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

FORM 20-F

(Mark One)
☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

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

For the fiscal year ended March 31, 2026

OR

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

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

Commission File Number: 001-42523

GCL GLOBAL HOLDINGS LTD.
(Exact name of Registrant as specified in its charter)

Not applicable	**Cayman Islands**
(Translation of Registrant's name into English)	**(Jurisdiction of incorporation or organization)**

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ir.gclglobalholdings.com
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, $0.0001 par value per share	**GCL**	**Nasdaq Global Select Market**
Warrants, each exercisable for one Ordinary Share at an exercise price of $11.50 per share	**GCLWW**	**Nasdaq Capital Market**

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

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of issued and outstanding shares of each of the issuer's classes of capital or ordinary shares as of March 31, 2026 was 130,135,432 and 128,008,703 ordinary shares, respectively.

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

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. 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 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 and post such files). Yes ☒ No ☐

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

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

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). ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected 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. ☒

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

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 over 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. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒	International Financial Reporting Standards as issued by the International Accounting Standards Board ☐	Other ☐

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

GCL GLOBAL HOLDINGS LTD.

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DEFINED TERMS

In this Annual Report on Form 20-F (including information incorporated by reference herein, the "Report"), unless the context otherwise requires, "GCL," the "Company," "GCL Group," and references to "we," "us," or similar such references should be understood to be references to GCL Global Holdings Ltd. and its subsidiaries and consolidated affiliated entities.

In this Report, unless otherwise stated, references to:

"$," "USD," "US$" and "U.S. dollar" each refers to the United States dollar.

"Amended and Restated Memorandum and Articles of Association" means the amended and restated memorandum and articles of association of the Company adopted prior to consummation of the Business Combination on February 13, 2025.

"Ancillary Agreements" means certain additional agreements entered into pursuant to or in connection with the Merger Agreement.

"April 2026 Warrant" means the three-year warrant the Company issued to an accredited investor on April 28, 2026 for 1,125,000 shares at an initial exercise price of $8.00 per share, subject to full-ratchet anti-dilution adjustments and other price protections in the event of, among other things, a reverse stock split or share combination, in exchange for a portion of the then-outstanding convertible notes issued pursuant to an Amendment, Waiver and Exchange Agreement dated April 28, 2026.

"Ban Leong" means Ban Leong Technologies Pte. Ltd. (formerly known as "Ban Leong Technologies Limited" prior to its delisting from the Singapore Stock Exchange on August 26, 2025), an indirect wholly-owned subsidiary of the Company, based in Singapore.

"Business Combination," "Transactions," or "Merger" means, collectively, the transactions contemplated by the Merger Agreement and the Ancillary Agreements.

"Closing" means the closing of the Transactions.

"Closing Date" means February 13, 2025.

"Code" means the Internal Revenue Code of 1986, as amended.

"Companies Act" means the Companies Act (As Revised) of the Cayman Islands as the same may be amended from time to time.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Agreement" means that certain Amendment, Waiver and Exchange Agreement between an accredited investor and the Company dated April 28, 2026.

"JOBS Act" means the Jumpstart Our Business Startups Act.

"Listing Rules of Nasdaq" refers to the listing rules of The Nasdaq Stock Market LLC.

"Merger Agreement" means the Merger Agreement, dated as of October 18, 2023 (as amended on December 1, 2023, December 15, 2023, January 31, 2024, and September 30, 2024) by and (i) the Company, (ii) RF Acquisition Corp., a Delaware corporation ("RFAC"), (iii) Grand Centrex Limited, a British Virgin Islands business company ("GCL BVI"), (iv) GCL Global Limited, a Cayman Islands exempted company limited by shares ("GCL Global"), and, (v) for the limited purposes set forth therein, RF Dynamic LLC, a Delaware limited liability company (the "Sponsor").

"Nasdaq" means The Nasdaq Stock Market LLC.

"Nekcom" means a Delaware parent company of a developer of the game *Showa American Story* in China.

"Ordinary Shares" means, collectively, the ordinary shares of the Company, each with par value $0.0001 per share.

"RFAC" means RF Acquisition Corp., a Delaware corporation.

"Sarbanes-Oxley Act" means the Sarbanes-Oxley Act of 2002, as may be amended.

"SEC" means the U.S. Securities and Exchange Commission.

"U.S." means the United States of America.

"U.S. GAAP" or "GAAP" means generally accepted accounting principles in the United States of America.

"Warrants" means warrants of the Company, each exercisable for one Ordinary Share at an exercise price of $11.50 per share.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report contains or may contain forward-looking statements as defined in 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"), that involve significant risks and uncertainties. All statements other than statements of historical facts are forward-looking statements. These forward-looking statements include information about our possible or assumed future results of operations or our performance. The words "anticipate", "believe", "continue", "could", "estimate", "expect", "intends", "may", "might", "plan", "possible", "potential", "predict", "project", "should", "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Report may include, for example, statements about:

- the benefits from the acquisition of Ban Leong;
- the ability to successfully integrate Ban Leong into GCL Group's business operations and achieve synergies, and operational efficiencies;
- expectations regarding our strategies and future financial performance, including our future business plans or objectives, prospective performance and opportunities and competitors, revenues, customer acquisition and retention, products and services, pricing, marketing plans, operating expenses, market trends and acceptance, liquidity, cash flows and uses of cash, capital expenditures, and our ability to raise funds, invest in growth initiatives and pursue acquisition opportunities;
- the ability to execute our growth strategy and diversify revenue streams;
- the ability to expand our operations and geographic reach;
- the ability to manage our growth and maintain our corporate culture as we grow;
- the regulatory environment and changes in laws, regulations or policies in the jurisdictions in which we operate;
- the geopolitical changes and political instability in the jurisdictions in which we operate;
- exchange and interest rate fluctuations;
- anticipated technology trends and developments and our ability to address those trends and developments with our offerings;
- the loss of key personnel and the inability to replace such personnel on a timely basis or on acceptable terms;
- changes of our capital needs and our ability to raise financing;
- the ability to maintain the listing of our securities on Nasdaq;
- the ability to utilize the "controlled company" exemption under the rules of Nasdaq; and
- litigation and regulatory enforcement risks, including the diversion of management time and attention and the additional costs and demands on our resources.

These forward-looking statements are based on information available as of the date of this Report, and current expectations, forecasts and assumptions involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Reserved

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business and our industry are subject to significant risks. You should carefully consider all of the information set forth in this report, including the following risk factors, in evaluating our business. If any of the following risks actually occur, our business, financial condition, results of operations, and growth prospects would likely be materially and adversely affected. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. The trading price and value of our securities could decline due to any of these risks, and you may lose all or part of your investment. This report also contains forward-looking statements that involve risks and uncertainties. See the section entitled "Cautionary Note Regarding Forward-Looking Statements."

Risks Related to the Company's Business and Industry

Our business will suffer if we are unable to distribute and publish new game titles, "hit" game titles or sequels to such "hit" titles.

Our business depends on distributing and publishing games that consumers will purchase, download and spend time and money playing. We currently distribute and sell to retailers and consumers console games, game codes, and gaming content that are compatible with major gaming consoles such as Sony PlayStation, Microsoft Xbox, and personal computers ("***PCs***"). Our sales and marketing efforts are focused on both distributing more games and improving the experience of the games we currently distribute (for example, through merchandise and localized promotional materials). We generate revenue primarily from distribution of video games in Asia, U.S. and Europe from international PC and video game publishers and studios. We commit to a certain marketing budget to market and promote the games. For games distributed through third-party platforms such as Steam, we are required to pay the platform providers at a pre-determined rate. These costs are expected to remain a significant portion of our cost of revenues. In order to remain profitable, we need to generate sufficient revenue from our existing and new game offerings to offset our ongoing development, sales and marketing and operating costs.

Since the revenue generated from game distributions accounted for approximately 28.5%, 86.8%, and 93.3% of our total consolidated revenue for the fiscal years ended March 31, 2026, 2025, and 2024, respectively, the GCL Group's success depends largely on our ability to sell commercially successful "hit" game titles or sequels to such "hit" titles. If we experience any delays in game releases or disruptions following the commercial release of our "hit" titles or their sequels, our operating results will be materially adversely affected. Since our distribution agreements typically require us to commit to a minimum order quantity per game title, we may even experience a loss if demand for the games we distribute falls short of our expectations. Although we are currently one of the biggest video game distributors in Asia, there is no assurance that we can continue to maintain our market leading position in the game distribution industry in Asia if we fail to meet these minimum purchase commitments in our distribution agreements with game publishers. In addition, we have made significant investments in our publishing business and plan to continue to expand our game publishing operations. Our brand will also suffer if we fail to continue to distribute and publish consistently high quality and well-received game products and services, and as a result, our revenue and profitability may decline.

The success of our games depends, in part, on unpredictable and constantly changing factors beyond our control including consumer preferences and spending habits, competing games and the availability of other entertainment experiences. If the games we distribute do not meet consumer expectations, or if new games are not brought to market by us in a timely and effective manner, our ability to grow revenue and our financial performance will be adversely affected.

Our ability to successfully distribute and sell games to resellers and their ability to achieve commercial success will depend on our ability to:

- effectively market the games to existing and new gamers;
- adapt to changing gamers' preferences and spending habits;
- attract, retain and motivate and talented game designers and developers;
- efficiently manage the distribution and publishing of new games and features;
- achieve and maintain successful customer engagement and effectively monetize our games and game intellectual property (the "***game IP***");
- maintain an engaging gaming experience and retain our gamers;
- compete successfully against a large and growing number of existing market participants;
- accurately forecast the timing and expense of our operations, including original content development, marketing and customer acquisition, customer adoption and revenue growth; and
- minimize and quickly identify bugs or outages as a game publisher.

These and other uncertainties make it difficult to know whether we will succeed in continuing to distribute or publish successful games, and launch new games and features in accordance with our operating plan. If we do not succeed in doing so, our business, financial condition, results of operations or reputation will suffer.

Our ability to acquire and maintain licenses to intellectual property through distribution agreements with game publishers may affect our revenue and profitability.

Our video game distribution business depends on the distribution agreements we enter into with publishers giving us the licenses or rights to third-party intellectual property for use in the games we distribute or platform to enhance the experience of our gamers. Pursuant to these distribution agreements, the publishers retain all the intellectual properties rights related to the games, and the licenses granted typically limit our use of the intellectual properties to specific uses and for specific time periods, and include other contractual obligations, including the achievement of certain minimum order quantities in order for the license to remain in effect. In many cases, certain intellectual property rights may be licensed to us on a non-exclusive basis, and accordingly, the owners of such intellectual property are free to license such rights to third parties, including our competitors, on terms that may be superior to those offered to us, which could place us at a competitive disadvantage. Competition for these licenses is intense. If we are unable to obtain and remain in compliance with the terms of these licenses or obtain additional licenses on reasonable economic terms, our revenue and profitability may be adversely impacted.

The increasing importance of digital content delivery exposes us to the risks of that business model, including greater competition from online and mobile games.

The increased importance of digital content delivery in our industry, including through subscription-based access to a portfolio of interactive content, increases our potential competition, as the minimum capital needed to produce and publish a digitally delivered game is significantly less than that needed to produce and publish one that is delivered through retail distribution. A continuing shift to digital content delivery could result in a deprioritization of our games by retailers. This shift also requires us to dedicate capital to developing and implementing alternative marketing strategies which may or may not successful. If we are unable to effectively market and distribute our games, our business and operating results will be materially adversely affected.

We rely on our sales channel partners some of whom influence the fee structures for online distribution of our games on their platforms.

We rely on our sales channel partners, some of whom have retained the right to change the fee structures for online distribution of both paid content and free content (including patches and corrections) that we license to them for distribution on their platforms. Such channel partners' ability to set or influence fees may increase costs, which could negatively affect our operating margins. We may be unable to distribute our content in a cost-effective or profitable manner through such distribution channel, which could adversely affect our business, financial condition and operating results.

Outside of fee arrangements, our agreements with our channel partners sometimes give them significant control over other aspects of the distribution of our products and services that we develop for their platform. If our channel partners establish terms that restrict our offerings through their channels, or significantly affect the financial terms on which these products are offered to our customers, we may be unable to distribute our product offerings through them or be forced to do so on materially worse financial or business terms in negotiating such various aspects of distribution. Increased competition for digital "shelf space" has put channel partners in more favorable bargaining positions in relation to such terms of distribution.

We rely on third-party retailers to distribute our games and collect revenues generated on their websites or other e-commerce websites and third-party platforms.

Approximately 28.5%, 86.8% and 93.3% of our total consolidated revenue for the fiscal years ended March 31, 2026, 2025 and 2024, respectively, was generated from game distributions. If we are unable to maintain a good relationship with platform providers, if their terms and conditions or pricing change to our detriment, if we violate, or if a platform provider believes that we have violated, the terms and conditions of its platform, or if any of these platforms loses market share or falls out of favor, or is unavailable for a prolonged period of time, our business will suffer.

We are subject to the standard and non-negotiated policies and terms of service/publisher agreements of third-party platforms, which govern the promotion, distribution, content, and operation generally of games on the platform. Each platform provider has broad discretion to unilaterally change and interpret its terms of service and other policies with respect to us and other developers, and those changes may be unfavorable to us. A platform provider may also change its fee structure, add fees associated with access to and use of its platform, alter how we are able to advertise on the platform, change how the personal information of its users is made available to application developers on the platform, limit the use of personal information for advertising purposes, or restrict how gamers can share information with their friends on the platform or across platforms. Our business could be harmed if:

- the platform providers discontinue or limit our access to their platforms;
- governments or private parties, such as internet providers, impose bandwidth restrictions, increase charges, or restrict or prohibit access to those platforms;
- the platforms increase the fees they charge us or change the ways in which their fees are determined;
- the platforms decline in popularity;
- the platforms block or limit access to the genres of games that we provide in any jurisdiction;
- the platforms change how the personal information of gamers is made available to developers or develop or expand their own competitive offerings; or
- we are unable to comply with the platform providers' terms of service.

Changes in the respective terms of service or policy changes of third-party platforms may decrease the visibility or availability of our games, limit our distribution capabilities, prevent access to our existing games, increase our costs to operate on these platforms, or result in the exclusion or limitation of our games. Any such changes could adversely affect our business, financial condition, or results of operations.

In addition, third-party platforms typically impose certain file size limitations, restricting our ability to create software with additional features that would result in a larger file size than what the platform providers would support. A larger game file size could also cause gamers to delete our games once the file size grows beyond the capacity of their devices' storage limitations or could reduce the number of downloads of these games. If our platform providers do not perform their obligations in accordance with our platform agreements, we could be adversely impacted. For example, in the past, some of these platform providers have been unavailable for short periods of time, unexpectedly changed their terms or conditions or experienced issues. If any of our third-party service providers is unable to process payments, even for a short period of time, our business could be harmed. These platforms and our third-party online payment service providers may also experience security breaches or other issues with their functionalities. In addition, if we violate, or a platform provider believes we have violated, its terms of service, policies, or standard publisher agreements (or if there is any change or deterioration in our relationship with any of these platform providers), that platform provider could limit or discontinue our access to the platform or we may be exposed to liability or litigation. If these third-party platforms and online payment service providers otherwise experience issues that impact the ability of gamers to download or access our games, it could materially and adversely affect our brands and reputation, as well as our business, financial condition, and results of operations.

Our distribution business of IT hardware, computer accessories and smart technology exposes us to inventory risks, including inventory obsolescence and write-downs, due to short product life cycles and rapid technological change.

We acquired Ban Leong in May 2025. Ban Leong contributed approximately $124.4 million and $50.0 million of revenue, representing approximately 52.1% and 50.7% of our total revenue for the fiscal year ended March 31, 2026 and for the six months ended September 30, 2025, respectively. Distribution and sales of IT hardware products and gaming accessories requires us to purchase physical products that are subject to rapid technological change, evolving industry standards, and sometimes short and unpredictable product life cycles. We are often required to purchase and carry inventory in anticipation of customer demand, and we may commit to minimum purchase volumes with manufacturers. If we fail to accurately forecast demand, if manufacturers introduce new products or models, if consumer preferences shift, or if the rate at which consumers replace or upgrade their technology products changes, we may be left with excess or obsolete inventory that we are unable to sell, or that we can only sell at a discount or a loss. The value of our inventory may also decline as a result of product price reductions by manufacturer, and we may not always be entitled to, or able to recover, price protection, stock rotation or return rights from our supplier. Any of the foregoing could require us to record inventory write-downs or reserves, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Our IT hardware and gaming accessories distribution business depends on our ability to maintain authorized distributor and reseller status with the manufacturers, and the loss or modification of our relationships with these manufacturers could materially harm our business.

Ban Leong is an authorized distributor of major brands of IT hardware, computer accessories and other multi-media products, including Razer, Nvidia, Samsung, Huawei, TP-Link, and LG. Our ability to distribute these products depends on maintaining distribution, reseller and authorization agreements with manufacturers and brand owners. These agreements are typically non-exclusive, short-term or terminable on limited notice, do not guarantee any particular pricing, product allocation or supply, and may be modified or terminated by the manufacturer with little or no notice. If a key manufacturer terminates, declines to renew or materially changes the terms of its relationship with us, appoints additional or competing distributors, elects to sell directly to resellers or consumers, consolidates with another manufacturer, or experiences financial or operational difficulties, we may be unable to obtain sufficient quantities of products on acceptable terms, or at all, which could materially and adversely affect our business, financial condition and results of operations.

The distribution business of computer hardware and accessories is subject to rapid price erosion, and reductions in manufacturer incentives, rebates or price protection could reduce our profitability.

Our hardware and computer accessories distribution business carries a higher gross margin of 10.4% for the year ended March 31, 2026, compared to the 6.2% gross margin for our console games distribution business during the same period. However, there are more than 200 distinct gaming peripheral brands competing for consumer attention, making differentiation difficult. Our profitability in this business segment depends in significant part on our ability to manage operating costs, achieve sufficient sales volumes, and obtain favorable pricing, volume rebates, price protection and other incentives from manufacturers. Prices for hardware products tend to decline, sometimes rapidly, over their life cycles, and we may be unable to sell inventory before its value declines. Manufacturers may reduce or eliminate rebates, incentives, marketing support or price protection programs, change the terms on which such programs are offered. Intense competition among distributors and resellers, together with pricing pressure from customers and the increasing availability of products through online and direct sales channels, could further compress our margins. If we are unable to maintain adequate margins, our business, financial condition and results of operations could be materially and adversely affected.

We depend on manufacturers and third parties for the timely supply and delivery of hardware products, and supply shortages, manufacturing disruptions or logistics constraints could prevent us from meeting customer demand.

Our hardware and accessories distribution business depends on the ability of principal to design, manufacture and deliver products in sufficient quantities, of acceptable quality, and on a timely basis. The supply of these products has in the past been, and may in the future be, adversely affected by shortages of components (including semiconductors and other electronic components), manufacturing capacity constraints, natural disasters, public health emergencies, labor disruptions, trade restrictions, transportation and freight delays, increased shipping costs, and other disruptions to global supply chains. For the products manufactured outside the markets in which we sell them, we are also exposed to risks associated with importing products, including customs delays, tariffs and changes in trade policy. If we are unable to obtain adequate supplies of products on a timely basis and on acceptable terms, we may be unable to fulfill customer orders, which could result in lost sales, damage to our customer relationships and our reputation, and a material adverse effect on our business, financial condition and results of operations.

The computer hardware, accessories and other multi-media products we distribute may contain defects or fail to perform as expected, which could expose us to warranty claims, product liability, product recalls and reputational harm.

The computer hardware, accessories and other multi-media products we distribute may contain defects, errors or vulnerabilities, particularly when newly introduced, and may not perform as expected or may fail to comply with applicable safety, quality or regulatory standards. Although such products are manufactured by third parties, we may be subject to warranty claims, product returns, product liability claims, recalls and associated costs as the distributor or seller of those products, and we may not in all cases be able to obtain full indemnification or recovery from the applicable manufacturer. Defective products could also harm our reputation and our relationships with customers and manufacturers, and result in lost sales. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

The presence of counterfeit, gray market or parallel-imported products could harm our hardware and accessories distribution business.

The markets in which we distribute computer hardware, accessories and other multi-media products may be subject to the unauthorized sale of counterfeit or gray market or parallel-imported products. Counterfeit products may be of inferior quality, may infringe the intellectual property rights of manufacturers, and may be difficult to detect, while gray market or parallel-imported genuine products sold outside of authorized distribution channels may be offered at lower prices than those we are able to offer. The availability of such products could reduce demand for the products we distribute, place downward pressure on our prices and margins, expose us to claims from manufacturers or third parties, and damage our reputation and relationships with manufacturers, any of which could materially and adversely affect our business, financial condition and results of operations.

Our success depends on Jacky Choo See Wee, our Group Chairman and CEO of Epicsoft Asia, and our senior management team. Loss of Mr. Choo's leadership or services from any of our senior management team could have a material adverse effect on our business, financial condition and results of operations.

Our success to date was largely attributable to the leadership of industry veteran, Mr. Jacky Choo See Wee, our Group Chairman and CEO of Epicsoft Asia. We rely on Mr. Choo for our continued growth and operation, and the continued development of our strategic direction, based on his experience and connections in the industry in Asia.

We have an experienced senior management team comprised of Sebastian Toke, our GCL Group CEO, Keith Liu Min Tzau, our Group Deputy CEO and Group Chief Marketing Officer, Kenny Lin Yuxin, our Group Chief Financial Officer, and Catherine Choo See Ling, our Group Chief Operating Officer. Together, they are responsible for directing and managing daily operations in all aspects of our business, monitoring and supervising compliance and risk management, overseeing financial condition and performance, managing relationships with all stakeholders in our market and formulating business strategies. Loss of services of Mr. Choo or any of our key management members and failure to promptly find suitable replacement will cause our business and operations to suffer.

Our games and other software applications, and our and our vendors' and other partners' information technology and other systems and platforms (Steam/PSN and other partner platforms), have on occasion, experienced failures, errors, defects, or disruptions. Although such events have not had a material impact in the past, future similar events could disrupt our business, impact our games and related software applications, affect our ability to scale our technical infrastructure, diminish our brand and reputation, subject us to liability, and adversely affect our operating results and growth prospects.

Our games may contain errors, bugs, flaws, corrupted data, defects, and other vulnerabilities, some of which may only become apparent after their launch, particularly as we launch new games and rapidly release new features to existing games under tight time constraints. Furthermore, our development and testing processes may not detect errors and vulnerabilities in our games prior to their release. Any such errors, flaws, defects, and vulnerabilities may adversely affect the game experience of our gamers, harm our reputation, cause our gamers to stop playing our games, divert our resources, and delay market acceptance of our games, any of which could result in harm to our business, financial condition, or results of operations.

Our technology infrastructure is critical to the performance of our games and satisfaction of our gamers and to the general operation of our business. We devote significant resources to network and data security to protect our systems and data. However, our systems may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages that could be harmful to our business. We cannot assure you that the measures we take to detect and prevent or hinder cyber-attacks or other security or data breaches, to protect our systems, data and gamer information, and to prevent outages, data loss, and fraud, including a disaster recovery strategy for server, equipment, or systems failure and the use of third parties for certain cybersecurity services, will provide sufficient security or be adequate for our operations. Our vendors and other partners are also subject to the foregoing risks, and we do not have any control over them. We have experienced, and may in the future experience, system disruptions, outages, and other performance problems, including when releasing new software versions or bug fixes, due to a variety of factors, including infrastructure changes, human or software errors, and capacity constraints. Such disruptions have not had a material impact to date, however, future disruptions from unauthorized access to, fraudulent manipulation of, or tampering with our or third parties' computer systems and technological infrastructure, including the data contained therein or transmitted thereby, could materially adversely affect our business, financial condition, results of operations, and prospects.

Programming errors, defects, and data corruption could also disrupt our operations, adversely affect the experience of our consumers, harm our reputation, cause our gamers to stop playing our games, divert our resources, and delay market acceptance of our games, any of which could result in legal liability to us or harm our business, financial condition, results of operations, and prospects.

If our gamer base and engagement continue to grow, and the number and types of games we offer continue to grow and evolve, we will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy our gamers' needs and operate our business. Such infrastructure expansion may be complex, and unanticipated delays in completing these projects or availability of components may lead to increased project costs, operational inefficiencies, or interruptions in the delivery or degradation of the quality of our games or other operations. In addition, there may be issues related to this infrastructure that are not identified during the testing phases of design and implementation, which may only become evident after we have started to fully use the underlying equipment or software, which could further degrade the gamer experience or increase our costs. As such, we could fail to continue to effectively scale and grow our technical infrastructure to accommodate increased demands. In addition, our business may be subject to interruptions, delays or failures resulting from adverse weather conditions, other natural disasters, power loss, terrorism, cyber-attacks, public health emergencies (including the COVID-19 pandemic or other future health epidemics or contagious disease outbreaks), or other catastrophic events.

We believe that if our gamers have a negative experience with our games, or if our brand or reputation is negatively affected, gamers may be less inclined to continue or to engage with us. As such, a failure or significant interruption in our service would harm our reputation, business, and operating results.

A limited number of customers account for a significant portion of our sales. The loss of a principal customer or other significant business relationship could seriously hurt our business.

For each of the fiscal years ended March 31, 2026, 2025 and 2024, sales to our largest one, three and four customers, respectively, accounted for more than 10% of our total consolidated revenue. Our sales are made primarily without long-term agreements or other commitments, and our customers may terminate their relationship with us at any time. Certain of our customers may decline to carry products containing mature content. The loss of our relationships with principal customers and resellers or a decline in sales to principal customers or resellers, could materially adversely affect our business, financial condition, and operating results. In addition, if our customers or resellers are subject to pricing pressures due to deteriorating demand for our products, competition, or otherwise, such customers or resellers may pass those pricing pressures through to us, which could materially adversely affect our business, financial condition and operating results.

Furthermore, our customers may also be placed into bankruptcy, become insolvent, or be liquidated due to economic downturns, global credit contractions, or other factors. Bankruptcies or consolidations of certain large retail customers could seriously hurt our business, including as a result of uncollectible accounts receivable from such customers and the concentration of purchasing power among large retailers.

Increased competition for limited shelf space and promotional support from retailers could affect the success of our business and require us to incur greater expenses to market our titles.

Competition is intense among newly introduced interactive entertainment software titles for adequate shelf space and promotional support, with most and highest quality shelf space devoted to those games expected to be best sellers. We cannot be certain that our new game products will consistently achieve top seller status. Competition for retail shelf space is expected to continue to increase, which may require us to increase our marketing expenditures to maintain desirable sales levels of our titles. Competitors with more extensive lines and more popular titles may have greater bargaining power with retailers. Accordingly, we may not be able, or we may have to pay more than our competitors, to achieve similar levels of promotional support and shelf space. Similarly, as digital sales increase in importance to our business, there is increasing competition for premium placements of our games on websites. Such placement is subject to many similar risks as physical shelf space discussed above.

Our publishing business is partly dependent on our ability to enter into successful software development arrangements with third parties.

The success of our publishing business depends on our ability to continually identify and develop new game titles in a timely fashion. We rely on third-party software developers for the development of most of the game titles we publish. Quality third-party developers are continually in high demand, and those who have co-developed titles for us in the past may not be available to develop software for us in the future. Due to the limited availability of third-party software developers and the limited control that we exercise over them, these developers may not be able to complete game titles for us on a timely basis or within acceptable quality standards, if at all. We have entered into agreements with third parties to acquire the rights to publish and distribute games. These publishing agreements typically require us to make development payments, pay royalties, and satisfy other conditions. Our development payments may not be sufficient to permit developers to develop new software successfully, which could result in material delays and significant increases in our costs to bring particular products to market. Software development costs, promotion and marketing expenses and royalties payable to software developers and third-party licensors have continued to increase and reduce our profit margin. Future sales of our titles may not be sufficient to recover development payments and advances to software developers and licensors, and we may not have adequate financial and other resources to satisfy our contractual commitments to such developers. If we fail to satisfy our obligations under agreements with third-party developers and licensors, the publishing agreements may be terminated or modified in ways that are burdensome to us and have a material adverse effect on our business, financial condition, and operating results.

We have engaged, and expect to engage, third-party game development companies to co-develop, co-publish or operate certain games, and if they fail to perform as expected, our business may suffer.

