared in accordance with business combination accounting guidance as provided in FASB ASC Topic 805 Revenue Interest Purchase Agreement contains various representations and reflect the preliminary allocation of the estimated merger consideration to the acquired assets warranties, covenants and liabilities assumed based upon their estimated fair values, using the assumptions set forth in the notes to the unaudited pro forma condensed combined financial information. The Company’s historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial information to give pro forma effect to events other obligations and other provisions that are (1) directly attributable to the customary for a transaction (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on the combined results.

The unaudited pro forma condensed combined financial information is provided for informational purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the transaction had been completed as of the dates set forth above, nor is it indicative of the future results or financial position of the combined company. In connection with the pro forma condensed combined financial information, the Company

allocated the estimated purchase price using its best estimates of fair value. The allocation is dependent upon certain valuation and other analyses that are not yet final. Accordingly, the pro forma acquisition price adjustments are preliminary and subject to further adjustments as additional information becomes available and as additional analyses are performed. There can be no assurances that the final valuations will not result in material changes to the preliminary estimated purchase price allocation. The unaudited pro forma condensed combined financial information also does not give effect to the dilution or costs of financing associated with the transaction, potential impact of current financial conditions, any anticipated synergies, operating efficiencies or cost savings that may result from the transaction or any integration costs. Furthermore, the unaudited pro forma condensed combined statements of operations do not include certain nonrecurring charges and the related tax effects that result directly from the transaction as described in the notes to the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information should be read in conjunction with both the Company's and Champion Entities' unaudited historical condensed consolidated financial statements as of December 31, 2022, (which includes the Champion Entities activities as of the acquisition date and financial activity through the end of the 2022 calendar year) and the audited historical consolidated financial statements as of and for the year ended December 31, 2021.

F-22

AMERICAN REBEL HOLDINGS, INC.
UNAUDITED COMBINED CONSOLIDATED BALANCE SHEETS

this nature.

	American Rebel Holdings, Inc Historical 31-Dec-22 (unaudited)	Champion Acquisition Historical 31-Dec-22 (unaudited)	Purchase Transaction Accounting Adjustments 31-Dec-22 (unaudited)	Financing Transaction Accounting Adjustments 31-Dec-22 (unaudited)	Pro Forma Combined 31-Dec-22 (unaudited)
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 85,339	\$ 271,415	\$ -	\$ -	\$ 356,754
Accounts receivable	496,898	1,116,591	(2,529)	-	1,619,960
Prepaid expense	178,559	28,493	-	-	207,052
Inventory	943,854	6,477,842	-	-	7,421,696
Inventory deposits and other	943,977	-	(943,977)	-	-
Total Current Assets	<u>2,648,627</u>	<u>7,894,341</u>	<u>(946,506)</u>	<u>-</u>	<u>9,596,462</u>
Property and Equipment, net	13,196	443,329	-	-	456,525
OTHER ASSETS:					
Goodwill and Purchase Consideration	10,247,420	243,899	(5,674,420) (243,899)	327,000	4,900,000
Right of use - Assets	-	-	-	-	-
Lease deposits	4,750	13,282	-	-	18,032
	<u>10,252,170</u>	<u>257,181</u>	<u>(5,918,319)</u>	<u>327,000</u>	<u>4,705,703</u>
TOTAL ASSETS	<u>\$ 12,913,993</u>	<u>\$ 8,594,851</u>	<u>\$ (6,864,825)</u>	<u>\$ 327,000</u>	<u>\$ 14,971,019</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)					
CURRENT LIABILITIES:					
Accounts payable and accrued expense	793,525	1,730,026	-	-	2,523,551
Accrued interest	103,919	-	-	-	103,919
Loan – officer - related party	-	-	-	-	-
Loan – working capital	602,643	600,000	(600,000)	-	602,643
Loans - nonrelated parties	-	-	-	-	-
Total Current Liabilities	<u>1,500,087</u>	<u>2,330,026</u>	<u>(600,000)</u>	<u>-</u>	<u>3,230,113</u>
Right of use - Liabilities	-	-	-	-	-
TOTAL LIABILITIES	<u>1,500,087</u>	<u>2,330,026</u>	<u>(600,000)</u>	<u>-</u>	<u>3,230,113</u>
STOCKHOLDERS' EQUITY (DEFICIT):					
Preferred stock, Class A	100	-	-	-	100
Preferred stock, Class B	75	-	-	-	75
Common stock,	16,929	-	-	-	16,929
Additional paid in capital	45,448,824	6,264,825	(6,264,825)	-	45,448,824
Accumulated deficit	(34,052,022)	-	-	327,000	(33,725,022)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	<u>11,413,906</u>	<u>6,264,825</u>	<u>(6,264,825)</u>	<u>327,000</u>	<u>11,740,906</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 12,913,993</u>	<u>\$ 8,594,851</u>	<u>\$ (6,864,825)</u>	<u>\$ 327,000</u>	<u>\$ 14,863,359</u>

F-23 F-29

AMERICAN REBEL HOLDINGS, INC.

UNAUDITED CONDENSED COMBINED STATEMENTS OF OPERATIONS

	American Rebel Holdings, Inc Historical 31-Dec-21 (unaudited)	Champion Safe Et Al Company Historical 31-Dec-21 (unaudited)	Purchase Transaction Accounting Adjustments 31-Dec-21 (unaudited)	Financing Transaction Accounting Adjustments 31-Dec-21 (unaudited)	Pro Forma Combined 31-Dec-21 (unaudited)
Revenue	\$ 986,826	\$ 18,304,859	\$ -	\$ (600,000)	\$ 18,691,685
Cost of goods sold	812,130	14,354,863	-	(600,000)	14,566,993
Gross margin	174,696	3,949,996	-	-	4,124,692
Expenses:					
Consulting – business development	2,012,803	1,838,947	-	-	3,851,750
Product development costs	330,353	24,558	-	-	354,911
Marketing and brand development costs	171,030	828,890	-	-	999,920
Administrative and other	968,306	518,705	-	-	1,487,011
Depreciation expense	3,643	24,919	-	-	28,562
Operating expenses	3,486,135	3,236,019	-	-	6,722,154
Operating income (loss)	(3,311,439)	713,977	-	-	(2,597,462)
Other Income (Expense)					
Interest expense	(2,061,782)	(77,752)	-	1,800,000	(339,534)
Interest Income	-	305			305
Payroll Protection Loan Forgiven	-	625,064		-	625,064
Gain (Loss) on extinguishment of debt	(725,723)	-	-	725,723	-
Net income (loss) before income tax provision	(6,098,944)	1,261,594	-	2,525,723	(2,311,627)
Provision for income tax	-	-	-	-	-
Net income (loss)	\$ (6,098,944)	\$ 1,261,594	\$ -	\$ 2,525,723	\$ (2,311,627)
Basic and diluted income (loss) per share	\$ (1.92)	\$ -	\$ -	\$ -	\$ (0.73)
Weighted average common shares outstanding - basic and diluted	3,169,000	-	-	-	3,169,000

F-24

AMERICAN REBEL HOLDINGS, INC.

UNAUDITED CONDENSED COMBINED STATEMENTS OF OPERATIONS

	American Rebel Holdings, Inc Historical 31-Dec-22 (unaudited)	Champion Acquisition Historical 31-Dec-22 (unaudited)	Purchase Transaction Accounting Adjustments 31-Dec-22 (unaudited)	Financing Transaction Accounting Adjustments 31-Dec-22 (unaudited)	Pro Forma Combined 31-Dec-22 (unaudited)
Revenue	\$ 1,018,363	\$ 17,909,282	\$ -	\$ (301,762)	\$ 18,625,883
Cost of goods sold	776,063	13,569,736	-	(549,629)	13,796,170
Gross margin	242,300	4,339,546	-	247,867	4,829,713
Expenses:					
Consulting/payroll and other payroll	1,016,212	2,083,574	-	-	3,099,786
Product development costs	746,871	44,408	-	-	791,279
Marketing and brand development costs	487,624	30,442	-	-	518,066
Administrative and other	3,002,418	1,685,052	-	(79,133)	4,608,337
Depreciation expense	1,355	54,014	-	-	55,369
Operating expenses	5,254,480	3,897,490	-	(79,133)	9,072,837
Operating income (loss)	(5,012,180)	442,056	-	327,000	(4,243,124)
Other Income (Expense)					
Interest expense	(699,149)	(59,950)	-	-	(759,099)
Interest income	4,892	6,926	-	-	11,818
Gain/loss on sale of assets	-	1,995	-	-	1,995
Gain (Loss) on extinguishment of debt	(1,376,756)	-	-	-	(1,376,756)
Net income (loss) before income tax provision	(7,083,193)	391,027	-	327,000	(6,365,166)
Provision for income tax	-	-	-	-	-
Net income (loss)	\$ (7,083,193)	\$ 391,027	\$ -	\$ 327,000	\$ (6,365,166)
Basic and diluted income (loss) per share	\$ (0.95)	\$ -	\$ -	\$ -	\$ (0.85)
Weighted average common shares outstanding - basic and diluted	7,469,000	-	-	-	7,469,000

F-25

Basis of Presentation

The historical financial information has been adjusted in the unaudited pro forma condensed combined financial information to give effect to events that are (1) directly attributable to the transaction, (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on the combined results. The pro forma adjustments are based on estimates of the fair value and useful lives of the assets acquired and liabilities assumed and have been prepared to illustrate the estimated effect of the transaction and certain other adjustments. The final determination of the purchase price allocation was based on the fair values of assets acquired and liabilities assumed as of the date the transaction closed, which was July 29, 2022.

The Company's and Champion Entities' historical results reflect the audited condensed statements of operations for the twelve months ended December 31, 2022, and December 31, 2021, and the audited condensed balance sheet as of December 31, 2022.

Description of Transaction

On June 29, 2022, the Company entered into and executed a stock and membership interest purchase agreement with Champion Safe Co., Inc., Superior Safe, LLC, Safe Guard Security Products, LLC, Champion Safe De Mexico, S.A. de C.V. (the "Champion Entities") and Mr. Ray Crosby ("Seller") (the "Champion Purchase Agreement"), pursuant to which the Company acquired all of the issued and outstanding capital stock and membership interests of Champion Entities from the Seller.

Under the terms of the Champion Purchase Agreement, the Company paid the Seller (i) cash consideration of approximately \$9,150,000, along with (ii) previously provided cash deposits in the amount of \$350,000, and (iii) reimbursed Seller for approximately \$397,000 of agreed upon acquisitions and equipment purchases which were completed by the Seller through Champion Entities since June 30, 2021. Of total cash consideration paid to the Seller, the Seller commensurate with the closing retired a line of credit held by Champion Entities of approximately \$1,442,000 and approximately \$291,000 in related party loans due to the Seller by Champion Entities. All were recorded on Champion Entities books and recorded prior to July 29, 2022, the closing date.

Reclassification Adjustments

The accounting policies used in the preparation of this unaudited pro forma condensed combined financial information are those as set out in the Company's audited consolidated financial statements as of and for the fiscal year ended December 31, 2022, and for the fiscal year ended December 31, 2021. With the information currently available, the Company determined that no significant adjustments are necessary to conform Champion Entities' consolidated financial statements to the accounting policies used by the Company. The Company determined that the Right-to-Use assets and liabilities of the Champion Acquisition provided a net, net effect of zero to its financial presentation and condition, therefore leaving out of the unaudited pro forma condensed combined financial information as of December 31, 2022.

The reclassification adjustments are based on currently available information and assumptions management believes are, under the circumstances and given the information available, reasonable, and reflective of any adjustments necessary to report the Company's financial condition and results of operations as if the acquisition were completed in the presentation.

The combined company finalized the review of all accounting policies and reclassifications, which were not deemed to be materially different from the amounts set forth in the unaudited pro forma condensed combined financial information presented herein. The reclassification adjustments for proforma presentation currently identified are as follows:

Transaction Consideration

Total transaction consideration was approximately \$9,900,000 as determined through the actual purchase price of \$9,897,420 as described above in Note 2 to this unaudited pro forma condensed combined financial information.

The following table summarizes the consideration transferred as a result of the combination.

Deposits paid with contract	\$	350,000
Cash payment due at closing		9,150,000
Reimbursement for equipment purchased since June 30, 2021		400,000
Transaction Consideration	\$	9,900,000

Total additional costs directly attributed to the purchase of the Champion Entities was and additional \$340,000 as determined through various expenditures or costs that the Company incurred in completing the transaction with the Champion Entities. Those costs were approximately \$200,000 paid to the Company's investment banker for its services on the acquisition as well as approximately \$150,000 in fees paid to the auditors of Champion Entities which so happen to be the Company's auditor.

Allocation of Consideration

Under the acquisition method of accounting, the identifiable assets acquired, and liabilities assumed of Champion Entities are recognized and measured at fair value as of the closing date of the combination and added to those of the Company. The determination of fair value used in the transaction-related adjustments presented herein are based on management estimates of the fair value and useful lives of the assets acquired and liabilities assumed and have been prepared to illustrate the effect of the acquisition. The Company used the assistance of outside professionals and valuation experts to determine if there should be any impairment charges or other to these estimated numbers as of December 31, 2022. Final allocation of consideration, upon completion of the acquisition, was based on Champion's assets acquired and liabilities assumed as of the acquisition date, July 29, 2022.

The following table sets forth an allocation of the approximate consideration plus additional costs to acquire the identifiable tangible and intangible assets acquired and liabilities assumed of Champion Entities based on Champion Entities' unaudited consolidated balance sheet as of December 31, 2022, with the estimated excess recorded to goodwill:

Total assets (approximate)	\$	7,070,000
Total liabilities (approximate)		1,730,000
Net acquired tangible assets		5,340,000
Goodwill and other intangible assets		4,900,000
Allocation of the Estimated Transaction Consideration	\$	10,240,000

Pro Forma Adjustments

Unaudited Pro Forma Condensed Combined Balance Sheet Adjustments

- a. To record estimated working capital financing (of which there was none required) in addition to Transaction Consideration, as of December 31, 2022.

	American Rebel Holdings, Inc.	Champion Entities	Total
Additional working capital	\$ -	\$ -	\$ -
Additional paid in capital	-	-	-
Pro forma net adjustment	\$ -	\$ -	\$ -

Unaudited Pro Forma Condensed Combined Statements of Operations Adjustments

- b. To adjust Revenue and Cost of Goods Sold for estimated transactions between companies:

	Year Ended December 31, 2022	Year Ended December 31, 2021
Revenue	\$ (300,000)	\$ (600,000)
Cost of Goods Sold	(550,000)	(600,000)
General and Administrative Costs	80,000	-
Pro forma net adjustment	\$ (330,000)	\$ -

- c. To adjust interest expense and loss on extinguishment of debt based upon debt obligations eliminated by working capital financing (of which there is none required) in connection with the acquisition:

	Year Ended December 31, 2022	Year Ended December 31, 2021
Interest expense	\$ -	\$ (1,800,000)
Loss on extinguishment of debt	-	(725,000)
Pro forma net adjustment	\$ -	\$ (2,525,000)

F-27

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have had no disagreements with accountants on accounting and financial disclosure.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Exchange Act reports is recorded, processed, summarized and reported within the time communicated to the Company's management, including its Chief Executive Officer and Interim Principal Accounting Officer, as appropriate, to allow timely decisions regarding required disclosure based closely on the definition of "disclosure controls and procedures" in Rule 13a-15(e). The Company's disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching the Company's desired disclosure control objectives. In designing periods specified in the SEC's rules and forms, and that such information is accumulated and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The Company's certifying officers, Principal Executive Officer, and Interim Principal Financial Officer have concluded that the Company's disclosure controls and procedures are effective in reaching that level of assurance.

Our Chief Executive Officer, Charles A. Ross, Jr., and our Interim Principal Accounting Officer, Doug E. Grau evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report. Based on the evaluation, Messrs. Ross and Grau concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to us required to be included in our periodic SEC filings. The Company hired a new financial expert with the experience in creating and managing internal control systems as well as to continue to improve the effectiveness of our internal controls and financial disclosure controls with the loss of Mr. John Garrison who served and acted in the role of Chief Financial Officer from February 2022 through July 2022, ceasing in that role due to his death.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria set forth in the 2013 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, management has concluded that our internal control over financial reporting was effective as of **December 31, 2022** **December 31, 2023**.

This Annual Report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. As we are a non-accelerated filer, management's report is not subject to attestation by our registered public accounting firm.

This Annual Report shall not be deemed to be filed for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Limitations on the Effectiveness of Controls

Management has confidence in its internal controls and procedures. The Company's management believes that a control system, no matter how well designed and operated can provide only reasonable assurance and cannot provide absolute assurance that the objectives of the internal control system are met, and no evaluation of internal controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Further, the design of an internal control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitation in all internal control systems, no evaluation of controls can provide absolute assurance that all control issuers and instances of fraud, if any, within the Company have been detected.

Changes in Internal Controls

There were no changes in the Company's internal controls over financial reporting that occurred during the quarter ended December 31, 2022 December 31, 2023 that have materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Internal control systems, no matter how well designed and operated, have inherent limitations. Therefore, even a system which is determined to be effective cannot provide absolute assurance that all control issues have been detected or prevented. Our systems of internal controls are designed to provide reasonable assurance with respect to financial statement preparation and presentation.

ITEM 9B. OTHER INFORMATION

Effective April 12, 2024, the Company completed the negotiations and modification of several debt instruments.

Revenue Interest Purchase Agreements

Effective April 4, 2023 On March 22, 2024, Ken Yonika, the Company entered into a member Revenue Interest Purchase Agreement (the “Revenue Interest Purchase Agreement”) with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$100,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Board Revenue Interest Purchase Agreement, the investor has a right to receive \$10,000 per month from the Company generated from its operating subsidiaries (the “Revenue Interest”). Under the Revenue Interest Purchase Agreement, the Company has an option (the “Call Option”) to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the Purchasers have an option (the “Put Option”) to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$140,000 if repurchased on or before May 31, 2024; and (ii) \$154,000 after June 1, 2024; in each case of Directors (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. The foregoing description of the Registrant, a member and the Chairman material terms of the Audit Committee, a member Revenue Interest Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Compensation Committee, Revenue Interest Purchase Agreement, a copy of which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed on March 27, 2024.

On April 1, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$100,000. As consideration for such payment, commencing on June 1, 2024 and a member continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Nominating Revenue Interest Purchase Agreement, the investor has a right to receive \$10,000 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the Purchasers have an option to terminate the Revenue Interest Purchase Agreement and Governance Committee, resigned, to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The Registrant repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$140,000 if repurchased on or before May 31, 2024; and (ii) \$154,000 after June 1, 2024; in each case of (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. The foregoing description of the material terms of the Revenue Interest Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Revenue Interest Purchase Agreement, a copy of which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed on April 3, 2024.

On April 9, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$100,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Revenue Interest Purchase Agreement, the investor has a right to receive \$10,000 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$140,000 if repurchased on or before May 31, 2024; and (ii) \$154,000 after June 1, 2024; in each case of (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. The foregoing description of the material terms of the Revenue Interest Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Revenue Interest Purchase Agreement, a copy of which is attached to this Annual Report on Form 10-K as Exhibit 10.21.

On April 9, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$300,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Revenue Interest Purchase Agreement, the investor has a right to receive \$30,000 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$420,000 if repurchased on or before May 31, 2024; and (ii) \$462,000 after June 1, 2024; in each case of (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. The foregoing description of the material terms of the Revenue Interest Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Revenue Interest Purchase Agreement, a copy of which is attached to this Annual Report on Form 10-K as Exhibit 10.22.

On April 9, 2024, the Company entered into an additional Revenue Interest Purchase Agreement with an individual accredited investor, pursuant to which the investor purchased a revenue interest from the Company for \$75,000. As consideration for such payment, commencing on June 1, 2024 and continuing thereafter until all amounts are repurchased by the Company pursuant to the terms of the Revenue Interest Purchase Agreement, the investor has a right to receive \$7,500 per month from the Company generated from its operating subsidiaries. Under the Revenue Interest Purchase Agreement, the Company has an option to repurchase the Revenue Interest at any time upon two days advance written notice. Additionally, the investor has an option to terminate the Revenue Interest Purchase Agreement and to require the Company to repurchase future Revenue Interest upon the Company consummating a public offering pursuant to Regulation A. The repurchase price to be paid by the Company will be, if the Call Option or the Put Option is exercised (i) \$105,000 if repurchased on or before May 31, 2024; and (ii) \$115,500 after June 1, 2024; in each case of (i) or (ii), minus all Revenue Interest or other payments made by the Company to the investor prior to such date. The foregoing description of the material terms of the Revenue Interest Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Revenue Interest Purchase Agreement, a copy of which is attached to this Annual Report on Form 10-K as Exhibit 10.23.

In addition, the Revenue Interest Purchase Agreements contain various representations and warranties, covenants and other obligations and other provisions that are customary for transactions of this nature.

Secured Loan Agreement

On March 27, 2024, the Company entered into a \$1,300,000 Business Loan and Security Agreement (the “Secured Loan”) with an accredited investor lending source (the “Lender”). Under the Secured Loan, the Company received the loan net of fees of \$26,000. The Company repaid two outstanding secured notes to affiliates of the Lender totaling \$769,228, resulting in net proceeds to the Company of \$504,772. The Secured Loan requires 64 weekly payments of \$26,000 each, for a total repayment of \$1,664,000. The Secured Loan bears interest at 22.8% per annum. The Secured Loan is secured by all of the assets of the Company and its subsidiaries second to a first priority lien secured the holder of the Line of Credit. Furthermore, the Company’s Chief Executive Officer, provided a personal guaranty for the Secured Loan. The Secured Loan provides for a default fee of \$15,000 for any late payments on the weekly payments. As long as the Secured Loan is not aware in default, the Company may prepay the Secured Loan pursuant to certain prepayment amounts set forth in the Secured Loan. Further, any default by the Company allows the Lender to take necessary actions to secure its collateral and recovery of any disagreement Mr. Yonika may have with it on any matter relating funds.

The foregoing description of the Secured Loan does not purport to be complete and is qualified in its entirety by reference to the Registrant’s operations, policies or practices, full text of the Secured Loan, which was attached as Exhibit 4.1 to the Current Report on Form 8-K filed on April 3, 2024.

Corey LambrechtFrom time to time, we expect certain of our executive officers and directors will assume in the role future, enter into, amend or terminate written trading arrangements pursuant to Rule 10b5-1 of the Securities and Exchange Act or otherwise.

For the quarter ended December 31, 2023, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act and/or any “non-Rule 10b5-1 trading arrangement,” as the Registrant’s Audit Committee Chairman effective immediately, defined in Item 408 of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers

The following table sets forth certain information regarding the executive officers and directors of American Rebel Holdings, Inc. as of **December 31, 2022** **December 31, 2023**.