We have in the past and expect in the future to, engage third-party game development companies to co-develop or co-publish certain video games with us. For instance, *Atomic Heart*, a game launched in February 2023, was co-published by us and Focus Entertainment, an international game studio backed by Chinese multinational conglomerate, Tencent Interactive Entertainment ("***Tencent***"), and an independent European video game developer and publisher. We also co-published *S.T.A.L.K.E.R. 2: Heart of Chornobyl* in November 2024 and *JDM: Japanese Drift Master* in May 2025. At this time of this Report, 4Divinity has either published or co-published more than 15 game titles. We typically have limited control over the work performed by the development company and are therefore subject to additional risks than if our own employees were developing and operating our games, such that completion of our games and their publication could be delayed due to the development company's failure to adhere to our milestones and roadmaps, or political or other risks in the foreign country in which the development company operates. If our third-party game development companies fail to complete development milestones in accordance with our game development roadmap, or do not perform in accordance with our agreements with them, it could adversely affect the development of our games that are the subject of that agreement, including delaying their availability for launch and their performance once launched, which could materially and adversely impact our ability to meet our forecasts.

Once a co-published game is launched, we will be reliant on the development company's ability to maintain an adequate number of knowledgeable and experienced personnel to operate and maintain the co-developed game or existing game successfully and to develop and implement future game updates, patches and bug fixes, as well as provide ongoing support services. If the development companies fail to operate and maintain the co-developed game or existing game, it could adversely affect such game's performance and gamer satisfaction, and our business may suffer as a result. Further, if the game development companies breached our agreements with them, or unilaterally elected to discontinue providing services, we would have to find a substitute provider or replace the lost services internally, which could disrupt the operation of the games and result in dissatisfied gamers, increased expenses, lost revenues, and other adverse effects.

In addition, a co-published game may incorporate intellectual property owned by the applicable development company. In such cases, we have or will obtain licenses to use the intellectual property as integrated with and into the co-developed game, but we will not own such intellectual property. If the third-party game developer challenged our right to use its intellectual property or the manner in which we use such intellectual property, it could materially and adversely affect our ability to continue to publish the co-developed game.

If we do not successfully invest in, establish and maintain awareness of our brands and games, or if we incur excessive expenses promoting and maintaining our brands or our games, our business, financial condition, results of operations, or reputation could be harmed.

We believe that establishing and maintaining our brands is critical to maintaining and creating favorable relationships with gamers and content licensors, as well as competing for key talent. Increasing awareness of our brands and recognition of our games is particularly important in connection with our strategic focus on further publishing opportunities and entering game creation and development opportunities. In addition, we have only recently began to expand into publishing and entertainment properties management by bringing forth different monetization solutions for the game IP. Although we make significant sales and marketing expenditures in connection with the launch of our games, these efforts may not succeed in increasing awareness of our brands or the new games. If we fail to increase and maintain brand awareness and consumer recognition of our games, our potential revenue could be limited, our costs could increase, and our business, financial condition, results of operations, or reputation could suffer.

The video game industry is very competitive. If consumers prefer our competitors' games over the ones we distribute or develop, our operating results could suffer.

Competition in the video game industry is intense. A relatively small number of "hit" game titles can account for a large portion of total sales revenue in our industry. "Hit" game titles offered by our competitors may take a larger share of consumer spending than we anticipate, which could cause our sales revenue to drop. As our business is also dependent upon our ability to develop "hit" game titles, which require increasing budgets for development and marketing, the availability of significant financial resources has become a major competitive factor in developing and marketing games. Some of our competitors have greater financial, technical, personnel, and other resources than we do and are able to finance larger budgets for development and marketing and make higher offers to licensors and developers for commercially desirable properties. For instance, large game publishers, such as NetEase and Tencent, and global interactive entertainment companies such as Electronic Arts Inc. and Activision Blizzard, Inc. all have games that compete with the games we distribute or develop. Some of these current and potential competitors have significant resources, can incorporate their own strong brands and assets into their games, have a more diversified set of revenue sources than we do and may be less severely affected by changes in consumer preferences, regulations or other developments that may impact our industry.

In addition, both the online and mobile games marketplaces are characterized by frequent product introductions, relatively low barriers to entry, and new and evolving business methods, technologies and platforms for development. Widespread consumer adoption of these new platforms for games and other technological advances in and/or new business or payment models in online or mobile game offerings could negatively affect our sales of console and PC games.

We also compete with a vast number of small companies and individuals who are able to create and launch video games and other content for devices and platforms using relatively limited resources and with relatively limited start-up time or expertise. The proliferation of titles in these open developer channels makes it difficult for us to compete for gamers without substantially increasing our marketing expenses. Our game titles also compete with other forms of entertainment, such as social media and casual games, in addition to motion pictures, television and audio and video products featuring similar themes, online computer programs and other entertainment, which may be less expensive or provide other advantages to consumers. Increasing competition could result in loss of gamers, increasing gamer acquisition and retention costs, and loss of talent, all of which could harm our business, financial condition or results of operations.

We intend to grow our business through strategic acquisitions, investments, and joint ventures that involve numerous risks and uncertainties.

We intend to grow our business through strategic transactions, including acquisitions, investments, and joint ventures, that involve numerous risks and uncertainties. We have previously closed several such transactions, including our acquisition of Martiangear, Starry Jewelry, 2Game, and Ban Leong, and in the future expect to continue to be in, various stages of seeking, evaluating, and pursuing additional strategic transactions in Asia. These transactions often require unique approaches to integration due to, among other reasons, the structure of the transactions, the locations, and cultural differences among the other company's teams and ours, and have required and will continue to require significant attention from our management team. If we are unable to obtain the anticipated benefits from these transactions, or if we encounter difficulties in integrating any acquired operations with our business, our financial condition and results of operations could be materially harmed.

We have in the past made an equity investment in Nekcom, and may in the future invest in other studios and companies to further our key strategic initiatives, such as IP development. Investments involve risks and uncertainties, some of which may differ from those historically associated with our console game and computer hardware distribution business.

Challenges and risks from such acquisitions, investments, and joint ventures include:

- our ability to identify, compete effectively for, or complete suitable acquisitions and investments at prices we consider attractive;
- our ability to estimate accurately the financial effect of acquisitions and investments on our business, our ability to estimate accurately any synergies or the impact on our results of operations of such acquisitions and investments;
- acquired products, technologies or capabilities, particularly with respect to any that are still in development when acquired, may not perform as expected, may have defects, or may not be integrated into our business as expected;
- acquired entities or joint ventures may not achieve expected business growth or operate profitably, which could adversely affect our results of operations, and we may be unable to recover investments in any such acquisitions or joint ventures;
- our assumption of legal or regulatory risks, particularly with respect to smaller businesses that have immature business processes and compliance programs, or litigation we may face with respect to the acquired company, including claims from terminated employees, gamers, former shareholders, or other third parties;
- negative effects on business initiatives and strategies from the changes and potential disruption that may follow the acquisition;
- diversion of our management's attention;
- declining employee morale and retention issues resulting from changes in compensation, or changes in management, reporting relationships, or future prospects;
- the need to integrate the operations, systems, technologies, products, and personnel of each acquired company, the inefficiencies and lack of control that may result if such integration is delayed or not implemented, and unforeseen difficulties and expenditures that may arise in connection with integration;
- the difficulty in determining the appropriate purchase price of acquired companies may lead to the overpayment of certain acquisitions and the potential impairment of intangible assets and goodwill acquired in the acquisitions;
- the difficulty in successfully evaluating and utilizing the acquired products, technology, or personnel;
- acquisitions, investments, and joint ventures may require us to spend a significant amount of cash, to incur debt, resulting in increased fixed payment obligations and could also result in covenants or other restrictions on us, or to issue capital stock, resulting in dilution of ownership of our shareholders;
- the need to implement controls, procedures, and policies appropriate for a larger, U.S. public company as companies that prior to acquisition may not have as robust controls, procedures, and policies;

- the difficulty in accurately forecasting and accounting for the financial impact of an acquisition transaction, including accounting charges and integrating and reporting results for acquired companies that have not historically followed U.S. GAAP;

- the fact that we may be required to pay contingent consideration in excess of the initial fair value, and contingent consideration may become payable at a time when we do not have sufficient cash available to pay such consideration;

- the fees and costs of legal, accounting, and other professional advisors engaged by us for such acquisitions, which may be substantial;

- under purchase accounting, we may be required to write off deferred revenue which may impair our ability to recognize revenue that would have otherwise been recognizable which may impact our financial performance or that of the acquired company;

- risks associated with our expansion into new international markets and doing business internationally, including those described under the caption "*Our international operations are, and our strategy to expand internationally will be, subject to increased challenges and risks*";

- in the case of foreign acquisitions, the need to integrate operations across different regulatory environment, cultures and languages and to address the particular economic, currency, political, and regulatory risks associated with specific countries;

- the potential loss of, or harm to, our relationships with employees, gamers, content licensors, and other suppliers as a result of integration of new businesses;

- our dependence on the accuracy and completeness of statements and disclosures made or actions taken by the companies we acquire or their representatives, when conducting due diligence and evaluating the results of such due diligence;

- liability for activities of the acquired company before the acquisition, including intellectual property and other litigation claims or disputes, cyber and information security vulnerabilities, violations of laws, rules, and regulations, commercial disputes, tax liabilities, and other known and unknown liabilities; and

- we may not be able to effectively influence the operations of our joint ventures, or we may be exposed to certain liabilities if our joint venture partners do not fulfill their obligations.

The benefits of an acquisition, investment, or joint venture may also take considerable time to develop, and we cannot be certain that any particular transaction will produce the intended benefits, which could adversely affect our business, financial condition, or results of operations. Our ability to grow through future acquisitions, investments, and joint ventures will depend on the availability of suitable candidates at an acceptable cost, our ability to compete effectively to attract these candidates, and the availability of financing to complete larger transactions. In addition, depending upon the duration and extent of shelter-in-place, travel and other business restrictions adopted by us and imposed by various governments in response to the COVID-19 pandemic or other future health epidemics or contagious disease outbreaks, we may encounter challenges in evaluating future acquisitions, investments, and joint ventures and integrating personnel, business practices, and company cultures from acquired companies. Acquisitions, investments, and joint ventures could result in potential dilutive issuances of equity securities, use of significant cash balances or incurrence of debt (and increased interest expense), contingent liabilities or amortization expenses related to intangible assets, or write-offs of goodwill or intangible assets, which could adversely affect our results of operations and dilute the economic and voting rights of our shareholders.

If we fail to manage our growth effectively, our business, financial condition, results of operations and prospects could be materially and adversely affected.

As part of our business strategy, we have entered into and plan to pursue a wide array of potential strategic transactions, including strategic investments, alliances, partnerships, joint ventures and acquisitions, in each case relating to businesses, technologies, services and other assets that we expect to complement our business or that we believe will help to grow our business.

These types of transactions involve numerous risks, including, among others:

- intense competition for suitable targets and partners, which could increase prices and adversely affect our ability to consummate deals on favorable or acceptable terms;
- complex technologies, terms and arrangements, which may be difficult to implement and manage;
- failures or delays in closing transactions;
- difficulties integrating brand identity, technologies, operations, existing contracts, and personnel;
- difficulties implementing our corporate or compliance policies and guidelines with the acquired entities effectively;
- failure to realize the anticipated return on investment, benefits or synergies;
- exclusivity provisions which prevent us from providing a particular service outside of the strategic alliance or partnership in a particular jurisdiction which could serve to limit access to business opportunities;
- failure to identify the problems, liabilities, or other shortcomings or challenges of an acquired company, partner or technology, including but not limited to issues related to intellectual property, cybersecurity risks, regulatory compliance practices, litigation, security interests over assets, contractual issues, revenue recognition or other accounting practices, or employee or user issues;
- expanding into business activities where we have limited experience, such as brick-and-mortar businesses, or no experience at all;
- failure to retain key employees, to ensure that we can preserve value in the existing platform and avoid loss of institutional knowledge;
- risks that regulatory bodies do not approve our acquisitions or business combinations or delay such approvals or other adverse reactions from regulators, which may result in blockade, delay or restructuring of such transactions;
- regulatory changes that require adjustments to our business or shareholding or rights in relation to subsidiaries or joint ventures;
- any significant use of cash or incurrence of debt to finance the transactions may restrict our business and any issuance of equity and/or convertible note to finance or otherwise complete the transactions may result in dilution to our shareholders;
- adverse reactions to acquisitions by investors and other stakeholders; and
- distraction of our management from executing our existing strategic plan as each strategic transaction will require management time and resources to negotiate, execute and integrate.

If we fail to address the risks or other problems encountered in connection with past or future transactions such as the foregoing, or if we fail to successfully integrate or manage such transactions, our business, financial condition, results of operations and prospects could be materially and adversely affected.

We plan to raise additional funds through sale of equity or convertible debt securities in order to fuel business growth and that may cause substantial dilution to our current shareholders.

To fuel the growth of our business, we plan to raise financing through sale of equity or convertible debt securities in the near future. However, there is no assurance that such financing will be available to us when needed, or if available, on terms that are favorable to us. Should the financing we require be unavailable to us, or on terms unacceptable to us when we require it, we may have to delay, curtail or alter our strategic acquisition or business plans, and as a result, our business, operating results, financial condition, and prospects could be materially adversely affected.

The terms of any securities issued by us in future capital transactions may be more favorable to new investors, and may include preferences, superior voting rights and the issuance of warrants or other derivative securities, which may have a further dilutive effect on the holders of any of our securities then outstanding. ATW currently holds a warrant to purchase 1,125,000 ordinary shares at an initial exercise price of $8.00 per share. However, the exercise price of this April 2026 Warrant is subject full-ratchet anti-dilution adjustments and other price protections in the event of, among other things, a reverse stock split or share combination. In addition, we may incur substantial costs in pursuing future capital financing, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. We may also be required to recognize non-cash expenses in connection with certain securities we issue, such as convertible notes and warrants, which may adversely impact our financial condition.

Our variable-rate indebtedness exposes us to interest rate risk, which could increase our debt service obligations and adversely affect our results of operations and cash flows.

Our acquisition of Ban Leong was financed in part by a $38.7 million secured term loan facility with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"). The HSBC term loan facility is secured by all assets of GCL Global SG, and bears a floating interest rate ranging from 2.5% to 7.5%. It has a five-year term, and requires quarterly repayments starting in August 2025, with the final installment due in May 2030. The Company has obtained other long term bank loans from HSBC for an aggregate of approximately $3 million, due starting from February 2027. These bank loans bear interest rates per annum from 6.33%.

These loan facilities with HSBC are subject to variable interest rates and our borrowings under any future indebtedness may also bear interest at variable rates, exposing us to interest rate risk. Increases in interest rates could result in higher interest expense on our outstanding indebtedness, even if the principal amount remains unchanged, which could reduce our profitability and cash flows, including cash available to service our debt. The extent of our exposure to interest rate risk depends on market interest rates and the amount of our variable-rate indebtedness outstanding from time to time. Although we may seek to manage a portion of this risk through various strategies, including entering into interest rate hedging arrangements, we are not required to do so, and any such arrangements may not fully or effectively mitigate our exposure to rising interest rates. As a result, fluctuations in interest rates could materially and adversely affect our business, results of operations, financial condition, and cash flows.

We are or may be subject to contractual covenants which place certain limitations on how we manage our business.

Certain credit agreements we have with banks (the "***Credit Agreement***") may limit our ability to take various actions, including incurring additional debt, paying dividends, repurchasing shares, and acquiring or disposing of assets or businesses. Accordingly, we may be restricted from taking actions that management believes would be desirable and in the best interests of us and our shareholders. Our Credit Agreement also requires us to satisfy specified financial covenants and comply with other affirmative and negative covenants. A breach of any of the covenants contained in our Credit Agreement could result in an event of default, which would allow our lenders to pursue various remedies, including accelerating the repayment of any outstanding indebtedness under our Credit Agreement.

Risks Related to the Company's International Operations, Legal and Regulatory Matters

Our business is subject to numerous legal and regulatory risks that could have an adverse impact on our business and prospects.

As a holding company with no material operations on its own, we conduct all our operations through our subsidiaries in Singapore, Hong Kong, Malaysia, China, the United Kingdom, Japan, Brazil, Thailand, Taiwan and the United Arab Emirates. We are subject to various regulations in each of the jurisdictions in which we operate.

Focus areas of regulatory risk that we are exposed to include, among others: (i) evolution of laws and regulations applicable to game distribution and video game development, (ii) various forms of data regulation such as data localization, data portability, cybersecurity and advertising or marketing, (iii) antitrust regulations, (iv) foreign ownership restrictions, (v) artificial intelligence regulation and (vi) regulations regarding the provision of online services, including with respect to the internet, mobile devices and e-commerce.

In addition, we may not be able to obtain all the licenses, permits and approvals that may be necessary to provide our game publishing and those we plan to publish. Because the gaming industry, in which we operate and which includes gaming devices technology, continues to develop, the relevant laws and regulations, are always evolving in certain jurisdictions and their interpretations may be unclear. This can make it difficult for us to assess which licenses and approvals are necessary for our business, or the processes for obtaining such licenses in certain jurisdictions. For these reasons, we also cannot be certain that we will be able to maintain the licenses and approvals that we have previously obtained, or that once they expire, we will be able to renew them. We cannot be sure that its interpretations of the rules and their exemptions have always been or will be consistent with those of the local regulators. As we expand our businesses to gaming development area, we may be required to obtain new licenses and will be subject to additional laws and regulations in the markets we plan to operate in. For example, depending on the types of games that we offer and distribute to the customers and the way of distribution, we may need to obtain permits or licenses under the Gambling Control Act 2022 of Singapore and the Films Act 1981 of Singapore. Please refer to "*Business Overview - Regulations Applicable to the Company*" for further information.

Our business is subject to regulations from various regulators within each jurisdiction it operates in, and such regulators may not always act in concert. As a result, we may be subject to requirements which separately may not be materially adverse to us but when taken together could have a material impact on us. In addition, we are subject to differing, and sometimes conflicting, laws and regulations in the markets in which it operates.

In addition, since we operate in different jurisdictions in Asia, we are subject to the risk that regulatory scrutiny or actions in one country may lead to other regulators taking similar actions. We may enter into exclusive regional partnership agreements with our suppliers or customers. Although we are not aware of any violations of competition laws in connection with our business model, we cannot assure you that we will not be subject to any inquiry, investigation, or even penalty from regulatory agencies in the future. In the event that a regulatory agency in one of the countries or jurisdictions initiates action against us, it may lead to other regulators taking similar actions.

Our actual or perceived failure to comply with applicable regulation could expose it to regulatory actions, including, but not limited to, potential fines, orders to temporarily or permanently cease all or some of our business activities. Any such actions could materially and adversely affect our business, financial condition, results of operations and prospects.

Our international operations are, and our strategy to expand internationally will be, subject to increased challenges and risks.

Continuing to expand our business to attract gamers outside of Asia is an important growth strategy of ours. Our ability to expand our business and to attract gamers and talented employees in other international markets we may enter will require considerable management attention and resources and is subject to the particular challenges of supporting a rapidly growing business in an environment of multiple languages, cultures, customs, economics, legal systems, alternative dispute systems, regulatory systems, and commercial infrastructures.

Expanding our international focus may subject us to risks that we have not faced before or increase risks that we currently face, including risks associated with:

- inability to offer certain games in certain foreign countries;
- recruiting and retaining talented and capable management and employees in foreign countries;
- challenges caused by distance, language, and cultural differences;

- developing and customizing games and other offerings that appeal to the tastes and preferences of gamers in international markets;
- competition from local game makers with intellectual property rights and significant market share in those markets and with a better understanding of gamer preferences;
- obtaining, utilizing, protecting, defending, and enforcing our intellectual property rights;
- negotiating agreements with local distribution platforms that are sufficiently economically beneficial to us and protective of our rights;
- the inability to extend proprietary rights in our brand, content, or technology into new jurisdictions;
- compliance with applicable foreign laws and regulations, including laws relating to content and consumer protection;
- compliance with anti-bribery laws, including the Foreign Corrupt Practices Act;
- credit risk and higher levels of payment fraud;
- currency exchange rate fluctuations;
- protectionist laws and business practices that favor local businesses in some countries;
- double taxation of our international earnings and potentially adverse tax consequences due to changes in the tax laws of the U.S. or the foreign jurisdictions in which we operate;
- political, economic, and social instability;
- public health crises, such as the COVID-19 pandemic and other future health epidemics or contagious disease outbreaks, which can result in varying impacts to our employees, gamers, vendors, and commercial partners internationally;
- higher costs associated with doing business internationally;
- export or import regulations; and
- trade and tariff restrictions.

If we are unable to manage the complexity of our global operations successfully, our business, financial condition, and operating results could be adversely affected. Additionally, our ability to successfully gain market acceptance in any particular market is uncertain, and the distraction of our senior management team could harm our business, financial condition, or results of operations. Please refer to "*Business Overview - Regulations Applicable to the Company*" for further information.

Changes in international trade policies, tariffs and treaties affecting imports and exports may have a material adverse effect on our business.

Recently, the U.S. has implemented a range of new tariffs and increases to existing tariffs. In response to the tariffs announced by the U.S., other countries have imposed, are considering imposing, and may in the future impose new or increased tariffs on certain exports from the U.S. There is currently significant uncertainty about the future relationship between the United States and other countries with respect to trade policies, taxes, government regulations and tariffs. and we cannot predict whether, and to what extent, current tariffs will continue or trade policies will change in the future. Tariffs, or the threat of tariffs or increased tariffs, could have a significant negative impact on our business. We may not be able to adequately address the risks presented by these tariffs or other potential trade policy changes.

Any failure by us or our vendors to comply with applicable anti-money laundering or other related laws and regulations could damage its business, reputation, financial condition, and results of operation, or subject it to other risks.

Our payment systems may, in certain jurisdictions, be governed by laws and regulations related to payment and financial services activities, including, among other things, laws and regulations relating to banking, cross-border and domestic money transmission, anti-money laundering, counter-terrorist financing, electronic funds transfers, systemic integrity risk assessments, cybersecurity of payment processes, import and export restrictions and consumer protection. Our payment system may be susceptible to illegal and improper uses, including money laundering, terrorist financing, fraudulent sales of goods or services, and payments to sanctioned parties. These laws and regulations to which we are now, or in the future may be, subject are highly complex, may be vague, and could change and may be interpreted to make it difficult or impossible for us to comply with them. In addition, we may in the future offer new payment options that may be subject to additional regulations and risks. If we fail to comply with applicable laws and regulations, it may be subject to civil or criminal penalties, fines, and higher transaction fees, and we may lose its ability to accept or process online payment, payment card or other related transactions, which could make services on our games less convenient and attractive. In the event of any failure to comply with applicable laws and regulations, our business, financial condition, results of operations and prospects could be adversely affected.

In addition, laws and regulations related to online payments are evolving, and changes in such laws and regulations could affect our ability to provide services on its platform in the manner that it has done, expects to do, or at all. In addition, as we evolve our business or make changes to our operations, it may be subject to additional laws and regulations. Historical or future non-compliance with these laws and regulations could result in significant criminal and civil lawsuits, penalties, forfeiture of significant assets, or other enforcement actions. Costs associated with fines and enforcement actions, as well as reputational harm, changes in compliance requirements, or limits on our ability to expand our product offerings, could harm our business.

We are subject to risks associated with operating and investing in Asia.

We derive a significant portion of its revenue from its operations in Asia, and we intend to continue to develop and expand our business and penetration in the region. Our operations and investments in Asia are subject to various risks related to the economic, political and social conditions of the countries in which we operate. For example, steep increase in tariffs placed on our console games and gaming consoles could materially adversely affect our results of operations if we cannot successfully pass onto the consumers the increased costs as a result of these tariffs, or if the resulting increased price would result in a decreased demand for the game titles we distribute or publish. Some of the other risks include the following:

- inconsistent and evolving regulations, licensing and legal requirements may increase our operational risks and cost of operations among the countries in Asia in which we operates;
- currencies may be devalued or may depreciate or currency restrictions or other restraints on transfer of funds may be imposed;
- the effects of inflation within Asia generally and/or within any specific country in which we operate may increase our cost of operations;
- governments or regulators may impose new or more burdensome regulations, taxes or tariffs;
- political changes may lead to changes in the business, legal and regulatory environments in which we operate;
- economic downturns, political instability, civil disturbances, war, military conflict, religious or ethnic strife, terrorism and general security concerns may negatively affect our operations;

- enactment or any increase in the enforcement of regulations, including, but not limited to, those related to personal data protection and localization and cybersecurity, may incur compliance costs;

- health epidemics, pandemics or disease outbreaks (including the COVID-19 outbreak) may affect our operations and demand for its gaming products; and

- natural disasters like volcanic eruptions, floods, typhoons and earthquakes may impact our operations severely.

Additionally, the laws in the countries in which we operate may change and their interpretation and enforcement may involve significant uncertainties that could limit the reliability of the legal protections available to us. We cannot predict the effects of future developments in the legal regimes in the countries in which we operate.

Our revenue and net income may be materially and adversely affected by any economic slowdown or developments in the social, political, regulatory and economic environments in Asia as well as globally.

We may be adversely affected by social, political, regulatory and economic developments in countries in which we operate. We derive a significant portion of its revenue from our operations in Asia and are exposed to political and economic uncertainties, including, but not limited to, the risks of war, terrorism, nationalism, nullification of contract, changes in interest rates, imposition of capital controls and methods of taxation that affect consumer confidence, consumer spending, consumer discretionary income or changes in consumer purchasing habits. As a result, our revenue and net income could be impacted to a significant extent by economic conditions in Asia and globally.

Substantially all of our assets and operations are located in Asia. The economies in certain Asian countries differ from most developed markets in many respects, including the level of government involvement, level of development, growth rate, control of foreign exchange, government policy on public order and allocation of resources. In some of the Asian markets, governments continue to play a significant role in regulating industry development by imposing industrial policies. Moreover, some local governments also exercise significant control over the economic growth and public order in their respective jurisdictions through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policies, and providing preferential treatment to particular industries or companies.

While the Asia economy, as a whole, has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. Any adverse changes in economic conditions in Asia, or in the policies of the governments or of the laws and regulations in each respective market could have a material adverse effect on the overall economic growth of Asia. Such developments could adversely affect our business and operating results, lead to reduction in demand for our game publishing and adversely affect our competitive position. Many of the governments in Asia have implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall economy, but may have a negative effect on us. For example, our financial condition and results of operations may be adversely affected by government control over foreign capital investments or changes in tax regulations. Some Asia markets have historically experienced low growth in their GDP, significant inflation and/or shortages of foreign exchange. We are exposed to the risk of rental and other cost increases due to potential inflation in the markets in which we operate. In the past, some of the governments in Asia have implemented certain measures, including interest rate adjustments, currency trading band adjustments and exchange rate controls, to control the pace of economic growth. These measures may cause decreased economic activity in Asia, which may adversely affect our business, financial condition, results of operations and prospects.

In addition, some Asian markets have experienced, and may in the future experience, political instability, including strikes, demonstrations, protests, marches, coups d'état, guerilla activity or other types of civil disorder. These instabilities and any adverse changes in the political environment could increase our costs, increase its exposure to legal and business risks, disrupt its office operations or affect its ability to expand our user base.

Uncertainties with respect to the legal system in certain markets we operate could adversely affect our operations.

The interpretation and enforcement of laws and regulations involve uncertainties and inconsistencies. Since local administrative and court authorities and in certain cases, independent organizations, have significant discretion in interpreting and implementing statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we may enjoy in many of the jurisdictions and localities in which we operate. Moreover, local courts may have broad discretion to reject enforcement of foreign awards. These uncertainties may affect our judgment on the relevance of legal requirements and its ability to enforce our contractual rights or tort claims. In addition, the regulatory uncertainties may be exploited through unmerited or frivolous legal actions or threats in attempts to extract payments or benefits from us.

It is possible that a number of laws and regulations may be adopted or construed to apply to us in Asia and elsewhere that could restrict our business segments. Scrutiny and regulation of the business segments in which we operate may further increase, and we may be required to devote additional legal and other resources to addressing these regulations. Changes in current laws or regulations or the imposition of new laws and regulations in Asia or elsewhere regarding our business segments may slow the growth of our business segments and adversely affect its business, financial condition, results of operations and prospects.

We could face uncertain tax liabilities in various jurisdictions where we operate, and suffer adverse financial consequences as a result.

Our management believes we are in compliance with all applicable tax laws in the various jurisdictions where we are subject to tax, but its tax liabilities could be uncertain, and we could suffer adverse tax and other financial consequences if tax authorities do not agree with our interpretation of the applicable tax laws.

Although GCL is a holding company incorporated as an exempted company under the laws of the Cayman Islands, the GCL Group collectively operates in multiple tax jurisdictions and pays income taxes according to the tax laws of these jurisdictions. Various factors, some of which are beyond our control, determine its effective tax rate and/or the amount we are required to pay, including changes in or interpretations of tax laws in any given jurisdiction and changes in geographical allocation of income. We accrue income tax liabilities and tax contingencies based upon its best estimate of the taxes ultimately expected to be paid after considering its knowledge of all relevant facts and circumstances, existing tax laws, its experience with previous audits and settlements, the status of current tax examinations and how the tax authorities view certain issues. Such amounts are included in income taxes payable or deferred income tax liabilities, as appropriate, and are updated over time as more information becomes available.

Our management believes that we are filing tax returns and paying taxes in each jurisdiction where we are required to do so under the laws of such jurisdiction. However, it is possible that the relevant tax authorities in the jurisdictions where we do not file returns may assert that we are required to file tax returns and pay taxes in such jurisdictions. There can be no assurance that the subsidiaries will not be taxed in multiple jurisdictions in the future, and any such taxation in multiple jurisdictions could adversely affect our business, financial condition and results of operations.

In addition, we may, from time to time, be subject to inquiries or audits from tax authorities of the relevant jurisdictions on various tax matters, including challenges to positions asserted on income and withholding tax returns. We cannot be certain that the tax authorities will agree with its interpretations of the applicable tax laws, or that the tax authorities will resolve any inquiries in its favor. To the extent the relevant tax authorities do not agree with its interpretation, we may seek to enter into settlements with the tax authorities which may require significant payments and may adversely affect its results of operations or financial condition. we may also appeal against the tax authorities' determinations to the appropriate governmental authorities, but we cannot be sure we will prevail. If our appeal does not prevail, it may have to make significant payments or otherwise record charges (or reduce tax assets) that could adversely affect its results of operations, financial condition and cash flows. Similarly, any adverse or unfavorable determinations by tax authorities on pending inquiries could lead to increased taxation on us, that may adversely affect its business, financial condition and results of operations and may also impact its reputation, including but not limited to tax and other regulatory authorities in Asia.

Companies and governmental agencies may restrict access to platforms, our website or the Internet generally, which could lead to the loss or slower growth of our gamer base.

Our gamers generally need to access the Internet. Access to the Internet in a timely fashion is necessary to provide a satisfactory gamer experience to the gamers of our games. Companies and governmental agencies could block access to any platform, our website, or the Internet generally, or could limit the speed of data transmissions, for a number of reasons such as security or confidentiality concerns or regulatory reasons. In addition, telecommunications companies may implement certain measures, such as increased cost or restrictions based on the type or amount of data transmitted, that would impact gamers' ability to access our games. If companies or governmental entities block or limit such access or otherwise adopt policies restricting gamers from playing our games, our business could be negatively impacted and could lead to the loss or slower growth of our gamer base.

Risks Related to the Company Operating in China

The uncertainties and quick change of the legal system in China with little advance notice could limit the legal protections available or impose additional requirements and obligations on our business operation in Hong Kong, which may materially and adversely affect our business, financial condition, and results of operations.

Although we are based in Singapore and our major markets are in Southeast Asia, we have recently formed three indirect wholly-owned subsidiaries in China to support our collaboration efforts with game developers in China. We are subject to certain risks related to operating business in China. Epicsoft Hong Kong and 2Game, two of the Company's subsidiaries, are located in Hong Kong. The PRC government currently does not directly govern the manner in which Epicsoft Hong Kong and 2Game conduct their business activities outside of mainland China. However, despite the current Hong Kong legal environment of "One Country, Two Systems," the PRC government may still exert substantial influence, discretion, oversight, and control over the manner in which Hong Kong-based companies must conduct their business activities. The PRC legal system is a civil law system based on written statutes. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value. The legal system in China evolves rapidly and new laws, regulations and rules may be adopted from time to time with or without advance notice. These laws, regulations, and legal requirements are constantly changing and their interpretation and enforcement involve inconsistency and uncertainties. In addition, the enforcement of laws and that rules and regulations in China can change quickly with little advance notice. These uncertainties could limit the legal protections available to us. Further, the PRC government has significant oversight and discretion over the conduct of our business in Hong Kong and may intervene or influence our operations as the government deems appropriate to further regulatory, political and societal goals. Please refer to "*Business Overview - Regulations Applicable to the Company - Regulations in Hong Kong*" for further information.

We cannot predict the effect of future developments in the PRC legal system, particularly with regard to internet-related industries, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the preemption of local regulations by national laws. Such unpredictability towards its contractual, property (including intellectual property) and procedural rights could adversely affect our business and impede our ability to continue its operations. Any such intervention in or influence on our business operations or action to exert more oversight and control over securities offerings and other capital markets activities, once taken by the PRC government, could adversely affect our business, financial condition and results of operations and the value of the GCL's securities.

The gaming industry in China is subject to a variety of PRC laws and regulations, many of which are unsettled and still developing, and which could subject us or our resellers to claims or otherwise harm our business, financial condition, results of operations and growth prospects.

The gaming industry is subject to a variety of laws in China, including but not limited to those regarding gaming, consumer protection, electronic marketing, competition, taxation, intellectual property, export and national security, which are continuously evolving and developing. The scope and interpretation of the laws are or may be applicable to the gaming industry are often uncertain and may be conflicting. There is a risk that existing or future laws may be interpreted in a manner that is not consistent with the gaming industry's current practices and could have an adverse effect on us or our resellers' business, financial condition, results of operations and growth prospects.

These developments and other developments or regulations, whether existing or to be implemented, may have an adverse effect on our resellers' business, financial condition, results of operations and growth prospects. Furthermore, as uncertainties remain regarding the development, interpretation and implementation of notices, laws and regulations, our resellers may become subject to additional compliance costs and liabilities under such laws and regulations and our resellers may be ordered to rectify or terminate any actions that are deemed illegal by regulatory authorities. Our resellers may also become subject to fines and/or other sanctions which may have material adverse effect on our business, operations and financial condition.

Any lack of requisite approvals, licenses, or permits applicable to our resellers' business may have a material and adverse impact on our resellers' business, financial condition, and results of operations.

In accordance with the relevant laws and regulations in jurisdictions in which our resellers operate, our resellers are required to maintain various approvals, licenses, and permits to operate their business, including but not limited to business license, online publishing service license, publishing electronic publications license, and value-added telecommunications business license. These approvals, licenses, and permits are obtained upon satisfactory compliance with, among other things, the applicable laws and regulations.

If our resellers fail to obtain the necessary licenses, permits and approvals, they may be subject to fines, confiscation of revenues generated from incompliance operations, or the suspension of relevant operations. The games that we distribute may also experience adverse publicity arising from such non-compliance with government regulations that negatively impacts its brand. Our resellers may experience difficulties or failures in obtaining the necessary approvals, licenses, and permits for new spaces or new service offerings. If our resellers fail to obtain the material licenses, our game offerings and business activities could be severely delayed in the PRC market. In addition, there can be no assurance that our resellers will be able to obtain, renew, and/or convert all of the approvals, licenses, and permits required for its existing business operations upon their expiration in a timely manner or at all, which could adversely affect our resellers' business operations.

Risks Related to GCL Operating as a Public Company

GCL Group's management team has limited experience managing a public company.

Prior to GCL, members of GCL Group's management team had no experience managing a publicly-traded company, interacting with public company investors, and complying with the increasingly complex laws, rules and regulations that govern public companies. GCL has significant obligations relating to reporting, procedures and internal controls. These new obligations and scrutiny will continue to require significant attention from management and could divert their attention away from the day-to-day management of GCL Group's business, which could adversely affect its business, financial condition and operating results.

In connection with the preparation of the Company's consolidated financial statements for the fiscal year 2026, the Company identified material weaknesses in its internal control over financial reporting, as defined in the standards established by the PCAOB. Failure to maintain effective internal controls over financial reporting could have a material adverse effect on GCL's business, operating results and stock price.

The Company is a publicly listed company. The standards required for a public company under Section 404(a) of the Sarbanes-Oxley Act are significantly more stringent than those required of a privately held company. Management may not be able to effectively and timely implement controls and procedures that adequately respond to the increased regulatory compliance and reporting requirements. If GCL is not able to comply with the additional requirements of Section 404(a) of the Sarbanes-Oxley Act in a timely manner or with adequate compliance, it may not have effective internal controls over financial reporting, which may subject it to adverse regulatory consequences and could harm investor confidence and the market price of GCL ordinary shares.

GCL's independent registered public accounting firm is not required to report on the effectiveness of its internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002 until GCL's first Form 20-F following the date on which it ceases to qualify as an "emerging growth company," which may be up to five full fiscal years following the date of the first sale of common equity securities pursuant to an effective registration statement. Since GCL is an accelerated filer, the Section 404(b) auditor attestation requirement will apply immediately upon it ceasing to be an emerging growth company, without any additional transition period. In connection with the preparation of the Company's consolidated financial statements for fiscal year 2026, the Company identified material weaknesses in its internal control over financial reporting, as defined in the standards established by the PCAOB. The material weakness identified related to (1) Lack of effective monitoring and evaluation of the design and operating effectiveness of internal controls over financial reporting, including those related to: (i) timely identification and assessment of the accounting treatment of complex transactions and the related impact including fair valuation adjustments; and (ii) formal period-end closing and financial reporting policies and procedures in accordance with U.S. GAAP and financial reporting requirements set forth by the SEC, and (2) Lack of information technology general controls in the areas of IT policies and procedures, access management, change management, oversight of outsourced IT services and maintenance of documentary evidence supporting IT processes. To remediate the material weaknesses, the Company will implement the following measures (A) design an effective control framework and strengthen the monitoring function over the financial reporting process; (B) implement a formal process to identify complex or non-routine transactions at inception and throughout their lifecycle. Accounting implications and conclusions documented in U.S. GAAP technical accounting memoranda by technical accounting specialists or valuation specialists will be subjected to management review and approval prior to recording the transaction in the financial statements; and (C) formulate and implement formal IT general controls in the areas of IT policies and procedures, access management, change management, oversight of outsourced IT services and maintenance of documentary evidence supporting IT processes. In addition, GCL cannot predict the outcome of this determination and whether GCL will need to implement remedial actions in order to implement effective control over financial reporting. If in subsequent years GCL is unable to maintain effective internal control over financial reporting, or if GCL's auditors express an opinion that GCL's internal control over financial reporting is ineffective, GCL may fail to meet the future reporting obligations in a timely and reliable manner and its financial statements may contain material misstatements. Any such failure could also adversely cause GCL's investors to have less confidence in the accuracy and completeness of its financial reports, which could have a material adverse effect on the price of GCL's securities. If we fail to implement and maintain an effective system of internal controls to remediate our material weaknesses over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud, and investor confidence and the market price of our ADSs may be materially and adversely affected

Because GCL is a foreign private issuer and is exempt from certain Nasdaq corporate governance standards applicable to U.S. issuers, you will have less protection than you would have if it were a domestic issuer.

GCL's status as a foreign private issuer exempts it from compliance with certain Nasdaq corporate governance requirements if it instead complies with the statutory requirements applicable to a Cayman Islands exempted company. The statutory requirements of GCL's home country of Cayman Islands do not strictly require a majority of its board to consist of independent directors. Thus, although a director must act in the best interests of GCL, it is possible that fewer board members will be exercising independent judgment and the level of board oversight of the management the company may decrease as a result. In addition, the Nasdaq Listing Rules also require U.S. domestic issuers to have an independent compensation committee with a minimum of two members, a nominating committee, and an independent audit committee with a minimum of three members. GCL, as a foreign private issuer, with the exception of needing an independent audit committee composed of at least two members, is not subject to these requirements. The Nasdaq Listing Rules may also require shareholder approval for certain corporate matters that GCL's home country's rules do not. Following Cayman Islands governance practices, as opposed to complying with the requirements applicable to a U.S. company listed on Nasdaq, may provide less protection to you than would otherwise be the case.

If Nasdaq subsequently delists its securities from trading, GCL could face significant consequences, including:

- a limited availability for market quotations for its securities;
- reduced liquidity with respect to its securities;
- a determination that its ordinary shares is a "penny stock," which will require brokers trading in GCL Ordinary Shares to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for GCL Ordinary Shares;

- limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because GCL is incorporated under Cayman Islands law.

GCL is an exempted company incorporated under the laws of the Cayman Islands. GCL's corporate affairs are governed by GCL's Amended and Restated Memorandum and Articles of Association, the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against GCL's directors, actions by GCL's minority shareholders and the fiduciary duties of GCL's directors to GCL under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of GCL's shareholders and the fiduciary duties of GCL's directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands have a less developed body of securities laws than the United States and provides significantly less protection to investors. In addition, some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands.

There is no statutory recognition in the Cayman Islands of judgments obtained in the United States, although a judgment obtained in the United States will be recognized and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, provided such judgment (a) is given by a foreign court of competent jurisdiction; (b) imposes on the judgment debtor a liability to pay a liquidated sum for which the judgment has been given; (c) is final; (d) is not in respect of taxes, a fine or a penalty; and (e) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands. It may be difficult or impossible for you to bring an action against GCL or against these individuals in the Cayman Islands in the event that you believe that your rights have been infringed under the applicable securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands may render you unable to enforce a judgment against GCL's assets or the assets of GCL's directors and officers.

Shareholders of Cayman Islands exempted companies like GCL have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. GCL's directors have discretion under GCL's Amended and Restated Memorandum and Articles of Association to determine whether or not, and under what conditions, its corporate records may be inspected by its shareholders, but are not obliged to make them available to its shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, GCL's public shareholders may have more difficulty in protecting their interests in the face of actions taken by GCL's management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States.

Cayman Islands companies may not have standing to initiate a derivative action in a federal court of the United States. As a result, your ability to protect your interests if you are harmed in a manner that would otherwise enable you to sue in a United States federal court may be limited to direct shareholder lawsuits.

As a "controlled company" under the Nasdaq rules, GCL may choose to exempt itself from certain corporate governance requirements that could have an adverse effect on our public shareholders.

Mr. Jacky Choo See Wee, our Group Chairman, holds a majority of the voting power of GCL. Accordingly, GCL is a "controlled company" within the meaning of Nasdaq Listing Rule 5615. GCL therefore, is eligible to utilize certain exemptions from the corporate governance requirements of the Nasdaq Stock Market. GCL's status as a controlled company could cause its securities to look less attractive to certain investors or otherwise harm the trading price.

As a controlled company, GCL is qualified for, and our board of directors, the composition of which may be controlled by Mr. Choo, may rely upon, exemptions from several of Nasdaq's corporate governance requirements, including requirements that:

- a majority of the board of directors consist of independent directors;
- compensation of officers, including that of the CEO, be determined or recommended to the board of directors by a majority of its independent directors or by a compensation committee comprised solely of independent directors; and
- director nominees be selected or recommended to the board of directors by a majority of its independent directors or by a nominating committee that is composed entirely of independent directors.

Accordingly, to the extent that we may choose to rely on one or more of these exemptions, public shareholders would not be afforded the same protections afforded to the shareholders of other Nasdaq-listed companies that are subject to these corporate governance requirements.

GCL is deemed to be an "emerging growth company" and, as a result of the reduced disclosure and governance requirements applicable to emerging growth companies, GCL Ordinary Shares may be less attractive to investors.

GCL is deemed to be an "emerging growth company" as defined in Section 2(a)(19) of the Securities Act, as modified by the JOBS Act, and it intends to take advantage of some of the exemptions from reporting requirements that are available to emerging growth companies, including not being required to comply with the auditor attestation requirements in the assessment of GCL's internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act.

GCL may take advantage of these reporting exemptions until it is no longer an emerging growth company. GCL will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the date of the first sale of common equity securities pursuant to an effective registration statement, (b) in which GCL has total annual gross revenue of at least $1.235 billion, or (c) in which GCL is deemed to be a large accelerated filer, which means the market value of GCL Ordinary Shares that is held by non-affiliates exceeds $700 million as of the end of its last fiscal year, and (2) the date on which GCL has issued more than $1.0 billion in non-convertible debt during the prior three-year period.

GCL cannot predict if investors will find its ordinary shares less attractive because it will rely on the accommodations and exemptions available to emerging growth companies. If some investors find GCL Ordinary Shares less attractive as a result, there may be a less active trading market for GCL Ordinary Shares and GCL's share price may be more volatile.

Risks Related to Our Securities

We are currently not in compliance with certain Nasdaq continued listing requirements; and if we are unable to regain compliance with Nasdaq's continued listing requirements, our securities will be subject to delisting.

On March 17, 2026, we received a notice (the "Bid Price Notice") from Nasdaq stating that our ordinary shares failed to comply with the minimum $1.00 per share requirement for continued listing on the Nasdaq under Nasdaq Listing Rule 5450(a)(1) (the "Minimum Bid Price Rule"). Pursuant to Nasdaq Listing Rule 5810(c)(3)(A), we have an initial period of 180 calendar days, or until September 14, 2026, to regain compliance (the "Compliance Period"). Pursuant to the Bid Price Notice, if at any time during the Compliance Period the closing bid price of the ordinary shares is at least $1.00 for a minimum of ten consecutive business days, Nasdaq will provide us with written confirmation of compliance and such matter will be closed.

If we fail to regain compliance with the Minimum Bid Price Rule during the Compliance period, we may consider applying to transfer its securities from The Nasdaq Global Select Market to The Nasdaq Capital Market, provided that we meet the applicable market value of publicly held shares required for continued listing and all other applicable requirements for initial listing on The Nasdaq Capital Market (except for the bid price requirement). Such transfer would provide the Company with an additional 180 calendar days, or until March 15, 2027, to regain compliance. However, there can be no assurance that we would be eligible for the additional 180 calendar day compliance period, if applicable, or that the Nasdaq staff would grant our request for continued listing. If we are unable to regain compliance with any of these continued listing requirements, our securities will be subject to delisting.

We may issue additional Ordinary Shares or other equity or convertible debt securities without approval of the holders of the Ordinary Shares, which would dilute existing ownership interests and may depress the market price of our Ordinary Shares.

We may issue additional Ordinary Shares or other equity or convertible debt securities of equal or senior rank in the future without approval of the holders of the Ordinary Shares in certain circumstances. Our issuance of additional Ordinary Shares or other equity or convertible debt securities of equal or senior rank would have the following effects: (1) our existing shareholders' proportionate ownership interest may decrease; (2) the amount of cash available per share, including for payment of dividends in the future, may decrease; (3) the relative voting power of each previously outstanding Ordinary Shares may be diminished; and (4) the market price of the Ordinary Shares may decline.

Volatility in our share price could subject us to securities class action litigation.

The market price of our Ordinary Shares may be volatile and, in the past, companies that have experienced volatility in the market price of their shares have been subject to securities class action litigation. We may be the target of securities class action litigation and investigations. Securities litigation against us could result in substantial costs and divert management's attention from other business concerns, which could adversely affect our business, financial condition and results of operations.

It is not expected that we will pay dividends in the foreseeable future.

It is expected that we will retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, it is not expected that we will pay any cash dividends in the foreseeable future.

The IRS may not agree with the position that we should be treated as a foreign corporation for U.S. federal income tax purposes, which could have a material adverse effect on our financial position and results from operations and on non-U.S. holders' securities.

Although we are incorporated under the laws of the Cayman Islands, the IRS may assert that we should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes pursuant to section 7874 of the Code. For U.S. federal income tax purposes, a corporation is generally considered a tax resident in the jurisdiction of its organization or incorporation. Because we are incorporated under the laws of the Cayman Islands, we would generally be classified as a foreign corporation (and, therefore, a non-U.S. tax resident) for U.S. federal income tax purposes. Section 7874 provides an exception pursuant to which a foreign incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes. These rules are complex and require analysis of all relevant facts and circumstances, and there is limited guidance and significant uncertainties as to their application. If it were determined that we should be taxed as a U.S. corporation for U.S. federal income tax purposes under section 7874, we would be subject to U.S. federal income tax on our taxable income like any other U.S. corporation and certain distributions made by us to non-U.S. holders' securities would be subject to U.S. withholding tax at the rate of 30% or such lower rate as provided by an applicable treaty. Taxation as a U.S. corporation could also have a material adverse effect on our financial position and results from operations.

We may be or become a passive foreign investment company ("PFIC"), which could result in adverse U.S. federal income tax consequences to U.S. Holders of our Ordinary Shares.

In general, we will be treated as a PFIC for any taxable year in which either (1) at least 75% of our gross income (looking through certain 25% or more-owned subsidiaries) is passive income or (2) at least 50% of the average value of our assets (looking through certain 25% or more-owned subsidiaries) is attributable to assets that produce, or are held for the production of, passive income. Passive income generally includes, without limitation, dividends, interest, rents, royalties, and gains from the disposition of passive assets. If we are determined to be a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder (as defined in the Section of this report captioned "*Material U.S. Federal Income Tax Considerations*") of our securities, the U.S. Holder may be subject to increased U.S. federal income tax liability and may be subject to additional reporting requirements. The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis applying principles and methodologies that in some circumstances are unclear and subject to varying interpretation. Our actual PFIC status for any taxable year will not be determinable until after the end of such taxable year. Accordingly, there can be no assurance with respect to our status as a PFIC for our current taxable year or any subsequent taxable year. We urge U.S. Holders to consult their own tax advisors regarding the possible application of the PFIC rules in light of their individual circumstances.

Changes to, or changes in interpretations of, tax laws could have a material adverse effect on our business, financial condition and results of operations.

We are subject to income taxes and non-income taxes in the United States and other countries in which we transact or conduct business, and such laws and rates vary by jurisdiction. Tax laws and regulations, including at non-U.S. and U.S. federal and local jurisdictions, frequently change, especially in relation to the interpretation of existing tax laws for new and emerging industries, and we cannot always reasonably predict the impact from, or the ultimate cost of compliance with, current or future tax laws.

Any changes in the taxation of our business activities may increase our worldwide effective tax rate and harm our business, financial condition and results of operations. Our tax expense could also be impacted by the applicability of withholding taxes and the impact of changes in the evaluation of tax positions we have taken in prior tax periods. The amount of taxes we pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws or revised interpretations of existing tax laws and precedents, which could harm our liquidity and results of operations.

All statements contained herein concerning U.S. federal income or other tax consequences are based on existing law and interpretations thereof. The tax regimes to which we are subject or under which we operate, including income and non-income taxes, are unsettled and may be subject to significant change. While some of these changes could be beneficial, others could negatively affect our after-tax returns. Accordingly, no assurance can be given that the currently anticipated tax treatment will not be modified by legislative, judicial or administrative changes, possibly with retroactive effect. In addition, no assurance can be given that any tax authority or court will agree with any particular interpretation of the relevant laws.

We may be unable to maintain the listing of our securities in the future.

If we fail to meet the continued listing requirements and Nasdaq delists the Ordinary Shares, we could face significant material adverse consequences, including:

- a limited availability of market quotations for the Ordinary Shares;
- a limited amount of news and analyst coverage for us; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

The Company was incorporated under the laws of the Cayman Islands on October 12, 2023 solely for the purpose of effectuating the Business Combination, which was consummated on February 13, 2025. The Company owns no material assets other than its interests in GCL Global and RFAC acquired in the Business Combination. On April 30, 2025, Epicsoft Asia made a conditional cash offer to purchase all issued and outstanding shares of Ban Leong. On August 25, 2025, Ban Leong became an indirect wholly-owned subsidiary of the Company.

The Company does not operate any business other than through GCL Global, its wholly-owned subsidiary. GCL Global is Cayman Islands exempted company. See "*Item 5-Operating and Financial Review and Prospects"* for a discussion of GCL Global's operating and financial review and prospects for the year ended March 31, 2026.

The mailing address of the Company's principal executive office is 29 Tai Seng Avenue #02-01, Natural Cool Lifestyle Hub, Singapore 534119, and its telephone number is +65 80427330. The information contained on, or accessible through, the Company's website *www.gclglobalholdings.com* is not incorporated by reference into this Report, and you should not consider it a part of this Report.

The Company is subject to certain of the informational filing requirements of the Exchange Act. Since the Company is a "foreign private issuer", the officers, directors and principal shareholders of the Company are exempt from the "short-swing" profit recovery provisions contained in Section 16 of the Exchange Act with respect to their purchase and sale of Ordinary Shares. In addition, the Company is not required to file reports and financial statements with the SEC as frequently or as promptly as U.S. public companies whose securities are registered under the Exchange Act. However, the Company is required to file with the SEC an Annual Report on Form 20-F containing financial statements audited by an independent accounting firm. On December 31, 2024, the Company and RFAC furnished to its shareholders a proxy statement/prospectus relating to the Business Combination. The SEC also maintains a website at *www.sec.gov* that contains reports and other information that the Company files with or furnishes electronically to the SEC.

B. Business Overview

We are an integrated games, entertainment and technology products group engaged in the marketing, distribution, publishing and development of video games and other entertainment content across Asia, Europe, the United States and Latin America. Following our acquisition of Ban Leong Technologies Limited in May 2025, we expanded our business into the distribution of IT hardware, computer accessories, gaming components, peripherals, data storage devices, smart technology and other consumer technology products across Singapore, Malaysia and Thailand. We sell and distribute to retailers and consumers in Asia physical and digital copies of video games through physical retailers, such as Sony PlayStation stores in Japan, and online channels in Singapore, Hong Kong, Malaysia, Japan, South Korea, Taiwan, Thailand, Indonesia, the Philippines and other Asian countries. Partnering with international video game publishers and developers, we have an established track record of selling and marketing top-tier video game franchises such as *Grand Theft Auto, Red Dead Redemption, Sonic the Hedgehog, Cyberpunk 2077* and *Black Myth: Wukong.* Approximately 95.8%, 86.8%, and 93.3% of our total consolidated revenue for the fiscal years ended March 31, 2026, 2025, and 2024, respectively, was derived from the sale of either games on consoles such as Sony PlayStation, Microsoft Xbox, Nintendo Switch and personal computer ("***PC***") to retailers, game activation keys (the so-called "game codes") via electronic delivery to retailers or end-users through email or download and sales of IT hardware and computer accessories to retailers.

We operate an ecosystem of content and hardware in games and entertainment, enabling creators to deliver engaging experiences to gaming communities worldwide with a strategic focus on the rapidly expanding Asian gaming market. In 2022, we formed 4Divinity, dedicated to our game publishing business investing in upcoming game titles as either a publisher or a co-publisher for the global market. Approximately 3.0%, 11.3%, and 3.5% of our total consolidated revenue for the fiscal years ended March 31, 2026, 2025, and 2024, respectively, was derived from game publishing. As of the date of this Report, 4Divinity has either published or co-published more than 15 game titles. In May 2025, we acquired Ban Leong, a leading Singapore-based distributor of IT hardware, gaming components, and smart technology, with operations across Singapore, Malaysia, and Thailand. We also have our own production studio and advertising agency, providing media and content advertising services for small and medium-sized enterprises (the "***SMEs***") and government agencies.

Mr. Jacky Choo See Wee, our Group Chairman and Chief Executive Officer of Epicsoft Asia and 4Divinity, has over 20 years of video games distribution and retail network management experience in Asia. Under Mr. Choo's leadership, Epicsoft Asia has become a leading channel distributor for console games, and has forged multi-year deals with international video game publishers and studios such as Sega Corporation ("***Sega***"), Take-Two Interactive Software UK Limited ("***Take-two***"), CD Projekt S.A. ("***CDPR***") and Warner Bros. Games to sell select game titles within certain territories in Asia. Together with Epicsoft Hong Kong, Epicsoft Malaysia and 2Game, Epicsoft Asia currently has one of the largest networks for video games distribution in Asia through resellers with more than 2,100 physical and online stores, and has sold more than 17.9 million of physical and digital copies of video games during the past three fiscal years. It has distributed in Asia four of the top ten best-selling video games of all time[1], three of which it is currently still selling. It is also responsible for bringing to Asia some award-winning all-time favorite video games, such as *Hogwarts Legacy, Grand Theft Auto IV, Grand Theft Auto V, NBA 2K26, Red Dead Redemption II, Cyberpunk 2077, The Witcher 3: Wild Hunt, Elden Ring: Nightreign* and *Black Myth: Wukong*.

GCL is a holding company incorporated as an exempted company under the laws of the Cayman Islands. As a holding company with no material operations on its own, we conduct all our operations through our subsidiaries in Singapore, Hong Kong, Malaysia, China, the United Kingdom, Japan, Brazil, Thailand, Taiwan and the United Arab Emirates.