All directors of the Company hold office until the next annual meeting of the security holders or until their successors have been elected and qualified. Officers of the Company are appointed by our Board and hold office until their death, resignation or removal from office. Our directors and executive officers, their ages, positions held, and duration as such, are as follows:

<u>Name</u>	<u>Positions Held with the Company</u>	<u>Age</u>	<u>Date First Elected or Appointed</u>
<i>Executive Officers</i>			
Charles A. Ross, Jr.	Chief Executive Officer, Executive Chairman and Director (Principal Executive Officer)	56 57	June 9, 2016
Doug E. Grau	President, Interim Principal Accounting Officer and Director	60 61	February 12, 2020
Ronald A. Smith Corey Lambrecht	Chief Operating Officer and Director	62 54	April 9, 2021 February 12, 2020
<i>Non-Employee Directors</i>			
Corey Lambrecht	Lead Independent Director	53	February 12, 2020
Michael Dean Smith	Director	53	February 8, 2022
Ken Yonika C. Stephen Cochennet	Director	66	May 9, 2023
Larry Sinks	Director	60	February 8, 2022 November 20, 2023

Executive Officers

Charles A. Ross, Jr., Chief Executive Officer, Executive Chairman and Director

Mr. Ross is currently the Company's **CEO** Chief Executive Officer, **Executive Chairman** and a Director. He has held these positions since June 20, 2016. He is responsible for all duties required of a corporate officer and the development of the business. From **December 15, 2014** **December, 2014** through **April 9, 2021**, **April, 2021**, Mr. Ross served as the sole officer and as a director of American Rebel, Inc. He now **currently** serves as **Secretary/its Secretary**, Treasurer and as a director. American Rebel, Inc. has developed a product line of concealed carry **products that officially launch at the 2017 NRA Convention April 27 – 30 in Atlanta, GA.** **products.** Prior to **founding** American Rebel, Inc. Mr. Ross founded **many several** companies including Digital Ally, Inc. (NASDAQ: a Nasdaq listed company, NASDAQ: DGLY), which he established in 2004. In addition to his entrepreneurial accomplishments, Mr. Ross served as **the host for ten years** of his own television **sporting** show, *Maximum Archery World Tour*, where he **bowhunted** **bow hunted** all over the world **including which included** traditional **bow** hunts and **some** **bow hunting** of the world's most dangerous game. *Maximum Archery World Tour* evolved into his new television show, *American Rebel*, which **featured** **features** Mr. Ross's music, patriotism, his support of the 2nd Amendment and **celebrated** **celebrates** the "American Rebel Spirit" in all of us. Mr. Ross **has** **professionally** released three **CDs** compact disks ("CDs") and his **popular** song "American Rebel" has become the theme song for American **Rebel.** **Rebel** and other American Rebel theme properties.

Doug E. Grau, President, Interim Principal Accounting Officer and Director

Mr. Grau is currently our president, interim principal accounting officer President and Interim Principal Accounting Officer. Mr. Grau served as a director. He also serves director from February, 2020 through November, 2023. From 2014 through the present, he has served as a director of American Rebel, Inc., our wholly-owned operating subsidiary. Mr. Grau has produced Chief Executive Officer three musical CDs for Andy Ross's three CDs Ross, the musician, and has worked with Andy Ross, the musician and the business executive in various capacities for more than thirteen years. Mr. Grau worked as an executive at Warner Bros. Records in Nashville (nka Warners Records) for more than fifteen years, developing the unique talents of Travis Tritt, Little Texas, David Ball, Jeff Foxworthy, Bill Engvall, Larry the Cable Guy, Ron White, and various others. Mr. Grau graduated from Belmont University in Nashville TN in 1985 with a Bachelor's of Arts ("B.A.") degree in Business Administration.

Ronald A. Smith, Chief Operating Officer

Mr. Smith was appointed as **Corey Lambrecht**, Chief Operating Officer and chairman on April 9, 2021. He also serves Director

Mr. Lambrecht has served as Chief Executive Officer/President and a director of American Rebel, Inc., since February, 2020 and was recently appointed as our wholly-owned operating subsidiary. Ronald Smith brings nearly 40 years of experience Chief Operating Officer in company management to his position as Chief Executive Officer of American Rebel. For more than 23 years, he was the Owner/President of LADS Pet Supplies, a premium pet supplies wholesale distributor in the northeastern US that his parents founded in 1963. His role consisted of overseeing all facets of the business including sales and marketing, warehouse operations and shipping, and accounting and finance. Ronald provided a vision for growth and development of the business in a competitive, rapidly growing marketplace. It was Ronald's leadership that helped guide their team to successfully grow and develop many start-up products into brand leaders in their category and vastly expand the business his parents had founded. As a respected distributor in the industry, he was able to foster business relationships with hundreds of business partners, including Proctor & Gamble, Mars and Bayer. After his nearly 40 years of experiencing the industry evolve into one of the largest and fastest growing sectors, Ronald sold his business to a national distribution company and retired from the pet supplies industry. His passion is developing strong relationships with brands that fall in the independent retail channel and Ronald is excited to use his experience and passion to help build the American Rebel brand into a category leader in the independent channel.

Non-Employee Directors**Corey Lambrecht, Lead Independent Director**

November, 2023. Mr. Lambrecht is a 20+ year public company executive with broad experience in strategic acquisitions, corporate turnarounds, new business development, pioneering consumer products, corporate licensing, interactive technology services in addition to holding various public company executive roles with responsibilities including day-to-day business operations, management, capital raising, capital, board communication and as well as investor relations. He is a Certified Director from the UCLA Anderson Graduate School of Management accredited Directors program. Since From 2007 through 2023 he has been was an independent director of Orbital Infrastructure Group, Inc., a Director of CUI Global, Inc. (NASDAQ: CUI) and has served multiple terms on the Audit Committee and currently serves as the Compensation Committee Chairman. former Nasdaq listed company. Mr. Lambrecht served on the Board of ORHub, HippoFi, Inc. (OTC: ORHB) from July 2016 through December 2019. On January 17, 2020, January, 2020, Mr. Lambrecht was appointed to serve as the Chief Financial Officer for of Singlepoint Inc. (OTC: (CBOE: SING) and which he currently serves in as well as his roles with the Company. Mr. Lambrecht previously served as a Board Member board member for Lifestyle Wireless, Inc. which, in 2012 merged into with Singlepoint. In December 2011 he joined the Board board of directors of Guardian 8 Holdings, a leading non-lethal security product company, serving in this role until early 2016. He most recently served as the President and Chief Operating Officer at of Earth911 Inc., a subsidiary of Infinity Resources Holdings Company (OTC: (an OTCMarkets listed company, OTC: IRHC) from January 2010 to through July 2013.

Non-Employee Directors**Michael Dean Smith, Director**

Mr. Smith has served as a director since February, 2022. Since 2017, Mr. Smith has been an independent director since February 2022 and has, since 2017, been a Vice President of Industrial Maintenance, Inc. a business organization that encompasses a full-circle approach to the manufacturing industry. From 1997-2017, 1997 through 2017, Mr. Smith served in various positions executive and managerial roles with Payless, Shoe Source, Inc. (fka Payless ShoeSource). Mr. Smith holds a Bachelor's of Science ("B.S.") in Business Administration and Accounting from the University of Kansas, and MBA a Masters of Business Administration ("MBA") from Washburn University.

Ken Yonika, C. Stephen Cochennet, Director

Mr. Yonika Cochennet has been an independent served as a director since February 2022 and April, 2023. Mr. Cochennet has served as Chief Executive Officer and President, at Pacific Crest Equity Partners, of Kansas Resource Development Company, a private oil and gas exploration business since 2011. In addition, from 2018 through 2023, Mr. Cochennet served as an independent board and committee member of Orbital Infrastructure Group, Inc. since 2000. Mr. Yonika earned a B.B.A. from Western Connecticut State University in 1988 with a major in accounting and a minor in Finance. Mr. Yonika is, a former auditor with Nasdaq listed company. From 2011 through 2015 Mr. Cochennet served as the Chief Executive Officer and President of Guardian 8 Corporation. From 2005 to 2010, Mr. Cochennet was the Chairman, President, and Chief Executive Officer of EnerJex Resources, Inc., a Big 4 public accounting firm former publicly traded Commission registered Oil and Gas Company. Prior to joining EnerJex, Mr. Cochennet was President of CSC Group, LLC in which he supported Fortune 500 corporations, international companies, and natural gas/electric utilities as well as working startup organizations. Services provided included strategic planning, capital formation, corporate development, executive networking and complex transaction structuring. From 1985 to 2002, Mr. Cochennet held several executive roles with UtiliCorp United Inc. ("Aquila") located in Kansas City, Missouri. Responsibilities included finance, administration, operations, human resources, corporate development, natural gas/energy marketing, and managing several new startup operations. Prior to Aquila Mr. Cochennet served 6 years with the Federal Reserve managing problematic and failed banking institutions primarily within the oil and gas markets. Mr. Cochennet graduated from the University of Nebraska with a B.A. in Finance and Economics.

Larry Sinks, Director

Mr. Sinks has served as a tax senior with a mid-tier public accounting firm for a number of years, director since November, 2023. Since 2005, Mr. Yonika's focus Sinks has been in the screen printing and embroidering business on financial reporting a freelance basis. Since 2016, Mr. Sinks has been a consultant for publicly held companies Team Image Marketing, a company specializing in high-end corrugated grocery store displays and their compliance with SEC regulations consulting services. From 2021 through the present, Mr. Sinks has been consulting for Champion Building Solutions, a private company located in Kansas City, Missouri specializing in general remodeling of residential homes. Mr. Sinks' passion is in motorsports and requirements. Effective April 4, 2023, professional networking in the auto racing business, Mr. Yonika resigned from Sinks was instrumental in introducing us to Tony Stewart Racing Nitro, LLC ("Tony Stewart Racing") which led to the board Company sponsoring the team and its committees, providing the necessary support for the Dodge Charger SRT Hellcat of four-time NHRA Funny Car world champion Matt Hagan.

CORPORATE GOVERNANCE

Concurrent with our February 2022 public offering and uplisting to Nasdaq Capital Markets, we made significant corporate governance changes, which are set forth below. All three independent directors (Larry Sinks, Michael Dean Smith and C. Stephen Cochennet) have maintained their respective roles as members of the board of directors for the year ended December 31, 2022 December 31, 2023 and through the date of this Annual Report.

Director Independence

The board of directors has reviewed the independence of our directors based on the listing standards of the Nasdaq Capital Market. Based on this review, the board of directors has determined that each of Corey Lambrecht, Larry Sinks, Michael Dean Smith and Ken Yonika C. Stephen Cochennet are independent within the meaning of the Nasdaq Capital Market rules. In making this determination, our board of directors considered the relationships that each of these non-employee directors has with us and all other facts and circumstances our board of directors deemed relevant in determining their independence. As required under applicable Nasdaq Capital Market rules, we anticipate that our independent directors will meet in regularly scheduled executive sessions at which only independent directors are present.

Board Committees

Our Board has established the following three four standing committees: an audit committee; a compensation committee; and a nominating and governance committee or nominating committee; and mergers and acquisitions committee. Our board of directors has adopted written charters for each of these committees. Copies of their charters are available on our website. Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

The following table identifies the independent and non-independent current Board and committee members through the date of this filing; filing or Annual Report:

Name	Audit	Compensation	Nominating and Corporate Governance	Mergers and Acquisitions	Independent
Charles A. Ross, Jr.				X	
Doug E. Grau Corey Lambrecht					
Corey Lambrecht	X	X	X		X
Michael Dean Smith	X	X	X		X
Ken Yonika* C. Stephen Cochennet	X	X		X	X
Larry Sinks	X	X	X	X	X

* Effective April 4, 2023, Mr. Yonika resigned as a member the board and its committees.

50 52

Audit Committee

Our board of directors established the audit committee for the purpose of overseeing the accounting and financial reporting process and audits of our financial statements. The audit committee is responsible for, among other matters:

- appointing, compensating, retaining, evaluating, terminating, and overseeing our independent registered public accounting firm;
- discussing with our independent registered public accounting firm the independence of its members from its management;
- reviewing with our independent registered public accounting firm the scope and results of their audit;
- approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the interim and annual financial statements that we file with the SEC;
- reviewing and monitoring our accounting principles, accounting policies, financial and accounting controls, and compliance with legal and regulatory requirements;
- coordinating the oversight by our board of directors of our code of business conduct and our disclosure controls and procedures;
- establishing procedures for the confidential and/or anonymous submission of concerns regarding accounting, internal controls or auditing matters; and
- reviewing and approving related-person transactions.

Our audit committee consists of **Corey Lambrecht**, **C. Stephen Cochennet**, Michael Dean Smith and **Ken Yonika**. **Ken Yonika** **Larry Sinks**, **Mr. Cochennet** serves as the **chairman**, **chairman of the committee**. Our board of directors has affirmatively determined that each of the members; **Corey Lambrecht**, **C. Stephen Cochennet**, Michael Dean Smith and **Ken Yonika** **Larry Sinks** qualify as an “audit committee financial expert,” as defined by Item 407(d) (5) of Regulation S-K.

Our board of directors has affirmatively determined that each of the members; **Corey Lambrecht**, **C. Stephen Cochennet**, Michael Dean Smith and **Ken Yonika** **Larry Sinks** meet the definition of an “independent director” for purposes of serving on the audit committee under Rule 10A-3 of the Exchange Act and the Nasdaq Capital Market rules and requirements.

Compensation Committee

Our board of directors has established the compensation committee for the purpose of reviewing, recommending and approving our compensation policies and benefits, including the compensation of all of our executive officers and directors. The compensation committee is responsible for, among other matters:

- reviewing key employee compensation goals, policies, plans and programs;
- reviewing and approving the compensation of our directors and executive officers;
- reviewing and approving employment agreements and other similar arrangements between us and our executive officers; and
- appointing and overseeing any compensation consultants or advisors.

Our compensation committee consists of **Corey Lambrecht**, **C. Stephen Cochennet**, Michael Dean Smith and **Ken Yonika**. **Corey Lambrecht** **Larry Sinks**, **Larry Sinks** serves as the **chairman**, **chairman of the committee**. In determining that each of the members; **Corey Lambrecht**, **C. Stephen Cochennet**, Michael Dean Smith and **Ken Yonika** **Larry Sinks** qualify as an “independent director” pursuant to Rule 10A-3 of the Exchange Act, the board of directors also considered all factors required by Rule 5605(d)(2)(A) and any and all other applicable regulations or rules promulgated by the SEC and the Nasdaq Capital Market rules relating to the compensation committee composition.

Mergers and Acquisitions Committee

Our board of directors has established the mergers and acquisitions committee for the purpose of assisting the board in identifying and analyzing potential mergers or acquisitions for the Company. Our mergers and acquisitions committee consists of Charles A. Ross, Jr., C. Stephen Cochennet, and Larry Sinks. Mr. Sinks serves as the chairman of the committee.

Nominating and Corporate Governance Committee

Our board of directors has established the nominating and corporate governance committee for the purpose of assisting the board in identifying qualified individuals to become board members, in determining the composition of the board and in monitoring the process to assess board effectiveness. Our nominating committee consists of C. Stephen Cochennet, Michael Dean Smith, Ken Yonika, and Corey Lambrecht. Larry Sinks. Michael Dean Smith serves as the chairman, chairman of the committee.

Board Leadership Structure

Our Board has not adopted a formal policy regarding the separation of the offices of Chief Executive Officer and Chairman of the Board. Rather, the Board believes that different leadership structures may be appropriate for the Company at a different time and under different circumstances, and it prefers the flexibility in making this decision based on its evaluation of the relevant facts at any given time.

In December 2014, June 2016, Mr. Ross was appointed as Chief Executive Officer and became Executive Chairman of the board of directors. Under our current Board leadership structure, the Chief Executive Officer is responsible for the day-to-day leadership and performance of the Company. Mr. Grau, our President and Interim Principal Accounting Officer, focuses on the allocation of resources and the financial reporting and operational and internal controls necessary to provide accurate and timely financials, financials for which the Audit Committee, chaired by Mr. Cochennet, has oversight over.

Risk Oversight

Our board of directors oversee a company-wide approach to risk management. Our board of directors determines the appropriate risk level for us generally, assesses the specific risks faced by us and review the steps taken by management to manage those risks. While our board of directors have ultimate oversight responsibility for the risk management process, its committees oversee risk in certain specified areas.

Specifically, our compensation committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements, and the incentives created by the compensation awards it administers. Our audit committee oversees management of enterprise risks and financial risks, as well as potential conflicts of interests. Our board of directors is responsible for overseeing the management of risks associated with the independence of our board of directors.

Code of Business Conduct and Ethics

Our board of directors adopted a Code of Business Conduct and Ethics that applies to our directors, officers and employees. A copy of this code is available on our website. We will disclose on our website any amendments to the Code of Business Conduct and Ethics and any waivers of the Code of Business Conduct and Ethics that apply to our principal executive officer, principal financial officer, principal accounting officer, controller, or persons performing similar functions.

Family Relationships

There are no family relationships among our directors and/or executive officers.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has, during the past 10 years, been involved in any legal proceedings described in subparagraph (f) of Item 401 of Regulation S-K.

Board Diversity

While we do not have a formal policy on diversity, our Board considers diversity to include the skill set, background, reputation, type and length of business experience of our Board members as well as a particular nominee's contributions to that mix. Our Board believes that diversity promotes a variety of ideas, judgments and considerations to the benefit of our Company and stockholders. Although there are many other factors, the Board primarily focuses on public company board experience, knowledge of the safes and concealed self-defense products industry, or background in finance or technology, and experience operating growing businesses.

Board Diversity Matrix (As of December 31, 2022 December 31, 2023)

Total Number of Directors	5				Did Not
	Female	Male	Non-Binary	Disclose Gender	
Part I: Gender Identity					
Directors	5				
Directors		5			
Part II: Demographic Background					
African American or Black	-	-	-		
Alaskan Native or Native American	-	1	-		
Asian	-	-			
Asian	-				
Hispanic or Latinx	-	-	-		
Native Hawaiian or Pacific Islander	-	1	-1		
White	-	4	-		
White	-		5		
Two or More Ethnicities	-	1	-1		
LGBTQ+	-				
LGBTQ+					
Did Not Disclose Demographic Background			-		

52

Communication with our Board

Although the Company does not have a formal policy regarding communications with the Board, stockholders may communicate with the Board by writing to us at American Rebel Holdings, Inc., at 909 18th Avenue South, Suite A, Nashville, TN, 37212, Attention: Corporate Secretary. Stockholders who would like their submission directed to a member of the Board may so specify, and the communication will be forwarded, as appropriate.

Nominations to the Board of Directors

Our directors take a critical role in guiding our strategic direction and oversee the management of the Company. Board candidates are considered based upon various criteria, such as their broad-based business and professional skills and experiences, a global business and social perspective, concern for the long-term interests of the stockholders, diversity, and personal integrity and judgment.

In addition, directors must have the time available to devote to Board activities and to enhance their knowledge in the growing of our business. Accordingly, we have sought to attract and retain highly qualified independent directors who have the sufficient time to attend to their substantial duties and responsibilities to the Company.

Director Nominations

As of December 31, 2022 December 31, 2023, we did not make any material changes to the procedures by which our stockholders may recommend nominees to our Board. During February In January of 2022, we elected two new independent members to the board of directors, Messrs. Smith and Yonika. On December 14, 2022 2024, the Company and its shareholders stockholders approved the election and continuation of Messrs. Ross, Lambrecht, Smith and the then current board members until the next annual stockholders meeting. In April of 2023, Mr. Yonika to resigned as a member of the board of directors until and its committees. In May of 2023, this vacancy on the next annual shareholders meeting. board of directors was filled by the appointment of C. Stephen Cochennet as a member of the Board and its committees. In November of 2023, Mr. Grau resigned as a member of the board of directors and this vacancy was filled by the appointment of Larry Sinks as a member of the Board and its committees.

Compensation Committee Interlocks and Insider Participation

No interlocking relationship exists between our Board and the board of directors or the compensation committee of any other company, nor has any interlocking relationship existed in the past.

ITEM 11. EXECUTIVE COMPENSATION

General Philosophy

During fiscal 2021, our board was solely responsible for establishing and administering our executive and director compensation plans. During 2022 and 2023, the compensation committee of the board of directors was solely responsible for establishing and administering our executive and director compensation plans.

Executive Compensation

The following table sets forth the compensation we paid to our current executive officer(s) during the fiscal years ended December 31, 2022, December 31, 2023 and 2021, 2022, respectively:

SUMMARY COMPENSATION TABLE						
Name and principal position (a)	Year (b)	Salary (\$) (c)	Bonus (\$) (d)	Stock Awards (\$) (e)	All Other Compensation (\$) (i)	Total (\$) (j)
Charles A. Ross, Jr. ⁽¹⁾	2022	200,000	481,400	20,766 ⁽²⁾	-	702,166
Chief Executive Officer	2021	200,000	-	393,490 ⁽³⁾	-	593,490
Doug E. Grau ⁽⁴⁾	2022	120,000	293,381	11,182 ⁽⁵⁾	-	424,563
President	2021	120,000	-	393,490 ⁽³⁾	-	513,490
Ronald A. Smith ⁽⁶⁾	2022	-	-	-	-	-
Chief Operating Officer	2021	-	-	247,000 ⁽⁶⁾	-	247,000
SUMMARY COMPENSATION TABLE						
Name and principal position (a)	Year (b)	Salary (\$) (c)	Bonus (\$) (d)	Stock Awards (\$) (e)	All Other Compensation (\$) (i)	Total (\$) (j)
Charles A. Ross, Jr. ⁽¹⁾	2023	228,667	90,000	8,765,097 ⁽²⁾	-	9,117,597
Chief Executive Officer	2022	200,000	481,400	20,766 ⁽³⁾	-	702,166
Doug E. Grau ⁽⁴⁾	2023	124,456	60,000	8,760,898 ⁽⁵⁾	-	8,998,398
President	2022	120,000	293,381	11,182 ⁽⁶⁾	-	424,563
Corey Lambrecht ⁽⁷⁾	2023	10,000	-	4,612,500 ⁽⁸⁾	-	4,622,500
Chief Operating Officer	2022	-	-	-	-	-

(1) On January 1, 2021, the Company entered into a five-year employment agreement with Mr. Ross, with a base annual salary of \$180,000. In 2023 the employment agreement was amended to extend the termination date to December 31, 2026 and increase Mr. Ross' salary to \$325,000 per year.

(2) Deemed value of 103,829 40,634 shares of Common Stock common stock authorized for issuance on December 30, 2023 pursuant to the LTIP. In addition, deemed value of the Equity Awards materially modified during the fiscal year Ending December 31, 2023 of previously issued 50,000 shares of Series A preferred stock; the Series A preferred stock had its rights modified on October 31, 2023 allowing for the conversion into 25,000,000 common stock equivalent shares. We initially have recognized \$8,752,500 as a charge due to the modification of the share-award grant on October 31, 2023 (the modification date). We valued the shares granted and earned out, as well as the additional shares granted but not earned out in accordance with ASC 718 and employee share-awards. Market value for our publicly traded stock at the time of modification of the terms of the Series A preferred stock for Mr. Ross's shares was \$0.3501. We believe that Mr. Ross will have performed all of the necessary performance measures of his employment, thereby placing none of the Series A preferred stock and its common stock equivalents at risk of forfeiture.

(3) Deemed value of 4,154 shares of common stock authorized for issuance on December 27, 2022 pursuant to the LTIP.

(3) Deemed The shares of common stock were issued on September 19, 2023, of the 4,154 shares of common stock Mr. Ross gifted 200 shares to a family member. The Company recorded \$3,240 in compensation expense for the share award (which includes the 200 shares) as fair value of 26,813 shares the common stock on the date of Common Stock issued on March 24, 2021 pursuant to the LTIP, 50,000 shares of preferred stock issued on April 9, 2021 pursuant to an employment agreement, and 9,416 shares of Common Stock issued on August 3, 2021 pursuant to the LTIP. Represents cash compensation paid to the named executive officer; issuance was \$0.78 per share.

(4) On January 1, 2021, the Company entered into a five-year employment agreement with Mr. Grau, with a base annual salary of \$120,000. In 2023 the employment agreement was amended to extend the termination date to December 31, 2026 and increase Mr. Grau's salary to \$265,000 per year.