GCL Group

Through two intermediary holding companies, namely (i) GCL Global Pte. Ltd., a Singaporean company formed in July 2021 ("***GCL Global SG***"), and (ii) Grand Centrex Limited, a British Virgin Islands business company formed in November 2018 ("***GCL BVI***"), GCL Global holds the following operating subsidiaries:

- *Epicsoft Asia Pte. Ltd. ("**Epic Asia**" or "**Epicsoft Asia**")* - formed in September 2014 in Singapore primarily for marketing and retail distribution of video games software, game codes, and other related consumer items in Singapore. Ban Leong Technologies Pte. Ltd. ("***Ban Leong***"), formed in June 1993 in Singapore, was acquired by Epicsoft Asia in May 2025. Ban Leong is a leading Singapore-based distributor of IT hardware, gaming components, and smart technology. It has operations and subsidiaries in Singapore, Malaysia, and Thailand. Digital Hub Pte. Ltd. (formed in March 2003 in Singapore), Ban Leong Technologies Sdn Bhd (formed in August 2003 in Malaysia) and AV Labs International Pte. Ltd. (formed in June 2006 in Singapore) are all wholly-owned subsidiaries of Ban Leong. As of the date of this Report, Ban Leong holds approximately 60% of the equity interests of Ban Leong Chin Inter Co., Ltd. (formed in July 2004 in Thailand).

- *Epicsoft (Hong Kong) Limited ("**Epic HK**" or "**Epicsoft Hong Kong**")* - formed in April 2005 in Hong Kong primarily for marketing and retail distribution of video games software, game codes, and other related consumer items in Hong Kong.

- *Epicsoft Malaysia Sdn. Bhd. ("**Epic MY**" or "**Epicsoft Malaysia**")* - formed in June 2019 in Malaysia primarily for marketing and retail distribution of video games and related products in Malaysia.

- *Titan Digital Media Pte. Ltd.* ("***TDM***") - formed in January 2018 in Singapore specialized in creating customized and strategic marketing campaigns specific to a brand's needs. With its in-house strategists, producers, designers, video production and marketing team, TDM is a full-service agency that connects a brand with its target audience to achieve campaign key performance indicators ("KPIs") and marketing goals. It has a production studio, an advertising agency, and a multi-channel network of talent. As of the date of this Report, GCL Global holds 85% of the equity interests of TDM, with remaining 15% held by the former owner of Starry Jewelry Pte. Ltd. ("***Starry Jewelry***"), who is also the spouse of Mr. Jianhao Tan. Starry Jewelry, formed in June 2020 in Singapore, is an online jewelry retailer and a wholly-owned subsidiary of TDM.

- *Martiangear Pte. Ltd. ("**Martiangear**")* - formed in September 2020 in Singapore specialized in the sale of gaming chairs and related merchandise. TDM acquired all equity interests of Martiangear from two seller parties unaffiliated with the GCL Group for a combination of cash and stock consideration. In December 2024, GCL Global SG acquired 100% equity interests of Martiangear from TDM.

- *4Divinity Pte. Ltd. ("**4Divinity**")* - formed in September 2022 in Singapore to develop game IP, invest in upcoming game titles, to publish, or co-publish with international game publishers and content development studios, to introduce new video games and entertainment properties to Asia's fast-growing market of gamers, and to introduce original Asian-developed video games and entertainment content to the global market. In December 2024 and April 2025, each of 4Divinity UK Ltd. ("***4Divinity UK***") and 4Divinity Japan ("***4Divinity JP***") was formed as a wholly-owned subsidiary of 4Divinity to support GCL Group's game publishing and development business in Europe and Japan, respectively. As of the date of this Report, 4Divinity HK Ltd. *("**4Divinity Hong Kong**")*, formed in Hong Kong in March 2026, holds approximately 89.8% of the outstanding shares of 4Divinity. In April and June 2026, Shenfang Universe (Shanghai) Technology Co., Ltd. ("***Shenfang Shanghai***") and Shenfang Interactive (Hangzhou) Technology Co., Ltd. ("***Shenfang Hangzhou***") were formed as wholly-owned subsidiaries of 4Divinity to serve as the Company's legal presence in China and to facilitate anticipated business activities and future commercial operations in the region.

1 https://www.gamespot.com/gallery/top-10-best-selling-video-games-of-all-time/2900-4814/#1

- *2Game Digital Limited* ("**2Game**") - formed in May 2022 in Hong Kong primarily for distribution of activation keys and related products. 2Game is GCL Group's authorized digital sales platform. It operates as a business-to-business ("B2B") and business-to-consumer ("B2C") digital video game retailer. It sells and distributes game activation keys, the so-called "activation keys" or "game codes" to both resellers and consumers as part of GCL Group's concerted effort to transition from physical console game compact discs to activation keys and content.

  In August 2023, 2Game Pro Ltda ("***2Game Brazil***") was formed in Brazil as a wholly-owned subsidiary of 2Game to expand its business into Latin America. In October 2024, 2Game Digital DMCC ("***2Game Dubai***") was formed in Dubai as a wholly-owned subsidiary of 2Game to expand its business into the UAE and MENA region. As of the date of this Report, 4Divinity Hong Kong holds approximately 61% of the outstanding shares of 2Game.

- *Hainan GCL Technology Co. Ltd. ("**Hainan GCL**")* - formed in July 2024 in China to support GCL Group's collaboration efforts with game developers and a potential game platform in China.

- *GCL Taiwan Co., Ltd. ("**GCL Taiwan**")* – formed in November 2025 in Taiwan to support GCL Group's collaboration efforts with game developers in Taiwan.

Industry Background and Market Opportunities

Based on Newzoo's Global Games Market Report 2025 (September 2025), the global games market is projected to generate $188.8 billion in revenue in 2025. While mobile games have grown to now account for approximately 55% of the global games market revenue, PC and console gaming continue to be key growth drivers, with console expected to be the fastest-growing platform in 2025. It is also projected that the global games market will grow to US$206.5 billion by 2028.

The number of players worldwide is projected at 3.58 billion in 2025, an annual growth rate of over 4.4%. Based on Newzoo's Global Games Market Report 2025, the Asia-Pacific region remains the world's largest gaming market, generating US$87.6 billion in revenue (approximately 46% of the global market). In 2025, revenues from just two markets, China and the U.S. were $49.8B and $49.6B, respectively, accounting for half of all consumer games spending.

Video game sales and distribution was one of the handful of businesses positively affected by the COVID-19 pandemic, driven by the demand for more home entertainment. Game-related engagement is sticky, and we believe many players who entered the market during the early lockdown years of the pandemic will continue to be engaged with video games in one form or another. Historically, the video game industry has proved to be relatively resilient during periods of economic downturn since gaming offers a cheaper home entertainment alternative to the large ticket discretionary spending items.

Video game piracy is when an individual, group, or business copies and/or distributes video game software without the authorization of the intellectual property owner of the video game. By making unauthorized copies of the games or allowing players to download games for free or at a reduced price, scammers are taking profit from game developers, publishers and studios. Game piracy is a global issue in the gaming industry. Based on a survey published by QATestLab on November 16, 2022, around 1 in 10 gamers have illegally downloaded or played a pirated video game over the past three months[2]. Today, this presents a challenge to all game studios which are losing sizeable revenue to unauthorized listings of their games online. Through our distribution network and long-standing relationships with our customers, we believe we can offer a unique value proposition to the international game studios in combating the issue of game piracy through take-down and conversion of unauthorized sales listings. We believe that there is a large market demand for this service and we plan to leverage our network and technology to help game studios and publishers recoup some of the revenues lost to piracy.

We believe that the overall entertainment industry is converging towards transmedia, a trend in which game companies bring their game IP to film, television, and other media to expand the reach of their franchise and bring consumers back to their core game franchise. By growing our business into game publishing, game creation and game IP investment, we believe we are well-positioned to move up the value chain in the game creation process to build our game IP and potentially monetize game IP through transmedia.

Recent Developments

Acquisition of Ban Leong Technologies Limited

On April 30, 2025, Epicsoft Asia made a voluntary conditional cash offer (the "Offer") of S$0.6029 per share (approximately US$0.4580 per share) to acquire all of the issued and paid-up ordinary shares in the capital of Ban Leong Technologies Limited ("Ban Leong"), a Singaporean company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Offer became unconditional on May 27, 2025. Ban Leong became a wholly-owned subsidiary of Epicsoft Asia Pte. Ltd. and effective August 26, 2025, Ban Leong was officially delisted from the SGX-ST and on August 28, 2025, changed its name to Ban Leong Technologies Pte. Ltd. Cash consideration of the Offer was financed through a combination of an approximately $38.7 million secured term loan facility provided by The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the "HSBC term loan facility") and approximately $10.0 million cash on hand from the Company. The HSBC term loan facility is secured by all assets of GCL Global Pte Ltd, has a five-year term, bears a floating interest rate ranging between 2.5% and 7.5%, and requires quarterly repayments, with the final installment due in May 2030.

For over 30 years, Ban Leong has distributed a wide range of technology products across Asia that include IT accessories, gaming components, smart (IOT) technology, and commercial products. Ban Leong is an authorized distributor for over 50 well-known brands, including Razer, Nvidia, Samsung, Huawei, TP-Link, and LG. Ban Leong's multi-channel distribution strategy encompasses e-commerce platforms, brick-and-mortar retailers, chain stores, and direct sales to corporate resellers and system integrators, and operating service centres in Singapore, Malaysia, and Thailand that provide technical support and repair services.

ATW SPA, Registration Rights Agreement, Exchange Agreement, and April 2026 Warrant

On May 21, 2025, the Company entered into a securities purchase agreement (the "ATW SPA") with ATW Partners (the "Investor") for the issuance of senior unsecured convertible notes (the "Notes"), through a facility of up to $45.5 million. Pursuant to the ATW SPA, the Company has issued and sold to the Investor an initial note in the aggregate original principal amount of $2,900,000, at a purchase price of $2,610,000 on May 22, 2025. Pursuant to the ATW SPA, as amended on August 26, 2025, the Company has issued and sold to the Investor additional Notes in the aggregate original principal amount of $2,530,000, at a purchase price of $2,277,000. The Notes had a three-year term and bore interest at 6% per annum, payable monthly, at GCL's option, in cash or, provided that certain conditions were met, in ordinary shares.

In April 2026, the Company redeemed, in part, the then-outstanding Notes for approximately $3.18 million pursuant to the terms of the Notes. The Parties also entered into that certain Amendment, Waiver and Exchange Agreement (the "Exchange Agreement"), pursuant to which, the remaining balance of the Notes was exchanged for a warrant to purchase 1,125,000 ordinary shares at an initial exercise price of $8.00 per share, subject to full-ratchet anti-dilution adjustments and other price protections in the event of, among other things, a reverse stock split or share combination (the "April 2026 Warrant") in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act. The Parties have also agreed to, among other things, waive any right to consummate any additional closing or cause the Company to issue additional notes, pursuant to the terms of the SPA.

4Divinity SG Shares

Our subsidiary, 4Divinity SG entered into share subscription agreements with ADATA Technology Co., Ltd., a Taiwanese company that is also a leader in memory and storage solutions, between October 2025 and July 2026, pursuant to which ADATA has purchased newly issued ordinary shares of 4Divinity SG, representing an aggregate of approximately 10.2% of outstanding equity interests of 4Divinity SG, for $32,000,000.

2Game SPA

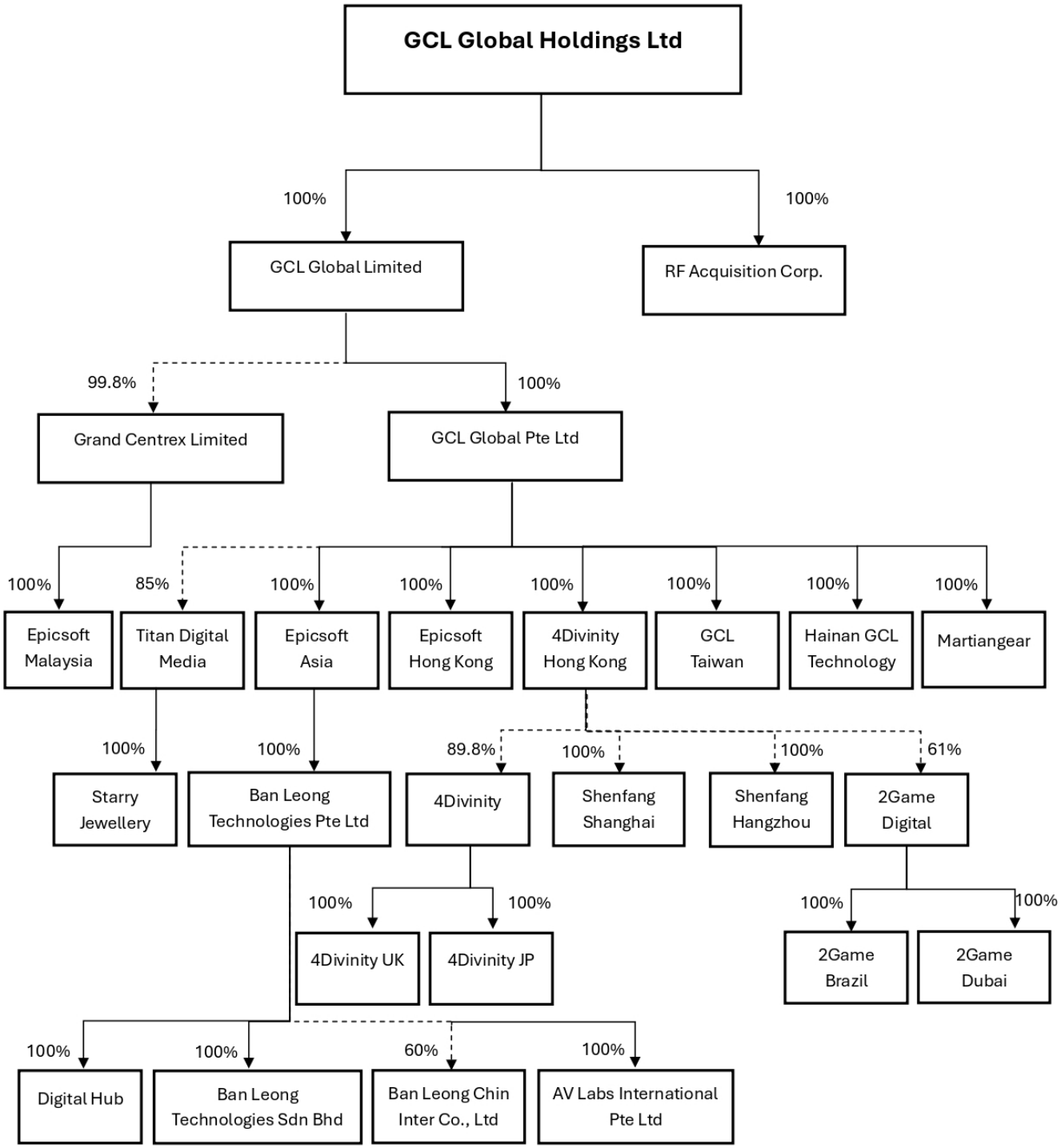
Pursuant to the Share Sale and Purchase Agreement dated March 19, 2025 (the "2Game SPA") by and among GCL Global SG and the 2Game Sellers, GCL Global SG purchased from the 2Game Sellers 1,000 shares of 2Game (the "Sale Shares") for $1,200,000, resulting in GCL Global SG currently holding 61% equity interests of 2Game. The 2Game SPA contains certain financial performance targets for 2Game over the next three years starting and including fiscal year 2026. Pursuant to the terms of the 2Game SPA, the 2Game Sellers were required to buy back the Sale Shares from GCL Global SG for $1,272,000 because 2Game has failed to generate at least $70,000,000 of revenue and net profit after tax of at least $2,500,000 during fiscal year 2026. As of the date of this Report, 2Game Sellers have not bought back the Sale Shares.

Nekcom Series B Shares

Pursuant to a Share Purchase Agreement between GCL Global and an accredited investor, dated March 10, 2026, GCL Global sold 306,250 of the 12,250,000 shares of Nekcom Series B Preferred Stock ("Nekcom Series B Shares") it held to the buyer for $1,000,000. Buyer will have the right, but not the obligation, to sell back to GCL Global any or all of these 306,250 Nekcom Series B Preferred Shares at two times the original purchase price per share during the first six months following the official release of the game *Showa American Story.* In the event that the game *Showa American Story* is not officially launched on or before June 30, 2028, buyer will have the right to demand GCL Global to buy back these 306,250 Nekcom Series B Preferred Shares at a price equal to the original purchase price plus 10% per annum.

GCL Group Structure

The following chart illustrates the current corporate structure of GCL:



Names of entities abbreviated in chart:

Term	Company Name	Term	Company Name
2Game Digital	2Game Digital Limited	Epicsoft Hong Kong	Epicsoft (Hong Kong) Limited
2Game Brazil	2 Game Pro Ltda.	Epicsoft Malaysia	Epicsoft Malaysia Sdn. Bhd.
2Game Dubai	2Game Digital DMCC	GCL Global SG	GCL Global Pte. Ltd.
4Divinity	4Divinity Pte. Ltd.	GCL Taiwan	GCL Taiwan Co., Ltd.
4Divinity Hong Kong	4Divinity HK Ltd.	Hainan GCL	Hainan GCL Technology Co. Ltd.
4Divinity UK	4Divinity UK Ltd.	Martiangear	Martiangear Pte. Ltd.
4Divinity JP	4Divinity Japan Ltd.	Starry Jewelry	Starry Jewelry Pte. Ltd.
Digital Hub	Digital Hub Pte. Ltd.	Shenfang Shanghai	Shenfang Universe (Shanghai) Technology Co., Ltd.
Epicsoft Asia	Epicsoft Asia Pte. Ltd.	Shenfang Hangzhou	Shenfang Interactive (Hangzhou) Technology Co., Ltd.
		Titan Digital Media	Titan Digital Media Pte. Ltd.

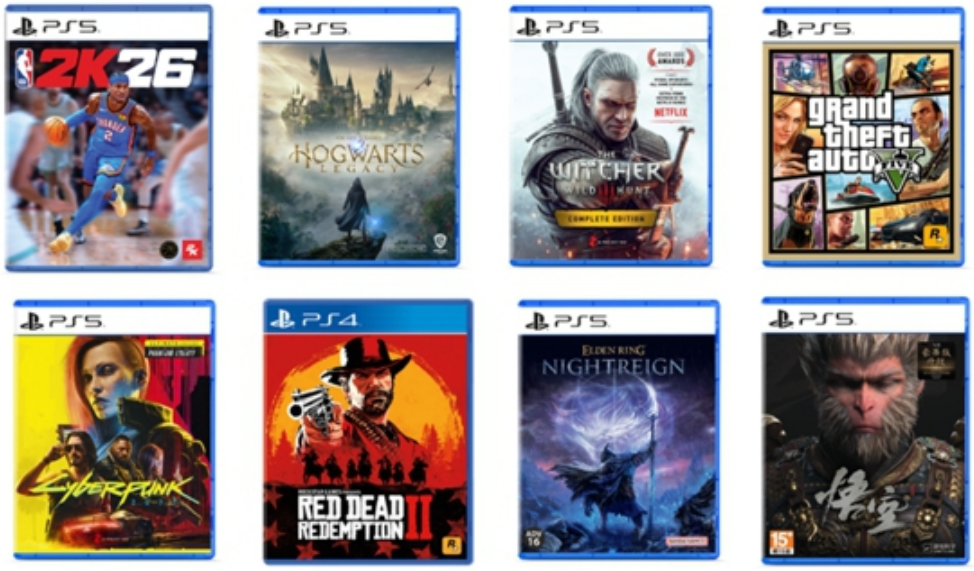
Business Segments

Through its subsidiaries, GCL Group currently operates in the following three key business segments:

- distribution and sale of PC and console games and IT hardware and computer accessories;
- game publishing;
- video marketing campaign and social media advertising services.

Game and IT Hardware Distribution

Epicsoft Asia is a leading channel distributor for PC and console games in Asia. It is responsible for bringing to Asia some award-winning all-time favorite video games, including *Hogwarts Legacy, Grand Theft Auto V, Red Dead Redemption II, Cyberpunk 2077, The Witcher 3: Wild Hunt, Elden Ring: Nightreign* and *Black Myth: Wukong.*



It has distributed in Asia four of the top ten best-selling video games of all time[3], three of which are currently still selling:

Our Group Chairman, Mr. Jacky Choo See Wee is an industry veteran with over 20 years of experience in the video game industry. Mr. Choo has led Epicsoft Asia in the video games distribution and retail network management business in Asia for the past ten years, and has forged multi-year deals with international video game publishers and studios such as Sega Corporation ("***Sega***"), Take-Two Interactive Software UK Limited ("***Take-two***"), CD Projekt S.A. ("***CDPR***") and Warner Bros. Games to sell select game titles within certain territories in Asia. Together with Epicsoft Hong Kong, Epicsoft Malaysia and 2Game, Epicsoft Asia currently has one of the largest networks for video games distribution in Asia through resellers with more than 2,100 physical and online stores, and has sold more than 17.9 million of physical and digital copies of video games during the past three fiscal years.

We started distributing Sega© game titles and products in 2018. Pursuant to a Distribution License Agreement dated February 1, 2018 which was amended on April 1, 2020 (as amended, the "Sega Distribution Agreement"), EpicSoft Asia was given a non-exclusive, non-sublicensable, limited license to distribute certain Sega© game titles and products (the "Sega Licensed Products") in Southeast Asian countries, Hong Kong and Macau. Pursuant to the Sega Distribution Agreement, Epicsoft Asia has agreed to conduct marketing, advertisement and promotion activities, and provide end user customer and technical support, for the Sega Licensed Products within the defined distribution territory. In return, Epicsoft Asia may purchase the Sega Licensed Products based on an agreed discount to the suggested retail price determined by Sega, and is entitled to make a claim to Sega for reasonable marketing costs actually incurred. The Sega Distribution Agreement has an initial term of one year and automatically renews annually for one year periods unless earlier terminated by either party upon 45 days' written notice to the other party.

On August 20, 2018, Epicsoft Asia and Sega entered into an Activation Key Distribution Agreement (the "Sega Activation Key Agreement") pursuant to which Epicsoft Asia was given non-exclusive right to sell and distribute activation keys of certain Sega© games via the Steam download platform in Singapore, Malaysia, the Philippines, Indonesia, Thailand, the Peoples' Republic of China, Hong Kong and Macau. Pursuant to the Sega Activation Key Agreement, Epicsoft Asia has agreed to conduct marketing, advertisement and promotion activities, and provide end user customer and technical support, for the activation keys at its own costs within the defined distribution territory. In return, Epicsoft Asia may purchase the activation keys at an agreed discount to either the wholesale price (for sales to retailers) or the suggested retail price (for sales directly to end users) of the Sega© games determined by Sega. The Sega Distribution Agreement has an initial term of one year and automatically renews annually for one year periods unless earlier terminated by either party upon 30 days' written notice to the other party.

Today, because of our distributor relationship with Sega, we continue to distribute popular Sega© game titles, including games under the *Sonic* franchise, the *Yakuza* series and *Persona* 5 in Asia. Distribution revenue derived from Sega© game titles accounted for more than 6%, 15% and 29% of GCL Group's total consolidated revenue for the fiscal years ended March 31, 2026, 2025 and 2024, respectively. Sega is also a shareholder of the Company.

3 https://www.gamespot.com/gallery/top-10-best-selling-video-games-of-all-time/2900-4814/#1

Pursuant to distribution agreements and street date (the date on which the video game has its initial commercial release to consumers) agreements with other international video game publishers and studios, Epicsoft Asia can be granted either an exclusive right or a non-exclusive, non-sublicensable, limited license to distribute certain game products, and the publishers retain all rights to the intellectual property, the so-called "game IP," including but not limited to, the trademarks, copyright and design rights. These distribution agreements typically require Epicsoft Asia to spend a pre-determined minimum amount on marketing and promoting the video game products, including the Add-Ons, during and after the initial launch of the game in Asia, and commit to a minimum order quantity per game title within a certain time period. Epicsoft Asia is offered a wholesale unit price per game and per Packaged Media Unit, and certain payment terms based on a variety of factors including, past relationships, purchase quantities, language version (e.g., Chinese, Korean, Thai), and the format in which the game is delivered. Most multi-year deals also cover the so-called "day one edition," "enhanced edition," "collector's edition" and "game of the year edition" that may be produced by the video game publisher for release in Packaged Media Units after the initial release of the video games. In some cases, Epicsoft Asia also provides localization services, and end user customer and technical support for the game products distributed within its territories.

Epicsoft Asia generates revenue from sales to retailers and consumers of console games and game codes, and distributing gaming content that are compatible with major gaming consoles such as Sony PlayStation, Microsoft Xbox, Nintendo Switch and PCs to resellers and consumers.

Revenue is derived from the sale of console games and activation keys either at a fixed price or at a transaction price that varies based on a number of factors including but not limited to, the retailers' monthly sales, and proportional factor from sales of each specific game title.

Video game sales and distribution was one of the handful of businesses positively affected by the COVID-19 pandemic, driven by the demand for more entertainment such as video games, when staying home. Like most businesses, the pandemic has caused Epicsoft Asia to accelerate the process of further digitization and rely more on e-commerce. Since July 2022, 2Game has served as GCL Group's authorized digital sales platform that operates as a business-to-business ("***B2B***") and business-to-consumers ("***B2C***") digital video game retailer. It sells and distributes activation keys to both resellers and consumers, as part of GCL Group's effort to transition from physical console game compact discs to activation keys and digital content. 2game's revenue is primarily generated from sale of activation keys.

Ban Leong Technologies Limited ("Ban Leong") serves as an authorized distributor for major brands of hardware, computer accessories, and other multimedia products. Ban Leong sells IT products, computer accessories, and consumer electronics through multiple channels, including e-commerce platforms, retail and chain stores, and direct sales to corporate resellers and system integrators.

For the fiscal year ended March 31, 2026, 2025, and 2024, revenue generated from console game, hardware, and accessories was approximately $228.9 million, $123.3 million, and $91.0 million, respectively, representing approximately 95.8%, 86.8%, and 93.3% of GCL Group's total consolidated revenue during the respective periods.

Game Publishing

4Divinity is a GCL Group Subsidiary dedicated to the games publishing business. Its mission is to partner with international game publishers and content development studios to introduce new video game and entertainment properties to Asia's fast-growing market of gamers, and to introduce original Asian-developed content to the global market. In December 2024 and April 2025, each of 4Divinity UK and 4Divinity JP was formed as a wholly-owned subsidiary of 4Divinity to support GCL Group's game publishing and development business in Europe and Japan, respectively. As of the date of this Report, GCL Group has either published or co-published more than 15 game titles: *Black Myth Wukong (physical publishing), S.T.A.L.K.E.R. 2: Heart of Chornobyl, JDM: Japanese Drift Master, Kong: Survivor Instinct, Mandragora- Whispers of the Witch Tree, TerraTech Worlds, First Dwarf, Daymare: 1994 Sandcastle, Figment 2: Creed Valley, Atomic Heart, Windrose, Realm of Ink Island of Hearts, Love is All Around: Collections*. *Atomic Heart* is a video game co-published with Focus Entertainment, an international game studio backed by Chinese multinational conglomerate, Tencent, and an independent European video game developer and publisher.

We give Valve's Steam, Microsoft Xbox and Sony's PlayStation Network a non-exclusive license to reproduce, publicly display and perform, transmit, sell, license and otherwise distribute the PC games in object code form, and generate our games publishing revenue on these gaming platforms. We recognize our games publishing revenue at the point in time when control of the console game code is transferred to the gaming platform, which specifically occurs when the console game code has been activated. We recognized revenue from game publishing on a gross basis, and remit to the developer a development fee based on a certain percentage of the revenue generated from the gaming platform. The publishing agreements we have with the international game studios and developers give us the publishing rights, and typically contain, among other things, (i) a minimum sales guarantee payable upon achievement of certain milestones before the game is published, (ii) a minimum guaranteed development fee, (iii) a marketing budget, and (iv) localization services (with specified supported languages). These agreements typically cover all editions of the game available for release on platforms, including Steam, PlayStation and Xbox, within a certain pre-determined time period after the first commercial release of the game. In some cases, depending on the number of games sold, we may be entitled to recoup all or a portion of the marketing expenses used to promote the game from the sale proceeds of the game.

For the fiscal year ended March 31, 2026, 2025, and 2024, revenue generated from games publishing was approximately $7.1 million, $16.0 million, and $3.4 million, representing approximately 3.0%, 11.3%, and 3.5% of GCL Group's total consolidated revenue, respectively.