- (5) Deemed value of 55,908 27,089 shares of Common Stock common stock authorized for issuance on December 30, 2023 pursuant to the LTIP. In addition, deemed value of the Equity Awards materially modified during the fiscal year Ending December 31, 2023 of previously issued 50,000 shares of Series A preferred stock; the Series A preferred stock had its rights modified on October 31, 2023 allowing for the conversion into 25,000,000 common stock equivalent shares. We initially have recognized \$8,752,500 as a charge due to the modification of the share-award grant on October 31, 2023 (the modification date). We valued the shares granted and earned out, as well as the additional shares granted but not earned out in accordance with ASC 718 and employee share-awards. Market value for our publicly traded stock at the time of modification of the terms of the Series A preferred stock for Mr. Grau's shares was \$0.3501. We believe that Mr. Grau will have performed all of the necessary performance measures of his employment, thereby placing none of the Series A preferred stock and its common stock equivalents at risk of forfeiture.
- (6) Deemed value of 2,236 shares of common stock authorized for issuance on December 27, 2022 pursuant to the LTIP. The shares of common stock were issued on September 19, 2023. The Company recorded \$1,744 in compensation expense for the share award as fair value of the common stock on the date of issuance was \$0.78 per share.
- (7) Mr. Smith was appointed as Chief Operating Officer and On November 20, 2023, the Company entered into a two-year three-year employment agreement with Mr. Smith on April 9, 2021, Lambrecht, with no cash salary; however, an annual base salary of \$260,000. Prior to becoming an executive officer, Mr. Smith Lambrecht served as the Company's lead independent director and was issued 59,375 compensated as set forth below under Director Compensation.
- (8) Deemed value of the 25,000 shares of Common Stock, Series A preferred stock convertible into 12,500,000 common stock equivalent shares issued to Mr. Lambrecht on November 20, 2023. We initially recognized \$4,612,500 as a charge for the share-award grant. We valued the shares granted and earned out, as well as the additional shares granted but not earned out in accordance with a deemed ASC 718 and employee share-awards. Market value for our publicly traded stock at the time of \$247,000, pursuant to grant for Mr. Lambrecht's shares was \$0.369. We believe that Mr. Lambrecht will have performed all of the necessary performance measures of his employment, agreement, thereby placing none of the Series A preferred stock and its common stock equivalents at risk of forfeiture.

Employment Agreements

Effective January 1, 2021, the Company entered into employment agreements with Charles A. Ross, Jr., its Chief Executive Officer, and Doug E. Grau, its President. These agreements were amended in April of 2021. Further, on April 9, 2021 and November of 2023. On November 20, 2023, the Company entered into an employment agreement with Ronald A. Smith, Corey Lambrecht, its Chief Operating Officer.

Charles A. Ross, Jr. Employment Agreement and Amendment Amendments

In general, Mr. Ross' employment agreement contains provisions concerning terms of employment, voluntary and involuntary termination, indemnification, severance payments, and other termination benefits, in addition to a non-compete clause and certain other perquisites.

The original term of Mr. Ross' employment agreement, as amended, runs from January 1, 2021 until December 31, 2025 December 31, 2026.

Mr. Ross' employment agreement provides for an initial annual base salary of \$180,000, which may be adjusted by the board of directors Board of the Company. As of the date of this Annual Report Mr. Ross' annual base salary is \$325,000.

In addition, Mr. Ross is eligible to receive annual short term incentive bonuses as determined by a review at the discretion of the Company's board of directors. Board.

Further, the Company granted and issued Mr. Ross 50,000 shares of Series A - Super Voting Convertible preferred stock. Pursuant to the amendment to his employment agreement, the Company issued 50,000 shares of Common Stock common stock to Mr. Ross. Ross and the amendment established a vesting schedule. Typically, a 20/20/20/20/20 vesting of the shares beginning on January 1, 2024 and ending on January 1, 2028.

In the event of a termination of employment with the Company by the Company without "cause" or by Mr. Ross for "Good Reason" (as defined in the employment agreement), Mr. Ross would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment; (ii) a lump sum payment equal to 12-months base salary; and (iii) immediate vesting of all equity awards (including but not limited to stock options and restricted shares).

In the event of a termination of employment with the Company by the Company for "cause" (as defined in the employment agreement), by reason of incapacity, disability or death, Mr. Ross, or his estate, would receive a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment, disability or death.

In the event of a termination of Mr. Ross' employment with the Company by reason of change in control (as defined in the employment agreement), Mr. Ross, would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment; (ii) a lump sum payment equal to twelve (12) months' Salary plus 100% of his prior year's Bonus; and (iii) and immediate vesting of all equity awards (including but not limited to stock options and restricted shares).

The above description of Mr. Ross' employment agreement is qualified in its entirety by reference to the full text of that agreement, a copy of which was attached as Exhibit 10.2 to the Form 8-K filed on March 2, 2021. A copy of the first amendment to Mr. Ross' employment agreement was attached as Exhibit 10.42 to the Form 10-K filed on May 17, 2021. A copy of the second amendment to Mr. Ross' employment agreement was attached as Exhibit 10.3 to the Form 8-K filed on November 24, 2023.

Doug E. Grau Employment Agreement and Amendment Amendments

In general, Mr. Grau's employment agreement contains provisions concerning terms of employment, voluntary and involuntary termination, indemnification, severance payments, and other termination benefits, in addition to a non-compete clause and certain other perquisites.

The original term of Mr. Grau's employment agreement, as amended, runs from January 1, 2021 until December 31, 2025 December 31, 2026.

Mr. Grau's employment agreement provides for an initial annual base salary of \$120,000, which may be adjusted by the board of directors Board of the Company. As of the date of this Annual Report Mr. Grau's annual base salary is \$265,000.

In addition, Mr. Grau is eligible to receive annual short term incentive bonuses as determined by a review at the discretion of the Company's board of directors. Board.

Further, the Company granted and issued Mr. Grau 50,000 shares of Series A - Super Voting Convertible preferred stock. Pursuant to the amendment to his employment agreement, the Company previously issued 50,000 shares of Common Stock common stock to Mr. Grau. Grau and the amendment established a vesting schedule. Typically, a 20/20/20/20 vesting of the shares beginning on January 1, 2024 and ending on January 1, 2028.

In the event of a termination of employment with the Company by the Company without "cause" or by Mr. Grau for "Good Reason" (as defined in the employment agreement), Mr. Grau would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment; (ii) a lump sum payment equal to 12-months base salary; and (iii) immediate vesting of all equity awards (including but not limited to stock options and restricted shares).

In the event of a termination of employment with the Company by the Company for "cause" (as defined in the employment agreement), by reason of incapacity, disability or death, Mr. Grau, or his estate, would receive a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment, disability or death.

In the event of a termination of Mr. Grau's employment with the Company by reason of change in control (as defined in the employment agreement), Mr. Grau, would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment; (ii) a lump sum payment equal to twelve (12) months months' Salary plus 100% of his prior year's Bonus; and (iii) and immediate vesting of all equity awards (including but not limited to stock options and restricted shares).

The above description of Mr. Grau's employment agreement is qualified in its entirety by reference to the full text of that agreement, a copy of which was attached as Exhibit 10.2 to the Form 8-K filed on March 2, 2021. A copy of the first amendment to Mr. Grau's employment agreement was attached as Exhibit 10.43 to the Form 10-K filed on May 17, 2021. A copy of the second amendment to Mr. Grau's employment agreement was attached as Exhibit 10.4 to the Form 8-K filed on November 24, 2023.

Ronald A. Smith Corey Lambrecht Employment Agreement

In general, Mr. Smith's Lambrecht's employment agreement contains provisions concerning terms of employment, voluntary and involuntary termination, indemnification, severance payments, and other termination benefits, in addition to a non-compete clause and certain other perquisites.

The original term of Mr. Smith's Lambrecht's employment agreement runs from April 9, 2021 November 20, 2023 until March 31, 2023 December 31, 2026.

Mr. Smith will not Lambrecht's employment agreement provides for an initial annual base salary of \$260,000, which may be paid a salary for his services.

adjusted by the board of directors of the Company. In addition, Mr. Smith Lambrecht is eligible to receive annual short term incentive bonuses as determined by a review at the discretion of the Company's our board of directors.

Further, the Company we granted and issued 59,375 Mr. Lambrecht 25,000 shares of Common Series A - Super Voting Convertible Preferred Stock. Conversion of the Series A - Super Voting Convertible Preferred Stock to Mr. Smith, shall vest as follows: Twenty-five percent (25%) shall vest immediately and be convertible into shares of common stock, the remainder shall vest (25/25/25) and shall be convertible into shares of common stock equally on January 1, 2024, January 1, 2025 and January 1, 2026.

In the event of a termination of employment with the Company by the Company without "cause" or by Mr. Smith Lambrecht for "Good Reason" (as defined in the employment agreement), Mr. Smith Lambrecht would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment; (ii) a lump sum payment equal to 12-months base salary; and (iii) immediate vesting of all equity awards (including but not limited to stock options and restricted shares).

In the event of a termination of employment with the Company by the Company for "cause" (as defined in the employment agreement), by reason of incapacity, disability or death, Mr. Lambrecht, or his estate, would receive a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment, disability or death.

In the event of a termination of Mr. Smith's Lambrecht's employment with the Company by reason of change in control (as defined in the employment agreement), Mr. Smith, Lambrecht, would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment; (ii) a lump sum payment equal to twelve (12) months' Salary plus 100% of his prior year's Bonus; and (iii) and immediate vesting of all equity awards (including but not limited to stock options and restricted shares).

The above description of Mr. Smith's Lambrecht's employment agreement is qualified in its entirety by reference to the full text of that agreement, a copy of which was attached as Exhibit 10.40 10.2 to the Form 10-K 8-K filed on May 17, 2021 November 24, 2023.

Options Exercised and Stock Vested Table

None of the named executive officers exercised any stock options, nor were there any restricted stock units held by our named executive officers vested, during the fiscal years ended December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022.

Outstanding Equity Awards at Fiscal Year-end Table

None of the named executive officers held any unexercised options and unvested stock awards previously awarded as of December 31, 2022 December 31, 2023.

Potential Payments upon Termination or Change-in-Control

SEC regulations state that we must disclose information regarding agreements, plans or arrangements that provide for payments or benefits to our executive officers in connection with any termination of employment or change in control of the company. On January 1, 2021 we entered into employment agreements with Charles A. Ross, Jr. and Doug E. Grau and on April 9, 2021, Grau. On November 20, 2023 we entered into an employment agreement with Ronald A. Smith. All of these Corey Lambrecht. These agreements provide for certain payments to be made in the event of a termination of their employment agreements by reason of change in control (as defined in the employment agreements). Each of them would receive: (i) a lump sum payment equal to all earned but unpaid base salary through the date of termination of employment (not applicable to Smith as he receives no salary); (ii) a lump sum payment equal to twelve (12) months Salary (not applicable to Smith as he receives no salary) months' salary plus 100% of his or her prior year's bonus; and (iii) and immediate vesting of all equity awards (including but not limited to stock options and restricted shares). No The following changes were made to these agreements for the year ended December 31, 2022. December 31, 2023, Mr. Ross and Mr. Grau entered into second amendments to their agreements effectively extending the termination date of the employment agreements for each.

Retirement Plans

We do not offer any annuity, pension, or retirement benefits to be paid to any of our officers, directors, or employees in the event of retirement.

Compensation of Directors

During the year ended December 31, 2021, we did not have a standard arrangement for compensation of our directors for services provided as a director, including services for committee participation or for special assignments. In March of 2022, our Board adopted compensation specific to and for non-employee directors. Non-employee directors are entitled to receive compensation of \$60,000 per year for their service, payable service. In 2022 such compensation was paid in restricted shares of the Company's common stock Common Stock at a price determined by the average monthly closing price for each month in service. In 2023 the Company's Compensation Committee agreed to review how the board would be compensated for their service and has yet to make a final determination. Board members are to be also paid nominal cash fees and reimbursement of costs for director and committee meetings.

On September 20, 2023, the Company issued 24,129 shares of common stock pursuant to the Company's board compensation plan for its independent directors for the first two quarters of 2023. The shares were valued at \$18,096.75 with a per share value of \$0.75 which was the Company's common stock closing market price on the grant date as well as the issuance date. The Company recognized approximately \$228,000 in gain on settlement of debt through the issuance of 24,129 shares of common stock to its independent directors on this date. Shares were issued to Messrs. Lambrecht, Smith, and Yonika to settle all amounts due to them under the stock compensation portion of the independent director's plan through June 30, 2023.

See Transactions with Related Parties for the complete detail of the independent director's compensation and issuance of shares. The tax value attributed to the shares of common stock issued was significantly less than the deemed value that the Company reported for each period. Due to the declining market value of the Company's common stock and the closing price on the date the shares were issued, as stated above, the Company recognized a gain associated with settling the independent directors' services with equity.

The following table sets forth summary compensation information for the year ended December 31, 2022 December 31, 2023 for each of our non-employee directors.

Name	Fees Earned or Paid in Cash \$	Stock Awards \$	Option Awards \$	All Other Compensation \$	Total \$	Fees Earned or Paid in Cash \$	Stock Awards \$	Option Awards \$	All Other Compensation \$	Total \$
Corey Lambrecht	\$ 63,000	\$ 54,194 ⁽¹⁾	\$ -	\$ 122,000	\$ 239,194					
Corey Lambrecht ⁽¹⁾						\$ 114,000	\$ -	\$ -	\$ 53,096 ⁽²⁾	\$ 167,096
Michael Dean Smith	\$ -	\$ 54,194 ⁽¹⁾	\$ -	\$ -	\$ 54,194	\$ -	\$ -	\$ -	\$ 60,000 ⁽²⁾	\$ 60,000
Ken Yonika ⁽²⁾	\$ 30,500	\$ 54,194 ⁽¹⁾	\$ -	\$ -	\$ 84,694					
Ken Yonika ⁽³⁾						\$ -	\$ -	\$ -	\$ 15,288 ⁽²⁾	\$ 15,288
C. Stephen Cochennet ⁽⁴⁾						\$ -	\$ -	\$ -	\$ 38,795 ⁽²⁾	\$ 38,795
Larry Sinks ⁽⁵⁾						\$ 15,632	\$ -	\$ -	\$ 6,740 ⁽²⁾	\$ 22,372

(1) Effective February 7, 2022 Mr. Lambrecht served as our lead independent director through November 20, 2023, at which time he was appointed as our chief operating officer. Mr. Lambrecht remains a non-independent director.

(2) For the year ended December 31, 2023, our non-employee directors were eligible for the payment of \$60,000 per year as a non-employee director fee for their services, which services. The amount shown above is payable in shares of our common stock, an accrual (pro-rata) for 2023 directors fees. The value board is pro-rated for the partial year ended December 31, 2022. As of the date of this Annual Report no shares of common stock have been issued; however, we anticipate issuing each non-employee determining how and when director approximately 98,000 shares of common stock for their services fees will be paid for fiscal 2022, 2023.

(3)

(2) Effective April 4, 2023, Mr. Yonika resigned from the board and its committees.

(4) Mr. Cochennet joined the board of directors on May 9, 2023, replacing Mr. Yonika upon his resignation.

(5) Mr. Sinks joined the board of directors on November 20, 2023, replacing Mr. Grau upon his resignation.

5760

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Long-Term Incentive Plans and Awards

On January 1, 2021, our board of directors approved the establishment of the 2021 Long-Term Equity Incentive Plan (“LTIP”). The LTIP is intended to enable us to continue to attract able directors, employees, and consultants and to provide a means whereby those individuals upon whom the responsibilities rest for successful administration and management of the Company, and whose present and potential contributions are of importance, can acquire and maintain **Common Stock** common stock ownership, thereby strengthening their concern for our welfare. The aggregate maximum number of shares of **Common Stock** common stock (including shares underlying options) that may be issued under the LTIP pursuant to awards of **Restricted Shares** restricted shares or **Options**, options will be limited to 10% of the outstanding shares of **Common Stock**, common stock, which calculation shall be made on the first trading day of each new fiscal year. For fiscal year 2022, up to 159,737 6,391 shares of **Common Stock** common stock were available for participants under the LTIP. For fiscal year 2023, up to 67,723 shares of common stock were available for participants under the LTIP. For fiscal year 2024, up to 587,992 shares of common stock are available for participants under the LTIP. The number of shares of **Common Stock** common stock that are the subject of awards under the LTIP which are forfeited or terminated, are settled in cash in lieu of shares of **Common Stock** common stock or in a manner such that all or some of the shares covered by an award are not issued to a participant or are exchanged for awards that do not involve shares will again immediately become available to be issued pursuant to awards granted under the LTIP. If shares of **Common Stock** common stock are withheld from payment of an award to satisfy tax obligations with respect to the award, those shares of **Common Stock** common stock will be treated as shares that have been issued under the LTIP and will not again be available for issuance under the LTIP. In December of 2022, we authorized the grant and issuance of all 159,737 6,391 shares of **Common Stock** remaining common stock under the LTIP to our executive management team: 103,829 team. Further, in December of 2023, we authorized the grant and issuance of all 67,723 shares of common stock under the LTIP to Mr. Ross and 55,908 to Mr. Grau. our executive management team.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the number of shares of our **Common Stock** common stock owned beneficially as of March 30, 2023 the date of this Annual Report or exercisable within the next 60 days thereafter, by: (i) our directors; (ii) our named executive officers; and (iii) each person or group known by us to beneficially own more than 5% of our outstanding shares of **Common Stock**, common stock. Beneficial ownership is determined in accordance with the rules of the SEC Commission and generally includes voting or investment power with respect to securities. Except as indicated by footnote, the persons named in the table below have sole voting power and investment power with respect to all shares of **Common Stock** common stock shown as beneficially owned by them.

Name and Address of Beneficial Owner ⁽¹⁾	Amount of Beneficial Ownership	Percentage of Common Stock Outstanding ⁽²⁾
Officers and Directors		
Charles A. Ross, Jr., Chief Executive Officer, Chairman, principal executive officer, secretary, treasurer ⁽³⁾	275,7455,051,716	1.6146.43 %
Doug E. Grau, President, Interim Chief Financial Officer, and a Director, principal financial officer and principal accounting officer ⁽³⁾	204,6375,035,276	1.2046.28 %
Ronald A. Smith, Chief Operating Officer ⁽⁴⁾	218,125	1.28 %
Corey Lambrecht, Lead Independent Director Chief Operating Officer and director ^{(5) (4)}	12,5006,258,632	*51.60 %
Michael Dean Smith, Director ⁽⁵⁾ director	08,132	*0.14 %
Kenneth Yonika, Former Director ⁽⁵⁾⁽⁶⁾ C. Stephen Cochennet, director	2,5002,203	*0.04 %
Larry Sinks, director	-	0.00 %
Directors and executive officers as a group ⁽⁷⁾ (6 Persons)	713,50716,355,959	4.1773.91 %
* Less than 0.01%		
* Less than 0.01%		
(1) Unless otherwise noted above, the address of the persons and entities listed in the table is c/o American Rebel Holdings, Inc., 909 18 th Avenue South, Suite A, Nashville, Tennessee 37212.		
(2) Percentage is based upon 17,090,254 5,879,920 shares of Common Stock common stock issued and outstanding as of the date of this Annual Report plus the beneficial ownership held by the respective shareholder at the time and figures are rounded to the nearest hundredth of a percent.		
(3) Includes 10,000 shares of Series A Preferred Stock, which is currently convertible into 5,000,000 shares of common stock at the option of the holder. Does not include 50,000 the additional 40,000 shares of Series A Preferred stock, whereby which are convertible and vest, equally each year beginning on January 1, 2025 and for an additional three years (10,000, 10,000, 10,000 and 10,000, respectively), into shares of common stock at a rate of 500 to 1. Further, each share of Series A Preferred Stock is entitled to cast one thousand (1,000) votes for each share held of the Series A Preferred stock on all matters presented to the stockholders of the Company for a vote. Includes 159,737 Does not included the LTIP shares authorized for grant at December 30, 2023, as the shares are at the discretion of common stock: 103,829 shares the board of common stock to Mr. Ross and 55,908 shares of common stock to Mr. Grau. directors, not the holder.		

- (4) Includes 25,000 five-year warrants to purchase 12,500 shares of Common Series A Preferred Stock, at \$8.00 per share.
- (5) Does not include approximately 98,000 which are currently convertible into 6,250,000 shares of common stock that at the option of the holder. Does not include the additional 12,500 shares of Series A Preferred stock, which are convertible and vest, equally each year beginning on January 1, 2025 and for one additional year thereafter (6,250 and 6,250, respectively), into shares of common stock at a rate of 500 to 1. Further, each share of Series A Preferred Stock is contingently issuable entitled to cast one thousand (1,000) votes for each non-employee director as share held of December 31, 2022, nor any additional shares up through the date Series A Preferred stock on all matters presented to the stockholders of this Annual Report.
- (6) Effective April 4, 2023, Mr. Yonika resigned from the board and its committees. Company for a vote.

58 61

Non-Cumulative Voting

The holders of our shares of Common Stock **common stock** do not have cumulative voting rights, which means that the holders of more than 50% of such outstanding shares, voting for the election of directors, can elect all of the directors to be elected, if they so choose. In such event, the holders of the remaining shares will not be able to elect any of our directors.

Super Majority Voting Powers Attributable to Preferred Stock

As of the date of this Annual Report, the Company had 16,930,517 shares of Common Stock issued (does not include 159,737 **5,879,920** shares of common stock authorized under the LTIP in December 2022) **issued** and outstanding and entitled to vote, which for voting purposes are entitled to one vote per share. If a vote was taken today, the following consenting stockholders (which consist of Messrs. Ross, **Lambrecht** and Grau) owning a total of **325,645** **95,624** shares of common stock and **100,000** **125,000** shares of Series A Preferred, whereby each share of Series A Preferred is entitled to cast one thousand (1,000) votes for each share held on all matters presented to the stockholders of the Company for a stockholder vote, thereby allowing such common stock and Series A Preferred to cast votes totaling **100,325,645** **125,095,624** shares of common stock, delivering an executed written consent authorizing the actions being set forth to the vote. The consenting stockholders' names, affiliation with the Company and holdings are as follows:

Name	Affiliation	Number of Voting Shares	% of Total Voting Shares ⁽³⁾	Affiliation	Number of Voting Shares	% of Total Voting Shares ⁽⁴⁾
Charles A. Ross, Jr.	Director, Chief Executive Officer, Treasurer	50,176,916 ⁽¹⁾	42.91 %	Director, Chief Executive Officer, Treasurer	50,051,716 ⁽¹⁾	38.24 %
Doug Grau	Director, President	50,148,729 ⁽²⁾	42.89 %	President	50,035,276 ⁽²⁾	38.22 %
Corey Lambrecht				Director, Chief Operating Officer	25,008,632 ⁽³⁾	19.11 %
Total		100,325,645	85.80 %		125,095,624	95.57 %

(1) Includes 50,000 shares of Series A Preferred with an equivalent of 50,000,000 shares of **Common Stock** common stock voting power and **176,916** 51,716 shares of **Common Stock** common stock beneficially owned by Mr. Ross.

(2) Includes 50,000 shares of Series A Preferred with an equivalent of 50,000,000 shares of **Common Stock** common stock voting power and **148,729** 35,276 shares of **Common Stock** common stock beneficially owned by Mr. Grau.

(3) Includes 25,000 shares of Series A Preferred with an equivalent of 25,000,000 shares of common stock voting power and 8,632 shares of common stock beneficially owned by Mr. Lambrecht.

(4) Percentage is based upon **16,930,517** 5,879,920 shares of **Common Stock** **issued** common stock authorized and outstanding and adjusted by the **100,000,000** 125,000,000 votes attributable to the Series A Preferred, for a total of **116,930,517** 130,947,643 total voting shares. Figures are rounded to the nearest hundredth of a percent.

Transfer Agent

The Transfer Agent for our Common Stock **common stock** is Securities Transfer Corporation, 2901 Dallas Parkway, Suite 380, Plano, Texas 75093. Its telephone number is (469) 633-0101.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The following information summarizes transactions we have either engaged in for the past two fiscal years or propose to engage in, involving our executive officers, directors, more than 5% stockholders, or immediate family members of these persons. These transactions were negotiated between related parties without "arm's length" bargaining and, as a result, the terms of these transactions may be different than transactions negotiated between unrelated persons.