Video Marketing Campaign and Social Media Advertising Services

TDM is a branding and digital marketing agency managed by Tan Jian Hao, a top YouTuber creator and influencer in Singapore. TDM specializes in creating customized and strategic marketing campaigns specific to a brand's needs. It provides video marketing campaign services, which include video production, content alteration based on the customer's specifications, and video publishing on designated influencers' social media platforms, such as Tiktok and YouTube. It has more than 100 million monthly organic views, and its customers include small and medium-sized enterprises (the "***SMEs***") and government agencies.

TDM also generates advertising revenue from participating in the social media advertising programs allowing YouTube to display advertisements on TDM's video posting and share a portion of the revenue generated from those advertisements with TDM. The profit-sharing arrangements with the social media platform can be based on multiple factors over time, including viewer engagement, viewer location, the type of advertisement, the number of advertisements placed.

With its in-house strategists, producers, designers, video production and marketing team, TDM is a full-service agency that connects a brand with its target audience to achieve campaign key performance indicators ("***KPIs***") and marketing goals. It has a production studio, an advertising agency, and a multi-channel network of talents. TDM is an 85%-owned subsidiary of GCL Group. For the fiscal year ended March 31, 2026, 2025, and 2024, revenue generated from media and content advertising services was approximately $1.5 million, $2.2 million, and $2.7 million respectively, representing approximately 0.6%, 1.6%, and 2.8% of GCL Group's total consolidated revenue of the respective periods.

Our Competitive Strengths

Multi-year distribution arrangements with international video game publishers and studios

We have forged multi-year deals with international video game publishers and studios such as Sega Corporation ("***Sega***"), Take-Two Interactive Software UK Limited ("***Take-two***"), CD Projekt S.A. ("***CDPR***") and Warner Bros. Games to sell select game titles (including *Cyberpunk 2077, Grand Auto Theft V, NBA 2K26, The Witcher 3: the Wild Hunt, Hogwarts Legacy*, and *Mortal Kombat 1)* within certain territories in Asia (e.g., Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Taiwan and Thailand). Epicsoft Asia started distributing Sega© games in 2018. We continue to distribute popular Sega© game titles, including games under the *Sonic* franchise, the *Yakuza* series and *Persona 5* in Asia.

Extensive distribution network

We have one of the largest distribution networks for video games in Asia through resellers with physical and online stores. We have over ten years of video games distribution and retail network management experience, and long-standing relationships with resellers with more than 2,100 online and offline stores. Some of these resellers operate e-commerce sites in Asia, such as Shopee, Lazada, and Taobao. Since July 2022, we also started selling and distributing activation keys to both resellers and consumers on our own digital platform, www.2game.com. There are currently more than 8,000 game titles available on 2Game's platform. 2Game currently has almost 1 million registered users and approximately 41.2% of 2Game's revenue comes from Europe, with approximately 26.2% from Asia, 26.9% from the U.S. and the remaining 5.7% from Latin America. We have sold more than 17.9 million of physical and digital copies of video games during the past three fiscal years.

Based on Newzoo's Global Games Market Report 2024 (August 2024), over 53% of the 3.42 billion gamers in the world in 2024 are from the Asia-Pacific region. Most of this growth is driven by player growth in Central and Southeast Asian markets. It was reported that as of March 2025, Chinese overtakes English as the most commonly used language on Steam[4]. The number of indie & premium games from Asia are also on the rise. *Black Myth: Wukong* sold 25,000,000 copies globally during the first five months of its launch in August 2024[5] and physical copies of the game are being distributed by GCL in Asia. Management believes that GCL Group's leading position and track record in game distribution in Asia, and strong foothold and presence in different parts of the Asia-Pacific region make us an appealing business partner to Chinese game giants, such as Tencent Interactive Entertainment ("***Tencent***") and NetEase Games, which rely on strong partners to distribute and publish their games outside of China. Partnerships with these major players in the gaming market will allow us the opportunity to strengthen our leading market position leveraging on our established reputation in the industry and extensive distribution network.

4 https://spilled.gg/simplified-chinese-overtakes-english-popular-language-steam/

5 https://gameworldobserver.com/2025/01/31/black-myth-wukong-25m-copies-sold-merchandise-china

Unique position to offer a full suite of game marketing, distribution and publishing services with strong value proposition for game studios

The Asian gaming market remains fragmented and highly competitive today with games being sold at different price points, depending on the demand and purchasing power of the local market. Given the number of Asian languages and cultures in the region, there is also a non-uniform demand of gaming content depending on the relevance of the game IP in Asia. For example, the demand of a basketball game like NBA would traditionally be stronger in the Philippines than in Indonesia due to the sports centric local culture in the Philippines that transcends through social and economic barriers.

With our extensive distribution network in Asia, and long-standing relationships with our resellers in the region, we have built our expertise and local domain knowledge by staying very close to the ground as historical games sales data can give us intelligence on the best ways certain games should be distributed in certain parts of Asia. We have an in-house creative media design team with creative designers, video editors, videographers and studio facilities to produce marketing and promotional materials adapted to local markets. We also have our own production studio and an advertising agency. We leverage TDM influencers to help increase the outreach and visibility of our games via content creation in a bid to quickly amass substantial player numbers. For many consumers, the viewpoints and recommendations of these influencers and creators have replaced traditional journalism and games criticism. Growing our business into game publishing, marketing and media and having our own digital game distribution platform means that we have a strong value proposition for game studios who want to penetrate the Asian gaming market. We distinguish ourselves from our competitors in our ability to offer for international game publishers and studios a one-stop shop for all their marketing, distribution. and publishing needs.

Leadership by an industry veteran

Our Group Chairman, Mr. Jacky Choo See Wee is an industry veteran with over 20 years of experience in the video game industry. He has deep insights and connections with international publishers, developers, studios and video game resellers in Asia. He has a deep understanding of gaming trends, technology, and market dynamics. Mr. Choo has been serving in multiple executive and decision making positions within the GCL Group and other private companies in the video game industry since 2005. He capitalized on emerging trends and led the digital transformation of the Company's business by expanding into digital game distribution. Under Mr. Choo's leadership, GCL Group will continue to invest in emerging opportunities in upcoming titles across all platforms, as well as downloadable content for existing titles.

Our Growth Strategies

Our key growth strategies include the following:

Diversify revenue streams through acquisition of Ban Leong

Our acquisition of Ban Leong has allowed us to diversify our revenue streams, introduce additional sales channels, and enhance both companies' brand positioning within an integrated gaming ecosystem. By incorporating Ban Leong's presence in gaming hardware and consumer electronics along with its distribution rights to some of the biggest gaming hardware and consumer electronics brand, we believe we will benefit from its relatively stable revenue trajectory. We will continue to explore opportunities to align with Ban Leong's marketing and procurement strategies in the consumer electronics and gaming hardware sectors. This may include initiatives such as leveraging Ban Leong's industry relationships, exploring B2C sales opportunities for gaming peripherals and PC components that complement GCL's gaming content, and evaluating the feasibility of introducing branded gaming devices pre-installed with GCL titles. In connection with these initiatives, GCL may also consider bundling its software content with hardware products and assess potential areas for collaboration that align its intellectual property with Ban Leong's product offerings. GCL and Ban Leong will continue to assess how the GCL Group's existing sales and distribution infrastructure across Asia can support the broader commercialization of GCL's games portfolio.

Expand our "hit" game titles offerings through more sales channels

Our core strategy is to capitalize on the popularity of video games by distributing and publishing more high-quality interactive entertainment experiences to the growing Asian gaming market. We focus on building a large catalogue of game offerings by obtaining the distribution rights for "hit" game titles which can create sequels and incremental revenue opportunities through add-on content and merchandise. During the fiscal year ended March 31, 2026, 2025 and 2024, we sold approximately 6.4 million, 6.5 million, and 5.0 million physical and digital game titles in addition to back catalog games, respectively. We plan to continue to support the success of our games in the marketplace through innovative marketing programs, leverage global and our own TDM influencers to help increase the outreach and visibility of our games, and further expand our distribution network by acquiring additional retail sales and distribution channels, including e-commerce sites that are relevant to our target audience. This strategy will not only bolster our market leading position in the game distribution market but also attract more game publishing opportunities to us, and therefore enhancing our overall ability to monetize game IP.

Invest in emerging technologies, development studios, and distribution channels, including digitally delivered content

The interactive entertainment software industry is delivering a growing amount of content for traditional platforms through digital download. Partly due to the availability of digital-only consoles and early-access benefits of digital copies of video games, we believe digital distribution of the games will continue to rise. We provide digitally delivered games in the form of activation keys, which typically have a higher gross margin than physically delivered boxed console games. Many of our titles that are available through retailers as packaged goods products are also available through activation keys (from websites we own or third-party websites). We will continue to invest in emerging opportunities in upcoming titles across all platforms, as well as downloadable content for existing titles.

Since the fiscal year 2025, we have continued to make a concerted effort to move upstream into game IP development, and have made significant investment in our publishing business. We believe in investing in culturally distinctive and globally resonant game IP. We are committed to building a portfolio of valuable game IP, and believe we can offer development studios with the capital, publishing reach, and strategic support needed for them to scale globally.

Grow into a fully integrated ecosystem in the industry through organic growth and strategic acquisitions of complementary or ancillary businesses

Based on our core business in game distribution, we know the demand of the gaming community in the Asian markets. Since fiscal year 2025, we have continued to move into content and game creation. We are committed to growing ancillary businesses such as gaming hardware, by acquiring Ban Leong and Martiangear. We believe that upstream value creation process will not only add to our revenue stream but also propel us to become the next Asian powerhouse in video games and entertainment content marketing, delivering high-quality and engaging entertainment experiences across consoles and PCs, and introducing original Asian-developed video games and entertainment content to the global market.

Mr. Choo, our Group Chairman, has extensive experience in strategic acquisitions in the gaming industry. We believe strategic acquisition in our core game distribution business as well as ancillary businesses will greatly contribute and accelerate our growth and broaden our appeal to different stakeholders in the industry. Although we have no agreements in place, we are actively exploring strategic acquisition opportunities that support our mission, and are focused on growing into a fully integrated ecosystem in the gaming industry through organic growth and strategic acquisitions of complementary businesses.

Invest and monetize game IP through transmedia

We believe that the overall entertainment industry is converging towards transmedia, a trend in which game companies adapt rich source material from their game IP to film, television, comics and other media to boost revenues, deepen engagement and expand the reach of the franchise. Recent notable examples would be the *Dungeon & Dragon* movie and the *Witcher* series on Netflix which were based on the *Dungeons and Dragons* and the *Witcher* game series and derived from the *Witcher* novel series. Since 2018, we have witnessed a growing number of video game adaptations that have made their way onto home streaming services. In the case of *S.T.A.L.K.E.R. 2: Heart of Chornobyl,* a game we co-published in 2024, the anticipation of the game led to a film adaptation released in October 2024 which became a catalyst for the game launch in November 2024. As we continue to expand into content and game creation and investment in game IP and establish our international presence as game publisher outside of Asia, we believe we are well positioned to allow for IP adaptations across various mediums for potential further monetization through transmedia.

Sales and Marketing

We sell our game titles both physically and digitally in Asia through our direct relationships with resellers through their physical and digital storefronts. Our top customers include regional resellers in Singapore, Hong Kong, Malaysia, Japan, South Korea, Taiwan, Thailand, Indonesia, the Philippines and other Asian countries. We have sales operations in Singapore, Hong Kong, Malaysia, but also have marketing staff in Europe, the Middle East and other parts of the world outside of Asia.

For the fiscal year ended March 31, 2026, 2025, and 2024, approximately 95.8%, 86.8%, and 93.3% of our total consolidated revenue was generated from console game, hardware, and accessories respectively. We are dependent on a limited number of customers that account for a significant portion of sales. For the fiscal year ended March 31, 2026, one customer accounted for more than 11% of our total revenue. For the fiscal year ended March 31, 2025, our three biggest customer accounted for approximately 6%, 15% and 14% of our total revenue, respectively. For the fiscal year ended March 31, 2024, sales to our four biggest customers accounted for over half of our total consolidated revenue, with each of them accounting for approximately 17%, 12%, 11% and 11% of our total revenue, respectively. While we believe digital distribution will continue to rise and presents an important growth opportunity for our industry and company, we expect that packaged goods and traditional retailers will continue to be a significant channel for the sale of our console products for the foreseeable future.

Our marketing and promotional efforts are intended to maximize consumer interest in our game titles, promote brand name recognition in the industry, assist retailers and properly position, package and merchandise the game titles we distribute. Depending on the arrangements we have with the game publishers, we may be able to recoup some or all of our marketing expenses in connection with our promotional efforts of certain select game titles.

We market game titles by:

- implementing promotional campaigns, using digital, online, outdoor, and print marketing;
- adapting international game products to local markets, including but not limited to, producing localization materials in additional languages (e.g., Chinese, Japanese, Korean, and Thai) and otherwise providing a connection between the games and the local gaming communities;
- employing various other marketing methods designed to promote consumer awareness, including social media, the use of character standees, point-of-sale ("***POS***") materials, compact discs ("***CDs***"), CD inlays, manuals, and stationary and mobile billboards;
- hosting in-person and virtual launch or other promotional events; and
- leveraging TDM influencers to help increase the outreach and visibility of our games via content creation in a bid to quickly amass substantial player numbers for the games we distribute.

Our sales and marketing efforts are spearheaded by our Deputy Group CEO and Group Chief Marketing Officer, Mr. Keith Liu Min Tzau who leads, plans and executes marketing campaigns, collaborates with global game publishers and studios, and manages game releases on Valve's Steam platform, Microsoft's Xbox and Sony's PlayStation Network. As of the date of this Report, we had 147 full-time employees dedicated to sales and marketing.

Regulations Applicable to the Company

This section sets forth a summary of applicable laws, rules, regulations, government and industry policies and requirements that have a significant impact on the Company's operations and business in Asia. This summary does not purport to be a complete description of all laws and regulations, which apply to the Company's business and operations. Investors should note that the following summary is based on relevant laws and regulations in force as of the date of this Report, which may be subject to change.

Our business is predominantly conducted by our Group Subsidiaries in Singapore, but we have operations also in Thailand, Malaysia and Hong Kong and outside of Asia. Hong Kong was established as a special administrative region of the PRC in accordance with Article 31 of the Constitution of the PRC. The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (the "Basic Law") was adopted and promulgated on April 4, 1990 and became effective on July 1, 1997, when the PRC resumed the exercise of sovereignty over Hong Kong. Pursuant to the Basic Law, Hong Kong is authorized by the National People's Congress of the PRC to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, under the principle of "one country, two systems"; furthermore, the laws previously in force in Hong Kong, that is, the common law, rules of equity, ordinances, subordinate legislation and customary law, shall be maintained, except for any that contravene the Basic Law and are subject to any amendment by the legislature of Hong Kong, and the national laws of the mainland China shall not be applied in Hong Kong except for those that relating to defense, foreign affairs and other matters that are not outside the limits of the autonomy of Hong Kong as specified by the Basic Law, which are listed under Annex III to the Basic Law.

We are subject to various laws and regulations in Singapore, Thailand, Malaysia, Hong Kong and the other countries in which we operate, including those relating to video game distribution and classification, internet content, consumer protection, labor laws, prevention of money laundering and financing of criminal activity and terrorism, privacy and data protection, foreign exchange controls and competition laws, among others, all of which are continuously evolving and developing. It is also likely that as our business grows and evolves to other countries, including Japan, PRC, Taiwan, Brazil, U.A.E and United Kingdom, and we will become subject to laws and regulations in additional jurisdictions. The scope and interpretation of the laws and regulations that are or may be applicable to us are often unclear and may conflict. Additional laws in these and other areas affecting our business are likely to be enacted in the future, which could limit or require changes to the ways in which we conduct our business, and could both increase our compliance costs and decrease our revenues. See "Risk Factors - Risks Related to the Company's International Operations, Legal and Regulatory Matters."

Regulations in Singapore

We conduct business in Singapore through the following subsidiaries: (a) Epicsoft Asia, which is primarily involved in the marketing and retail distribution of video games, game codes and other related consumer items in Singapore, (b) TDM, which operates a branding and digital marketing agency, (c) Starry Jewelery, which is in the business of fashion jewellery sales, (d) Martiangear, which is in the business of sales of gaming chairs and related merchandise sales, (e) 4Divinity, which is primarily involved in the digital and retail game business, and (f) Ban Leong, which is primarily involved in distribution of IT hardware, gaming components, and smart technology.

Each of our Singapore subsidiaries has been incorporated in accordance with the Companies Act 1967 of Singapore ("***Singapore Companies Act***") and registered with the Accounting and Corporate Regulatory Authority of Singapore as required by the Singapore Companies Act.

Regulations on Video Game Distribution and Classification

Pursuant to the Films Act 1981 of Singapore, the Infocomm Media Development Authority ("***IMDA***"), being the regulator of the information, communications and media sectors in Singapore, is responsible for classifying films, videos and video games distributed in Singapore. In particular, it administers the video game classification system under the Films Act 1981, which requires businesses importing or distributing physical copies of video games in Singapore to submit the video games to the IMDA for rating and classification. However, the video game classification system does not apply to games which are only available via internet download. Since the online games that we offer are available only through online platforms, we in general are not subject to the video game classification system. However, the IMDA retains the right to issue a rating and/or classification of any of the online games we offer, should it choose to do so.

Under the Films (Class Licence for Video Games Distribution) Order 2019, distributors and retailers of video games in Singapore are automatically class licensed, and shall comply with the conditions of the class licence under the said Order such as ensuring that only appropriate video games or any related promotional films are distributed.

Regulations on Consumer Protection

There are various general consumer protection laws in place in Singapore, which apply generally to all relevant transactions including electronic transactions, but are not specifically targeted at regulating e-commerce operations. One or more of these laws would be relevant in the context of live streaming operations or e-commerce operations.

The Consumer Protection (Fair Trading) Act 2003 of Singapore is the primary statute governing consumer protection which sets out a legislative framework prohibiting suppliers from engaging in unfair practices in relation to transactions and to allow consumers aggrieved by unfair practices to have recourse to civil remedies before the Singapore courts. The definition of supplier under the Consumer Protection (Fair Trading) Act 2003 of Singapore includes persons who promote the use or purchase of goods or services. Suppliers may be held liable for engaging in unfair practices in relation to consumer transactions. Unfair practices include, among other things, (i) doing or saying anything, or omitting to do or say anything, that would reasonably deceive or mislead consumers, (ii) making a false claim, (iii) taking unreasonable advantage of a consumer, or (iv) making various forms of misrepresentations to the consumer.

The Consumer Protection (Trade Descriptions and Safety Requirements) Act 1975 of Singapore prohibits the use of false trade descriptions on goods supplied in the course of trade. Trade descriptions include any description, statement or indication that directly or indirectly relates to the fitness for purpose, strength, performance, behavior or accuracy of any goods. This prohibition applies to all persons in the course of business and would be applicable in an e-commerce marketplace. Violations of the Consumer Protection (Trade Descriptions and Safety Requirements) Act 1975 of Singapore are subject to criminal liability.

The Unfair Contract Terms Act 1977 of Singapore generally regulates against unfair contract terms such as exclusion clauses and limitation of liability clauses in most consumer and standard form contracts. Amongst other things, the Unfair Contract Terms Act 1977 of Singapore prohibits the exclusion or restriction of liability for death or personal injury caused by negligence in all contracts. It also prevents sellers/service providers from excluding or limiting their liability for a breach of contract, unless it is reasonable for them to do so. The Unfair Contract Terms Act 1977 also circumscribes the limitation of liability in relation to certain implied terms in respect of goods purchased.

The Singapore Code of Advertising Practice (the "***SCAP***") is a code of practice set out by the Advertising Standards Authority of Singapore (the "***ASAS***") prescribing general principles applicable to advertisements, which include decency, honesty and truthful presentation, and contains guidelines relating to specific services/products. While the SCAP has no force of law, a breach of the SCAP may lead to ASAS referring the matter to the Consumers Association of Singapore for actions under the Consumer Protection (Fair Trading) Act 2003 of Singapore if an advertiser has repeatedly violated the SCAP by marketing false, misleading or unsubstantiated claims. The ASAS has also issued additional guidelines from time to time, such as the Guidelines for Interactive Marketing Communication & Social Media, which emphasizes that marketing communication should be clearly distinguishable from editorial and personal opinion and should not take the form of social media content that appears to originate from a credible and impartial source, and the Guidelines on Advertising of Investments, which aim to minimize investments-related advertisement with claims that are speculative, misleading or not substantiable.

The Spam Control Act 2007 of Singapore, as administered by the IMDA regulates the sending or receiving of unsolicited bulk commercial electronic messages, or "spam", in Singapore It imposes certain requirements on the sending or receiving of unsolicited bulk commercial electronic messages, or "spam," in Singapore and applies to emails and text messages that have a Singapore nexus. Electronic messages must have an "unsubscribe facility" or "opt-out" function, and the recipient should be removed from the distribution list within 10 business days after submitting an opt-out request. Any person who suffers loss or damage as a result of any violation of the foregoing requirements is entitled to institute legal action, and the court may grant injunctions, damages or statutory damages.

Regulations on Internet Content

Under the Broadcasting Act 1994 of Singapore ("***Broadcasting Act***"), no licensable broadcasting services in or from Singapore can be provided unless a broadcasting license has been granted by the IMDA. "Computer online services" provided by internet content providers (as defined under the Broadcasting (Class License) Notification, "***ICPs***") are a licensable broadcasting service under the Broadcasting Act. Providers of Internet-based content generally are considered ICPs under the Broadcasting (Class License) Notification and are subject to an automatically-granted class license.

ICPs must comply with codes of practice issued by the IMDA from time to time, including the Internet Code of Practice issued by IMDA. These requirements include, among other things, that the ICP must use its best efforts to ensure that prohibited material (i.e., any material that is objectionable on the grounds of public interest, public morality, public order, public security or national harmony, offends good taste or decency, or is otherwise prohibited by applicable Singapore laws) is not broadcasted via the internet to users in Singapore and must deny access to any material considered by IMDA to be prohibited material if it is directed to do so by the IMDA.

The Protection from Harassment Act 2014 of Singapore protects persons against harassment and harmful social behavior such as cyber bullying and unlawful stalking, as well as the publication of false statements of fact about any person. Perpetrators can be both individuals and organisations. Individual suffering from such harassment or social behavior, a victim, may apply for a protection order if he or she is able to show, inter alia, that the perpetrator of harassment, through threatening, abusive or insulting communication, has: (i) caused harassment, alarm or distress to the victim through the intention to use or make any threatening, abusive or insulting communication; or (ii) caused the victim to believe that violence will be used or provoked against him or her. Where a protection order has been granted by the Singapore courts under the relevant provisions of the Protection from Harassment Act 2014 of Singapore in relation to online harassment that has been perpetrated, the perpetrator may be required to take down the offending communication and may also be required to comply with any other conditions set by the courts.

In addition, the Protection from Online Falsehoods and Manipulation Act 2019 of Singapore ("***POFMA***") counters the proliferation of online falsehoods. Under the POFMA, it is an offence to, *inter alia*, knowingly communicate a false statement of fact which is likely to be prejudicial to the security of Singapore or any part of Singapore. To the extent that our platforms or services transmit or allow our users to access third-party online content, we would be an internet intermediary under the POFMA. POFMA empowers any Singapore government minister to direct the POFMA Office, situated within IMDA that is responsible for the administration of POFMA, to issue certain directions to internet intermediaries whose service has been used to communicate material that contains or consists of a false statement of fact in Singapore if the minister is of the opinion that it would be in the public interest to do so. Such directions would include (a) targeted correction directions, which require the internet intermediary to communicate a correction notice on its service to all end-users in Singapore who accessed the offending false statement of fact by means of its service after a specified time; and (b) disabling directions, which require the internet intermediary to disable access by end-users in Singapore to the offending false statement of fact being communicated on or through its service. Internet intermediaries may be fined or have their access to their online location by Singapore end-users disabled if they fail to comply with directions issued under POFMA without reasonable excuse.

There are also various other content regulation laws in Singapore, including:

(i) Undesirable Publications Act 1967 ("***UPA***"): The UPA prevents the importation, distribution and reproduction of obscene and objectionable publications. The definition of "publication" is wide, and includes "any picture or drawing, whether made by computer-graphics or otherwise howsoever". The UPA makes it an offence for a person to reproduce any obscene or objectionable publication knowing or having reason to believe that it is obscene or objectionable.

(ii) Foreign Interference (Countermeasures) Act 2021 ("***FICA***"): The FICA is intended to counteract foreign interference in the public interest. Under the FICA, it would be an offence to, *inter alia*, undertake (or prepare or plan to undertake) "electronic communications activity" in or outside Singapore that results in or involves the publication in Singapore of any information/material on behalf of (i) a foreign principal or (ii) another person acting on the foreign principal's behalf, where any part of the undertaking or electronic communications activity is covert or involves deception, and with knowledge or reason to believe that the electronic communications activity or the published information/material is likely to be prejudicial to the security of Singapore or any part of Singapore.

(iii) The Online Safety (Miscellaneous Amendments) Act 2022 (the "***OSA***"): The OSA amended the Broadcasting Act 1994 introducing a new Part 10A, regulating online communication services ("***OCSs***") provided to Singapore end-users and listed in a schedule under the Broadcasting Act 1994. These regulations will apply to OCSs provided from outside Singapore as well as services provided in or from Singapore. At present, only one type of OCS is specified, namely social media services ("***SMS***"). An SMS is defined as an electronic service whose sole or primary purpose is to enable online interaction or linking between two or more end-users, including enabling end-users to share content for social purposes, and which allows end-users to communicate content on the service. Under Part 10A, (i) providers of OCSs with significant reach or impact (as designated by the IMDA) are required to comply with the IMDA's codes of practice; and (ii) if the IMDA is satisfied that any egregious content provided on an OCS can be accessed by Singapore end-users, IMDA can, among others, issue directions to the OCS provider to disable access to the egregious content by Singapore end-users, and stop the egregious content from being transmitted to Singapore end-users via other channels or accounts (though such directions cannot be issued in respect of private communications due to privacy concerns). Non-compliance with a direction by IMDA constitutes a criminal offence, punishable with a fine.

Regulations on Intellectual Property Rights

The Intellectual Property Office of Singapore administers the intellectual property legislative framework in Singapore, which includes copyrights, trademarks and patents. Singapore is a member of the main international conventions regulating intellectual property matters, and the World Trade Organization's Agreement on Trade Related Aspects of Intellectual Property Rights.

Singapore operates a first-to-file system in respect of registered trademarks under the Trade Marks Act 1988 of Singapore, and the registered proprietor is granted a statutory monopoly of the trademark in Singapore in relation to the product or service for which it is registered. In the event of any trademark infringement, the registered proprietor will be able to rely on the registered trademark as proof of his right to the mark, and the infringement of a trademark may give rise to civil and criminal liabilities. Statutory protection of a registered trademark can last indefinitely, as long as the registration is renewed every 10 years. Unregistered trademarks are also protected under the common law of passing off, provided that the owner is able to prove that there is goodwill or reputation in the mark; misrepresentation on the part of the infringer; and damage to the mark as a result.

Regulations on Competition Laws

The Competition Act 2004 of Singapore prohibits anti-competitive practices. Specific prohibited activities include agreements that prevent, restrict or distort competition, abuse of dominance and mergers that substantially lessen competition, whether these take place within or outside of Singapore, so long as they have an impact on a market in Singapore. The Competition and Consumer Commission of Singapore (the "***CCCS***") is responsible for administering and enforcing the Competition Act 2004 of Singapore, which covers all industries and sectors unless specifically exempted or excluded. Infringements of the Competition Act can result in financial penalties of up to 10 per cent. of the turnover of the business in Singapore for each year of infringement, up to a maximum of three years. The CCCS also has powers to impose directions requiring infringing undertakings to stop or modify the activity or conduct, or in the case of anti-competitive mergers, to remedy, mitigate or eliminate the adverse effects arising from the merger.

Regulations on Labor and Employment

The Employment Act 1968 of Singapore (the "***Singapore Employment Act***") generally extends to all employees regardless of their designation, salary level or type of work performed, with the exception of certain groups of employees (i.e., seafarers, domestic workers and public workers). It provides employees falling within its ambit certain protections such as minimum notice periods, restrictions in relation to the deductions from wages, minimum days of annual and sick leave, maternity/paternity leave and paid childcare leave. The Singapore Employment Act also applies to employees who are foreigners so long as they fall within the definition of "employee" under the Singapore Employment Act. Employers in Singapore owe a statutory obligation under the Central Provident Fund Act 1953 of Singapore to contribute to a Central Provident Fund in relation to wages for employees who are Singapore citizens or permanent residents of Singapore. The specific contribution rate to be made by employers varies depending on whether the employee is a Singapore citizen or permanent resident and the age group and wage band of the employee.

The Employment of Foreign Manpower Act 1990 of Singapore, provides that no person shall employ a foreign employee unless the foreign employee has a valid work pass. Work passes are issued by the Controller of Work Passes. In relation to the employment of semi-skilled foreign workers in the construction, manufacturing, marine shipyard, process or services sectors, employers must ensure that such persons apply for a "Work Permit". In relation to the employment of foreign mid-level skilled workers, such persons apply for an "S Pass". As of the date of this Report, the minimum qualifying salary requirements for S Pass applicants have been revised by the Ministry of Manpower from time to time and currently commence at S$3,300 per month, subject to higher qualifying salary requirements in certain sectors and for older and more experienced candidates. In relation to the employment of foreign professionals, managers and executives, employers must ensure that such persons apply for an "Employment Pass". As of the date of this Report, the minimum qualifying salary requirements for Employment Pass applicants have been revised by the Ministry of Manpower from time to time and currently commence at S$5,600 per month (or S$6,200 per month in the financial services sector), subject to higher qualifying salary requirements for older and more experienced candidates. In addition to meeting the applicable minimum qualifying salary requirements, Employment Pass applicants are generally required to satisfy the points-based Complementarity Assessment Framework ("COMPASS"), subject to certain exemptions.

Regulations on Anti-money Laundering and Counter-Terrorist Financing

The primary anti-money laundering and counter-terrorist financing legislation in Singapore that are of general application are the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 of Singapore (the "***CDSA***") and Terrorism (Suppression of Financing) Act 2002 of Singapore (the "***TSOFA***"). The CDSA provides for the confiscation of benefits derived from, and to combat, corruption, drug dealing and other serious crimes. Generally, the CDSA criminalizes the concealment or transfer of the benefits of criminal conduct as well as the knowing assistance of the concealment, transfer or retention of such benefits. The CDSA permits the confiscation of benefits derived from, and to combat, corruption, drug dealing and other serious crimes. The TSOFA criminalizes terrorism financing and prohibits any person in Singapore from dealing with or providing services to a terrorist entity, including those designated pursuant to the TSOFA. The CDSA and the TSOFA also require suspicious transaction reports to be lodged with the Suspicious Transaction Reporting Office, Singapore's Financial Intelligence Unit within the Criminal Affairs Division of the Singapore Police Force. If any person fails to lodge the requisite reports under the CDSA and the TSOFA, it may be subject to criminal liability. In addition, the TSOFA has extraterritorial reach, and any person outside Singapore who commits an act or omission that would constitute an offense under the TSOFA if committed in Singapore may be proceeded against, charged, tried and punished accordingly in Singapore.

Regulations on Data Protection

The Personal Data Protection Act 2012 of Singapore (the "***Singapore PDPA***") governs the collection, use and disclosure of the personal data of individuals (being data, whether true or not, about an individual who can be identified from that data or other accessible information), and to provide individuals with the right to access and correct their own personal data. Organizations have mandatory obligations to assess data breaches they suffer, and to notify the Personal Data Protection Commission (the "***PDPC***") and where applicable, the relevant individuals where the data breach is (or is likely to be) of a significant scale or resulting in (or is likely to result in) significant harm to individuals. Other obligations include accountability, protection, retention, and requirements around the overseas transfers of personal data.

Organizations are required to, among other things, (i) obtain consent from individuals and inform them of the applicable purposes before collecting, using or disclosing their personal data; and (ii) put in place reasonable measures to (a) protect the personal data in their possession or control from unauthorized access, loss or damage and (b) prevent the loss of any storage medium or device on which personal data is stored. In the event of a data breach involving any personal data in an organization's possession or control, the Singapore PDPA requires the organization to reasonably and expeditiously assess whether the data breach is notifiable and notify the PDPC and, unless exceptions apply, the affected individuals of the data breach, if the data breach is assessed to be one that (a) is likely to result in significant harm or impact to the individuals to whom the information relates, or (b) is, or is likely to be, of a significant scale. Other obligations include accountability, retention and requirements around the overseas transfers of personal data.

In addition, Do-Not-Call ("***DNC***") requirements require organizations to check "Do-Not-Call" registries prior to sending marketing messages addressed to Singapore telephone numbers, through voice calls, fax or text messages, unless clear and unambiguous consent to such marketing was obtained from the individual.

Singapore's regulatory authorities, including the Personal Data Protection Commission, have issued and continue to develop guidance and governance frameworks concerning the responsible deployment of artificial intelligence technologies, including the use of personal data in artificial intelligence systems and generative artificial intelligence applications. Although such guidance and frameworks generally do not have the force of law, they may inform regulatory expectations regarding transparency, accountability and risk management in connection with the collection, use and disclosure of personal data.

Non-compliance with the Singapore PDPA may attract financial penalties or even criminal liability. The PDPC has broad powers to give any such directions as it thinks fit to ensure compliance, which include requiring an organization to pay a financial penalty. In this connection: (i) in the case of contravention of the parts of the Singapore PDPA which sets out the obligations of organizations relating to data protection (including the obligation to protect and care for personal data, and to conduct assessments of data breaches), the maximum financial penalty that may be imposed: (a) on an organization whose annual turnover in Singapore exceeds S$10 million is 10% of the organization's annual turnover in Singapore, if the contravention occurs on or after October 1, 2022; and (b) in any other case is S$1 million; and (ii) in the case of contravention of the DNC requirements, the maximum financial penalty that may be imposed is S$1 million.

Regulations on Foreign Investment and Exchange Control

Singapore does not have an umbrella regime for regulating foreign investment. Instead, foreign investment is regulated (if at all) by sector. Singapore imposes no significant restrictions on the repatriation of earnings and capital, or on remittances, foreign exchange transactions and capital movements.

Regulations on Takeovers and Mergers

Takeovers and mergers of Singapore companies are regulated by the Singapore Code on Take-overs and Mergers (the "***Singapore Takeover Code***"), which is administered by the Securities Industry Council of Singapore (the "SIC"). The Singapore Takeover Code applies to both public companies and, in some cases, private companies with more than 50 shareholders and significant net tangible assets.

The Singapore Takeover Code sets out the legal and procedural framework for takeovers, including requirements relating to mandatory offers, pricing, disclosures, offer documentation, shareholder treatment, and timelines. Where applicable, we are required to comply with the Singapore Takeover Code in connection with any takeover or merger offer involving a Singapore target company.

Regulations in Malaysia

We conduct business in Malaysia through our subsidiary, Epicsoft Malaysia, which is primarily engaged in the marketing and retail distribution of video games and related products in Malaysia.

Regulations on Business Registration

A person who desires to form a company shall apply for incorporation, pursuant to the provisions of the Companies Act 2016 of Malaysia (the "***Malaysian Companies Act***"), with the Companies Commission of Malaysia. The Local Government Act 1976 of Malaysia empowers every local authority to make, amend or revoke any by-laws in respect of the local government area, and to grant any licence or permit of any trade, occupation or premises and such licence shall be subject to such conditions and restrictions as the local authority may prescribe. As such, prior to the commencement of our business operations in Malaysia, we are required to apply for business premises licenses for each operating premise from the relevant local authority. We have registered our Malaysia subsidiary in accordance with the Malaysian Companies Act and have obtained the business premises license from the local authority.

Regulations on Labor and Employment

Employment and industrial relations in Malaysia are mainly governed by the Employment Act 1955 of Malaysia (the "***Malaysian Employment Act***"). The requirements under the Malaysia Employment Act apply to all employees that enter into a contract of service regardless of wages (except that, for certain prescribed categories of employees such as employees earning more than RM4,000 per month, provisions in the Malaysia Employment Act relating to, among other things, overtime payments and termination benefits do not apply). Both employees and employers in Malaysia are required to contribute toward the Employees Provident Fund, the Employment Insurance System and the Employees Social Security Fund. The contributions are premised on the statutorily prescribed rates under the Employees Provident Fund Act 1991 of Malaysia, Employment Insurance System Act 2017 of Malaysia and Employees' Social Security Fund Act 1969 of Malaysia.

Worker Classification

Under Malaysian law, an "employee" means a person engaged under a contract of service while an "independent contractor" means a person engaged pursuant to a contract for services. The Malaysian Employment Act defines "contract of service" as any agreement, whether oral or in writing and whether express or implied, whereby one person agrees to employ another as an employee and that other agrees to serve his or her employer as an employee and includes an apprenticeship contract. There is no single legal test to determine whether a person is engaged as an employee or an independent contractor. The degree of control exercised over the person engaged is an important factor but not the sole criteria in making a determination. The Industrial Court of Malaysia will examine all facts and circumstances and the conduct of the parties, including but not limited to the degree of control, whether there is a fixed compensation package or whether the individual undertook a business risk, exclusivity, whether any statutory contributions (such as the Employees Provident Fund) have been made and the contractual terms of the engagement in determining the status of an employee or independent contractor.

Competition Law

The competition law in Malaysia achieves this by prohibiting two categories of activities: (i) anti-competitive practices and (ii) abuse of dominant positions, and the Competition Act 2010 of Malaysia is generally enforced by the Malaysia Competition Commission (the "***MyCC***"), save for competition issues arising in specific sectors (such as the telecommunications sector, the aviation sector and the energy and gas supply sector which fall under the relevant applicable laws and are regulated by other regulators). The Competition Act 2010 of Malaysia applies to all commercial activities which have an effect on competition in any market in Malaysia, whether such activities are carried out within or outside Malaysia. Infringements of the Competition Act 2010 of Malaysia may result in, among other things, the imposition of a financial penalty of up to 10% of the worldwide turnover of the enterprise for the period during which the infringement occurred. The MyCC may also take other actions, including issuing cease and desist orders. Infringements of Section 61 of the Competition Act 2010 of Malaysia, may result in a fine not exceeding five million ringgit, and for a second or subsequent offence, to a fine not exceeding ten million ringgit; or (b) if such person is not a body corporate, to a fine not exceeding one million ringgit or to imprisonment for a term not exceeding five years or to both, and for a second or subsequent offense, to a fine not exceeding two million ringgit or to imprisonment for a term not exceeding five years or to both.

Regulations on Data Protection

The Personal Data Protection Act 2010 of Malaysia (the "***Malaysia PDPA***") regulates the processing of personal data in commercial transactions in Malaysia and is enforced by the Personal Data Protection Commission. The Malaysia PDPA applies to (a) any person who processes, and (b) any person who has control over or authorizes the processing of, any personal data in respect of commercial transactions. The Malaysia PDPA also applies to a person in respect of personal data if (a) the person is established in Malaysia and personal data is processed, whether or not in the context of that establishment, by that person or any other person employed or engaged by that establishment, or (b) the person is not established in Malaysia but uses equipment in Malaysia for processing the personal data, except for the purposes of transit through Malaysia.

"Personal data" is statutorily defined to mean any information in respect of commercial transactions, which (a) is being processed wholly or partly by means of equipment operating automatically in response to instructions given for that purpose, (b) is recorded with the intention that it should wholly or partly be processed by means of such equipment, or (c) is recorded as part of, or with the intention that it should form a part of, a relevant filing system that relates directly or indirectly to a data subject (i.e., an individual who is the subject of the personal data) who is identified or identifiable from that information or from that and other information in the possession of a data user, including any sensitive personal data and expression of opinion about the data subject. "Personal data" does not include any information that is processed for the purpose of a credit reporting business carried on by a credit reporting agency under the Credit Reporting Agencies Act 2010 of Malaysia.

Under the Malaysia PDPA, a "data user" is a person who either alone or jointly, or in common with other persons, processes any personal data or has control over, or authorizes the processing of, any personal data but does not include a processor. The Malaysia PDPA provides that data users must adhere to the following principles with respect to the processing of personal data:

(a) the general principle;

(b) the notice and choice principle;

(c) the disclosure principle;

(d) the security principle;

(e) the retention principle;

(f) the data integrity principle; and

(g) the access principle.

In general, to process or disclose personal data relating to any individuals would require (i) consent from such individuals, particularly pertaining to sensitive personal data, which may be obtained in any form that can be recorded and maintained properly by the data user; and (ii) written notice to such individuals informing such individuals amongst others, (a) personal data that is being processed by or on behalf of the data user and whether it is obligatory or voluntary for the individual to supply the personal data and, where it is obligatory for the individual to supply the personal data, the consequences that the individual may face if the individual fails to supply the personal data, (b) the purposes for which the personal data is being or is to be collected and further processed, (c) any information available to the data user as to the source of that personal data, and (d) the individual's right to request access to and request correction of the personal data. Any person engaged in processing personal data shall take measures to protect the personal data from any loss, misuse, modification, unauthorized or accidental access or disclosure, alteration or destruction and to maintain the integrity of the personal data processed, which should not be kept longer than necessary for the fulfilment of the purpose for which it was to be processed. Violation of the Malaysia PDPA, when convicted, may result fine up to RM500,000 and/or to imprisonment or both.

Regulations on Foreign Investment

As there is no overarching FDI regime in Malaysia, foreign equity restrictions thresholds vary between every industry, depending on the applicable laws, policies, and regulations issued by the relevant governmental departments. Epicsoft Malaysia is not subject to restrictions on foreign investment.

Regulations on Exchange Control

The exchange control regime in Malaysia is regulated by the Financial Services Act 2013 of Malaysia (the "***FSA***"), which regulates the domestic and international transactions involving residents and non-residents of Malaysia and prescribes a list of transactions that are prohibited without approval from the Bank Negara Malaysia (the Central Bank of Malaysia) (the "***BNM***"). In exercise of the powers conferred by the FSA, BNM issues the Foreign Exchange Notices (the "***FE Notices***") which provides the directions, requirements, restrictions, and conditions of approval in respect of the prohibited transactions.

Foreign investors are generally free to repatriate proceeds, profits, dividends, rent, fees, and interest arising from any investment in Malaysia in foreign currency (except for the currency of Israel), subject to any withholding tax, in accordance with the FE Notices. The conversion of ringgit into foreign currency may be freely effected onshore with licensed banks or money-changers with certain limited exceptions.

Regulations on Anti-money Laundering and Counter-Terrorist Financing

The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("***AMLATFA***"), makes it an offense for any person to engage in or abet the commission of money laundering and terrorist financing, and seeks, among other things, to implement measures for the prevention of money laundering and terrorism financing offences. Any person who (a) engages in a transaction that involves proceeds of unlawful activity; (b) uses proceeds of unlawful activity; (c) removes from or brings into Malaysia proceeds of unlawful activity; or (d) conceals, disguises, or impedes the establishment of the true nature, origin, location, movement, disposition, title of, rights with respect to, or ownership of proceeds of unlawful activity commits a money laundering offense under the AMLATFA.

AMLATFA sets out the reporting institution under the First Schedule of the AMLATFA to comply with the further obligations of prevention of money laundering and financing terrorism, which include reporting and recordkeeping duties, such as submitting suspicious transaction reports, implementing a risk-based application, and conducting customer due diligence. Epicsoft Malaysia. is not deemed to be a reporting institution under the AMLATFA.

Regulations in Hong Kong

We conduct business in Hong Kong mainly through the following subsidiaries: (a) Epicsoft Hong Kong, which is primarily engaged in the marketing and retail distribution of video games software, game codes and other related consumer items in Hong Kong; (b) 2Game, which is primarily engaged in the distribution of video games and related products including digital content such as console game codes, and (c) 4Divinity HK Limited, which is principally a holding company established to hold investments and facilitate the Company's operations in Hong Kong. Each of our Hong Kong subsidiaries has obtained a business registration certificate under the Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong) since incorporation and the commencement of its business operations.

Regulations Related to Business Registration

The Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong), administered by Business Registration Office, requires every person carrying on any business to make an application to the Commissioner of Inland Revenue in the prescribed manner for the registration of that business within one month after the commencement of business. The Commissioner of Inland Revenue must register each business for which a business registration application is made and as soon as practicable after the prescribed business registration fee and levy are paid and issue a business registration certificate or branch registration certificate for the relevant business or the relevant branch, as the case may be. Any person who fails to apply for business registration shall be guilty of an offence and shall be liable for a fine of HK$5,000 and imprisonment for one year. As of the date of this Report, each of the Hong Kong subsidiaries have obtained and maintains a valid business registration certificate.

Regulations Relating to Trade Description of Products

The Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) prohibits false descriptions, false, misleading or incomplete information in respect of goods provided in the course of trade and to prohibit certain unfair trade practices. Under the Trade Descriptions Ordinance, it is an offence for a person, in the course of trade or business, to apply a false or misleading trade description to any goods or supply any goods with false or misleading trade descriptions, to forge any trademark or falsely apply any trademark to any goods, or to engage in relation to a consumer in a commercial practice that is a misleading omission, aggressive, bait advertising, a bait and switch, or constitutes wrongly accepting payment for a product.

A person who commits any such offense is subject to, on conviction on indictment, a fine of up to HK$500,000 and imprisonment for five years and, on summary conviction, a fine of HK$100,000 and imprisonment for two years.

Regulations on Labor and Employment

The Employment Ordinance (Chapter 57 of the Laws of Hong Kong) (the "***EO***") is an ordinance enacted for, among other things, the protection of the wages of employees and the regulation of the general conditions of employment and employment agencies. Under the EO, an employee is generally entitled to, among other things, notice of termination of his or her employment contract, payment in lieu of notice, maternity protection in the case of a pregnant employee, sickness allowance, statutory holidays or alternative holidays and paid annual leave.

Under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) (the "***MPFSO***"), employers must participate in a Mandatory Provident Fund (the "***MPF***") Scheme for employees employed under the jurisdiction of the EO. Under the MPF Scheme, generally, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000.

Employers are also required to maintain a policy of insurance issued by an insurer for an amount not less than the applicable amount stated in the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong) (the "***ECO***") in respect of work-related injuries. According to the ECO, the insured amount shall be not less than HK$100,000,000 per event if a company has no more than 200 employees.

Regulations Related to Anti-competition

The Competition Ordinance (Chapter 619 of the Laws of Hong Kong) (i) prohibits conduct that prevents, restricts or distorts competition in Hong Kong; (ii) prohibits mergers that substantially lessen competition in Hong Kong; and (iii) provides for incidental and connected matter.

The first conduct rule prohibits anti-competitive agreements, practices and decisions. It provides that an undertaking must not (i) make or give effect to an agreement; (ii) engage in a concerted practice; or (iii) as a member of an association of undertakings, make or give effect to a decision of the association, if the object or effect of the agreement, concerted practice or decision is to prevent, restrict or distort competition in Hong Kong. Serious anti-competitive conduct includes (i) fixing, maintaining, increasing or controlling the price for the supply of goods or services; (ii) allocating sales, territories, customers or markets for the production or supply of goods or services; (iii) fixing, maintaining, controlling, preventing, limiting or eliminating the production or supply of goods or services; and (iv) bid-rigging.

The second conduct rule prohibits the abuse of market power. It provides that an undertaking that has a substantial degree of market power in a market must not abuse such power by engaging in conduct that has as its object or effect the prevention, restriction or distortion of competition in Hong Kong. This conduct may in particular, constitute an abuse of such market power if it involves predatory behavior towards competitors or limiting production, markets or technical development to the prejudice of consumers. Matters that may be taken into consideration when determining whether an undertaking has a substantial degree of market power in a market include (i) the market share of the undertaking; (ii) the undertaking's power to make pricing and other decisions; and (iii) any barriers to entry to competitors into the relevant market.

The first conduct rule and the second conduct rule apply to all sectors of the Hong Kong economy. Therefore, the Hong Kong subsidiaries' business is subject to Competition Ordinance generally.

In the event of contravention of a competition rule, the Competition Tribunal may (i) on application by the Competition Commission, impose pecuniary penalty of any amount it considers appropriate subject to a maximum of 10% of the turnover of the undertaking concerned for each year in which the contravention occurred for each single contravention (if the contravention occurred in more than three years, 10% of the turnover of the undertaking for the three years that saw the highest, second highest and third highest turnover); (ii) on application by the Competition Commission, make an order disqualifying a person from being a director of a company or from otherwise being concerned in the affairs of a company; and (iii) make orders it considers appropriate, including but not limited to prohibiting an entity from making or giving effect to an agreement, requiring modification or termination of an agreement, requiring payment of damages to a person who has suffered loss or damage as a result of the contravention.

Regulations Related to Data Privacy

The Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) ("***PDPO***"), imposes a statutory duty on data users to comply with the requirements of the six data protection principles contained in Schedule 1 to the PDPO. The PDPO provides that a data user shall not do an act, or engage in a practice, that contravenes the six data protection principles unless the act or practice, as the case may be, is required or permitted under the PDPO. The six data protection principles are:

(a) Principle 1 - purpose and manner of collection of personal data;

(b) Principle 2 - accuracy and duration of retention of personal data;

(c) Principle 3 - use of personal data;

(d) Principle 4 - security of personal data;

(e) Principle 5 - information to be generally available; and

(f) Principle 6 - access to personal data.

Non-compliance with a data protection principle may lead to a complaint to the Privacy Commissioner for Personal Data (the "***Privacy Commissioner***"). The Privacy Commissioner may serve an enforcement notice to direct the data user to remedy the contravention and/ or instigate prosecution actions. A data user who contravenes an enforcement notice commits an offense which may lead to a fine and imprisonment.

The PDPO also gives data subjects certain rights, *inter alia*:

(i) the right to be informed by a data user whether the data user holds personal data of which the individual is the data subject;

(ii) if the data user holds such data, to be supplied with a copy of such data; and

(iii) the right to request correction of any data they consider to be inaccurate.

The PDPO criminalizes certain uses, including, but not limited to, the misuse or inappropriate use of personal data in direct marketing activities, non-compliance with a data access request and the unauthorized disclosure of personal data obtained without the relevant data user's consent. An individual who suffers damage, including injured feelings, by reason of a contravention of the PDPO in relation to his or her personal data may seek compensation from the data user concerned.

Regulations on Foreign Investment, Exchange Control and Dividend Distribution

There are no restrictions on foreign investments or foreign ownership applicable to the businesses currently conducted by our Hong Kong subsidiaries. There are also no foreign exchange controls currently in force in Hong Kong, and the Hong Kong dollar is freely convertible into other currencies. Our Hong Kong subsidiaries are not restricted in their ability to pay dividends.

Regulations Related to Hong Kong Taxation

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong), where an employer commences to employ in Hong Kong an individual who is or is likely to be chargeable to tax, or any married person, the employer shall give a written notice to the Commissioner of Inland Revenue not later than three months after the date of commencement of such employment. Where an employer ceases or is about to cease to employ in Hong Kong an individual who is or is likely to be chargeable to tax, or any married person, the employer shall give a written notice to the Commissioner of Inland Revenue not later than one month before such individual ceases to be employed in Hong Kong.

Withholding Tax on Dividends

Under the current practice of the Inland Revenue Department of Hong Kong, no withholding tax is payable in Hong Kong in respect of dividends paid by the Hong Kong subsidiaries in Hong Kong.

Capital Gains and Profit Tax

The Inland Revenue Ordinance provides, among other things, that profits tax shall be charged on every person carrying on a trade, profession or business in Hong Kong in respect of his or her assessable profits arising in or derived from Hong Kong at the standard rate at 16.5%, except for the qualifying group entity under the two-tiered profits tax regime. The two-tiered profits tax regime is applicable to years of assessment commencing on or after April 1, 2018, for which the first HK$2,000,000 of assessable profits are taxed at the rate of 8.25% and the remaining assessable profits are taxed at 16.5%. The Inland Revenue Ordinance also contains detailed provisions relating to, among other things, permissible deductions for outgoings and expenses, set-offs for losses and allowances for depreciation of capital assets.

No tax is imposed in Hong Kong in respect of capital gains from the sale of shares. However, trading gains from the sale of shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong, will be subject to Hong Kong profits tax. Certain categories of taxpayers (for example, financial institutions, insurance companies and securities dealers) are likely to be regarded as deriving trading gains rather than capital gains, unless these taxpayers can prove that the investment securities are held for long-term investment purposes.

Under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), the Hong Kong stamp duty currently charged at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of the shares, will be payable by the purchaser on every purchase and by the seller on every sale of Hong Kong shares (in other words, a total of 0.2% is currently payable on a typical sale and purchase transaction of Hong Kong shares). In addition, a fixed duty of HK$5 is currently payable on any instrument of transfer of Hong Kong shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

Regulations on Anti-money Laundering and Counter-Terrorist Financing

The Anti-money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) (the "***AMLO***") imposes requirements relating to client due diligence and record-keeping and provides regulatory authorities with the powers to supervise compliance with the requirements under the AMLO. In addition, the regulatory authorities are empowered to (i) ensure that proper safeguards exist to prevent contravention of specified provisions in the AMLO; and (ii) mitigate money laundering and terrorist financing risks. Our Hong Kong subsidiaries are not subject to these requirements.

Among other things, the Organized and Serious Crimes Ordinance (Chapter 455 of the Laws of Hong Kong) (the "***OSCO***") empowers officers of the Hong Kong Police Force and the Hong Kong Customs & Excise Department to investigate organized crime and triad activities, and confers jurisdiction on the Hong Kong courts to confiscate the proceeds of organized and serious crimes and to issue restraint orders and charging orders in relation to the property of defendants of specified offenses under the OSCO. The OSCO extends the money laundering offense to cover the proceeds from all indictable offenses.

Among other things, the UN United Nations (Anti-terrorism Measures) Ordinance (Chapter 575 of the Laws of Hong Kong) (the "***UNATMO***") stipulates that it is a criminal offense to (i) provide or collect property (by any means, directly or indirectly) with the intention to, or knowledge that the property will be used to, commit, in whole or in part, one or more terrorist acts; or (ii) make any property or financial (or related) services available, by any means, directly or indirectly, to or for the benefit of a person knowing that, or being reckless as to whether, such person is a terrorist or terrorist associate, or collect property or solicit financial (or related) services, by any means, directly or indirectly, for the benefit of a person knowing that, or being reckless as to whether, the person is a terrorist or terrorist associate. The UNATMO also requires a person to disclose his knowledge or suspicion of terrorist property to an authorized officer, and failure to make such disclosure constitutes an offense under the UNATMO.

Competition

The market for video game distribution and marketing in Asia is quickly evolving, and competition is intensifying as new competitors enter the market and current competitors expand their product offerings. In order to secure licensing and distribution agreements with AAA game publishers when competing with larger, better financed companies, we may be forced to agree to contractual terms that provide for lower aggregate payments to us over the life of the distribution agreement, which could adversely affect our margins. Our failure to compete effectively for the distribution right for "hit" game titles could have a material adverse effect on our business, prospects, financial condition or future operating results.

In our video game distribution business, we face competition primarily from other games and interactive entertainment companies, that range in size and cost structures from small, little known local or regional distributors with limited resources to very large with greater financial, marketing, technical and other resources than ours, such as Electronic Arts Inc. and Activision Blizzard, Inc. Small business competitors may be able to offer more cost competitive solutions for video game distributions, due to their lower overhead costs.

In our game publishing business, we face competition from large developer and marketer of interactive entertainment software companies, such as Tencent Games, NetEase Games, Sega and Sony Interactive Entertainment, that have the financial resources to withstand significant price competition, implement extensive advertising campaigns, and utilize their substantially greater resources and economies of scale to develop competing video games and divert sales away from our games offerings.

Competition in the interactive entertainment software industry is based on innovation, features, playability, product quality, brand name recognition, compatibility with popular platforms, access to distribution channels, price, marketing, and customer service. Our business is driven by the number of hit game titles we sell, distribute and publish, which require increasing budgets for development and marketing.

We will continue to compete effectively and strategically grow our business by focusing on (i) our ability to develop original content and new games as well as by continuing to enhance our existing services to keep pace with user preferences and demands, and (ii) expanding our best-selling games portfolio.

Intellectual Property

Our business depends on the licensing and protection of intellectual property rights of the video games we distribute that are retained by the publishers. We also try to protect our software and production techniques under copyright and trademark and trade secret laws as well as through contractual restrictions on disclosure, copying and distribution.