Other than as set forth below, we were not a party to any transactions or series of similar transactions that have occurred during fiscal **2022** **2023** in which:

- The amounts involved exceeds the lesser of \$120,000 or one percent of the average of our total assets at year-end for the last two completed fiscal years (**\$77,760**) 158,960); and
- A director, executive officer, holder of more than 5% of our **Common Stock** common stock or any member of their immediate family had or will have a direct or indirect material interest.

Transactions with Related Parties

The following includes a summary of transactions since January 1, 2021 to which we have been a party in which the amount involved exceeded or will exceed \$77,760, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described under “Executive and Director Compensation.” We also describe below certain other transactions with our directors, executive officers and stockholders.

Charles A. Ross, Jr. serves as the Company’s Chief Executive Officer and a director. On March 24, 2021, pursuant to the Company’s Long-Term Incentive Plan, Mr. Ross received 26,813 shares of Common Stock. **common stock**. On April 9, 2021, the Company entered into an amendment to the employment agreement with Charles A. Ross, Jr. and authorized the issuance of 50,000 shares of Common Stock **common stock** to Mr. Ross. On August 3, 2021, pursuant to the Company’s Long-Term Incentive Plan, Mr. Ross received 9,416 shares of Common Stock. **common stock**. On December 27, 2022, pursuant to the Company’s Long-Term Incentive Plan, Mr. Ross was awarded **103,829** **4,153** shares of Common Stock; **common stock**; however, such shares have not been issued as of the date of this Annual Report.

Ronald Smith serves as the Company’s Chief Operating Officer and on April 9, 2021, the Company entered into an employment agreement with Mr. Smith and authorized the issuance of 59,375 shares of Common Stock. On April 9, 2021, the Company entered into a Bridge Loan agreement with Mr. Smith and issued 25,000 warrants to purchase shares of the Company’s Common Stock at an exercise price of \$8.00 per share with a five-year term.

Doug Grau is the Company's President. On March 24, 2021, pursuant to the Company's Long-Term Incentive Plan, Mr. Grau received 26,813 shares of Common Stock. common stock. On April 9, 2021, the Company entered into an amendment to the employment agreement with Doug Grau and authorized the issuance of 50,000 shares of Common Stock common stock to Mr. Grau. On August 3, 2021, pursuant to the Company's Long-Term Incentive Plan, Mr. Grau received 9,416 shares of Common Stock. common stock. On December 27, 2022, pursuant to the Company's Long-Term Incentive Plan, Mr. Grau was awarded 55,908 2,237 shares of Common Stock; common stock; however, such shares have not been issued as of the date of this Annual Report.

Corey Lambrecht is was an independent director of the Company's board of directors through November 20, 2023. On March 24, 2021, the Company authorized 250 shares of common stock to Mr. Lambrecht for services. On July 1, 2023, the Company authorized 8,132 shares of common stock to Mr. Lambrecht for his services as a non-employee or independent director of the Board as full payment for his services from February 8, 2022 through June 30, 2023. The Company accrued board compensation due and owing to Mr. Lambrecht from July 1, 2023 through November 20, 2023 of approximately \$23,333 which shall be settled in shares of the Company's common stock based on the formula for non-employee directors of Board.

Michael Dean Smith was an independent director of the Company's board of directors. On March 24, 2021 July 1, 2023, the Company authorized 6,250 8,132 shares of Common Stock common stock to Mr. Lambrecht Smith for services. his services as a non-employee or independent director of the Board as full payment for his services from February 8, 2022 through June 30, 2023. The Company accrued board compensation due and owing to Mr. Smith from July 1, 2023 through December 31, 2023 of approximately \$30,000 which shall be settled in shares of the Company's common stock based on the formula for non-employee directors of Board.

C. Stephen Cochennet was an independent director of the Company's board of directors. On July 1, 2023, the Company authorized 2,203 shares of common stock to Mr. Cochennet for his services as a non-employee or independent director of the Board as full payment for his services from May 9, 2023 through June 30, 2023. The Company accrued board compensation due and owing to Mr. Cochennet from July 1, 2023 through December 31, 2023 of approximately \$30,000 which shall be settled in shares of the Company's common stock based on the formula for non-employee directors of Board.

Ken Yonika was a former independent director of the Company's board of directors. On July 1, 2023, the Company authorized 5,662 shares of common stock to Mr. Yonika for his services as a non-employee or independent director of the Board as full payment for his services from February 8, 2022 through April 4, 2023.

On September 20, 2023 the Company issued 24,129 shares of common stock pursuant to the Company's board compensation plan. The shares were valued at \$18,096.75 with a per share value of \$0.75 which was the Company's common stock closing market price on the grant date and the date of issuance. The Company recognized approximately \$228,000 in gain on the settlement of a financial obligation through the issuance of common stock on this date. The Company's non-employee directors plan provides for the accrual of independent board fees with the compensatory factor to be settled in the average price of the Company's common stock for the month of service. Relatively speaking the Company was not able to book the gain on settlement from the decreasing stock price until the shares were issued as it was uncertain that the share price of the Company's common stock would not increase until the actual issuance date.

The Company leases multiple facilities from Utah-Tennessee Holding Company, LLC and Champion Holdings, LLC, two companies owned by former Champion Entities founder and CEO Chief Executive Officer Mr. Ray Crosby. The Company believes these facilities are adequate for its needs at this time and are priced at or below market rate.

During November 2023 the Company amended the terms of its Series A preferred stock to reflect the conversion at the right of the holder into common stock of the Company.

As of the January 1, 2024 Messrs. Ross and Grau each have vested ownership in 10,000 shares of Series A Preferred Stock, which are currently convertible into 5,000,000 shares of common stock at the option of the respective holder. This does not include for each, Messrs. Ross and Grau, an additional 40,000 shares of Series A Preferred stock, which are convertible, equally each year starting on January 1, 2025 and for an additional three years, into shares of common stock at a rate of 500 to 1. Furthermore, each share of Series A Preferred Stock is entitled to cast one thousand (1,000) votes for each share held of the Series A Preferred stock on all matters presented to the stockholders of the Company for a vote until such shares are converted into common stock of the Company. As of December 31, 2023 the Company has not determined the compensatory value associated with the shares of the Series A Preferred Stock. Prior to November 20, 2023 the Series A Preferred Stock was not afforded the conversion feature and was not exercisable until the 1st of January 2024 for both Messrs. Ross and Grau. Prior to this date for Messrs. Ross and Grau the Series A Preferred Stock was not convertible into common stock and only enjoyed the super voting rights or provision available to it. Upon conversion into common stock of the Company by the holder the Company will be required to record equity compensation to holder under ASC 718 as to the fair value of the shares received at that time under the conversion. The Company for purposes of its financial statements is required to disclose the fair value of the shares that were beneficially owned at the end of each reporting period based on its intrinsic value. That value will change from reporting period to reporting period based on the publicly traded value of the Company's common stock on such date. Based on the closing price of the Company's common stock as of January 2, 2024 this would approximate \$1,525,000 each in additional compensation for Messrs. Ross and Grau, respectively and would be subject to adjustment based on the closing price of the Company's common stock on March 31, 2024.

As of the January 1, 2024 Mr. Lambrecht has vested ownership in 12,500 shares of Series A Preferred Stock, which are currently convertible into 6,250,000 shares of common stock at the option of Mr. Lambrecht. This does not include for Mr. Lambrecht an additional 37,500 shares of Series A Preferred stock, which are convertible, equally every year starting on January 1, 2025 and for two additional years, into shares of common stock at a rate of 500 to 1. Furthermore, each share of Series A Preferred Stock is entitled to cast one thousand (1,000) votes for each share held of the Series A Preferred stock on all matters presented to the stockholders of the Company for a vote until such shares are converted into common stock of the Company. As of December 31, 2023 the Company has not determined the compensatory value associated with the shares of the Series A Preferred Stock. Prior to November 20, 2023 the Series A Preferred Stock was not afforded the conversion. Prior to this date the Series A Preferred Stock was not convertible into common stock and only had the super voting rights or provision available to it. Upon conversion into common stock of the Company by the holder the Company will be required to record equity compensation to holder under ASC 718 as to the fair value of the shares received at that time. The Company for purposes of its financial statements is required to disclose the fair value of the shares that were beneficially owned at the end of each reporting period based on its intrinsic value. That value will change from reporting period to reporting period based on the publicly traded value of the Company's common stock on such date. Based on the closing price of the Company's common stock as of December 31, 2023 (with respect to the 6,250 shares of Series A Preferred Stock vested on November 20, 2023) this would approximate \$968,750 in additional compensation to Mr. Lambrecht on December 31, 2023. Based on the closing price of the Company's common stock as of January 2, 2024 (with respect to the 6,250 shares of Series A Preferred Stock vested on January 1, 2024) this would approximate \$953,125 in additional compensation to Mr. Lambrecht and would be subject to adjustment based on the closing price of the Company's common stock on March 31, 2024.

The Company has agreements with related parties for services, notes payable and stock grants. See Notes to Financial Statements numbers 5, 7, 9 and 10.

Other than the foregoing, none of the directors or executive officers of the Company, nor any person who owned of record or was known to own beneficially more than 5% of the Company's outstanding shares of its Common Stock, **common stock**, nor any associate or affiliate of such persons or companies, has any material interest, direct or indirect, in any transaction that has occurred during the past fiscal year, or in any proposed transaction, which has materially affected or will affect the Company.

Review, Approval or Ratification of Transactions with Related Persons

Although we adopted a Code of Ethics, we still rely on our Board to review related party transactions on an ongoing basis to prevent conflicts of interest. Our Board reviews a transaction in light of the affiliations of the director, officer or employee and the affiliations of such person's immediate family. Transactions are presented to our Board for approval before they are entered into or, if this is not possible, for ratification after the transaction has occurred. If our Board finds that a conflict of interest exists, then it will determine the appropriate remedial action, if any. Our Board approves or ratifies a transaction if it determines that the transaction is consistent with the best interests of the Company.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table presents the fees for professional audit services rendered by BF Borgers CPA, a professional corporation ("BF Borgers") for the audit of the Company's annual financial statements for the fiscal year ended **December 31, 2022** **December 31, 2023** and **December 31, 2021** **December 31, 2022** and fees billed for other services rendered by BF Borgers during those periods. All services reflected in the following fee table for **2022** **2023** and **2021** **2022** were pre-approved, respectively, in accordance with the policy of the Board.

	December 31, 2022	December 31, 2021	December 31, 2023	December 31, 2022
Audit fees ⁽¹⁾	\$ 136,600	\$ 37,000	\$ 445,500	\$ 136,600
Audit-related fees	-	-	-	-
Tax fees	-	-	-	-
All other fees ⁽²⁾	219,000	18,900	-	219,000
Total Fees	\$ 355,600	\$ 55,900	\$ 445,500	\$ 355,600

Notes:

- (1) Audit fees consist of audit and review services, consent and review of documents filed with the SEC. For fiscal year ended **December 31, 2022** **December 31, 2023** and **December 31, 2021** **December 31, 2022**.
- (2) Comfort letter and consent to use audited financial statements in additional filings related to underwritten public offering. Approximately \$150,000 was paid to Champion's independent PCAOB registered accounting firm to conduct Champion's most recent two fiscal years of audit and interim review reports which was required for the acquisition of Champion. These fees were paid by the Company and the PCAOB registered accounting firm was BF Borgers.

In its capacity, the audit committee of the Board pre-approves all audit (including audit-related) and permitted non-audit services to be performed by the independent auditors. The committee will annually approve the scope and fee estimates for the year-end audit to be performed by the Company's independent auditors for the fiscal year. With respect to other permitted services, the committee pre-approves specific engagements, projects and categories of services on a fiscal year basis, subject to individual project and annual maximums. To date, the Company has not engaged its auditors to perform any non-audit related services.

60 65

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Annual Report on Form 10-K

(a) Financial Statements		Page
Report of Independent Registered Public Accounting Firm		F-1
Financial Statements for the years ended December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022		
Balance Sheets		F-2
Statements of Operations		F-3
Statement of Stockholders' Equity (Deficit)		F-4
Statements of Cash Flows		F-5
Notes to the Financial Statements		F-6
(b) Financial Statement Schedules		
None.		
(c) Exhibits Index		
2.1	Stock Purchase Agreement, dated June 8, 2016, by and among CubeScape, Inc., American Rebel, Inc., and certain individual named therein (Incorporated by reference to Exhibit 2.1 to Form 8-K, filed June 9, 2016)	
2.2	Champion Safe Co., Inc. Stock Membership Interest Purchase Agreement dated June 29, 2022 (Incorporated by reference to Exhibit 2.1 to Form 8-K, filed July 6, 2022)	
3.1	Second Amended and Restated Articles of Incorporation effective January 22, 2022 (Incorporated by reference to Exhibit 3.4 to Form 10-K, filed March 31, 2022)	
3.2	Amended and Restated Bylaws of American Rebel Holdings, Inc. effective as of February 9, 2022 (Incorporated by reference to Exhibit 3.1 to Form 8-K, filed February 15, 2022)	
3.3	Certificate of Amendment to the Second Amended and Restated Articles effectuating 1-for-25 Reverse Stock Split (Incorporated by reference to Exhibit 3.1 to Form 8-K filed on June 26, 2023)	
4.1	Certificate of Designation of Series A Preferred Stock (Incorporated by reference to Exhibit 4.1 to Form 8-K filed on February 24, 2020)	
4.2	Certificate of Designation of Series B Preferred Stock (Incorporated by reference to Exhibit 4.1 to Form 8-K filed on June 3, 2021)	
4.3	Amended Certificate of Designation of Series B Preferred Stock ((Incorporated by reference to Exhibit 4.1 to Form 8-K filed on July 28, 2021)	
4.4#	Description of Securities	
4.5	Warrant Agency Agreement with Action Stock Transfer dated February 9, 2022 (Incorporated by reference to Exhibit 4.2 to Form 8-K, filed February 10, 2022)	
4.6	Form of Pre-funded Warrant (Incorporated by reference to Exhibit 4.1 to Form 8-K, filed February 15, 2022)	
4.8	Line of Credit Agreement dated February 10, 2023 (Incorporated by reference to Exhibit 4.6 to Form 10-Q filed May 15, 2023)	
4.9	Financing Agreement dated April 14, 2023 (Incorporated by reference to Exhibit 4.1 to Form 8-K, filed May 1, 2023)	
4.10	Armistice Form of New Warrant A (Incorporated by reference to Exhibit 4.1 to Form 8-K/A, filed on September 8, 2023)	
4.11	Armistice Form of New Warrant B (Incorporated by reference to Exhibit 4.2 to Form 8-K/A, filed on September 8, 2023)	
4.12	Amended and Restated Certificate of Designation of Series A Preferred Stock (Incorporated by reference to Exhibit 4.1 to Form 8-K, filed on November 6, 2023)	
4.13	Certificate of Designation of Series C Preferred Stock (Incorporated by reference to Exhibit 4.2 to Form 8-K, filed on November 6, 2023)	
4.14	Alt Banq Financing Agreement dated December 28, 2023 (Incorporated by reference to Exhibit 4.1 to Form 8-K filed on January 3, 2024)	
10.1†	Ross Employment Agreement dated January 1, 2021 (Incorporated by reference to Exhibit 10.1 to Form 8-K, filed March 5, 2021)	
10.2†	Grau Employment Agreement dated January 1, 2021 (Incorporated by reference to Exhibit 10.2 to Form 8-K, filed March 5, 2021)	
10.3†	2021 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.3 to Form 8-K, filed March 5, 2021)	

10.4† [Smith](#)
[Employment](#)
[Agreement](#)
[dated April 9,](#)
[2021](#)
[\(Incorporated](#)
[by reference](#)
[to Exhibit](#)
[10.40 to Form](#)
[10-K, filed](#)
[May 17, 2021\)](#)

10.5† [Ross](#)
[Amendment](#)
[to](#)
[Employment](#)
[Agreement](#)
[dated April 9,](#)
[2021](#)
[\(Incorporated](#)
[by reference](#)
[to Exhibit](#)
[10.42 to Form](#)
[10-K, filed](#)
[May 17, 2021\)](#)

10.6† 10.5† [Grau](#)
[Amendment](#)
[to](#)
[Employment](#)
[Agreement](#)
[dated April 9,](#)
[2021](#)
[\(Incorporated](#)
[by reference](#)
[to Exhibit](#)
[10.43 to Form](#)
[10-K, filed](#)
[May 17, 2021\)](#)

10.7 10.6 [Securities](#)
[Purchase](#)
[Agreement,](#)
[dated July 7,](#)
[2022, between](#)
[American](#)
[Rebel](#)
[Holdings, Inc.](#)
[and the](#)
[Armistice](#)
[Capital Master](#)
[Fund Ltd.](#)
[\(Incorporated](#)
[by reference](#)
[to Exhibit](#)
[10.1 to Form](#)
[8-K, filed July](#)
[8, 2022\)](#)

10.8 [Armistice Form of Warrant \(Incorporated by reference to Exhibit 10.2 to Form 8-K filed July 8, 2022 on June 28, 2023\)](#)

10.910.7 [Armistice Form of Prefunded Warrant \(Incorporated by reference to Exhibit 10.3 to Form 8-K filed July 8, 2022 on June 28, 2023\)](#)

10.1010.8 [Armistice Form of Registration Rights Agreement \(Incorporated by reference to Exhibit 10.4 to Form 8-K filed July 8, 2022 on June 28, 2023\)](#)

10.1110.9 [Engagement Letter, Tony Stewart Racing Nitro Sponsorship Agreement dated July 8, 2022, between American Rebel Holdings, Inc. and EF Hutton July 1, 2023 \(Incorporated by reference to Exhibit 10.5 10.1 to Form 8-K filed July 18, 2022 on August 7, 2023\)](#)

- 10.10 [Master Brewing Agreement dated August 9, 2023 \(Incorporated by reference to Exhibit 10.16 to Form 10-Q filed on August 14, 2023\)](#)
- 10.11 [Loan Agreement dated July 1, 2023 \(Incorporated by reference to Exhibit 10.17 to Form 10-Q filed on August 14, 2023\)](#)
- 10.12 [Form of Inducement Letter dated September 8, 2023 \(Incorporated by reference to Exhibit 10.1 to Form 8-K filed on September 8, 2023\)](#)
- 10.13† [Lambrecht Employment Agreement dated November 20, 2023 \(Incorporated by reference to Exhibit 10.2 to Form 8-K filed on November 24, 2023\)](#)
- 10.14† [Ross Amendment No. 2 to Employment Agreement dated November 20, 2023 \(Incorporated by reference to Exhibit 10.3 to Form 8-K filed on November 24, 2023\)](#)

- 10.15† [Grau
Amendment
No. 2 to
Employment
Agreement
dated
November 20,
2023
\(Incorporated
by reference
to Exhibit
10.4 to Form
8-K filed on
November 24,
2023\)](#)
- 10.16 [\\$500,000
Revenue
Interest
Purchase
Agreement
dated
December 19,
2023
\(Incorporated
by reference
to Exhibit
10.1 to Form
8-K filed on
December 22,
2023\)](#)
- 10.17 [New Loan
Agreement
dated January
1, 2024
\(Incorporated
by reference
to Exhibit
10.1 to Form
8-K filed on
January 5,
2024\)](#)
- 10.18 [1800 Diagonal
Note dated
March 21,
2024
\(Incorporated
by reference
to Exhibit
10.1 to Form
8-K filed on
March 22,
2024\)](#)

10.19 [1800 Diagonal Securities Purchase Agreement dated March 21, 2024 \(Incorporated by reference to Exhibit 10.2 to Form 8-K filed on March 22, 2024\)](#)

10.20 [\\$100,000 Revenue Interest Purchase Agreement dated March 22, 2024 \(Incorporated by reference to Exhibit 10.1 to Form 8-K filed on March 27, 2024\)](#)

10.21 [\\$100,000 Revenue Interest Purchase Agreement dated April 1, 2024 \(Incorporated by reference to Exhibit 10.1 to Form 8-K filed on April 3, 2024\)](#)

10.22# [\\$100,000 Revenue Interest Purchase Agreement dated April 9, 2024](#)

10.23# [\\$300,000 Revenue Interest Purchase Agreement dated April 9, 2024](#)

10.24# [\\$75,000 Revenue Interest Purchase Agreement dated April 9, 2024](#)

14.1	Code of Ethics (Incorporated by reference to Exhibit 14.1 to Form S-1/A, filed February 3, 2022)
14.2#	Whistleblower Policy
21.1#	List of Subsidiaries
31.1#	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2#**	Certification of Interim Principal Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1#**	Certification of Chief Executive Officer and Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2#**	Certification of Interim Principal Accounting Officer and Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Champion Entities Audited Financial Statements as of and for the years ended December 31, 2021, and 2020 (Incorporated by reference to Exhibit 99.1 to Form 8-K, filed July 6, 2022)

99.2 [Champion Entities Unaudited Financial Statements as of and for the three months ended March 31, 2022, and 2021 and for the year ended December 31, 2021 \(Incorporated by reference to Exhibit 99.2 to Form 8-K, filed July 6, 2022\)](#)

99.3 [Unaudited Pro Forma Consolidated Financial Information for the Registrant \(giving effect to the acquisition of the Champion Entities\) as of and for the three months ended March 31, 2022, and for the year ended December 31, 2021 \(Incorporated by reference to Exhibit 99.3 to Form 8-K, filed July 6, 2022\)](#)

99.4# [Pro Form Q3 Revenue Press Release dated October 20, 2022](#)

99.5# [New Apparel Press Release dated November 4, 2022](#)

99.6# [Third Quarter 2022 Financial Results Press Release dated November 15, 2022](#)

99.7#	2022 Disruptive Growth Conference Press Release dated December 2, 2022
99.8#	2023 Shot Show Press Release dated January 17, 2023
101.INS	Inline XBRL Instance Document*
101.SCH	Inline XBRL Taxonomy Extension Schema**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase*
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase*
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Filed herewith.
† Indicates management contract or compensatory plan or arrangement.
** Furnished herewith.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

AMERICAN REBEL HOLDINGS, INC.

(Registrant)

Date: April 14, 2023 April 12, 2024

By: /s/ Charles A. Ross, Jr.

Charles A. Ross, Jr.

Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	Title(s)	Date
<u>/s/ Charles A. Ross, Jr.</u> Charles A. Ross, Jr.	Chief Executive Officer, Executive Chairman and Director (Principal Executive Officer)	April 14, 2023 12, 2024
<u>/s/ Doug E. Grau</u> Doug E. Grau	Director and President (Interim Principal Accounting Officer)	April 14, 2023 12, 2024
<u>/s/ Ronald A. Smith</u> Ronald A. Smith	Chief Operating Officer	April 14, 2023
<u>/s/ Corey Lambrecht</u> Corey Lambrecht	Lead Independent Chief Operating Officer and Director	April 14, 2023 12, 2024
<u>/s/ C. Stephen Cochennet</u> C. Stephen Cochennet	Director	April 12, 2024
<u>/s/ Michael Dean Smith</u> Michael Dean Smith	Director	April 14, 2023 12, 2024
<u>/s/ Larry Sinks</u> Larry Sinks	Director	April 12, 2024

63 68

Exhibit 4.4

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

General

Except as otherwise indicated by the context, references in this exhibit to "Company," "American Rebel Holdings," "American Rebel," "we," "us" and "our" are references to American Rebel Holdings, Inc. and its wholly-owned operating subsidiaries, American Rebel. Rebel, Inc., American Rebel Beverages, LLC, Champion Safe Company, Inc., Superior Safe, LLC, Safe Guard Security Products, LLC, and Champion Safe De Mexico, S.A. de C.V. Inc.