Martiangear has the following registered trademark in Singapore:

Mark	Trademark No.	Registration Date	Expiry Date
	40202103658T	August 6, 2021	February 15, 2031

TDM has the following three registered trademarks in Singapore:

Mark	Trademark No.	Registration Date	Expiry Date
	40202008815V	November 26, 2020	April 30, 2030
	40201923456S	April 1, 2020	October 25, 2029
	40202259168G	September 8, 2023	October 26, 2032

AV Labs has the following registered trademarks in Singapore:

Mark	Trademark No.	Registration Date	Expiry Date
	T0319337H	August 22, 2003	August 22, 2033

Human Capital

We had approximately 331, 162 and 106 full-time employees as of March 31, 2026, 2025 and 2024, respectively. The steady growth of our head-count was primarily due to expansion in Operations and Sales and Marketing as we grew our business and operations as a public company and as a result of our acquisition of Ban Leong. The 331 full-time employees we had as of March 31, 2026 consisted of 300 in Asia Pacific (including 169 in Singapore, 58 in Malaysia, 51 in Thailand, 9 in Hong Kong, 5 in China, 4 in Bangladesh, 3 in Japan, and 1 in Indonesia), 19 in Europe, and 12 in other parts of the world, carrying out the following primary functions:

Media Production	7
Content Development and Publishing	4
Operations	113
Sales and Marketing	134
Finance	34
Management and Administration	39
Total	331

GCL Group seeks to hire and develop employees who are dedicated to our strategic mission. Over the next twelve months, we intend to continue to hire a significant number of additional personnel across a variety of functions including, but not limited to, sales and marketing, research and development, content design and creation, video production, and operations to support of our anticipated growth.

We are committed to maintaining equitable compensation programs including equity participation. We offer market-competitive salaries aimed at attracting and retaining team members capable of making exceptional contributions to our success. Our compensation decisions are guided by the external market, role criticality, and the contributions of each team member.

To date, we have not experienced any work stoppages and we consider our relationship with our employees to be good. None of our employees are either represented by a labor union or subject to a collective bargaining agreement.

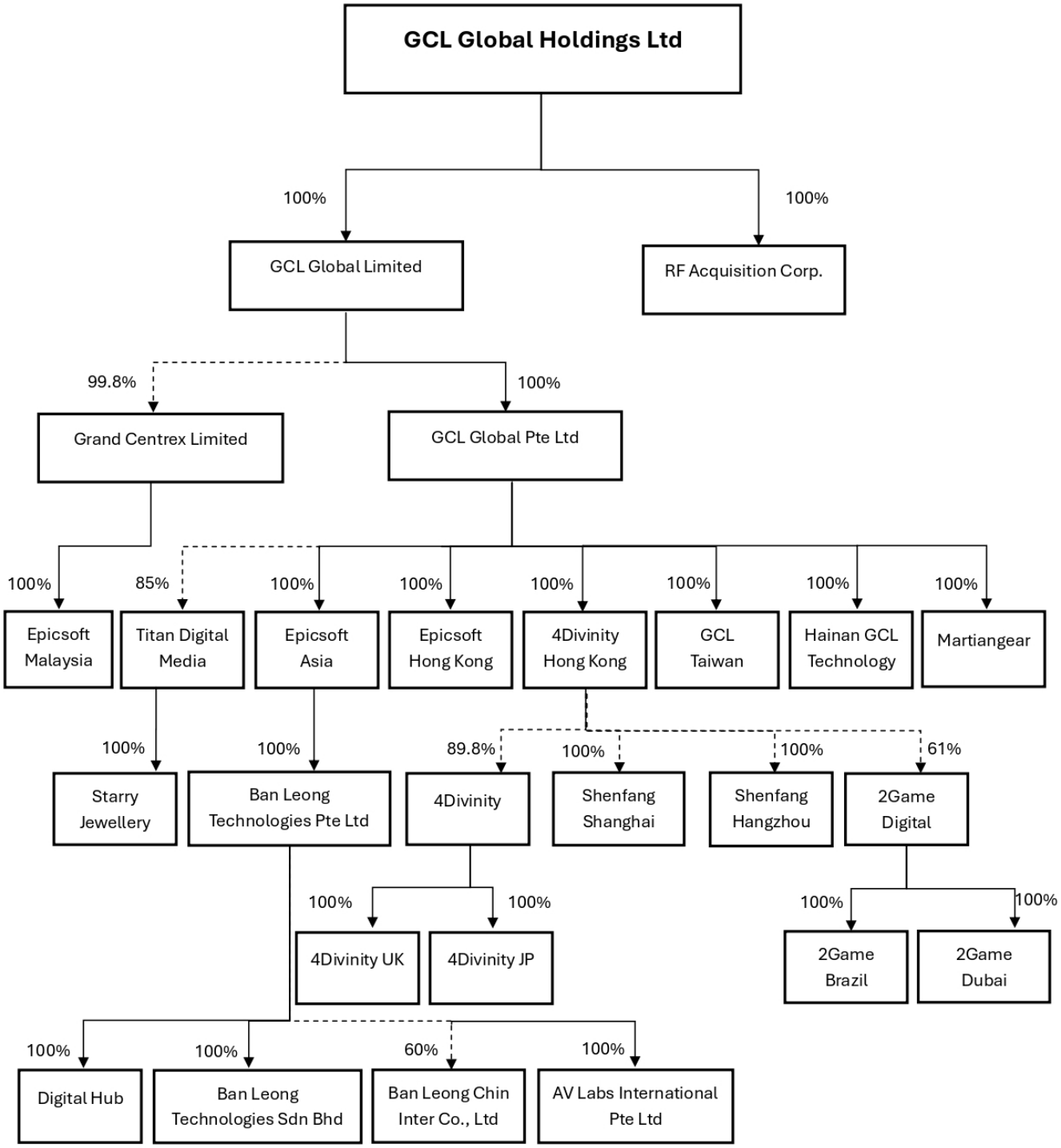
Facilities

GCL Group's corporate headquarters are located at 29 Tai Seng Avenue #02-01, Singapore 534119. The term of the lease is through March 31, 2028. Together with other properties (including our Chairman's residence which also serves as his office), our leases total over 6,252 square meters in Singapore. As of the date of this report, GCL Group also has leased office facilities in Hong Kong, China, Dubai, Japan, Brazil, Thailand and Malaysia, totaling over 4,892 square meters. We believe our facilities are adequate and suitable for our current needs and that should it be needed, suitable additional or alternative space will be available to accommodate our operations.

Legal Proceedings

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not currently a party to any legal proceedings the outcome of which, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition, or results of operations.

C. Organizational Structure



Names of entities abbreviated in chart:

Term	Company Name	Term	Company Name
2Game Digital	2Game Digital Limited	Epicsoft Hong Kong	Epicsoft (Hong Kong) Limited
2Game Brazil	2 Game Pro Ltda.	Epicsoft Malaysia	Epicsoft Malaysia Sdn. Bhd.
2Game Dubai	2Game Digital DMCC	GCL Global SG	GCL Global Pte. Ltd.
4Divinity	4Divinity Pte. Ltd.	GCL Taiwan	GCL Taiwan Co., Ltd.
4Divinity Hong Kong	4Divinity HK Ltd.	Hainan GCL	Hainan GCL Technology Co. Ltd.
4Divinity UK	4Divinity UK Ltd.	Martiangear	Martiangear Pte. Ltd.
4Divinity JP	4Divinity Japan Ltd.	Starry Jewelry	Starry Jewelry Pte. Ltd.
Digital Hub	Digital Hub Pte. Ltd.	Shenfang Shanghai	Shenfang Universe (Shanghai) Technology Co., Ltd.
Epicsoft Asia	Epicsoft Asia Pte. Ltd.	Shenfang Hangzhou	Shenfang Interactive (Hangzhou) Technology Co., Ltd.
		Titan Digital Media	Titan Digital Media Pte. Ltd.

D. Property, Plants and Equipment

GCL Group's corporate headquarters are located at 29 Tai Seng Avenue #02-01, Singapore 534119. The term of the lease is through March 31, 2028. Together with other properties (including our Chairman's residence which also serves as his office), our leases total over 6,252 square meters in Singapore. As of the date of this report, GCL Group also has leased office facilities in Hong Kong, China, Dubai, Japan, Brazil, Thailand and Malaysia, totaling over 4,892 square meters. We believe our facilities are adequate and suitable for our current needs and that should it be needed, suitable additional or alternative space will be available to accommodate our operations.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

In this report, as used herein, and unless the context suggests otherwise, the terms "GCL", "we," "us," or "our," refer to the combined business of GCL Global Limited and its subsidiaries. References to "dollar" and "$" are to U.S. dollars, the lawful currency of the United States. References to "SEC" are to the Securities and Exchange Commission. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements that appear in this annual report. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this annual report, particularly in "Risk Factors." All amounts in included in the fiscal years ended March 31, 2026, 2025, and 2024("Annual Financial Statements") are derived from our audited consolidated financial statements included elsewhere in this annual report. These Annual Financial Statements have been prepared in accordance with U.S. Generally Accepted Accounting Principles, or U.S. GAAP.

5A. Operating Results

Overview

GCL is a holding company incorporated as an exempted company under the laws of the Cayman Islands and conducts all of its operations through subsidiaries in Singapore, Hong Kong, Malaysia, China, the United Kingdom, Japan, Brazil, Thailand, Taiwan and the United Arab Emirates. As our businesses operate across multiple jurisdictions and transact in various currencies, while our consolidated financial statements are presented in U.S. dollars, movements in foreign exchange rates may affect our reported revenues, costs, assets, liabilities, cash flows and operating results. Such movements may also result in differences between the underlying performance of our businesses in their respective functional currencies and the amounts reported in our consolidated financial statements. We monitor our foreign currency exposures arising from operating transactions, intercompany balances, receivables, payables and funding arrangements, and seek to manage these exposures through natural offsets, alignment of settlement currencies and appropriate pricing, procurement and treasury practices.

We are an integrated games, entertainment and technology products group engaged in the marketing, distribution, publishing and development of video games and other entertainment content across Asia, Europe, the United States and Latin America. Following our acquisition of Ban Leong Technologies Limited in May 2025, we expanded our business into the distribution of IT hardware, computer accessories, gaming components, peripherals, data storage devices, smart technology and other consumer technology products across Singapore, Malaysia and Thailand. We sell and distribute to retailers and consumers in Asia physical and digital copies of video games through physical retailers, such as Sony PlayStation stores in Japan, as well as online channels in Singapore, Hong Kong, Malaysia, Japan, South Korea, Taiwan, Thailand, Indonesia, the Philippines and other Asian countries. Over 95.8%, 86.8%, and 93.3% of our total consolidated revenue for the years ended March 31, 2026, 2025, and 2024, respectively, was derived from the sale of console game, hardware, and accessories. Such revenue primarily consisted of sales of physical games for consoles such as Sony PlayStation, Microsoft Xbox, Nintendo Switch, and PCs to retailers, sales of hardware, computer accessories, and other multimedia products across various product categories, as well as game codes delivered electronically to retailers or end-users via email or download. We also have our own production studio and an advertising agency, providing media and content advertising services for small and medium-sized enterprises (the "SMEs") and government agencies. In September 2022, we formed a subsidiary dedicated to our game publishing business investing in upcoming game titles as either a publisher or a co-publisher for the global market. In May 2025, we acquired Ban Leong Technologies Limited ("Ban Leong"), a leading Singapore-based distributor of IT hardware, gaming components, and smart technology, with operations across Singapore, Malaysia, and Thailand.

We derive revenues from (i) distribution and sale of console game, hardware, computer accessories and other multimedia products including data storage devices; (ii) game publishing; (iii) media advertising services; and (iv) others. The total revenue increased by $96.8 million, or 68.2% to approximately $238.9 million for the year ended March 31, 2026 from approximately $142.1 million for the same period in 2025. This increase in revenue was primarily attributable to the approximately $105.6 million increased sales from console game, hardware, computer accessories, other multimedia products and offset by a decrease of approximately $8.9 million in game publishing revenue. The total revenue increased by $44.5 million, or 45.7%, to approximately $142.1 million for the year ended March 31, 2025 from approximately $97.5 million for the same period in 2024. This increase in revenue was primarily attributable to the approximately $32.2 million increased sales from console game, hardware, and accessories and increase of approximately $12.6 million in game publishing revenue.

Key Factors that Affect Operating Results

Our business, financial condition and results of operations have been, and are expected to continue to be, affected by a number of factors, which primarily include the following:

Distribution arrangements with game publishers and studios to sell "hit" game titles

We derive our revenue primarily from sales to retailers and consumers of console games and game codes and distributing gaming content that are compatible with major gaming consoles and PCs to resellers. We sold 34, 50 and 51 new game titles in addition to back catalog games during the fiscal year ended March 31, 2026, 2025 and 2024, respectively. We have forged multi-year distribution deals with international video game publishers and studios to sell selected game titles within certain territories in Asia. We have sold more than 17.9 million of physical and digital copies of video games during the past three fiscal years. Our success will continue to depend on our ability to obtain the distribution rights for "hit" game titles which can create sequels and incremental revenue opportunities through add-on content and merchandise. The success of the games we distribute also depends, in part, on unpredictable and constantly changing factors beyond our control including consumer preferences and spending habits, competing games and the availability of other entertainment experiences. Our ability to negotiate with resellers and platform partners, and to add sales channels in territories outside of the countries we currently distribute games can determine our continued success in the game distribution business.

Sales of computer accessories and consumer electronics products in Asia

Ban Leong Technologies Limited ("Ban Leong") serves as an authorized distributor for major brands of hardware, computer accessories and other multi-media products. The acquisition of Ban Leong contributed approximately $124.4 million of revenue from sales of hardware, computer accessories and other multi-media products for the year ended March 31, 2026. We sell IT, computer accessories and consumer electronics products through multiple channels including, e-commerce platforms, retail and chain stores, and direct sales to corporate resellers/system integrators. Failure in our inventory management systems, labor shortages, warehouse incidents, supply chain interruptions or shipping constraints could impair our ability to distribute products on a timely and cost-effective basis, reduce our sales, hurt our relationships with vendors, channels and customers, and harm our reputation. Success of our hardware and accessories business will also continue to depend, in part, on factors outside of our control including, consumer preferences and spending habits, rapid technological change and the availability of other computer hardware and accessories.

Growth in the game publishing business and game IP development

4Divinity was formed in 2022 as a Group Subsidiary dedicated to games publishing and game IP development. We derive our publishing revenue primarily from digital sales of games sold on Valve's Steam, Microsoft's Xbox and Sony's PlayStation platforms. At this time of this Report, 4Divinity has either published or co-published more than 15 game titles. Our success in growing the game publishing business will depend on our ability to identify global game designing talents, and partner with game developers, publishers, and brand owners to create original content and entertainment properties. We also plan to develop a large and diversified library of game titles that would come from internally developed game IP. Our success in developing our own game IP will also depend on our ability to raise adequate funding required for the development projects.

Risks associated with operating and investing in multiple countries

We derive a significant portion of revenue from our operations in Asia. In November 2025, we also formed a wholly-owned subsidiary in Taiwan. Between April and June, 2026, we also formed two more indirect wholly-owned subsidiaries in China. We are subject to differing and changing legal requirements relating to customs, consumer protection, data privacy, employment, tax, foreign exchange and other local regulations of the multiple countries in which we operate. In addition, we are subject to risks related to their economic, political, and social conditions. As we continue to develop and expand our business in Asia as well as outside of Asia, we expect our general and administrative expenses, including professional fees and legal compliance costs, to increase over time.

Recent Development

Acquisition of Ban Leong Technologies Ltd

On April 30, 2025, Epicsoft Asia made a voluntary conditional cash offer (the "Offer") of S$0.6029 per share (approximately US$0.4580 per share) to acquire all of the issued and paid-up ordinary shares in the capital of Ban Leong Technologies Limited ("Ban Leong"), a Singaporean company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Offer became unconditional on May 27, 2025 when Epicsoft Asia received valid acceptances representing approximately 50.9% of Ban Leong's total issued share capital, at which time the Company obtained control of Ban Leong and the business combination was deemed consummated. Ban Leong was officially delisted from the SGX-ST effective August 26, 2025. As of March 31, 2026, Ban Leong is a wholly-owned subsidiary of Epicsoft Asia. Cash consideration of the Offer was financed through a combination of an approximately $38.7 million secured term loan facility provided by The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the "HSBC term loan facility") and approximately $10.0 million cash on hand from the Company. The HSBC term loan facility is secured by all assets of GCL Global Pte Ltd, has a five-year term, bears a floating interest rate ranging between 2.5% and 7.5%, and requires quarterly repayments, with the final installment due in May 2030.

ATW SPA, Registration Rights Agreement, Exchange Agreement, and April 2026 Warrant

On May 21, 2025, the Company entered into a securities purchase agreement (the "ATW SPA") with ATW Partners (the "Investor") for the issuance of senior unsecured convertible notes (the "Notes"), through a facility of up to $45.5 million. Pursuant to the ATW SPA, the Company has issued and sold to the Investor an initial note in the aggregate original principal amount of $2,900,000, at a purchase price of $2,610,000 on May 22, 2025. Pursuant to the ATW SPA, as amended on August 26, 2025, the Company has issued and sold to the Investor additional Notes in the aggregate original principal amount of $2,530,000, at a purchase price of $2,277,000. The Notes had a three-year term and bore interest at 6% per annum, payable monthly, at GCL's option, in cash or, provided that certain conditions were met, in ordinary shares.

In April 2026, the Company redeemed, in part, the then-outstanding Notes for approximately $3.18 million pursuant to the terms of the Notes. The Parties also entered into that certain Amendment, Waiver and Exchange Agreement (the "Exchange Agreement"), pursuant to which, the remaining balance of the Notes was exchanged for a warrant to purchase 1,125,000 ordinary shares at an initial exercise price of $8.00 per share, subject to full-ratchet anti-dilution adjustments and other price protections in the event of, among other things, a reverse stock split or share combination (the "April 2026 Warrant") in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act. The Parties have also agreed to, among other things, waive any right to consummate any additional closing or cause the Company to issue additional notes, pursuant to the terms of the SPA.

Share subscription agreement

Our subsidiary, 4Divinity SG entered into share subscription agreements with ADATA Technology Co., Ltd., a Taiwanese company that is also a leader in memory and storage solutions, between October 2025 and July 2026, pursuant to which ADATA has purchased newly issued ordinary shares of 4Divinity SG, representing an aggregate of approximately 10.2% of outstanding equity interests of 4Divinity SG, for $32,000,000.

Nekcom Series B Shares

Pursuant to a Share Purchase Agreement between GCL Global and an accredited investor, dated March 10, 2026, GCL Global sold 306,250 of the 12,250,000 shares of Nekcom Series B Preferred Stock ("Nekcom Series B Shares") it held to the buyer for $1,000,000. Buyer will have the right, but not the obligation, to sell back to GCL Global any or all of these 306,250 Nekcom Series B Preferred Shares at two times the original purchase price per share during the first six months following the official release of the game *Showa American Story.* In the event that the game *Showa American Story* is not officially launched on or before June 30, 2028, buyer will have the right to demand GCL Global to buy back these 306,250 Nekcom Series B Preferred Shares at a price equal to the original purchase price plus 10% per annum.

Establishment of two indirect wholly-owned subsidiaries in China

On April 30, 2026, the Company incorporated Shenfang Universe (Shanghai) Technology Co., Ltd., an indirect wholly owned subsidiary organized under the laws of the People's Republic of China ("PRC"). Shenfang Shanghai was established to facilitate anticipated business activities and future commercial operations in the Shanghai region.

On June 22, 2026, the Company incorporated Shenfang Interactive (Hangzhou) Technology Co., Ltd. ("Shenfang Hangzhou"), an indirect wholly owned subsidiary organized under the laws of the PRC. Shenfang Hangzhou was established to facilitate anticipated business activities and future commercial operations in the Hangzhou region.

Key Operating Metric

Our management regularly reviews the operating metric to evaluate our business, measure our performance, identify trends, formulate financial projections and make strategic decisions. The main metric we consider, and our results for the years ended March 31, 2026, 2025 and 2024, are set forth in the tables below:

Number of game copies sold in physical form and digital form:

	For the Years Ended March 31,					
	2026	**%**	**2025**	**%**	**Change**	**Change %**
Physical copies sold	1,128,283	17.7%	1,832,740	28.2%	(704,457)	(38.4)%
Digital copies sold	5,259,520	82.3%	4,656,893	71.8%	602,627	12.9%
Total copies sold	6,387,803	**100.0%**	**6,489,633**	**100.0%**	**(101,830)**	(1.6)%

	For the Years Ended March 31,					
	2025	**%**	**2024**	**%**	**Change**	**Change %**
Physical copies sold	1,832,740	28.2%	1,234,149	24.6%	598,591	48.5%
Digital copies sold	4,656,893	71.8%	3,787,922	75.4%	868,971	22.9%
Total copies sold	6,489,633	100.0%	5,022,071	100.0%	1,467,562	29.2%

We experienced substantial growth in the number of digital copies sold. Approximately 5.3 million of digital copies were sold for year ended March 31, 2026, compared to approximately 4.7 million and 3.8 million digital copies sold for the same period in 2025 and 2024, respectively, representing an increase of 12.9% and 22.9% for the year ended March 31, 2026, and 2025, respectively. Meanwhile, the number of physical copies sold decreased by 38.4% and increased by 48.5% for the year ended March 31, 2026, and 2025, respectively. These changes highlight our effective adaptation to consumer preferences for digital formats, reflecting broader industry trends towards convenient, direct access to gaming content and an increasing environmental consciousness. The increase in unit sales volumes for digital copies was primarily attributable to lower average selling prices, reflecting pricing adjustments in response to market conditions, resulting in a decrease in console games sales revenue of approximately $18.8 million for the year ended March 31, 2026 compared to the same period in 2025.

Results of Operations

Comparison of the Years Ended March 31, 2026 and 2025

	For the Years Ended March 31,			
	2026	2025	Change	Percentage Change
Revenues	$ 238,924,089	$ 142,072,586	$ 96,851,503	68.2%
Cost of revenues	(214,195,960)	(120,829,225)	(93,366,735)	77.3%
Gross profit	24,728,129	21,243,361	3,484,768	16.4%
Selling and marketing	(4,848,605)	(2,568,702)	(2,279,903)	88.8%
General and administrative	(33,151,801)	(15,438,447)	(17,713,354)	114.7%
(Loss) income from operations	(13,272,277)	3,236,212	(16,508,489)	(510.1)%
Other (expense) income, net	(12,691,191)	2,941,881	(15,633,072)	(531.4)%
Income tax expense	(239,753)	(1,128,672)	(888,919)	(78.8)%
Net (loss) income	$ (26,203,221)	$ 5,049,421	$ (31,252,642)	(618.9)%

Revenues

Our revenues from our revenue categories are summarized as follows:

	For the Years Ended March 31,				Change	Change
	2026	%	2025	%	USD	%
Console game, hardware, and accessories	$ 229,271,559	96.0%	$ 123,263,542	86.8%	$ 106,008,017	86.0%
Game publishing	8,670,063	3.6%	23,757,232	16.7%	(15,087,169)	(63.5)%
Advertising service	1,513,062	0.6%	2,238,364	1.6%	(725,302)	(32.4)%
Others	1,374,495	0.6%	541,156	0.4%	833,339	154.0%
Elimination of intersegment revenue	(1,905,090)	(0.8)%	(7,727,708)	(5.5)%	5,822,618	(75.3)%
Total revenues	$ 238,924,089	100.0%	$ 142,072,586	100.0%	$ 96,851,503	68.2%

Our revenues are mainly derived from (i) sale of console games, hardware, computer accessories, other multimedia products, (ii) game publishing, and (iii) media advertising services. The total revenue increased by approximately $96.8 million, or 68.2%, to approximately $238.9 million for the year ended March 31, 2026 from approximately $142.1 million for the same period in 2025. The increase was mainly attributed to the following:

Sale of console game, hardware, computer accessories and other multi-media products

Our revenue from sale of console game, hardware, computer accessories and other multi-media products increased by approximately $106.0 million, or 86.0%, to approximately $229 million for the year ended March 31, 2026, from approximately $123.3 million for the year ended March 31, 2025. The increase was primarily attributable to the acquisition of Ban Leong Technologies Limited (“Ban Leong”) and its subsidiaries. Ban Leong serves as an authorized distributor for major brands of hardware, computer accessories and other multi-media products. The acquisition of Ban Leong contributed approximately $124.4 million of revenue from sales of hardware, computer accessories and other multi-media products. The increase was offset by approximately $18.4 million decrease of revenue from sales of console games due to lower selling prices for certain game titles, reflecting strategic pricing adjustments in response to market conditions.

Game Publishing

Revenue from game publishing was generated from collaboration with third party game developers and obtaining exclusive publishing right in distributing the console game codes though third parties' storefronts, such as Sony's PlayStation Network and Valve's Steam. For the year ended March 31, 2026, we published 5 new game titles and generated approximately $8.7 million of revenue from game publishing as compared to 4 game titles published, generating approximately $23.8 million of revenue during the year ended March 31, 2025 in above-mentioned store fronts.

The 63.5% decrease in revenue from game publishing was primarily due to lower sales of *Black Myth: Wukong*. The title generated significant revenue following its initial launch in fiscal year ended March 31, 2025, contributing approximately $11.2 million in game publishing revenue. As the title entered its second year after launch, sales momentum moderated, resulting in a decrease in revenue to approximately $2.3 million in fiscal year ended March 31, 2026.

Media advertising Service

Revenue from media advertising services consisted of video marketing campaign service and social media advertising service. Our revenue from advertising services decreased approximately $0.7 million, or 32.4%, to approximately $1.5 million for the year ended March 31, 2026 from approximately $2.2 million for the same period in 2025. The decrease was driven partially by a decrease in revenue from social media advertising service for approximately $0.3 million due to reduced earnings from our YouTube channel, which is highly dependent on video views. It was also caused by a decreased revenue from video marketing campaign services of approximately $0.4 million due to fewer service contracts entered when compared to the same period in 2025.

Other revenue

Other revenue comprised of sales of fashion jewelry through our online e-commerce platform. For the years ended March 31, 2026 and 2025, this revenue amounted to approximately $1.4 million and $0.5 million, respectively. We anticipate that this source of revenue will continue to remain insignificant to our overall operations.

Cost of Revenues

Our cost of revenues from our revenue categories are summarized as follows:

	For the Years Ended March 31,				Change	Change
	2026	%	2025	%	USD	%
Console game, hardware, and accessories	$ 209,884,697	98.0%	$ 115,884,467	95.9%	$ 94,000,230	81.1%
Game publishing	5,041,422	2.4%	11,110,156	9.2%	(6,068,734)	(54.6)%
Advertising service	869,320	0.4%	956,391	0.8%	(87,071)	(9.1)%
Others	316,971	0.1%	174,578	0.1%	142,393	81.6%
Elimination of intersegment cost of revenue	(1,916,450)	(0.9)%	(7,296,367)	(6.0)%	5,379,917	(73.7)%
Total Cost of revenues	$ 214,195,960	100.0%	$ 120,829,225	100.0%	$ 93,366,735	77.3%

Cost of revenue increased by approximately $93.4 million, or 77.3%, to approximately $214.2 million for the year ended March 31, 2026 from approximately $120.8 million for the same period in 2025. The increase in cost of revenues was attributed to the following:

Cost of revenue from console game, hardware, computer accessories and other multi-media products increased by approximately $94.0 million, or 81.1%, to approximately $209.9 million for the year ended March 31, 2026 from approximately $115.9 million for the same period in 2025. The increase was in line with increase in revenue from console game, hardware, computer accessories and other multi-media products.

Cost of revenue from game publishing decreased by approximately $6.1 million, or 54.6%, to approximately $5.0 million for the year ended March 31, 2026 from approximately $11.1 million for the same period in 2025. The decreased cost of game publishing was in line with the decrease of revenue from game publishing.

Cost of revenue from media advertising services decreased approximately $0.1 million or 9.1%, to approximately $0.9 million for the year ended March 31, 2026 from approximately $1.0 million for the same period in 2025. The decrease was attributable to decrease in the cost of revenue from social media advertising service by $0.2 million as we incurred less video production costs related to creating video content published on our YouTube Channel. The decrease in the cost of revenue from social media advertising service was offset by an increase of approximately $0.1 million in the cost of revenue from video marketing campaign production as we incurred higher labor cand production cost.

Gross Profit

Our consolidated gross profit increased by approximately $3.5 million, or 16.4%, to approximately $24.7 million for the year ended March 31, 2026 from approximately $21.2 million for the year ended March 31, 2025. The increase was primarily attributable to higher gross profit from sales of console games, hardware, computer accessories and other multi-media products of approximately $5.9 million. These increases were mainly driven by the acquisition of Ban Leong, which contributed to the expansion of console games, hardware, computer accessories and other multi-media product sales. The increase was partially offset by the decreases in gross profit from game publishing of approximately $2.4 million, which was consistent with the corresponding changes in revenue from game publishing segments.