As of April 14, 2023 April 12, 2024, we had two classes of security registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our common stock, par value \$0.001 per share ("Common Stock"), and a registered class of warrants, each to purchase one share of Common common stock (the "Warrants" or "Common Stock (the "Warrants" Purchase Warrants").

The shares of Common Stock and Warrants are listed on the Nasdaq Capital Market under the symbols "AREB" and "AREBW," respectively, and began trading on February 7, 2022.

This summary does not purport to be complete and is qualified in its entirety by the provisions of our Second Amended and Restated Articles of Incorporation, and our Amended and Restated Bylaws, copies of which have been filed as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.1 4.4 is a part. . You should refer to our Second Amended and Restated Articles of Incorporation, our Amended and Restated Bylaws, and the applicable provisions of the Nevada Revised Statutes for a complete description of our capital stock. Our authorized capital stock consists of (i) 600,000,000 shares of Common Stock, common stock, par value \$0.001 per share, and (ii) 10,000,000 shares of preferred stock, par value \$0.001 per share, among which 100,000 150,000 shares are designated as Series A Preferred Stock, and 250,000 shares are designated as Series B Convertible Preferred Stock, and 3,100,000 shares are designated as Series C Redeemable Convertible Preferred Stock.

Our Board is authorized, without stockholder approval, except as otherwise may be required by the applicable listing standards of a national securities exchange or any applicable laws, to issue additional shares of our authorized capital stock.

Common Stock

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our Common Stock common stock are entitled to receive dividends out of funds legally available if our Board, in its discretion, determines to declare and pay dividends and then only at the times and in the amounts that our Board may determine.

Voting Rights

Holders of our Common Stock common stock are entitled to one vote for each share held on all matters properly submitted to a vote of stockholders on which holders of Common Stock common stock are entitled to vote. We have not provided for cumulative voting for the election of directors in our Certificate of Incorporation. The directors are elected by a plurality of the outstanding shares entitled to vote on the election of directors.

No Preemptive or Similar Rights

Our Common Stock common stock is not entitled to preemptive rights, and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our Common Stock common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Preferred Stock

Our Board is authorized, subject to limitations prescribed by Nevada law, to issue preferred stock in one or more series, to establish from time-to-time the number of shares to be included in each series, and to fix the designation, powers, preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our Board can also increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares then outstanding) the number of shares of any series of preferred stock, without any further vote or action by our stockholders. Our Board may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our Common Stock or other series of preferred stock. The issuance of preferred stock, while providing flexibility in connection with possible financings, acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control of our company and might adversely affect the market price of our Common Stock and the voting and other rights of the holders of our Common Stock.

Series A Preferred Stock

No Maturity, Sinking Fund or Mandatory Redemption

The Series A Preferred Stock (the “Existing Series A Preferred Stock”) has no stated maturity and will not be subject to any sinking fund or mandatory redemption. Shares of the Existing Series A Preferred Stock will remain outstanding indefinitely unless we decide to redeem or otherwise repurchase them.

Dividend Rights

Holders of shares of the Existing Series A Preferred Stock are not entitled to receive any dividends.

Voting Rights

Holders of the Existing Series A Preferred Stock are entitled to vote together with the holders of our Common Stock on an as-converted basis. Each Existing Series A Preferred Stock is entitled to cast one thousand (1,000) votes for each share held of the Existing Series A Preferred stock.

Conversion Rights

Each holder of the Series A Preferred Stock is entitled to convert any portion of the outstanding shares of Series A Preferred Stock held by such holder into validly issued, fully paid and non-assessable shares of our Common Stock. Each share of the Series A Preferred Stock is convertible into our Common Stock at the conversion rate of 1 share of Series A Preferred Stock to 500 shares of Common Stock, subject to vesting requirements and adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our Common Stock. Should the Company issue a redemption notice the conversion shall occur on or prior to the fifth (5th) day prior to the redemption date, as may have been fixed in any redemption notice with respect to the Existing Series B Preferred Stock shares, at the office of the Company or any transfer agent for such stock.

Series B Preferred Stock

No Maturity, Sinking Fund or Pre-Determined Mandatory Redemption

The Series B (the “Existing Series B Preferred Stock”) has no stated maturity and will not be subject to any sinking fund or pre-determined mandatory redemption. Shares of the Existing Series B Preferred Stock will remain outstanding indefinitely unless we decide to redeem or otherwise repurchase them, or the holders decide to convert them.

Dividend Rights

Holders of shares of the Existing Series B Preferred Stock are not entitled to receive any dividends.

Voting Rights

Holders of the Existing Series B Preferred Stock shall not have any voting rights, except in the case of voting on a change in the preferences of the Existing Series B Preferred Stock shares.

Conversion Rights

Each holder of the Existing Series B Preferred Stock is entitled to convert any portion of the outstanding shares of Existing Series B Preferred Stock held by such holder into validly issued, fully paid and non-assessable shares of our Common Stock. Each share of the Existing Series B Preferred Stock is convertible into our Common Stock at the conversion rate of 1 share of Existing Series B Preferred Stock to 31.25 shares of Common Stock, subject to adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our Common Stock. Should the Company issue a redemption notice the conversion shall occur on or prior to the fifth (5th) day prior to the redemption date, as may have been fixed in any redemption notice with respect to the Existing Series B Preferred Stock shares, at the office of the Company or any transfer agent for such stock.

Fractional Shares

No fractional shares of our Common Stock will be issued upon any conversion of the Existing Series B Preferred Stock. If the conversion would result in the issuance of a fraction of a share of Common Stock, the number of shares of Common Stock issuable upon such conversion will be rounded up to the nearest whole share.

Series C Preferred Stock

On November 3, 2023, we filed a certificate of designation with the Nevada Secretary of State to establish our Series C Preferred Stock. We designated a total of 3,100,000 shares of Preferred Stock as “Series C Cumulative Redeemable Preferred Stock.” Our Series C Preferred Stock has following voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions:

Ranking. The Series C Preferred Stock ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, junior to our Series A Preferred Stock and senior to our Common Stock and Series B Preferred Stock. The terms of the Series C Preferred Stock do not limit our ability to (i) incur indebtedness or (ii) issue additional equity securities that are equal or junior in rank to the shares of our Series C Preferred Stock as to distribution rights and rights upon our liquidation, dissolution or winding up.

Stated Value. Each share of Series C Preferred Stock has an initial stated value of \$7.50, which is equal to the offering price per share, subject to appropriate adjustment in relation to certain events, such as recapitalizations, stock dividends, stock splits, stock combinations, reclassifications or similar events affecting our Series C Preferred Stock.

Dividend Rate and Payment Dates. Dividends on the Series C Preferred Stock are cumulative and payable quarterly in arrears to all holders of record on the applicable record date. Holders of our Series C Preferred Stock are entitled to receive cumulative quarterly dividends at a per annum rate of 8.53% of the stated value (or \$0.16 per share per quarter based on the liquidation preference per share); provided that upon an event of default (generally defined as our failure to pay dividends when due or to redeem shares when requested by a holder), such amount shall be increased to \$0.225 per quarter, which is equivalent to the annual rate of 12% of the \$7.50 liquidation preference per share. In our sole discretion, dividends may be paid in cash or in kind in the form of Common Stock equal to the closing price of Common Stock on the last day of the quarter. Dividends on each share begin accruing on, and are cumulative from, the date of issuance and regardless of whether our Board declares and pays such dividends. Dividends on shares of our Series C Preferred Stock will continue to accrue even if any of our agreements prohibit the current payment of dividends or we do not have earnings.

Liquidation Preference. Upon a liquidation, dissolution or winding up of our company, holders of shares of our Series C Preferred Stock are entitled to receive, before any payment or distribution is made to the holders of our Common Stock or Series B Preferred Stock and on a *junior* basis with holders of our Series A Preferred Stock, a liquidation preference equal to the stated value per share, plus accrued but unpaid dividends thereon (whether or not declared).

Company Call Option. We may redeem the shares of Series C Preferred Stock, in whole or in part at any time after the fifth anniversary of the initial closing of this Offering and continuing indefinitely thereafter, at our option, for cash, at \$11.25 per share of Series C Preferred Stock, plus any accrued and unpaid dividends.

Stockholder Put Option. Once per calendar quarter beginning any time after the fifth-year anniversary of date of issuance, a Holder of record of shares of Series C Preferred Stock may elect to cause us to redeem all or any portion of their shares of Series C Preferred Stock for an amount equal to \$11.25 per share plus any accrued and unpaid dividends, which amount may be settled by delivery of cash or shares of Common Stock, at the option of the holder. If the holder elects settlement in shares of Common Stock, we will deliver such number of shares of Common Stock equal to \$11.25 per share of Series C Preferred Stock to be redeemed plus any accrued and unpaid dividends corresponding to the redeemed shares, divided by \$2.25 per share (subject to pro rata adjustment in connection with any stock splits, stock dividends, or similar changes to the Company's capitalization occurring after the date of this Certificate), with any fraction rounded up to the next whole share of Common Stock. A holder making such election shall provide written notice thereof to us specifying the name and address of the holder, the number of shares to be redeemed and whether settlement shall be in cash or shares of Common Stock. We shall redeem the specified shares of Series C Preferred Stock for shares of Common Stock no later than ten (10) days, or for cash no later than 365 days, following receipt of such notice.

Please see the certificate of designation, which has been filed as an exhibit to the offering statement of which this offering circular forms a part, for the procedures to request a redemption.

Restrictions on Redemption and Repurchase. We are not be obligated to redeem or repurchase shares of Series C Preferred Stock if we are restricted by applicable law or our articles of incorporation from making such redemption or repurchase or to the extent any such redemption or repurchase would cause or constitute a default under any borrowing agreements to which we or any of our subsidiaries are a party or otherwise bound. In addition, we have no obligation to redeem shares in connection with a redemption request made by a holder if we determine, as of the redemption date, that we do not have sufficient funds available to fund that redemption. In this regard, we will have complete discretion under the certificate of designation for the Series C Preferred Stock to determine whether we are in possession of "sufficient funds" to fund a redemption request. Redemptions will be limited to five percent (5%) of the total outstanding Shares per quarter. To the extent we are unable to complete redemptions we may have earlier agreed to make, we will complete those redemptions promptly after we become able to do so, with all such deferred redemptions being satisfied on a first come, first served, basis.

Voting Rights. The Series C Preferred Stock has no voting rights relative to matters submitted to a vote of our stockholders (other than as required by law). We may not authorize or issue any class or series of equity securities ranking senior to the Series C Preferred Stock as to dividends or distributions upon liquidation (including securities convertible into or exchangeable for any such senior securities) or amend our articles of incorporation (whether by merger, consolidation, or otherwise) to materially and adversely change the terms of the Series C Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on such matter by holders of our outstanding shares of Series C Preferred Stock, voting together as a class.

Further Issuances. We will not be required to redeem shares of our Series C Preferred Stock at any time except as otherwise described above under the captions "Company Call Option" and "Stockholder Put Option." Accordingly, the shares of our Series C Preferred Stock will remain outstanding indefinitely, unless we decide, at our option, to exercise our call right, the holder of the Series C Preferred Stock exercises their put right. The shares of Series C Preferred Stock will not be subject to any sinking fund.

Conversion at Option of Holder. Each share of Series C Preferred Stock shall be convertible into shares of Common Stock at a price per share of \$1.50 (1 share of Series C Preferred Stock converts into 5 shares of Common Stock), at the option of the holder thereof, at any time following the issuance date of such share of Series C Preferred Stock and on or prior to the fifth (5th) day prior to a redemption date, if any, as may have been fixed in any redemption notice with respect to the shares of Series C Preferred Stock, at our office or any transfer agent for such stock. The conversion price (\$1.50) shall not be adjusted for stock splits, stock dividends, recapitalizations or similar events.

Forced Conversion – If the closing price of the Company's Common Stock during any ten consecutive trading day period has been at or above \$2.25 per share (as adjusted for stock splits, stock dividends recapitalizations and similar events), then the Company shall have the right to require the holder of the Series C Preferred Stock to convert all, or any portion of, the shares of Series C Preferred Stock held by such holder for shares of Common Stock. If the Company elects to cause a forced conversion of the shares of Series C Preferred Stock then it must simultaneously take the same action with respect to all of the other shares of Series C Preferred Stock then outstanding on a pro rata basis.

Registration of Underlying Shares of Common Stock. In this offering we are registering with the Commission up to 13,333,330 shares of Common Stock underlying the Series C Preferred Stock.

Anti-Takeover Effects of Various Provisions of Nevada Law

Provisions of the Nevada Revised Statutes, and our articles of incorporation and bylaws, as amended, could make it more difficult to acquire us by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, would be expected to discourage certain types of takeover practices and takeover bids our Board may consider inadequate and to encourage persons seeking to acquire control of us to first negotiate with us. We believe that the benefits of increased protection of our ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us will outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

Public Offering Warrants

Overview. The following summary of certain terms and provisions of the Warrants is not complete and is subject to, and qualified in its entirety by, the provisions of the warrant agency agreement between us and Securities Stock Transfer (formerly Action Stock Transfer), as the Warrant Agent, and the form of warrant, both of which are filed as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part.

The Warrants entitle the registered holder to purchase shares of Common Stock **common stock** at a price equal to \$5.1875 per share, subject to adjustment as discussed below, immediately following the issuance of such warrant and terminating at 5:00 p.m., New York City time, on February 9, 2027.

The exercise price and number of shares of Common Stock **common stock** issuable upon exercise of the Warrants may be adjusted in certain circumstances, including in the event of a stock dividend or recapitalization, reorganization, merger or consolidation. However, the Warrants will not be adjusted for issuances of Common Stock **common stock** at prices below its exercise price.

Exercisability. The Warrants are exercisable at any time after their original issuance and at any time up to the date that is five (5) years after their original issuance. The Warrants may be exercised upon surrender of the Warrant certificate on or prior to the expiration date at the offices of the Warrant Agent, with the exercise form on the reverse side of the Warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified or official bank check payable to us, for the number of Warrants being exercised. Under the terms of the Warrant Agreement, we must use our best efforts to maintain the effectiveness of the registration statement and current prospectus relating to Common Stock **common stock** issuable upon exercise of the Warrants until the expiration of the Warrants. If we fail to maintain the effectiveness of the registration statement and current prospectus relating to the shares of Common Stock **common stock** issuable upon exercise of the Warrants, the holders of the Warrants shall have the right to exercise the Warrants solely via a cashless exercise feature provided for in the Warrants, until such time as there is an effective registration statement and current prospectus.

Exercise Limitation. A holder may not exercise any portion of a Warrant to the extent that the holder, together with its affiliates and any other person or entity acting as a group, would own more than 4.99% of the outstanding shares of Common Stock **common stock** after exercise, as such percentage ownership is determined in accordance with the terms of the Warrant, except that upon prior notice from the holder to us, the holder may waive such limitation up to a percentage not in excess of 9.99%.

Exercise Price. The exercise price per whole share of shares of Common Stock **common stock** purchasable upon exercise of the Warrants is \$5.1875. The exercise price is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our shares of Common Stock **common stock** and also upon any distributions of assets, including cash, stock or other property to our stockholders.

Fractional Shares. No fractional shares of Common Stock **common stock** will be issued upon exercise of the Warrants. As to any fraction of a share which the holder would otherwise be entitled to purchase upon such exercise, the Company will round up or down, as applicable, to the nearest whole share.

Transferability. Subject to applicable laws, the Warrants may be offered for sale, sold, transferred or assigned without our consent.

Warrant Agent; Global Certificate. The Warrants are issued in registered form under a warrant agency agreement between the Warrant Agent and us. The Warrants are initially represented only by one or more global warrants deposited with the Warrant Agent, as custodian on behalf of The Depository Trust Company (DTC) and registered in the name of Cede & Co., a nominee of DTC, or as otherwise directed by DTC.

Fundamental Transactions. In the event of a fundamental transaction, as described in the Warrants and generally including any reorganization, recapitalization or reclassification of our shares of Common Stock, **common stock**, the sale, transfer or other disposition of all or substantially all of our properties or assets, our consolidation or merger with or into another person, the acquisition of more than 50% of our outstanding shares of Common Stock, **common stock**, or any person or group becoming the beneficial owner of 50% of the voting power represented by our outstanding Common Stock, **common stock**, the holders of the Warrants will be entitled to receive the kind and amount of securities, cash or other property that the holders would have received had they exercised the Warrants immediately prior to such fundamental transaction.

Rights as a Stockholder. The Warrant holders do not have the rights or privileges of holders of shares of Common Stock **common stock** or any voting rights until they exercise their Warrants and receive shares of Common Stock, **common stock**. After the issuance of shares of Common Stock **common stock** upon exercise of the Warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

Governing Law. The Warrants and the warrant agency agreement are governed by Nevada law.

Armistice Warrants

On September 8, 2023, we entered into an inducement letter (the “Inducement Letter”) with Armistice Capital Master Fund Ltd. (“Armistice”), the holder of existing warrants, made up of common stock purchase warrants, to purchase shares of Common Stock. The existing warrants were issued on July 8, 2022 and June 28, 2023 and had an exercise price of \$4.37 and \$4.24, respectively per share.

Pursuant to the Inducement Letter, Armistice agreed to exercise for cash their existing warrants to purchase an aggregate of 2,988,687 shares of Common Stock at a reduced exercise price of \$1.10 per share in consideration for our agreement to issue two new common stock purchase warrants (the “New Warrant A” and the “New Warrant B” and, together, the “New Warrants”), as described below, to purchase, in the aggregate, up to 5,977,374 shares of Common Stock (the “New Warrant Shares”). We received aggregate gross proceeds of approximately \$3,287,555.70 from the exercise of the existing warrants. Prior to the foregoing transaction, we had 3,151,883 shares of Common Stock outstanding.

Each New Warrant will have an exercise price equal to \$1.10 per share. The New Warrants will be immediately exercisable from the date of issuance until the five-year anniversary of the issuance date. The exercise price and number of shares of Common Stock issuable upon exercise is subject to appropriate adjustment in the event of stock dividends, stock splits, subsequent rights offerings, pro rata distributions, reorganizations, or similar events affecting our Common Stock and the exercise price.

The New Warrants will be exercisable, at the option of Armistice, in whole or in part, by delivering to us a duly executed exercise notice accompanied by payment in full, within one trading day of such exercise of the New Warrant, for the number of shares of Common Stock purchased upon such exercise (except in the case of a cashless exercise as discussed below). Armistice (together with its affiliates) may not exercise any portion of its New Warrants to the extent that they would own more than 4.99% (or, at the election of Armistice, 9.99%) of the outstanding Common Stock immediately after exercise, except that upon prior notice from Armistice to us, they may increase or decrease the amount of ownership of outstanding stock after exercising their New Warrants up to 9.99% of the number of shares of Common Stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the New Warrants, provided that any increase will not be effective until 61 days following notice to us.

New Warrant A is subject to anti-dilution adjustment to its exercise price in the event of certain issuances of shares of our Common Stock.

There is no established trading market for the New Warrants, and we do not expect an active trading market to develop. We do not intend to apply to list the New Warrants on any securities exchange or other trading market. Without a trading market, the liquidity of the New Warrants will be extremely limited.

Except as otherwise provided in the New Warrants or by virtue of Armistice's ownership of shares of our Common Stock, Armistice does not have the rights or privileges of a holder of our Common Stock, including any voting rights, until they exercise the New Warrants. The New Warrants will provide that the holders of the New Warrants have the right to participate in distributions or dividends paid on our shares of Common Stock.

If at any time the New Warrants are outstanding, we, either directly or indirectly, in one or more related transactions effects a fundamental transaction (as defined in the New Warrant), Armistice will be entitled to receive, upon exercise of the New Warrants, the kind and amount of securities, cash or other property that such holder would have received had they exercised the New Warrants immediately prior to the fundamental transaction. As an alternative, and at Armistice's option in the event of a fundamental transaction, exercisable at the earliest to occur of (i) the public disclosure of any change of control, (ii) the consummation of any change of control, and (iii) Armistice first becoming aware of any change of control through the date that is 90 days after the public disclosure of the consummation of such change of control by us pursuant to a current report on Form 8-K filed with the Commission, we shall purchase the unexercised portion of the New Warrant from Armistice by paying to them an amount of cash equal to the Black Scholes Value (as defined in the Warrant) of the remaining unexercised portion of the New Warrant on the date of the consummation of such fundamental transaction.

The New Warrants may be modified or amended or the provisions of the New Warrants waived with us and Armistice's written consent.

The above disclosure contains only a brief description of the material terms of the Inducement Letter and does not purport to be a complete description of the rights and obligations of the parties thereunder, and such description is qualified in its entirety by reference to the full text of the Inducement Letter, the form of which is attached to this offering circular and is incorporated herein by reference.

Transfer Agent, Warrant Agent and Registrar

The Transfer Agent for our Common Stock common stock is Securities Transfer Corporation, 2901 N. Dallas Parkway, Suite 380, Plano, Texas 75039. Its telephone number is (469) 633-0101

Exhibit 10.22

REVENUE INTEREST PURCHASE AGREEMENT

THIS REVENUE INTEREST PURCHASE AGREEMENT (the "Agreement") is entered into effective as of the 8th day of April, 2024 (the "Effective Date") by and between AMERICAN REBEL HOLDINGS, INC., a Nevada corporation ("AREB") with an address of 909 18th Avenue South, Suite A, Nashville, Tennessee, 37212, for purposes of notice hereunder; and, CHRISTOPHER ANDREW CREWS, an individual ("Crews"), with an address of 2008 Freda Lane, Cardiff, CA 92007, for purposes of notice hereunder. AREB and Crews are sometimes referred to collectively herein as the "Parties", and each individually as a "Party".

1. RECITALS:

A. AREB is a public company and a mandatory filer with the SEC pursuant to the Securities Exchange Act of 1934, as amended from time-to-time (the "Exchange Act").

B. AREB derives substantially all of its revenue through the sale of safe and storage products by its affiliated companies and subsidiaries, which includes, though is not limited to, Champion Safe Co., Inc.; Superior Safe, LLC; Safe Guard Security Products, LLC; and, Champion Safe De Mexico, S.A. de C.V. (collectively, the "Subsidiaries").

C. AREB has agreed to sell to Crews, and Crews has agreed to acquire from AREB, a continuing interest in the total of all revenue and other payments generated and otherwise received by AREB and the Subsidiaries (the "Revenue Interest") pursuant to the terms and conditions of this Agreement.

D. This Agreement and the Revenue Interest represents a "security", as that term is commonly defined under the applicable rules and regulations of the Securities Act of 1933, as amended from time-to-time (the "Securities Act"), and the Parties specifically intend that neither this Agreement nor the Revenue Interest constitute a debt instrument.

E. Crews has been given the opportunity to conduct all due diligence on AREB and the Revenue Interest to the complete satisfaction of Crews.

F. NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

2. PURCHASE OF REVENUE INTEREST:

2.1 **Purchase.** AREB shall sell, transfer, convey, and deliver to Crews, and Crews shall purchase from AREB, the Revenue Interest, pursuant to this Agreement.

2.2 **Purchase Price.** Crews hereby acquires the Revenue Interest for a purchase price of One Hundred Thousand Dollars (\$100,000), referred to herein as the “Purchase Price”.

2.3 **Payment.** The Purchase Price shall be deemed paid in full upon AREB’s receipt of a wire transfer in immediately available funds in the amount of the Purchase Price. The Parties agree that full and adequate consideration for the Revenue Interest will have been paid upon receipt of the wire, and that Crews is not required to pay or deliver any additional payment or consideration for the Revenue Interest.

2.4 **Revenue Interest.** Commencing on 01 June 2024 (the “Commencement Date”) and continuing thereafter until all amounts due and payable in accordance with Section 3.1 are repaid (the “Pay-out Period”), AREB shall pay to Crews Ten Thousand Dollars (\$10,000) per calendar month from the monthly Collected Revenue, with the first payment to be paid on or before the 05 July 2024, and continuing thereafter on or before the fifth day of each succeeding month during the Pay-out Period. However, no such payment shall be due for the month in which the last payment of the Repurchase Price is tendered hereunder.

Page 1 of 8

2.5 **Collected Revenue.** For purposes of this Agreement, the term “Collected Revenue” shall be defined as the total of all revenue and other payments generated and otherwise received by AREB and the Subsidiaries from sales, less returns and discounts.

3. REPURCHASE OPTIONS:

3.1 **Repurchase Price.** The price to be paid for the exercise of an option under this Article III (the “Repurchase Price”) shall be equal to: (i) during the period starting on the Effective Date and ending on 31 May 2024 (the “Initial Period”), One Hundred Forty Thousand Dollars (\$140,000); and, (ii) starting on the Commencement Date and throughout the Pay-out Period, One Hundred Fifty-Four Thousand Dollars (\$154,000), referred to herein as the “Increased Amount”.

3.2 **Call Option.** At all times hereunder, AREB shall have the right to repurchase the Revenue Interest, in whole or in part, upon no less than two (2) days prior written notice by making a payment toward the Repurchase Price (as defined in Section 3.1, above) by wire transfer of immediately available funds. The Increased Amount shall be reduced by all amounts paid, if any, during the Initial Period.

3.3 **Put Option.** Crews shall have the right to require AREB to repurchase the Revenue Interest, in whole or in part, as follows:

(a) During and throughout the Initial Period, Crews may require AREB to pay to Crews five and fifteen hundredths percent (5.15%) of any and all amounts AREB receives under the Regulation A Offering Statement AREB has filed with the SEC (the “Reg A”).

(b) At all times hereunder, AREB shall timely comply with the notice requirements of Section 6.8, below.

(c) Each partial payment of the Repurchase Price shall be upon no less than two (2) days prior written notice from Crews to AREB, and shall reduce the percentage of the Revenue Interest pro rata. The Increased Amount shall be reduced by all amounts paid, if any, during the Initial Period.

(d) All payments under this Section 3.3 shall be in the form of a wire transfer of immediately available funds.

4. REPRESENTATIONS AND WARRANTIES OF AREB:

AREB represents and warrants to Crews that the representations and warranties contained in this Article 4 are true, correct, and complete as of the Effective Date, except as otherwise expressly provided for to the contrary herein:

4.1 **Organization.** AREB is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Nevada, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. AREB is not in violation or default of any of the provisions of its Certificate or Articles of Incorporation, Bylaws, or other organizational or charter documents. AREB is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any of the Transaction Documents; or, (ii) a material adverse effect on the ability of AREB to perform in any material respect on a timely basis its obligations under any of the Transaction Documents, and no proceeding of any kind has been instituted in any such jurisdiction revoking, limiting, or curtailing or seeking to revoke, limit, or curtail such power and authority or qualification.

4.2 **Execution and Performance of Agreement.** AREB has the requisite right, corporate power, authority, and capacity to enter into, execute, deliver, perform, and carry out the terms and conditions of this Agreement and (i) each of the Transaction Documents; and, (ii) each of the other instruments and agreements to be executed and delivered by AREB in connection with this Agreement, as well as all transactions contemplated hereunder. All requisite corporate proceedings have been taken and AREB has obtained all approvals, consents, and authorizations necessary to authorize the execution, delivery, and performance by AREB of this Agreement, and each of the Transaction Documents to which it is a party. This Agreement has been duly and validly executed and delivered by AREB and constitutes the valid, binding, and enforceable obligation of AREB, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditor’s rights generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law.

4.3 **Effect of Agreement.** The consummation by AREB of the transactions herein contemplated, including the execution, delivery and consummation of this Agreement and the Transaction Documents to which it is a party, will not:

(a) Violate any judgment, statute, law, code, act, order, writ, rule, ordinance, regulation, governmental consent or governmental requirement, or determination or decree of any arbitrator, court, or other governmental agency or administrative body, which now or at any time hereafter may be applicable to and enforceable against the relevant party, work, or activity in question or any part thereof (collectively, “**Requirement of Law**”) applicable to or binding upon AREB;

(b) Violate (i) the terms of the Articles of Incorporation or Bylaws of AREB; or, (ii) any material agreement, contract, mortgage, indenture, bond, bill, note, or other material instrument or writing binding upon AREB or to which AREB is subject; or

(c) Result in the breach of, constitute a default under, constitute an event which with notice or lapse of time, or both, would become a default under, or result in the creation of any lien, security interest, charge or encumbrance upon any of the assets of AREB under any agreement, commitment, contract (written or oral) or other instrument to which AREB is a party, or by which any of its assets are bound or affected.

4.4 **Litigation.** There are no investigations, actions, suits, proceedings, administrative actions, or any similar actions threatened or pending that affects the sale of the Revenue Interest, or to the best knowledge of AREB, any of same regarding AREB.

4.5 **Insolvency.** AREB is not insolvent, is not in receivership, nor is any application for receivership pending; no proceedings are pending by or against it in bankruptcy or reorganization in any state or federal court; nor has it committed any act to bankruptcy.

4.6 **Broker Fee.** There has been no act or omission by AREB which would give rise to any valid claim against any of the Parties for a brokerage commission, finder’s fee, or other in-kind payment in connection with the transactions contemplated hereunder.

4.7 **Reliance.** AREB recognizes, understands, and agrees that Crews will be relying on the full accuracy of the above representations, warranties, covenants, and agreements in effectuating the transactions contemplated hereunder.

5. REPRESENTATIONS AND WARRANTIES OF CREWS:

Crews represents and warrants to AREB that the representations and warranties contained in this Article 5 are true, correct, and complete as of the Effective Date, except as otherwise expressly provided for to the contrary herein:

5.1 **Organization.** Crews is a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of California, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Crews is not in violation or default of any of the provisions of its Articles of Organization, Operating Agreement, or other organizational or charter documents. Crews is duly qualified to conduct business and is in good standing as a foreign entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any of the Transaction Documents; or, (ii) a material adverse effect on the ability of Crews to perform in any material respect on a timely basis its obligations under any of the Transaction Documents, and no proceeding of any kind has been instituted in any such jurisdiction revoking, limiting, or curtailing or seeking to revoke, limit, or curtail such power and authority or qualification.

5.2 **Execution and Performance of Agreement.** Crews has the requisite right, power, authority, and capacity to enter into, execute, deliver, perform, and carry out the terms and conditions of this Agreement and (i) each of the Transaction Documents; and, (ii) each of the other instruments and agreements to be executed and delivered by Crews in connection with this Agreement, as well as all transactions contemplated hereunder. All requisite proceedings have been taken and Crews has obtained all approvals, consents, and authorizations necessary to authorize the execution, delivery, and performance by Crews of this Agreement, and each of the Transaction Documents to which it is a party. This Agreement has been duly and validly executed and delivered by Crews and constitutes the valid, binding, and enforceable obligation of Crews, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditor's rights generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

5.3 **Effect of Agreement.** As of the Closing, the consummation by Crews of the transactions herein contemplated, including the execution, delivery and consummation of this Agreement, will not:

- (a) Violate any Requirement of Law applicable to or binding upon Crews; or
- (b) Violate the terms of any material agreement, contract, mortgage, indenture, bond, bill, note, or other material instrument or writing binding upon Crews or to which Crews is subject.

5.4 **Status.**

(a) Crews has substantial experience in evaluating and investing in securities of companies similar to AREB and acknowledges that it can protect its own interests. Crews has such knowledge and experience in financial and business matters so it is capable of evaluating the merits and risks of acquiring the Revenue Interest.

(b) Crews is an "accredited investor" within the meaning of the Securities Act.

(c) The Revenue Interest is being acquired by Crews for its own account, for investment purposes only, and with no present intention of distributing, selling, or otherwise disposing of the Revenue Interest.

5.5 **Investigation.** Crews is purchasing the Revenue Interest based upon its own independent investigation and evaluation of AREB. Crews is expressly not relying on any oral representations made by AREB or AREB with regard to the Revenue Interest or AREB.

5.6 **Reliance.** Crews recognizes, understands, and agrees that AREB will be relying on the full accuracy of the above representations, warranties, covenants, and agreements in effectuating the transactions contemplated hereunder.

6. RELATED COVENANTS:

6.1 **Expenses.** All costs and expenses incurred or arising from the execution and performance of this Agreement and the purchase and sale described in this Agreement shall be borne by the Party incurring said expense.

6.2 **Taxes.** Crews and AREB shall bear the responsibility for their respective taxes, if any, arising out of the consummation of the transactions contemplated herein and for the filing of all necessary tax returns and reports with respect to such taxes.

6.3 **Transaction Documents.** The Parties agree to execute all additional documents reasonably required to effect the transactions envisioned hereunder (collectively, the “Transaction Documents”).

6.4 **Non-Circumvention.** AREB hereby covenants and agrees that it will not, by amendment of its Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, and will at all times in good faith carry out all the provisions of this Agreement and take all action as may be required to protect the rights of Crews hereunder.

6.5 **Illegality.** Nothing in this Agreement shall be construed or shall operate, either presently or prospectively, to require AREB to make any payment or do any act contrary to law. If it should be held that any amount payable hereunder is in excess of the maximum permitted by applicable law, the amount payable hereunder shall be reduced to the maximum amount permitted by applicable law, and any excess of the said maximum amount permitted by law shall be cancelled automatically.

6.6 **Reformation and Severability.** In the event any state, federal, or local law or regulation, now existing or enacted in the future, is interpreted by judicial decision, or a regulatory agency in such a manner as to indicate that the structure of this Agreement may be in violation of such laws or regulations, the Parties shall amend and reform this Agreement to the minimum extent necessary to preserve the underlying economic and financial arrangements between the Parties.

6.7 **Independent Legal Counsel.** The Parties to this Agreement warrant, represent, and agree that in executing this Agreement, each has done so with full knowledge of the rights each may have with respect to the other Party, and that each has received, or has had the opportunity to receive, independent legal advice as to these rights. Each of the Parties has executed this Agreement with full knowledge of these rights, and under no fraud, duress, or undue influence.

6.8 **Notice of Investment.** AREB shall provide written notice to Crews within one (1) day of each receipt of proceeds under the Reg A.

6.9 **Borrowings.** Except for the (i) Reg A; and (ii) other substantially similar revenue interest purchase agreements executed concurrently herewith (notwithstanding that neither the Reg A nor the other agreements are debt instruments), so long as Crews owns the Revenue Interest, AREB shall not, without the express written consent of Crews, in its sole and absolute discretion, raise any proceeds in the form of debt or debt-like securities or obligations.

6.10 **Events of Default.** The occurrence of any of the following shall each constitute an “Event of Default” with no right to notice or the right to cure except as specifically stated:

- (a) AREB fails to pay to Crews any amounts when due hereunder.
- (b) AREB breaches any covenant or other term or condition contained in this Agreement or in any of the Transaction Documents.
- (c) Any representation or warranty of AREB made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith, shall be false or misleading in any respect when made.
- (d) AREB shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed.
- (e) Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against AREB or any subsidiary of AREB, or AREB admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy. However, any disclosure of AREB’s ability to continue as a “going concern” shall not be an admission that AREB cannot pay its debts as they become due.

(f) AREB shall fail to maintain the listing of its Common Stock on at least one of the OTCQB, OTC Pink or an equivalent replacement exchange, the Nasdaq Capital Market, the New York Stock Exchange, or the NYSE American.

(g) AREB shall fail to comply with the reporting requirements of the Exchange Act; and/or AREB shall cease to be subject to the reporting requirements of the Exchange Act.

(h) Any dissolution, liquidation, or winding up of AREB or any substantial portion of its business.

(i) Any cessation of operations by AREB or AREB admits it is otherwise generally unable to pay its debts as such debts become due, provided,

(j) Any Event of Default under any other agreement executed by AREB containing terms substantially similar to this Agreement.

Upon the occurrence of any Event of Default, exercisable through the delivery of written notice to AREB by Crews, the Increased Amount plus an additional twenty-five percent (25%) of the Increased Amount shall be immediately due and payable, in addition to any and all other amounts due under Section 7.6, below.

7. ADDITIONAL PROVISIONS:

7.1 **Entire Agreement.** This Agreement, and all references, documents, or instruments referred to herein, contains the entire agreement and understanding of the Parties in respect to the subject matter contained herein. The Parties have expressly not relied upon any promises, representations, warranties, agreements, covenants, or undertakings, other than those expressly set forth or referred to herein. This Agreement supersedes (i) any and all prior written or oral agreements, understandings, and negotiations between the Parties with respect to the subject matter contained herein; and, (ii) any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

7.2 **Severability.** Each provision herein is severable and independent of any other term or provision of this Agreement. If any term or provision hereof is held void or invalid for any reason by a court of competent jurisdiction, such invalidity shall not affect the remainder of this Agreement.

7.3 **Governing Law.** This Agreement shall be governed by the laws of the State of Texas, without giving effect to any choice or conflict of law provision or rule (whether of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. If any court action is necessary to enforce the terms and conditions of this Agreement, the Parties hereby agree that the state or federal courts in Bexar County, Texas, shall be the sole jurisdiction and venue for the bringing of such action.

7.4 **Enforcement.** The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, it is agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled at law or in equity. The remedies of the Parties under this Agreement are cumulative and shall not exclude any other remedies to which any person may be lawfully entitled.

7.5 **Waiver.** No failure by any Party to insist on the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy on a breach shall constitute a waiver of any such breach or of any other covenant, duty, agreement, or condition.

7.6 **Recovery of Fees by Prevailing Party.** In the event of any legal action (including arbitration) to enforce or interpret the provisions of this Agreement, the non-prevailing Party shall pay the reasonable attorneys' fees and other costs and expenses, including expert witness fees, of the prevailing Party in such amount as the court shall determine, as well as same incurred by the prevailing Party in enforcing, or on appeal from, a judgment in favor of the prevailing Party. The preceding sentence is intended by the Parties to be severable from the other provisions of this Agreement and to survive and not be merged into such judgment.

7.7 **Recitals.** The facts recited in Article 2, above, are hereby conclusively presumed to be true as between and affecting the Parties.

7.8 **Amendment.** This Agreement may be amended or modified only by a writing signed by all Parties.

7.9 **Successors and Assigns.** Except as expressly provided in this Agreement, each and all of the covenants, terms, provisions, conditions, and agreements herein contained shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties. This Agreement is not assignable by either Party without the expressed written consent of all Parties.

7.10 **Provision Not Construed Against Party Drafting Agreement.** This Agreement is the result of negotiations by and between the Parties; is the product of the work and efforts of all Parties; and, shall be deemed to have been drafted by all Parties. Each Party has had the opportunity to be represented by independent legal counsel of its choice. In the event of a dispute, no Party may claim that any provision should be construed against any other Party by reason of the fact that it was drafted by one particular Party.

7.11 **Further Assurances.** Each Party agrees (i) to furnish upon request to each other Party such further information; (ii) to execute and deliver to each other Party such other documents; and, (iii) to do such other acts and things, all as another Party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions envisioned hereunder. However, this provision shall not require that any additional representations or warranties be made and no Party shall be required to incur any material expense or potential exposure to legal liability pursuant to this Section 7.11.

7.12 **Best Efforts.** Each Party shall cooperate in good faith with the other Parties generally, and in particular, the Parties shall use and exercise their best efforts, taking all reasonable, ordinary and necessary measures to ensure an orderly and smooth relationship under this Agreement, and further agree to work together and negotiate in good faith to resolve any differences or problems which may arise in the future. However, the obligations under this Section 7.12 shall not include any obligation to incur substantial expense or liability.

7.13 **Definitional Provisions.** For purposes of this Agreement, (i) those words, names, or terms which are specifically defined herein shall have the meaning specifically ascribed to them; (ii) wherever from the context it appears appropriate, each term stated either in the singular or plural shall include the singular and plural; (iii) wherever from the context it appears appropriate, the masculine, feminine, or neuter gender, shall each include the others; (iv) the words “hereof”, “herein”, “hereunder”, and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, and not to any particular provision of this Agreement; (v) all references to “Dollars” or “\$” shall be construed as being United States Dollars; (vi) the term “including” is not limiting and means “including without limitation”; and, (vii) all references to all statutes, statutory provisions, regulations, or similar administrative provisions shall be construed as a reference to such statute, statutory provision, regulation, or similar administrative provision as in force at the date of this Agreement and as may be subsequently amended.

8. EXECUTION: This Agreement may be executed in any number of counterparts, all of which when taken together shall be considered one and the same agreement, it being understood that all Parties need not sign the same counterpart. In the event that any signature is delivered by Fax or E-Mail such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such Fax or E-Mail were an original thereof.

Page 7 of 8

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties, and shall be effective as of and on the Effective Date. Each of the undersigned Parties hereby represents and warrants that it (i) has the requisite power and authority to enter into and carry out the terms and conditions of this Agreement, as well as all transactions contemplated hereunder; and, (ii) it is duly authorized and empowered to execute and deliver this Agreement.

AREB:

AMERICAN REBEL HOLDINGS, INC.,

a Nevada corporation

BY: /s/ Charles A. Ross Jr

NAME: Charles A. Ross Jr

TITLE: CEO

DATED: 4/7/2024

CHRISTOPHER ANDREW CREWS:

BY: /s/ Christopher Andrew Crews

DATED: 4/8/2024

Page 8 of 8

Exhibit 10.23

REVENUE INTEREST PURCHASE AGREEMENT

THIS REVENUE INTEREST PURCHASE AGREEMENT (the "**Agreement**") is entered into effective as of the ____ day of April, 2024 (the "**Effective Date**") by and between AMERICAN REBEL HOLDINGS, INC., a Nevada corporation ("**AREB**") with an address of 909 18th Avenue South, Suite A, Nashville, Tennessee, 37212, for purposes of notice hereunder; **and**, JMSK BUTLER, LLC, a Colorado limited liability company ("**JMSK**"), with an address of 25430 Rainbow Ridge, Oak Creek, Colorado, 80467, for purposes of notice hereunder. AREB and JMSK are sometimes referred to collectively herein as the "**Parties**", and each individually as a "**Party**".

1. RECITALS:

A. AREB is a public company and a mandatory filer with the SEC pursuant to the Securities Exchange Act of 1934, as amended from time-to-time (the "**Exchange Act**").

B. AREB derives substantially all of its revenue through the sale of safe and storage products by its affiliated companies and subsidiaries, which includes, though is not limited to, Champion Safe Co., Inc.; Superior Safe, LLC; Safe Guard Security Products, LLC; and, Champion Safe De Mexico, S.A. de C.V. (collectively, the "**Subsidiaries**").

C. AREB has agreed to sell to JMSK, and JMSK has agreed to acquire from AREB, a continuing interest in the total of all revenue and other payments generated and otherwise received by AREB and the Subsidiaries (the "**Revenue Interest**") pursuant to the terms and conditions of this Agreement.

D. This Agreement and the Revenue Interest represents a "security", as that term is commonly defined under the applicable rules and regulations of the Securities Act of 1933, as amended from time-to-time (the "**Securities Act**"), and the Parties specifically intend that neither this Agreement nor the Revenue Interest constitute a debt instrument.

E. JMSK has been given the opportunity to conduct all due diligence on AREB and the Revenue Interest to the complete satisfaction of JMSK.

F. NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

2. PURCHASE OF REVENUE INTEREST:

2.1 **Purchase.** AREB shall sell, transfer, convey, and deliver to JMSK, and JMSK shall purchase from AREB, the Revenue Interest, pursuant to this Agreement.

2.2 **Purchase Price.** JMSK hereby acquires the Revenue Interest for a purchase price of Three Hundred Thousand Dollars (\$300,000), referred to herein as the "**Purchase Price**".

2.3 **Payment.** The Purchase Price shall be deemed paid in full upon AREB's receipt of a wire transfer in immediately available funds in the amount of the Purchase Price. The Parties agree that full and adequate consideration for the Revenue Interest will have been paid upon receipt of the wire, and that JMSK is not required to pay or deliver any additional payment or consideration for the Revenue Interest.

2.4 **Revenue Interest.** Commencing on 01 June 2024 (the "**Commencement Date**") and continuing thereafter until all amounts due and payable in accordance with Section 3.1 are repaid (the "**Pay-out Period**"), AREB shall pay to JMSK Thirty Thousand Dollars (\$30,000) per calendar month from the monthly Collected Revenue, with the first payment to be paid on or before the 05 July 2024, and continuing thereafter on or before the fifth day of each succeeding month during the Pay-out Period. However, no such payment shall be due for the month in which the last payment of the Repurchase Price is tendered hereunder.

Page 1 of 8

2.5 **Collected Revenue.** For purposes of this Agreement, the term “Collected Revenue” shall be defined as the total of all revenue and other payments generated and otherwise received by AREB and the Subsidiaries from sales, less returns and discounts.

3. REPURCHASE OPTIONS:

3.1 **Repurchase Price.** The price to be paid for the exercise of an option under this Article III (the “Repurchase Price”) shall be equal to: (i) during the period starting on the Effective Date and ending on 31 May 2024 (the “Initial Period”), Four Hundred Twenty Thousand Dollars (\$420,000); and, (ii) starting on the Commencement Date and throughout the Pay-out Period, Four Hundred Sixty-Two Thousand Dollars (\$462,000), referred to herein as the “Increased Amount”.

3.2 **Call Option.** At all times hereunder, AREB shall have the right to repurchase the Revenue Interest, in whole or in part, upon no less than two (2) days prior written notice by making a payment toward the Repurchase Price (as defined in Section 3.1, above) by wire transfer of immediately available funds. The Increased Amount shall be reduced by all amounts paid, if any, during the Initial Period.

3.3 **Put Option.** JMSK shall have the right to require AREB to repurchase the Revenue Interest, in whole or in part, as follows:

(a) During and throughout the Initial Period, JMSK may require AREB to pay to JMSK fifteen and forty-five hundredths percent (15.45%) of any and all amounts AREB receives under the Regulation A Offering Statement AREB has filed with the SEC (the “Reg A”).

(b) At all times hereunder, AREB shall timely comply with the notice requirements of Section 6.8, below.

(c) Each partial payment of the Repurchase Price shall be upon no less than two (2) days prior written notice from JMSK to AREB, and shall reduce the percentage of the Revenue Interest pro rata. The Increased Amount shall be reduced by all amounts paid, if any, during the Initial Period.

(d) All payments under this Section 3.3 shall be in the form of a wire transfer of immediately available funds.

4. REPRESENTATIONS AND WARRANTIES OF AREB:

AREB represents and warrants to JMSK that the representations and warranties contained in this Article 4 are true, correct, and complete as of the Effective Date, except as otherwise expressly provided for to the contrary herein:

4.1 **Organization.** AREB is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Nevada, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. AREB is not in violation or default of any of the provisions of its Certificate or Articles of Incorporation, Bylaws, or other organizational or charter documents. AREB is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any of the Transaction Documents; or, (ii) a material adverse effect on the ability of AREB to perform in any material respect on a timely basis its obligations under any of the Transaction Documents, and no proceeding of any kind has been instituted in any such jurisdiction revoking, limiting, or curtailing or seeking to revoke, limit, or curtail such power and authority or qualification.

4.2 **Execution and Performance of Agreement.** AREB has the requisite right, corporate power, authority, and capacity to enter into, execute, deliver, perform, and carry out the terms and conditions of this Agreement and (i) each of the Transaction Documents; and, (ii) each of the other instruments and agreements to be executed and delivered by AREB in connection with this Agreement, as well as all transactions contemplated hereunder. All requisite corporate proceedings have been taken and AREB has obtained all approvals, consents, and authorizations necessary to authorize the execution, delivery, and performance by AREB of this Agreement, and each of the Transaction Documents to which it is a party. This Agreement has been duly and validly executed and delivered by AREB and constitutes the valid, binding, and enforceable obligation of AREB, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditor’s rights generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

4.3 **Effect of Agreement.** The consummation by AREB of the transactions herein contemplated, including the execution, delivery and consummation of this Agreement and the Transaction Documents to which it is a party, will not:

(a) Violate any judgment, statute, law, code, act, order, writ, rule, ordinance, regulation, governmental consent or governmental requirement, or determination or decree of any arbitrator, court, or other governmental agency or administrative body, which now or at any time hereafter may be applicable to and enforceable against the relevant party, work, or activity in question or any part thereof (collectively, “**Requirement of Law**”) applicable to or binding upon AREB;

(b) Violate (i) the terms of the Articles of Incorporation or Bylaws of AREB; or, (ii) any material agreement, contract, mortgage, indenture, bond, bill, note, or other material instrument or writing binding upon AREB or to which AREB is subject; or

(c) Result in the breach of, constitute a default under, constitute an event which with notice or lapse of time, or both, would become a default under, or result in the creation of any lien, security interest, charge or encumbrance upon any of the assets of AREB under any agreement, commitment, contract (written or oral) or other instrument to which AREB is a party, or by which any of its assets are bound or affected.

4.4 **Litigation.** There are no investigations, actions, suits, proceedings, administrative actions, or any similar actions threatened or pending that affects the sale of the Revenue Interest, or to the best knowledge of AREB, any of same regarding AREB.

4.5 **Insolvency.** AREB is not insolvent, is not in receivership, nor is any application for receivership pending; no proceedings are pending by or against it in bankruptcy or reorganization in any state or federal court; nor has it committed any act to bankruptcy.

4.6 **Broker Fee.** There has been no act or omission by AREB which would give rise to any valid claim against any of the Parties for a brokerage commission, finder’s fee, or other in-kind payment in connection with the transactions contemplated hereunder.

4.7 **Reliance.** AREB recognizes, understands, and agrees that JMSK will be relying on the full accuracy of the above representations, warranties, covenants, and agreements in effectuating the transactions contemplated hereunder.

5. REPRESENTATIONS AND WARRANTIES OF JMSK:

JMSK represents and warrants to AREB that the representations and warranties contained in this Article 5 are true, correct, and complete as of the Effective Date, except as otherwise expressly provided for to the contrary herein:

5.1 **Organization.** JMSK is a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Colorado, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. JMSK is not in violation or default of any of the provisions of its Articles of Organization, Operating Agreement, or other organizational or charter documents. JMSK is duly qualified to conduct business and is in good standing as a foreign entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any of the Transaction Documents; or, (ii) a material adverse effect on the ability of JMSK to perform in any material respect on a timely basis its obligations under any of the Transaction Documents, and no proceeding of any kind has been instituted in any such jurisdiction revoking, limiting, or curtailing or seeking to revoke, limit, or curtail such power and authority or qualification.

5.2 **Execution and Performance of Agreement.** JMSK has the requisite right, power, authority, and capacity to enter into, execute, deliver, perform, and carry out the terms and conditions of this Agreement and (i) each of the Transaction Documents; and, (ii) each of the other instruments and agreements to be executed and delivered by JMSK in connection with this Agreement, as well as all transactions contemplated hereunder. All requisite proceedings have been taken and JMSK has obtained all approvals, consents, and authorizations necessary to authorize the execution, delivery, and performance by JMSK of this Agreement, and each of the Transaction Documents to which it is a party. This Agreement has been duly and validly executed and delivered by JMSK and constitutes the valid, binding, and enforceable obligation of JMSK, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditor's rights generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

5.3 **Effect of Agreement.** As of the Closing, the consummation by JMSK of the transactions herein contemplated, including the execution, delivery and consummation of this Agreement, will not:

- (a) Violate any Requirement of Law applicable to or binding upon JMSK; or
- (b) Violate the terms of (i) the Articles of Organization, Operating Agreement, or any other governance agreement of JMSK; or, (ii) any material agreement, contract, mortgage, indenture, bond, bill, note, or other material instrument or writing binding upon JMSK or to which JMSK is subject.

5.4 **Status.**

(a) JMSK has substantial experience in evaluating and investing in securities of companies similar to AREB and acknowledges that it can protect its own interests. JMSK has such knowledge and experience in financial and business matters so it is capable of evaluating the merits and risks of acquiring the Revenue Interest.

(b) JMSK is an "accredited investor" within the meaning of the Securities Act.

(c) The Revenue Interest is being acquired by JMSK for its own account, for investment purposes only, and with no present intention of distributing, selling, or otherwise disposing of the Revenue Interest.

5.5 **Investigation.** JMSK is purchasing the Revenue Interest based upon its own independent investigation and evaluation of AREB. JMSK is expressly not relying on any oral representations made by AREB or AREB with regard to the Revenue Interest or AREB.

5.6 **Reliance.** JMSK recognizes, understands, and agrees that AREB will be relying on the full accuracy of the above representations, warranties, covenants, and agreements in effectuating the transactions contemplated hereunder.

6. RELATED COVENANTS:

6.1 **Expenses.** All costs and expenses incurred or arising from the execution and performance of this Agreement and the purchase and sale described in this Agreement shall be borne by the Party incurring said expense.

6.2 **Taxes.** JMSK and AREB shall bear the responsibility for their respective taxes, if any, arising out of the consummation of the transactions contemplated herein and for the filing of all necessary tax returns and reports with respect to such taxes.

6.3 **Transaction Documents.** The Parties agree to execute all additional documents reasonably required to effect the transactions envisioned hereunder (collectively, the “Transaction Documents”).

6.4 **Non-Circumvention.** AREB hereby covenants and agrees that it will not, by amendment of its Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, and will at all times in good faith carry out all the provisions of this Agreement and take all action as may be required to protect the rights of JMSK hereunder.

6.5 **Illegality.** Nothing in this Agreement shall be construed or shall operate, either presently or prospectively, to require AREB to make any payment or do any act contrary to law. If it should be held that any amount payable hereunder is in excess of the maximum permitted by applicable law, the amount payable hereunder shall be reduced to the maximum amount permitted by applicable law, and any excess of the said maximum amount permitted by law shall be cancelled automatically.

6.6 **Reformation and Severability.** In the event any state, federal, or local law or regulation, now existing or enacted in the future, is interpreted by judicial decision, or a regulatory agency in such a manner as to indicate that the structure of this Agreement may be in violation of such laws or regulations, the Parties shall amend and reform this Agreement to the minimum extent necessary to preserve the underlying economic and financial arrangements between the Parties.

6.7 **Independent Legal Counsel.** The Parties to this Agreement warrant, represent, and agree that in executing this Agreement, each has done so with full knowledge of the rights each may have with respect to the other Party, and that each has received, or has had the opportunity to receive, independent legal advice as to these rights. Each of the Parties has executed this Agreement with full knowledge of these rights, and under no fraud, duress, or undue influence.

6.8 **Notice of Investment.** AREB shall provide written notice to JMSK within one (1) day of each receipt of proceeds under the Reg A.

6.9 **Borrowings.** Except for the (i) Reg A; and (ii) other substantially similar revenue interest purchase agreements executed concurrently herewith (notwithstanding that neither the Reg A nor the other agreements are debt instruments), so long as JMSK owns the Revenue Interest, AREB shall not, without the express written consent of JMSK, in its sole and absolute discretion, raise any proceeds in the form of debt or debt-like securities or obligations.

6.10 **Events of Default.** The occurrence of any of the following shall each constitute an “Event of Default” with no right to notice or the right to cure except as specifically stated:

- (a) AREB fails to pay to JMSK any amounts when due hereunder.
- (b) AREB breaches any covenant or other term or condition contained in this Agreement or in any of the Transaction Documents.
- (c) Any representation or warranty of AREB made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith, shall be false or misleading in any respect when made.
- (d) AREB shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed.
- (e) Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against AREB or any subsidiary of AREB, or AREB admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy. However, any disclosure of AREB’s ability to continue as a “going concern” shall not be an admission that AREB cannot pay its debts as they become due.

(f) AREB shall fail to maintain the listing of its Common Stock on at least one of the OTCQB, OTC Pink or an equivalent replacement exchange, the Nasdaq Capital Market, the New York Stock Exchange, or the NYSE American.

(g) AREB shall fail to comply with the reporting requirements of the Exchange Act; and/or AREB shall cease to be subject to the reporting requirements of the Exchange Act.

(h) Any dissolution, liquidation, or winding up of AREB or any substantial portion of its business.

(i) Any cessation of operations by AREB or AREB admits it is otherwise generally unable to pay its debts as such debts become due, provided,

(j) Any Event of Default under any other agreement executed by AREB containing terms substantially similar to this Agreement.

Upon the occurrence of any Event of Default, exercisable through the delivery of written notice to AREB by JMSK, the Increased Amount plus an additional twenty-five percent (25%) of the Increased Amount shall be immediately due and payable, in addition to any and all other amounts due under Section 7.6, below.

7. ADDITIONAL PROVISIONS:

7.1 **Entire Agreement.** This Agreement, and all references, documents, or instruments referred to herein, contains the entire agreement and understanding of the Parties in respect to the subject matter contained herein. The Parties have expressly not relied upon any promises, representations, warranties, agreements, covenants, or undertakings, other than those expressly set forth or referred to herein. This Agreement supersedes (i) any and all prior written or oral agreements, understandings, and negotiations between the Parties with respect to the subject matter contained herein; and, (ii) any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

7.2 **Severability.** Each provision herein is severable and independent of any other term or provision of this Agreement. If any term or provision hereof is held void or invalid for any reason by a court of competent jurisdiction, such invalidity shall not affect the remainder of this Agreement.

7.3 **Governing Law.** This Agreement shall be governed by the laws of the State of Texas, without giving effect to any choice or conflict of law provision or rule (whether of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. If any court action is necessary to enforce the terms and conditions of this Agreement, the Parties hereby agree that the state or federal courts in Bexar County, Texas, shall be the sole jurisdiction and venue for the bringing of such action.

7.4 **Enforcement.** The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, it is agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled at law or in equity. The remedies of the Parties under this Agreement are cumulative and shall not exclude any other remedies to which any person may be lawfully entitled.

7.5 **Waiver.** No failure by any Party to insist on the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy on a breach shall constitute a waiver of any such breach or of any other covenant, duty, agreement, or condition.

7.6 **Recovery of Fees by Prevailing Party.** In the event of any legal action (including arbitration) to enforce or interpret the provisions of this Agreement, the non-prevailing Party shall pay the reasonable attorneys' fees and other costs and expenses, including expert witness fees, of the prevailing Party in such amount as the court shall determine, as well as same incurred by the prevailing Party in enforcing, or on appeal from, a judgment in favor of the prevailing Party. The preceding sentence is intended by the Parties to be severable from the other provisions of this Agreement and to survive and not be merged into such judgment.

7.7 **Recitals.** The facts recited in Article 2, above, are hereby conclusively presumed to be true as between and affecting the Parties.

7.8 **Amendment.** This Agreement may be amended or modified only by a writing signed by all Parties.

7.9 **Successors and Assigns.** Except as expressly provided in this Agreement, each and all of the covenants, terms, provisions, conditions, and agreements herein contained shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties. This Agreement is not assignable by either Party without the expressed written consent of all Parties.

7.10 **Provision Not Construed Against Party Drafting Agreement.** This Agreement is the result of negotiations by and between the Parties; is the product of the work and efforts of all Parties; and, shall be deemed to have been drafted by all Parties. Each Party has had the opportunity to be represented by independent legal counsel of its choice. In the event of a dispute, no Party may claim that any provision should be construed against any other Party by reason of the fact that it was drafted by one particular Party.

7.11 **Further Assurances.** Each Party agrees (i) to furnish upon request to each other Party such further information; (ii) to execute and deliver to each other Party such other documents; and, (iii) to do such other acts and things, all as another Party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions envisioned hereunder. However, this provision shall not require that any additional representations or warranties be made and no Party shall be required to incur any material expense or potential exposure to legal liability pursuant to this Section 7.11.

7.12 **Best Efforts.** Each Party shall cooperate in good faith with the other Parties generally, and in particular, the Parties shall use and exercise their best efforts, taking all reasonable, ordinary and necessary measures to ensure an orderly and smooth relationship under this Agreement, and further agree to work together and negotiate in good faith to resolve any differences or problems which may arise in the future. However, the obligations under this Section 7.12 shall not include any obligation to incur substantial expense or liability.

7.13 **Definitional Provisions.** For purposes of this Agreement, (i) those words, names, or terms which are specifically defined herein shall have the meaning specifically ascribed to them; (ii) wherever from the context it appears appropriate, each term stated either in the singular or plural shall include the singular and plural; (iii) wherever from the context it appears appropriate, the masculine, feminine, or neuter gender, shall each include the others; (iv) the words "hereof", "herein", "hereunder", and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, and not to any particular provision of this Agreement; (v) all references to "Dollars" or "\$" shall be construed as being United States Dollars; (vi) the term "including" is not limiting and means "including without limitation"; and, (vii) all references to all statutes, statutory provisions, regulations, or similar administrative provisions shall be construed as a reference to such statute, statutory provision, regulation, or similar administrative provision as in force at the date of this Agreement and as may be subsequently amended.

8. EXECUTION: This Agreement may be executed in any number of counterparts, all of which when taken together shall be considered one and the same agreement, it being understood that all Parties need not sign the same counterpart. In the event that any signature is delivered by Fax or E-Mail such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such Fax or E-Mail were an original thereof.

Page 7 of 8

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties, and shall be effective as of and on the Effective Date. Each of the undersigned Parties hereby represents and warrants that it (i) has the requisite power and authority to enter into and carry out the terms and conditions of this Agreement, as well as all transactions contemplated hereunder; and, (ii) it is duly authorized and empowered to execute and deliver this Agreement.

AREB:

AMERICAN REBEL HOLDINGS, INC.,
a Nevada corporation

BY: /s/ Charles Andrew Ross Jr

NAME: Charles Andrew Ross Jr

TITLE: CEO

DATED: 4/9/2024

JMSK:

JMSK BUTLER, LLC,
a Colorado limited liability company

BY: /s/ Steven Butler

NAME: Steven Butler

TITLE: Co-Trustee

DATED: 4/10/2024

Page 8 of 8

Exhibit 10.24

REVENUE INTEREST PURCHASE AGREEMENT

THIS REVENUE INTEREST PURCHASE AGREEMENT (the "Agreement") is entered into effective as of the ___ day of April, 2024 (the "Effective Date") by and between AMERICAN REBEL HOLDINGS, INC., a Nevada corporation ("AREB") with an address of 909 18th Avenue South, Suite A, Nashville, Tennessee, 37212, for purposes of notice hereunder; **and**, STEVEN BUTLER, an individual residing in the State of California ("Butler"), with an address of 1332 Summit Ave., Cardiff, California, 92007, for purposes of notice hereunder. AREB and Butler are sometimes referred to collectively herein as the "Parties", and each individually as a "Party".

1. RECITALS:

A. AREB is a public company and a mandatory filer with the SEC pursuant to the Securities Exchange Act of 1934, as amended from time-to-time (the "Exchange Act").

B. AREB derives substantially all of its revenue through the sale of safe and storage products by its affiliated companies and subsidiaries, which includes, though is not limited to, Champion Safe Co., Inc.; Superior Safe, LLC; Safe Guard Security Products, LLC; and, Champion Safe De Mexico, S.A. de C.V. (collectively, the "Subsidiaries").

C. AREB has agreed to sell to Butler, and Butler has agreed to acquire from AREB, a continuing interest in the total of all revenue and other payments generated and otherwise received by AREB and the Subsidiaries (the "Revenue Interest") pursuant to the terms and conditions of this Agreement.

D. This Agreement and the Revenue Interest represents a "security", as that term is commonly defined under the applicable rules and regulations of the Securities Act of 1933, as amended from time-to-time (the "Securities Act"), and the Parties specifically intend that neither this Agreement nor the Revenue Interest constitute a debt instrument.

E. Butler has been given the opportunity to conduct all due diligence on AREB and the Revenue Interest to the complete satisfaction of Butler.

F. **NOW, THEREFORE**, in consideration of the promises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

2. PURCHASE OF REVENUE INTEREST:

2.1 **Purchase.** AREB shall sell, transfer, convey, and deliver to Butler, and Butler shall purchase from AREB, the Revenue Interest, pursuant to this Agreement.

2.2 **Purchase Price.** Butler hereby acquires the Revenue Interest for a purchase price of Seventy-Five Thousand Dollars (\$75,000), referred to herein as the "Purchase Price".

2.3 **Payment.** The Purchase Price shall be deemed paid in full upon AREB's receipt of a wire transfer in immediately available funds in the amount of the Purchase Price. The Parties agree that full and adequate consideration for the Revenue Interest will have been paid upon receipt of the wire, and that Butler is not required to pay or deliver any additional payment or consideration for the Revenue Interest.

2.4 **Revenue Interest.** Commencing on 01 June 2024 (the "Commencement Date") and continuing thereafter until all amounts due and payable in accordance with Section 3.1 are repaid (the "Pay-out Period"), AREB shall pay to Butler Seven Thousand Five Hundred Dollars (\$7,500) per calendar month from the monthly Collected Revenue, with the first payment to be paid on or before the 05 July 2024, and continuing thereafter on or before the fifth day of each succeeding month during the Pay-out Period. However, no such payment shall be due for the month in which the last payment of the Repurchase Price is tendered hereunder.

Page 1 of 8

2.5 **Collected Revenue.** For purposes of this Agreement, the term “Collected Revenue” shall be defined as the total of all revenue and other payments generated and otherwise received by AREB and the Subsidiaries from sales, less returns and discounts.

3. REPURCHASE OPTIONS:

3.1 **Repurchase Price.** The price to be paid for the exercise of an option under this Article III (the “Repurchase Price”) shall be equal to: (i) during the period starting on the Effective Date and ending on 31 May 2024 (the “Initial Period”), One Hundred Five Thousand Dollars (\$105,000); and, (ii) starting on the Commencement Date and throughout the Pay-out Period, One Hundred Fifteen Thousand Five Hundred Dollars (\$115,500), referred to herein as the “Increased Amount”.

3.2 **Call Option.** At all times hereunder, AREB shall have the right to repurchase the Revenue Interest, in whole or in part, upon no less than two (2) days prior written notice by making a payment toward the Repurchase Price (as defined in Section 3.1, above) by wire transfer of immediately available funds. The Increased Amount shall be reduced by all amounts paid, if any, during the Initial Period.

3.3 **Put Option.** Butler shall have the right to require AREB to repurchase the Revenue Interest, in whole or in part, as follows:

(a) During and throughout the Initial Period, Butler may require AREB to pay to Butler three and eighty-sixth hundredths percent (3.86%) of any and all amounts AREB receives under the Regulation A Offering Statement AREB has filed with the SEC (the “Reg A”).

(b) At all times hereunder, AREB shall timely comply with the notice requirements of Section 6.8, below.

(c) Each partial payment of the Repurchase Price shall be upon no less than two (2) days prior written notice from Butler to AREB, and shall reduce the percentage of the Revenue Interest pro rata. The Increased Amount shall be reduced by all amounts paid, if any, during the Initial Period.

(d) All payments under this Section 3.3 shall be in the form of a wire transfer of immediately available funds.

4. REPRESENTATIONS AND WARRANTIES OF AREB:

AREB represents and warrants to Butler that the representations and warranties contained in this Article 4 are true, correct, and complete as of the Effective Date, except as otherwise expressly provided for to the contrary herein:

4.1 **Organization.** AREB is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Nevada, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. AREB is not in violation or default of any of the provisions of its Certificate of Incorporation, Bylaws, or other organizational or charter documents. AREB is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any of the Transaction Documents; or, (ii) a material adverse effect on the ability of AREB to perform in any material respect on a timely basis its obligations under any of the Transaction Documents, and no proceeding of any kind has been instituted in any such jurisdiction revoking, limiting, or curtailing or seeking to revoke, limit, or curtail such power and authority or qualification.

4.2 **Execution and Performance of Agreement.** AREB has the requisite right, corporate power, authority, and capacity to enter into, execute, deliver, perform, and carry out the terms and conditions of this Agreement and (i) each of the Transaction Documents; and, (ii) each of the other instruments and agreements to be executed and delivered by AREB in connection with this Agreement, as well as all transactions contemplated hereunder. All requisite corporate proceedings have been taken and AREB has obtained all approvals, consents, and authorizations necessary to authorize the execution, delivery, and performance by AREB of this Agreement, and each of the Transaction Documents to which it is a party. This Agreement has been duly and validly executed and delivered by AREB and constitutes the valid, binding, and enforceable obligation of AREB, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditor’s rights generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law.

4.3 **Effect of Agreement.** The consummation by AREB of the transactions herein contemplated, including the execution, delivery and consummation of this Agreement and the Transaction Documents to which it is a party, will not:

(a) Violate any judgment, statute, law, code, act, order, writ, rule, ordinance, regulation, governmental consent or governmental requirement, or determination or decree of any arbitrator, court, or other governmental agency or administrative body, which now or at any time hereafter may be applicable to and enforceable against the relevant party, work, or activity in question or any part thereof (collectively, “**Requirement of Law**”) applicable to or binding upon AREB;

(b) Violate (i) the terms of the Articles of Incorporation or Bylaws of AREB; or, (ii) any material agreement, contract, mortgage, indenture, bond, bill, note, or other material instrument or writing binding upon AREB or to which AREB is subject; or

(c) Result in the breach of, constitute a default under, constitute an event which with notice or lapse of time, or both, would become a default under, or result in the creation of any lien, security interest, charge or encumbrance upon any of the assets of AREB under any agreement, commitment, contract (written or oral) or other instrument to which AREB is a party, or by which any of its assets are bound or affected.

4.4 **Litigation.** There are no investigations, actions, suits, proceedings, administrative actions, or any similar actions threatened or pending that affects the sale of the Revenue Interest, or to the best knowledge of AREB, any of same regarding AREB.

4.5 **Insolvency.** AREB is not insolvent, is not in receivership, nor is any application for receivership pending; no proceedings are pending by or against it in bankruptcy or reorganization in any state or federal court; nor has it committed any act to bankruptcy.

4.6 **Broker Fee.** There has been no act or omission by AREB which would give rise to any valid claim against any of the Parties for a brokerage commission, finder’s fee, or other in-kind payment in connection with the transactions contemplated hereunder.

4.7 **Reliance.** AREB recognizes, understands, and agrees that Butler will be relying on the full accuracy of the above representations, warranties, covenants, and agreements in effectuating the transactions contemplated hereunder.

5. REPRESENTATIONS AND WARRANTIES OF BUTLER:

Butler represents and warrants to AREB that the representations and warranties contained in this Article 5 are true, correct, and complete as of the Effective Date, except as otherwise expressly provided for to the contrary herein:

5.1 **Organization.** Butler is an individual residing in the State of California, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

5.2 **Execution and Performance of Agreement.** Butler has the requisite right, power, authority, and capacity to enter into, execute, deliver, perform, and carry out the terms and conditions of this Agreement and (i) each of the Transaction Documents; and, (ii) each of the other instruments and agreements to be executed and delivered by Butler in connection with this Agreement, as well as all transactions contemplated hereunder. All requisite proceedings have been taken and Butler has obtained all approvals, consents, and authorizations necessary to authorize the execution, delivery, and performance by Butler of this Agreement, and each of the Transaction Documents to which it is a party. This Agreement has been duly and validly executed and delivered by Butler and constitutes the valid, binding, and enforceable obligation of Butler, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditor's rights generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

5.3 **Effect of Agreement.** As of the Closing, the consummation by Butler of the transactions herein contemplated, including the execution, delivery and consummation of this Agreement, will not:

- (a) Violate any Requirement of Law applicable to or binding upon Butler; or
- (b) Violate the terms of any material agreement, contract, mortgage, indenture, bond, bill, note, or other material instrument or writing binding upon Butler or to which Butler is subject.

5.4 **Status.**

(a) Butler has substantial experience in evaluating and investing in securities of companies similar to AREB and acknowledges that it can protect its own interests. Butler has such knowledge and experience in financial and business matters so it is capable of evaluating the merits and risks of acquiring the Revenue Interest.

(b) Butler is an "accredited investor" within the meaning of the Securities Act.

(c) The Revenue Interest is being acquired by Butler for its own account, for investment purposes only, and with no present intention of distributing, selling, or otherwise disposing of the Revenue Interest.

5.5 **Investigation.** Butler is purchasing the Revenue Interest based upon its own independent investigation and evaluation of AREB. Butler is expressly not relying on any oral representations made by AREB or AREB with regard to the Revenue Interest or AREB.

5.6 **Reliance.** Butler recognizes, understands, and agrees that AREB will be relying on the full accuracy of the above representations, warranties, covenants, and agreements in effectuating the transactions contemplated hereunder.

6. RELATED COVENANTS:

6.1 **Expenses.** All costs and expenses incurred or arising from the execution and performance of this Agreement and the purchase and sale described in this Agreement shall be borne by the Party incurring said expense.

6.2 **Taxes.** Butler and AREB shall bear the responsibility for their respective taxes, if any, arising out of the consummation of the transactions contemplated herein and for the filing of all necessary tax returns and reports with respect to such taxes.

6.3 **Transaction Documents.** The Parties agree to execute all additional documents reasonably required to effect the transactions envisioned hereunder (collectively, the “Transaction Documents”).

6.4 **Non-Circumvention.** AREB hereby covenants and agrees that it will not, by amendment of its Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, and will at all times in good faith carry out all the provisions of this Agreement and take all action as may be required to protect the rights of Butler hereunder.

6.5 **Illegality.** Nothing in this Agreement shall be construed or shall operate, either presently or prospectively, to require AREB to make any payment or do any act contrary to law. If it should be held that any amount payable hereunder is in excess of the maximum permitted by applicable law, the amount payable hereunder shall be reduced to the maximum amount permitted by applicable law, and any excess of the said maximum amount permitted by law shall be cancelled automatically.

6.6 **Reformation and Severability.** In the event any state, federal, or local law or regulation, now existing or enacted in the future, is interpreted by judicial decision, or a regulatory agency in such a manner as to indicate that the structure of this Agreement may be in violation of such laws or regulations, the Parties shall amend and reform this Agreement to the minimum extent necessary to preserve the underlying economic and financial arrangements between the Parties.

6.7 **Independent Legal Counsel.** The Parties to this Agreement warrant, represent, and agree that in executing this Agreement, each has done so with full knowledge of the rights each may have with respect to the other Party, and that each has received, or has had the opportunity to receive, independent legal advice as to these rights. Each of the Parties has executed this Agreement with full knowledge of these rights, and under no fraud, duress, or undue influence.

6.8 **Notice of Investment.** AREB shall provide written notice to Butler within one (1) day of each receipt of proceeds under the Reg A.

6.9 **Borrowings.** Except for the (i) Reg A; and (ii) other substantially similar revenue interest purchase agreements executed concurrently herewith (notwithstanding that neither the Reg A nor the other agreements are debt instruments), so long as Butler owns the Revenue Interest, AREB shall not, without the express written consent of Butler, in its sole and absolute discretion, raise any proceeds in the form of debt or debt-like securities or obligations.

6.10 **Events of Default.** The occurrence of any of the following shall each constitute an “Event of Default” with no right to notice or the right to cure except as specifically stated:

- (a) AREB fails to pay to Butler any amounts when due hereunder.
- (b) AREB breaches any covenant or other term or condition contained in this Agreement or in any of the Transaction Documents.
- (c) Any representation or warranty of AREB made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith, shall be false or misleading in any respect when made.
- (d) AREB shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed.
- (e) Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against AREB or any subsidiary of AREB, or AREB admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy. However, any disclosure of AREB’s ability to continue as a “going concern” shall not be an admission that AREB cannot pay its debts as they become due.

(f) AREB shall fail to maintain the listing of its Common Stock on at least one of the OTCQB, OTC Pink or an equivalent replacement exchange, the Nasdaq Capital Market, the New York Stock Exchange, or the NYSE American.

(g) AREB shall fail to comply with the reporting requirements of the Exchange Act; and/or AREB shall cease to be subject to the reporting requirements of the Exchange Act.

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(i) Any cessation of operations by AREB or AREB admits it is otherwise generally unable to pay its debts as such debts become due, provided,

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[SIGNATURES APPEAR ON NEXT PAGE]

Page 7 of 8

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AREB:

AMERICAN REBEL HOLDINGS, INC.,

a Nevada corporation

BY: /s/ Charles Andrew Ross Jr

NAME: Charles Andrew Ross Jr

TITLE: CEO

DATED: 4/9/2024

BUTLER:

/s/ STEVEN BUTLER

STEVEN BUTLER

DATED: 4/10/2024

Page 8 of 8

Exhibit 14.2

WHISTLEBLOWER POLICY

General

American Rebel Holdings, Inc. Code of Ethics and Conduct ("Code") requires directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all directors, officers, and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation

No director, officer, or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the organization prior to seeking resolution outside the organization.

Reporting Violations

The Code addresses the organization's open-door policy and suggests that employees share their questions, concerns, suggestions, or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with someone in the human resources department or anyone in management who you are comfortable approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to the organization's compliance officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the organization's open-door policy, individuals should contact the organization's compliance officer directly.

Compliance Officer

The organization's compliance officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his or her discretion, shall advise the chief executive and/or the audit committee. The compliance officer has direct access to the audit committee of the board and is required to report to the audit committee at least annually on compliance activity. The organization's compliance officer is the chair of the audit committee.

Accounting and Auditing Matters

The audit committee of the board shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The compliance officer shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

The compliance officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within ten business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

/s/ C. Stephen Cochennet

Audit Committee Compliance Officer

Subsidiaries of American Rebel Holdings, Inc.
As of **December 31, 2022** December 31, 2023

Name of Subsidiary	State/Country of Incorporation	Percentage Ownership	Status
American Rebel, Inc.	Nevada-USA	100%	Operating
American Rebel Beverages, LLC	Nevada-USA	100%	Operating
Champion Safe Company, Inc.	Utah-USA	100%	Operating
Superior Safe, LLC	Utah-USA	100%	Operating
Safe Guard Security Products, LLC	Utah-USA	100%	Operating
Champion Safe De Mexico, S.A. de C.V.	Mexico	99% 98%	Operating

CERTIFICATIONS

I, Charles A. Ross, Jr., certify that:

1. I have reviewed this report on Form 10-K of American Rebel Holdings, Inc. (the “Company”) for the year ended **December 31, 2022** December 31, 2023;
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 Company as of, and for, the periods presented in this report;
4. I am 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 Company, including its 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 Company’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 Company’s internal control over financial reporting that occurred during the Company’s most recent fiscal quarter (the Company’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’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 Company’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 Company's internal control over financial reporting.

Date: April 14, 2023 12, 2024

By: /s/ Charles A. Ross, Jr.

Charles A. Ross, Jr.
Chief Executive Officer, Principal Executive
Officer and Principal Financial Officer

Exhibit 31.2

CERTIFICATIONS

I, Doug Grau, certify that:

1. I have reviewed this report on Form 10-K of American Rebel Holdings, Inc. (the "Company") for the year ended **December 31, 2022** December 31, 2023;
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 Company as of, and for, the periods presented in this report;
4. I am 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 Company, including its 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 Company'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 Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

Date: April 14, 2023 12, 2024

By: /s/ Doug Grau

Doug Grau

President and
Interim Principal 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 Annual Report of American Rebel Holdings, Inc. (the “Company”) on Form 10-K for the year ended **December 31, 2022** December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Charles A. Ross, Jr., Chief Executive, Principal Executive and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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.

/s/ Charles A. Ross, Jr.

Charles A. Ross, Jr.
Chief Executive Officer, Principal Executive Officer
And Principal Financial Officer

April 14, 2023 12, 2024

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 Annual Report of American Rebel Holdings, Inc. (the “Company”) on Form 10-K for the year ended **December 31, 2022** December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Doug Grau, President and Interim Principal Accounting Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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.

/s/ Doug Grau

Doug Grau
President and
Interim Principal Accounting Officer

April 14, 2023 12, 2024

Exhibit 99.4

**American Rebel Forecasts \$5 Million in Pro Forma Q3 Revenue
On Target to Exceed \$20 Million in Annual Pro Forma Revenue**

Nashville, TN, Oct. 20, 2022 (GLOBE NEWSWIRE) — American Rebel Holdings, Inc. (NASDAQ: AREB) – America’s Patriotic Brand announced today it anticipates reporting approximately \$5 million in pro forma Q3 gross revenue and approximately \$14.7 million in pro forma revenue for the nine-months ended September 30, 2022.

Revenue for Q3, including only the revenue earned by the Champion entities after the closing of the acquisition on July 29, 2022, is projected to be nearly \$4 million. American Rebel acquired Champion Safe Company and its ancillary companies in a transaction with a purchase price of approximately \$9.9 million.

American Rebel expects to file its September 30, 2022, 10-Q with the Securities and Exchange Commission on or before November 14, 2022. In its June 30, 2022, 10-Q American Rebel reported \$9.7 million in pro forma revenue for the first six-months of 2022.

“We’re on target to exceed \$20 million in annual pro forma revenue for 2022,” said Andy Ross, CEO of American Rebel. “Integrating the Champion and American Rebel operations has been going great and we expect continued growth. We are actively evaluating potential synergistic acquisitions or partnerships and are bullish about the future of America’s Patriotic Brand.”

About American Rebel Holdings, Inc.

American Rebel, through its wholly-owned operating subsidiaries, operates primarily as a designer, manufacturer and marketer of branded safes and personal security and self-defense products. The Company also designs and produces branded apparel and accessories and now intends to enter the E-Bike market. To learn more, visit www.americanrebel.com. For investor information, visit www.americanrebel.com/investor-relations.

Cautionary Note Regarding Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. American Rebel Holdings, Inc., (NASDAQ:AREB)(NASDAQ:AREBW) (the “Company,” “American Rebel,” “we,” “our” or “us”) desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “forecasts” “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “could,” “target,” “potential,” “is likely,” “expect” and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements primarily on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include our ability to efficiently incorporate acquisitions into our operations, the use of non-GAAP based pro forma financial estimates, our ability to introduce new products, our ability to meet production demands, our ability to expand our sales organization to address existing and new markets that we intend to target, our ability to meet or exceed financial and reporting estimates, and the Risk Factors contained within our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2021. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise, except as may be required by law.

SOURCE : American Rebel Holdings, Inc.

Company Contact:

info@americanrebel.com

Investor Relations:

John McNamara

TraDigital IR

917-658-2605

john@tradigitalir.com

Exhibit 99.5

American Rebel Presents New Apparel Lineup at Nation’s Best Sports Fall Specialty Market

AURORA, CO, Nov. 04, 2022 (GLOBE NEWSWIRE) — American Rebel, Inc., a wholly-owned subsidiary of American Rebel Holdings, Inc. – America’s Patriotic Brand (NASDAQ: AREB), is presenting its new apparel lineup at Nation’s Best Sports (NBS) Fall Specialty Market November 3 – 5 at Gaylord Rockies Resort & Convention Center in Aurora, Colorado.

The Fall Specialty Market presents to the NBS members the latest in team and retail athletics, fishing apparel, hunting apparel and footwear, and lifestyle apparel. Global annual revenue from outdoor clothing alone is estimated to be worth \$11.8 billion according to Market Reports World.

“Our concealed carry apparel falls under the lifestyle apparel category in the NBS Fall Specialty Market,” says American Rebel CEO Andy Ross. “We have improved our proprietary protection pocket with a silent closure that works smoother than our previous model. We have also made some adjustments to the size of the pocket to improve the handgun’s stability inside the pocket for safe and secure concealment.”

American Rebel apparel supports the company’s flagship safes, similar to Harley-Davidson supporting their motorcycles with their apparel and accessories. “We want to keep you concealed and safe whether you are inside your home or on the street,” says Andy Ross. “We believe our apparel is an onramp to our customers adopting our Patriotic Brand. We want Susie to ask Mom ‘what does Dad want for Christmas’ and Mom to say ‘anything with American Rebel on it.’”

About American Rebel Holdings, Inc.

American Rebel Holdings, Inc. (NASDAQ: AREB), through its wholly-owned operating subsidiaries, operates primarily as a designer, manufacturer and marketer of branded safes and personal security and self-defense products. The Company also designs and produces branded apparel and accessories and recently announced its intention to enter the E-Bike market. To learn more, visit www.americanrebel.com. For investor information, visit www.americanrebel.com/investor-relations.

About Nation's Best Sports

Nation's Best Sports (NBS) is a nationwide sporting goods buying group that was established in 1956 as the first sporting goods buying group, the Southwest Buying Syndicate. The NBS mission is to provide independently owned retailers the ability to effectively compete in an ever-changing environment through aggressive purchasing, marketing and service opportunities. Today, NBS is comprised of over 350 independent retail members representing over 1,200 store fronts across the United States, Canada and Puerto Rico. NBS offers independent retailers a diverse portfolio of buying opportunities in all categories of outdoor sports and general sporting goods. NBS hosts six different buying Markets annually that differ from industry trade shows because they are actual order writing and buying markets only open to member retail store owners, their buyers and approved vendors.

Cautionary Note Regarding Forward-Looking Statements:

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SOURCE : American Rebel Holdings, Inc.

Company Contact:

info@americanrebel.com

Investor Relations:

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Exhibit 99.6

American Rebel Reports Financial Results for 2022 Third Quarter

Champion Acquisition Drives Quarterly Revenue to \$4.1 Million

Nashville, TN, Nov. 15, 2022 (GLOBE NEWSWIRE) — American Rebel Holdings, Inc. (NASDAQ: AREB) – America's Patriotic Brand (the "Company") announced its financial results for the three-month period ended September 30, 2022. Investors are encouraged to read the Company's quarterly report on Form 10-Q, which was filed with the Securities and Exchange Commissions (the "SEC") and contains additional information and is posted at <https://americanrebel.com/>

Third Quarter Financial Highlights:

- Revenues rose to \$4.1 million compared to \$0.3 million in the prior year period. The increase is attributable to contribution of the Champion acquisition which closed on July 29, 2022.
- Gross margin in the third quarter period ended September 30, 2022, was \$978,104 compared to \$15,278 in the prior year period. The increase in gross margin was driven by the contribution from the Champion acquisition.
- Net loss in the third quarter was \$2.1 million, or \$0.36 per share, compared to a loss of \$1.4 million, or \$1.05 per share in the prior year period. The increased loss was primarily due to transactional costs related to the Champion acquisition.

Andy Ross, CEO of American Rebel commented, "We're very happy to be reporting the first quarter of financial results since our acquisition of Champion at the end of July. We projected our results to be nearly \$4.0 million so we're happy those results came in at the high end of that range. We expect full year pro forma revenue to be in the area of \$20 million. This is a great time for American Rebel, not only in our enhanced safe manufacturing capabilities, but as we introduce the patriotically powered line of E-bikes, the 'E-Bike With an Attitude,' into a global market that is expected to grow to over \$92 billion by 2029. We're excited to continue the growth of America's Patriotic Brand. "

About American Rebel Holdings, Inc.

American Rebel operates primarily as a designer, manufacturer and marketer of branded safes and personal security and self-defense products. The Company also designs and produces branded apparel and accessories and now intends to enter the E-Bike market. To learn more, visit www.americanrebel.com. For investor information, visit www.americanrebel.com/investor-relations.

Cautionary Note Regarding Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. American Rebel Holdings, Inc., (NASDAQ:AREB)(NASDAQ:AREBW) (the “Company,” “American Rebel,” “we,” “our” or “us”) desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “forecasts” “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “could,” “target,” “potential,” “is likely,” “expect” and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements primarily on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include our ability to efficiently incorporate acquisitions into our operations, our ability to negotiate and finalize definitive agreements with Sierra E-Life for the manufacture of our E-Bikes, our ability to introduce new products, our ability to meet production demands, our ability to expand our sales organization to address existing and new markets that we intend to target, our ability to effectively compete in the competitive E-Bike industry, and the Risk Factors contained within our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2021. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise, except as may be required by law.

SOURCE : American Rebel Holdings, Inc.

Company Contact:

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Investor Relations:

John McNamara

TraDigital IR

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AMERICAN REBEL HOLDINGS, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2022	December 31, 2021 (audited)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,185,578	\$ 17,607
Accounts receivable	2,446,290	100,746
Prepaid expense and other deposits	147,832	163,492
Inventory	6,306,341	685,854
Inventory deposits	230,223	-
Total Current Assets	<u>10,316,264</u>	<u>967,699</u>
Property and Equipment, net	486,070	900
OTHER ASSETS:		
Goodwill and other intangible assets	4,200,000	-
Lease deposit	19,633	-
Total Other Assets	<u>4,219,633</u>	<u>-</u>
TOTAL ASSETS	\$ 15,021,967	\$ 968,599
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable and accrued expense	2,312,081	1,032,264
Accrued interest	67,919	203,972
Loan – officer - related party	-	10,373
Loans – working capital	603,840	3,879,428
Loans - nonrelated parties	4,152	12,939
Total Current Liabilities	<u>2,987,992</u>	<u>5,138,976</u>
Other long-term liabilities	-	-
TOTAL LIABILITIES	<u>2,987,992</u>	<u>5,138,976</u>
STOCKHOLDERS' EQUITY (DEFICIT):		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 100,000 issued and outstanding, at September 30, 2022 and December 31, 2021 Series A	100	100
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 75,143 and 276,501 issued and outstanding, respectively at September 30, 2022 and December 31, 2021 Series B	75	277
Common stock, \$0.001 par value; 600,000,000 shares authorized; 8,474,033 and 1,597,370 issued and outstanding, respectively at September 30, 2022 and December 31, 2021	8,474	1,597
Additional paid in capital	45,372,714	22,797,306
Accumulated deficit	(33,347,388)	(26,969,657)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	<u>12,033,975</u>	<u>(4,170,377)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 15,021,967	\$ 968,599

AMERICAN REBEL HOLDINGS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three months ended September 30, 2022	For the three months ended September 30, 2021
Revenue	\$ 4,102,761	\$ 295,490
Cost of goods sold	3,124,657	280,212
Gross margin	978,104	15,278
Expenses:		
Consulting/payroll and other payroll costs	1,227,953	656,784
Rental expense, warehousing, outlet expense	314,314	-
Product development costs	-	42,720
Marketing and brand development costs	119,122	34,669
Administrative and other	1,077,005	236,763
Depreciation expense	9,956	946
	2,748,350	971,882
Operating income (loss)	(1,770,246)	(956,604)
Other Income (Expense)		
Interest expense	(31,584)	(382,601)
Interest expense – pre-emptive rights release	(350,000)	-
Interest income	4,428	-
Gain (loss) on extinguishment of debt	-	(87,575)
	(377,156)	(470,176)
Net income (loss) before income tax provision	(2,147,402)	(1,426,780)
Provision for income tax	-	-
Net income (loss)	\$ (2,147,402)	\$ (1,426,780)
Basic and diluted income (loss) per share	\$ (0.36)	\$ (1.05)
Weighted average common shares outstanding - basic and diluted	6,031,715	1,354,700

Exhibit 99.7

American Rebel Holdings to Present at the RHK 2022 Disruptive Growth Conference

Nashville, TN, Dec. 02, 2022 (GLOBE NEWSWIRE) — American Rebel Holdings, Inc. (NASDAQ: AREB) – America’s Patriotic Brand (the “Company”) today announced that it will present a corporate overview at the RHK 2022 Disruptive Growth Conference being held December 5-6, 2022, at the offices of Reed Smith in New York City.

CEO Andy Ross will present on Tuesday, December 6 at 10:20 a.m. ET. Investors who would like to access the live presentation may do by logging in [here](#).

The event features panels from several Reed Smith attorneys, including Gerard Stegmaier, Brad Rostolsky, Gerry DiFiore, Mark Goldstein, Tad Bromley, Lisa Chiarini, Robert Riddle, and Walter Egbert. In addition to the panels, the conference will also showcase exciting and innovative growth-oriented companies that are poised to disrupt a wide array of sectors, including health care, technology, electric vehicles and biotech. Senior members of these selected companies are offering insights into their daily operations, as well as roadmaps for accelerated growth, to an audience of seasoned investors. Investors interested in attending should register at this link:

https://www.meetmax.com/sched/event_87553/investor_reg_new.html?attendee_role_id=INVESTOR

About American Rebel Holdings, Inc.

American Rebel operates primarily as a designer, manufacturer and marketer of branded safes and personal security and self-defense products. The Company also designs and produces branded apparel and accessories. To learn more, visit www.americanrebel.com. For investor information, visit www.americanrebel.com/investor-relations.

SOURCE : American Rebel Holdings, Inc.

Company Contact:

info@americanrebel.com

Investor Relations:

John McNamara

TraDigital IR

917-658-2605

john@tradigitalir.com

Exhibit 99.8

American Rebel to Exhibit at 2023 SHOT Show

Largest Trade Show for Shooting Sports, Hunting and Law Enforcement Industries

Las Vegas, NV, Jan. 17, 2023 (GLOBE NEWSWIRE) — American Rebel Holdings, Inc. (NASDAQ: AREB) – America’s Patriotic Brand (the “Company”) will exhibit at the 2023 SHOT Show at the Venetian in Las Vegas January 17 – 20 in Booth #40553. American Rebel will be exhibiting their Champion safes, Superior safes, American Rebel safes, Safe Guard safes, American Rebel 2A Lockers, safe accessories, Liquid Fire, a new line of E-Bikes and more. “Adding new product offerings to American Rebel makes us one step closer to truly becoming America’s Patriotic Brand,” said American Rebel CEO Andy Ross.

American Rebel CEO Andy Ross says the SHOT Show is akin to the “Super Bowl of trade shows” and he is excited to elevate American Rebel’s profile. “I see it as our coming out party since it is the first industry trade show for American Rebel and Champion to exhibit together,” says Ross.

The Company has spent the last several years building quality product lines that speak to the brand’s mission. The Company also closed on the acquisition of Champion Safe on July 29, 2022, which contributed to the Company growing Q3 2022 revenues to \$4.1 million compared to \$0.3 million Q3 2021.

Also, CEO Andy Ross was asked back as a guest on *Morning Blend* on ABC-TV 13 KTNV/Las Vegas for a feature on the SHOT Show that is scheduled to air Wednesday, January 18. Andy was previously a guest on *Morning Blend* on December 29, 2022, discussing building America’s Patriotic Brand.

About American Rebel Holdings, Inc.

American Rebel operates primarily as a designer, manufacturer and marketer of branded safes and personal security and self-defense products. The Company also designs and produces branded apparel and accessories and now intends to enter the E-Bike market. To learn more, visit www.americanrebel.com. For investor information, visit www.americanrebel.com/investor-relations.

About the SHOT Show

The SHOT Show is the world’s premier exposition of combined firearms, ammunition, law enforcement, cutlery, outdoor apparel, optics and related products and services. The SHOT Show attracts buyers from all 50 states and more than 100 countries and is the only event for retailers, wholesalers and distributors that brings the industry’s most innovative technology, products, manufacturers, education and regulatory leadership together to create one comprehensive and fully loaded experience.

The SHOT Show is restricted to members of the shooting, hunting, military and outdoor trade industry including commercial buyers and sellers of military, law enforcement and tactical products. It is a trade show not open to the general public.

For more information visit <https://www.nssf.org/shotshow/>

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