For the year ended March 31, 2026, our overall gross margin decreased by 4.7% to 10.3%, from 15.0% for the year ended March 31, 2025.

Our segment gross profit is summarized as follows:

	For the Years Ended March 31,			
	2026	2025	Change (USD)	Change (%)
Console games, hardware, computer accessories and other multi-media products				
Segment gross profit margin	$ 19,386,862	$ 7,379,075	$ 12,007,787	162.7%
Segment gross profit percentage	8.5%	6.0%	2.5%	
Game Publishing				
Segment gross profit margin	$ 3,628,641	$ 12,647,076	$ (9,018,435)	(71.3)%
Segment gross profit percentage	41.9%	53.2%	(11.4)%	
Advertising service				
Segment gross profit margin	$ 643,742	$ 1,281,973	$ (638,231)	(49.8)%
Segment gross profit percentage	42.5%	57.3%	(14.7)%	

Console games, hardware, computer accessories and other multi-media products

The increase in segment gross profit from console games, hardware, computer accessories, and other multi-media products was primarily attributable to the acquisition of Ban Leong, which significantly expanded the Company's sales of hardware, computer accessories, and other multi-media products. The increase was partially offset by a decrease in gross profit from console game sales of approximately $0.9 million.

Segment gross profit margin for console games, hardware, computer accessories, and other multi-media products increased to 8.5% for the year ended March 31, 2026, from 6.0% for the same period in 2025. The improvement was primarily driven by the acquisition of Ban Leong, whose hardware, computer accessories, and other multi-media products business generated a higher gross profit margin of approximately 10.4%, thereby increasing the overall profitability of the segment. Excluding the impact of the acquisition, the gross profit margin of the Company's console game business remained consistent at approximately 6.2% and 6.0% for the years ended March 31, 2026 and 2025, respectively.

Game Publishing

Segment gross profit from game publishing decreased by approximately $9.0 million to approximately $3.6 million for the year ended March 31, 2026 from approximately $12.6 million for the same period in 2025, primarily attributable to decrease of game publishing revenue.

Segment gross profit margin for game publishing decreased to 41.9% for the year ended March 31, 2026, from 53.2% for the same period in 2025, primarily due to a decrease in intersegment revenue of approximately $5.2 million. The decrease was partially offset by a 4.1% increase in the gross profit margin from game publishing sales to external customers, primarily attributable to a more favorable sales mix, as certain game titles generated higher profit margins during the year.

Advertising Service

Segment gross profit from advertising services decreased to approximately $0.6 million for the year ended March 31, 2026 from approximately $1.3 million for the year ended March 31, 2025. The decrease was primarily attributable to decrease in revenue.

Segment gross profit margin for advertising services decrease to 42.5% for the year ended March 31, 2026, from 57.3% for the same period in 2025, the decrease was mainly attributable to higher labor and production cost.

Operating Expenses

Total operating expenses increased by approximately $20.0 million, or 111.0%, to approximately $38.0 million for the year ended March 31, 2026 from approximately $18.0 million for the year ended March 31, 2025. The increase was mainly attributed to the following:

Selling expenses increased by approximately $2.3 million, or 88.8%, primarily due to (i) approximately $1.0 million in increased marketing and advertising expenses, and (ii) an additional approximately $1.3 million in selling expenses, including advertising and sales commissions, incurred by Ban Leong and its subsidiaries following the acquisition of Ban Leong.

General and administrative expenses increased by approximately $17.7 million, or 114.7%, primarily due to (i) an approximately $2.5 million increase in salary expenses, software development costs, and other office-related expenses resulting from the Company's ongoing business expansion; (ii) an approximately $3.1 million increase in professional fees, primarily due to costs incurred in connection with the completion of the acquisition of Ban Leong and other professional services related to the Company's operations; (iii) an approximately $1.4 million increase in bad debt expense, primarily due to higher credit loss provisions; and (iv) an additional approximately $9.4 million in general and administrative expenses incurred by Ban Leong and its subsidiaries.

Segment profit (loss)

Our segment profit (loss) from our reportable segments is summarized as follows:

	For the Years Ended March 31,			
	2026	2025	Change	Percentage Change
Console games, hardware, computer accessories and other multi-media products	$ (4,215,590)	$ (4,027,124)	$ (188,466)	(4.7)%
Game publishing	(1,483,948)	10,675,791	(12,159,739)	(113.9)%
Advertising service	(570,371)	(213,510)	(356,861)	(167.1)%
Total reportable segment profit	$ (6,269,909)	$ 6,435,157	$ (12,705,066)	(197.4)%

Console games, hardware, computer accessories and other multi-media products

Segment loss from console games, hardware, and accessories was approximately $4.2 million for the year ended March 31, 2026, compared to a segment loss of approximately $4.0 million for the year ended March 31, 2025, representing an increase in segment loss of approximately $0.2 million. The increase in segment loss was primarily attributable to the increase in operating expenses, including increases in salary expenses, professional fees, bad debt expense, interest expenses, rent, and advertising and marketing expenses, primarily associated with the expansion of the Company's operations following the acquisition. The increase in segment loss was partially offset by the increase in segment gross profit discussed above, driven by the acquisition of Ban Leong and the resulting expansion of hardware, computer accessories, and other multi-media product sales.

Game publishing

Segment results from game publishing changed to a segment loss of approximately $1.5 million for the year ended March 31, 2026, from a segment profit of approximately $10.7 million for the year ended March 31, 2025, representing a decrease of approximately $12.2 million. The decrease was primarily attributable to lower segment gross profit discussed above. In addition, operating expenses increased for the year ended March 31, 2026, primarily due to higher advertising and marketing expenses, professional fees, salary expenses, and other operating expenses. The increase in operating expenses was primarily attributable to the expansion of the game publishing operation as the Company continued to increase spending on marketing and promotional activities, support the introduction and launch of new game titles, and expand its game publishing operations.

Advertising service

Segment loss from advertising services was approximately $0.6 million for the year ended March 31, 2026, compared to approximately $0.2 million for the year ended March 31, 2025, representing an increase in segment loss of approximately $0.4 million. The increase in segment loss was primarily attributable to the decrease in segment gross profit discussed above, resulting from lower revenue. The increase in segment loss was partially offset by decreases in salary expenses, amortization and depreciation expenses, professional fees, and rent.

Other (expense) income, net

For the years ended March 31, 2026 and 2025, we have other expense, net amounted to approximately $12.7 million and other income, net amounted to approximately $2.9 million, respectively, representing a decrease of approximately $15.6 million or 531.4%. The decrease was attributable to a decrease of recognition of approximately $16.1 million gain from change in fair value of convertible notes and derivative liabilities, an increase of approximately $2.0 million in interest expense due to increased debt financing in current period. This decrease was partially offset by an approximately $1.1 million decrease in finance cost related to debt issuance cost from issuance of the convertible notes, and an additional approximately $1.3 million in other income, net incurred by Ban Leong and its subsidiaries.

Income taxes expense

Our income tax expense decreased by approximately $0.9 million, or 78.8%, to approximately $0.2 million for the year ended March 31, 2026, compared to an approximately $1.1 million for the same period in 2025. This decrease was primarily attributable to (i) a decrease of approximately $1.3 million in current income tax expense resulting from lower taxable income in the current year, and (ii) an increase of approximately $0.2 million in deferred income tax benefit primarily due to the recognition of deferred tax assets and changes in temporary differences associated with the Company's operating losses and timing differences; partially offset by (iii) an additional approximately $0.6 million of current income tax expense incurred by Ban Leong and its subsidiaries.

Net (Loss) Income

We incurred a net loss of approximately $26.2 million for the year ended March 31, 2026, while we have a net income of approximately $5.0 million for the same period in 2025, representing a change of approximately $31.3 million, or 618.9%. Such change mainly was a direct outcome of the reasons discussed above.

Results of Operations

Comparison of the Years Ended March 31, 2025 and 2024

	For the Years Ended March 31,			
	2025	2024	Change	Percentage Change
Revenues	$ 142,072,586	$ 97,534,701	$ 44,537,885	45.7%
Cost of revenues	(120,829,225)	(84,216,243)	(36,612,982)	43.5%
Gross profit	21,243,361	13,318,458	7,924,903	59.5%
Selling and marketing	(2,568,702)	(2,602,892)	(34,190)	(1.3)%
General and administrative	(15,438,447)	(13,109,638)	(2,328,809)	17.8%
Income (loss) from operations	3,236,212	(2,394,072)	5,630,284	(235.2)%
Other income, net	2,941,881	486,407	2,455,474	504.8%
Income tax expense	(1,128,672)	(53,291)	(1,075,381)	2017.9%
Net income (loss)	$ 5,049,421	$ (1,960,956)	$ 7,010,377	(357.5)%

Revenues

Our revenues from our revenue categories are summarized as follows:

	For the Years Ended March 31,				Change	Change
	2025	%	2024	%	USD	%
Console game, hardware, and accessories	$ 123,263,542	86.8%	$ 91,028,673	93.3%	$ 32,234,869	35.4%
Game publishing	23,757,232	16.7%	4,446,872	4.6%	19,310,360	434.2%
Advertising service	2,238,364	1.6%	2,716,090	2.8%	(477,726)	(17.6)%
Others	541,156	0.4%	368,128	0.4%	173,028	47.0%
Elimination of intersegment revenue	(7,727,708)	(5.5)%	(1,025,062)	(1.1)%	(6,702,646)	653.9%
Total revenues	**$ 142,072,586**	**100.0%**	**$ 97,534,701**	**100.0%**	**$ 44,537,885**	45.7%

Our revenues are mainly derived from sale of console game, hardware, and accessories, hardware, and accessories, game publishing, and media advertising service. The total revenue increased by approximately $44.5 million, or 45.7%, to approximately $142.1 million for the year ended March 31, 2025 from approximately $97.5 million for the same period in 2024. The increase was mainly attributed to the following:

Sale of console game, hardware, and accessories

Our revenue from sale of console game, hardware, and accessories increased by approximately $32.2 million, or 35.4%, to approximately $123.3 million for the year ended March 31, 2025 from approximately $91.0 million for the year ended March 31, 2024. The increase was primarily attributable to increase in revenue from sales of console game codes of approximately $34.6 million, representing an 65.8% increase in revenue from sales of console game codes. The reason for the increase in revenue from sales of console game codes was that we experienced higher demand for game downloads from online stores, allowing us to sell 4,656,893 copies of game codes for the year ended March 31, 2025, compared to 3,787,922 copies for the same period in 2024. The increase was offset by decrease in revenue from sales of physical console game of approximately $2.3 million, representing a 6.1% decrease in revenue from sales of physical console game primarily due to shifting consumer preferences toward digital downloads over physical discs.

Game Publishing

Revenue from game publishing was generated from collaboration with third party game developers and obtaining exclusive publishing right in distributing the console game codes though third parties' storefronts, such as Sony's PlayStation Network and Valve's Steam. For the year ended March 31, 2025, we published four new game titles in addition to two game titles published during the year ended March 31, 2024 in above-mentioned store fronts, and generated approximately $16.0 million of revenue from game publishing.

Our revenue from game publishing increased by approximately $12.6 million, or 367.1%, to approximately $16.0 million, net of intersegment revenue eliminations of approximately $7.7 million, for the year ended March 31, 2025, from approximately $3.4 million, net of intersegment revenue eliminations of approximately $1.0 million, for the year ended March 31, 2024. The increase was primarily due to the increase in revenue generated from the new game title, Black Myth: Wukong, which was initially published during the fiscal year ended March 31, 2025. Black Myth: Wukong generated approximately $11.2 million in game publishing revenue during the year ended March 31, 2025, reflecting strong market demand following its initial launch.

Media advertising Service

Revenue from media advertising services consisted of video marketing campaign service and social media advertising service. Our revenue from advertising services decreased approximately $0.5 million, or 17.6%, to approximately $2.2 million for the year ended March 31, 2025 from approximately $2.7 million for the same period of 2024. The decrease was driven partially by a decrease in revenue from social media advertising service for approximately $0.2 million due to reduced earnings from our YouTube channel, which is highly dependent on video views. It was also caused by a decreased revenue from video marketing campaign services of approximately $0.3 million due to fewer service contracts entered when compared to the same period in 2024.

Other revenue

Other revenue comprised of sales of fashion jewelry through our online e-commerce platform. For the year ended March 31, 2025, this revenue amounted to approximately $0.5 million. We anticipate that this source of revenue will continue to remain insignificant to our overall operations.

Cost of Revenues

Our cost of revenues from our revenue categories are summarized as follows:

	For the Years Ended March 31,				Change	Change
	2025	%	2024	%	USD	%
Console game, hardware, and accessories	$ 115,884,467	95.9%	$ 80,804,637	95.9%	$ 35,079,830	43.4%
Game publishing	11,110,156	9.2%	2,736,076	3.2%	8,374,080	306.1%
Advertising service	956,391	0.8%	1,389,562	1.6%	(433,171)	(31.2)%
Others	174,578	0.1%	135,669	0.2%	38,909	28.7%
Elimination of intersegment cost of revenue	(7,296,367)	(6.0)%	(849,701)	(0.9)%	(6,446,666)	758.7%
Total Cost of revenues	**$ 120,829,225**	**100.0%**	**$ 84,216,243**	**100.0%**	**$ 36,612,982**	43.5%

Cost of revenue increased by approximately $36.6 million, or 43.5%, to approximately $120.8 million for the year ended March 31, 2025 from approximately $84.2 million for the same period in 2024. The increase in cost of revenues was attributed to the following:

Cost of revenue from console game, hardware, and accessories increased by approximately $28.2 million, or 35.2%, to approximately $108.6 million, net of elimination of intersegment cost of revenue of approximately $7.3 million for the year ended March 31, 2025 from approximately $80.3 million, net of elimination of intersegment cost of revenue of approximately $0.5 million for the same period in 2024. The increase was in line with increase in revenue from console game, hardware, and accessories.

Cost of revenue from game publishing increased by approximately $8.8 million, or 372.6%, to approximately $11.1 million for the year ended March 31, 2025 from approximately $2.4 million, net of intersegment cost of revenue of approximately $0.3 million for the same period in 2024. The increased cost of game publishing was in line with the increase of revenue from game publishing.

Cost of revenue from media advertising services decreased approximately $0.4 million or 31.2%, to approximately $1.0 million for the year ended March 31, 2025 from approximately $1.4 million for the same period in 2024. The decrease was attributable to decrease in the cost of revenue from social media advertising service by $0.2 million as we incurred less video production costs related to creating video content published on our YouTube Channel. The decrease in the cost of revenue from media advertising was attributable to the decreased cost of revenue from video marketing campaign production by approximately $0.3 million as we incurred lower labor cost.

Gross Profit

Our consolidated gross profit increased by approximately $7.9 million, or 59.5%, to approximately $21.2 million for the year ended March 31, 2025 from approximately $13.3 million for the year ended March 31, 2024. The increase was primarily attributable to increases in gross profit from external customers in the console game and game publishing segments of approximately $4.0 million and $3.8 million, respectively. These increases were consistent with the corresponding growth in revenue from the console game and game publishing segments.

Our consolidated gross margin increased slightly to 15.0% for the year ended March 31, 2025 from 13.7% for the year ended March 31, 2024, primarily reflecting our ability to maintain a relatively stable pricing and cost structure across our major segments, including console games and game publishing.

Our segment gross profit from our major revenue categories is summarized as follows:

	For the Years Ended March 31,			
	2025	2024	Change (USD)	Change (%)
Console game, hardware, and accessories				
Segment gross profit margin	$ 7,379,075	$ 10,224,036	$ (2,844,961)	(27.8)%
Segment gross profit percentage	6.0%	11.2%	(5.2)%	
Game Publishing				
Segment gross profit margin	$ 12,647,076	$ 1,710,796	$ 10,936,280	639.3%
Segment gross profit percentage	53.2%	38.5%	14.7%	
Advertising service				
Segment gross profit margin	$ 1,281,973	$ 1,326,528	$ (44,555)	(3.4)%
Segment gross profit percentage	57.3%	48.8%	8.4%	

Console game, hardware, and accessories

Segment gross profit from console games, hardware, and accessories decreased by approximately $2.8 million to approximately $7.4 million for the year ended March 31, 2025, primarily due to higher intersegment cost of revenue of approximately $6.8 million. The decrease was partially offset by higher sales volume to external customers, which increased segment gross profit by approximately $4.0 million.

Segment gross profit margin for console games, hardware, and accessories decreased to 6.0% for the year ended March 31, 2025 from 11.2% for the same period in 2024, primarily due to higher intersegment cost of revenue, while external customer pricing and cost structure remained relatively stable.

Game Publishing

Segment gross profit from game publishing increased by approximately $10.9 million to approximately $12.6 million for the year ended March 31, 2025, primarily attributable to revenue generated from the new game title, Black Myth: Wukong.

Segment gross profit margin for game publishing increased to 53.2% for the year ended March 31, 2025 from 38.5% for the same period in 2024, primarily due to increased intersegment revenue of approximately $6.7 million, while external customer pricing and cost structure remained relatively stable.

Advertising Service

Segment gross profit from advertising services increased slightly to approximately $1.3 million for the year ended March 31, 2025 from approximately $1.3 million for the year ended March 31, 2024. The increase was primarily attributable to improved cost efficiency, partially offset by a slight decrease in revenue.

Segment gross profit margin for advertising services increased 8.4% was mainly attributable to improved efficiency in the utilization of labor resources and production capacity.

Operating Expenses

Total operating expenses increased by approximately $2.3 million, or 16.5%, to approximately $18.0 million for the year ended March 31, 2025 from approximately $15.7 million for the year ended March 31, 2024. The increase was mainly attributed to the following:

Approximately $34,000, or 1.3%, decrease in selling expense was mainly attributed to a reduction of approximately $642,000 in sales commissions and salaries as part of our efforts to improve operating efficiency in sales activities, offset by an increase of approximately $608,000 in advertising and marketing expenses as we increase spending in promoting our brand and products.

Approximately $2.3 million, or 17.8%, increase in general and administrative expense was mainly attributed to increase of approximately $2.6 million increase in salary expenses, travel expense, depreciation expense, software development expense, and other office related expense due to our current business expansion, approximately $1.3 million increase professional fee, primarily due to costs incurred in connection with the completion of the merger with RFAC offset by approximately $1.1 million decrease in director fee.

Segment profit (loss)

Our segment profit (loss) from our reportable segments is summarized as follows:

	For the Years Ended March 31,			
	2025	**2024**	**Change**	**Percentage Change**
Console game, hardware, and accessories	$ (4,027,124)	$ 2,088,637	$ (6,115,761)	(292.8)%
Game publishing	10,675,791	(220,800)	10,896,591	(4,935.1)%
Advertising service	(213,510)	(640,416)	426,906	(66.7)%
Total reportable segment profit	$ 6,435,157	$ 1,227,421	$ 5,207,736	424.3%

Console game, hardware, and accessories

Segment loss from console games, hardware, and accessories was approximately $4.0 million for the year ended March 31, 2025, compared to segment profit of approximately $2.1 million for the year ended March 31, 2024, representing a decrease of approximately $6.1 million. The decrease was primarily attributable to higher operating expenses, including increases in salary expenses, advertising and marketing expenses, and other segment operating costs, offset by increase in segment gross profit as discussed above.

Game publishing

Segment profit from game publishing increased significantly to approximately $10.7 million for the year ended March 31, 2025 from a segment loss of approximately $0.2 million for the year ended March 31, 2024, representing an increase of approximately $10.9 million. The increase was primarily attributable to the higher segment gross profit discussed above, as well as decreases in advertising and marketing expenses and provision for credit losses. These increases were partially offset by higher salary expenses associated with the expansion of the game publishing operations.

Advertising service

Segment loss from advertising services decreased to approximately $0.2 million for the year ended March 31, 2025 from approximately $0.6 million for the year ended March 31, 2024, representing an improvement of approximately $0.4 million. The decrease in segment loss was primarily attributable to lower operating expenses during the current period, including reductions in salary expenses, provision for credit losses, and amortization and depreciation expenses, reflecting improved cost control and operational efficiency within the segment.

Other income, net

For the year ended March 31, 2025 and 2024, we have other income, net amounted to approximately $2.9 million and $0.5 million, respectively, representing an increase of approximately $2.4 million or 504.8%. The increase was attributable to recognition of approximately $4.9 million gain from change in fair value of convertible notes and derivative liabilities, while offset by approximately $0.4 million decrease in other income, net, which was primarily due to the decrease of marketing revenue recognized from our vendor who compensated our marketing expense incurred from prior period, approximately $1.8 million increase in interest expense due to increased debt financing in current period and approximately $1.6 million of finance cost related to debt issuance cost from issuance of the convertible notes, and approximately $0.3 million increase in loss from change in fair value of consideration payable related to 2Game acquisition from prior period.

Income taxes expense

Our income tax expense increased by approximately $1.1 million, or 2017.9%, to approximately $1.1 million for the year ended March 31, 2025, compared to approximately $53,000 for the same period in 2024. This increase was primarily attributable to (i) an increase of approximately $0.6 million in current income tax expense resulting from higher taxable income in the current period, and (ii) a decrease of approximately $0.4 million in deferred income tax benefit due to the utilization of previously recognized deferred tax assets against current taxable income.

Net Income (Loss)

We incurred a net income of approximately $5.0 million for the year ended March 31, 2025, while we have a net loss of approximately $2.0 million for the same period in 2024, representing a change of approximately $7.0 million, or 357.5%. Such change mainly was a direct outcome of the reasons discussed above.

5B. Liquidity and Capital Resources

Liquidity and Capital Resources

In assessing our liquidity, we monitor and analyze our cash on-hand and our operating and capital expenditure commitments. Our liquidity needs are to meet our working capital requirements, operating expenses, and capital expenditure obligations.

We incurred a net loss of approximately $26.2 million and cash outflow from our operating activities of approximately $10.5 million for the year ended March 31, 2026. Our accumulated deficit and working capital were approximately $7.5 million and $42.9 million, respectively, as of March 31, 2026. To support our business operation for the next twelve months, we had cash and cash equivalents, and restricted cash amounted to approximately $39.3 million as of March 31, 2026, and accounts receivable, net amounted to approximately $36.7 million which is short-term in nature that we expect to collect within our normal business cycle. Meanwhile, we also utilized debt financing in the form of short- term, convertible note, or long-term borrowings from banking facilities, and accredited investors to finance the working capital requirements of the Company. As of March 31, 2026, we have utilized short-term and long-term borrowings from banking facilities amounted to approximately $21.7 million and $32.3 million, respectively.

From May 2025 to August 2025, we entered into Securities Purchase Agreements with an investor for the issuance of senior unsecured convertible notes in the aggregate principal amount of approximately $5.4 million, issued at an original issue discount for net proceeds of approximately $4.9 million. The agreement also provides the investor with the right to purchase up to an additional $40.1 million in convertible notes (for net proceeds of approximately $36.1 million) in specified increments, which may provide us additional liquidity.

On October 13, 2025, our subsidiary, 4Divinity SG, entered into a share subscription agreement with an accredited investor, pursuant to which the investor agreed to subscribe for 1,200,000 newly issued ordinary shares at a subscription price of $2.50 per share, for an aggregate consideration of $3,000,000. Upon completion of the subscription, the accredited investor held 1.2% equity interest in 4Divinity SG.

On November 19, 2025, we entered into a banking facility letter with a financial institution in providing a committed term loan facility of up to $2,500,000 for general working capital purposes

Our future operations are highly dependent on a combination of factors, including but not necessarily limited to changes in the demand for our products or services, local government policy, economic conditions, and competition in the gaming industries. However, based on the above considerations, our management is of the opinion that it has sufficient funds to meet our working capital requirements and current liabilities as they become due one year from the date of issuance of these financial statements are issued.

The following summarizes the key components of our cash flows for the year ended March 31, 2026, 2025, and 2024.

	For the Years Ended March 31,		
	2026	**2025**	**2024**
Net cash (used in) provided by operating activities	$ (10,496,806)	$ (10,308,634)	$ 1,316,296
Net cash used in investing activities	(18,233,843)	(6,342,398)	(780,624)
Net cash provided by financing activities	46,874,324	33,557,446	135,236
Effect of exchange rate changes	(203,722)	138,564	(168,777)
Net change in cash, cash equivalents, and restricted cash	$ 17,939,953	$ 17,044,978	$ 502,131

Operating activities

Net cash used in operating activities was approximately $10.5 million for the year ended March 31, 2026. The net cash used in operating activities was primarily attributable to (i) approximately $26.2 million net loss; (ii) approximately $0.4 million of non-cash items related to deferred taxes benefits; (iii) an approximately $9.3 million increase in prepayments to third-party and related-party vendors due to higher advance payments made to secure purchases; (iv) an approximately $7.5 million decrease in accounts payable and accounts payable to related parties as the Company made timely payments to vendors; and (v) approximately $1.6 million of operating lease payments. The cash outflows were partially offset by (a) approximately $17.1 million of non-cash items, including depreciation and amortization, provisions for credit losses and doubtful accounts, changes in the fair value of investments in convertible notes and derivative assets and liabilities, and stock-based compensation; (b) an approximately $3.9 million decrease in accounts receivable due to timely collection; (c) an approximately $3.2 million net decrease in inventories and indefinite-lived intangible assets; (d) an approximately $6.7 million increase in contract liabilities resulting from higher customer deposits received for future purchases; and (e) an approximately $3.6 million increase in other payables and accrued liabilities resulting from additional accrued expenses.

Net cash used in operating activities was approximately $10.3 million for the year ended March 31, 2025. The net cash used in operating activities was primarily attributable to (i) approximately $6.6 million increase in accounts receivable, as a result of increase in our revenue, (ii) approximately $7.5 million increase in indefinite-lived intangible assets as we as we maintain more console game code for resale, (iii) approximately $1.1 million increase in other receivables and other current assets due to payment of advertising fees on behalf of a vendor and other prepaid expenses such as D&O insurance, (iv) approximately $0.9 million decrease of operating lease liabilities as we remit timely payment in accordance with lease contract during the period, (v) approximately $1.0 million increase in inventories, as we maintained more inventories for resale due to demand of our products, (vi) approximately $3.6 million increase in prepayment to our vendors and related party as we made more advance payments to vendors to secure our purchases approximately, (vii) approximately $11.9 million decrease in other payables and accrued liabilities as make timely payments for accrued expense, (viii) approximately $2.0 million decrease in account payable, a related party, as we made timely payment to related party for purchasing, and (ix) approximately $4.7 million non-cash item of recovery from credit loss, deferred tax benefit, and change in fair value of convertible notes and derivative liabilities, offset by (a) net income of approximately $5.0 million, (b) approximately $2.9 million of non-cash items such as deprecation of property and equipment, amortization of intangible assets, amortization of right of use assets, and change in fair value of acquisition payable, (c) approximately $21.0 million increase in accounts payable, as our third party granted us credit terms to allow us additional liquidity and flexibility in managing short-term cash flow needs

Net cash provided by operating activities was approximately $1.3 million for the year ended March 31, 2024. The net cash provided by operating activities was primarily attributable to (i) approximately $3.2 million in non-cash items which included depreciation expense, amortization expense, provision for credit loss, loss from disposal of properties and equipment, and change in fair value of contingent consideration for acquisition, (ii) approximately $3.7 million decrease in indefinite-lived intangible assets as a result of increased revenue from sales for console game code, (iii) approximately $1.0 million increase in accounts payable including related party as we increase our purchase on account to meet with the demand of our product, (iv) approximately $2.5 million increase in other payable and accrued liabilities as we incurred more accrued expense related to our operations, and (v) approximately $0.3 million decrease in other receivable to other current asset as more prepaid expense and prepaid income tax were utilized in current period, and we collect more balance due from vendor for marketing expense paid on behalf from prior period, offset by (a) approximately $2.0 million net loss, (b) approximately $0.7 million increases in deferred tax benefit as we have more net operating loss that can be utilized for offset taxable income, (c) approximately $0.7 million increase in accounts receivable as a result of increase in our revenue, (d) approximately $1.6 million increase in inventories as we maintain higher inventory level to meet with the demand, (e) approximately $3.4 million increase in prepayment to our vendors as we made more advance payments to vendors to secure our purchases, and (f) approximately $0.8 million decrease in operating lease liability as we remit timely payment in accordance with lease contract during the period.

Investing activities

Net cash used in investing activities was approximately $18.2 million for the year ended March 31, 2026 and was attributable to $14.3 million cash consideration paid in acquisition of Ban Leong and its subsidiaries, approximately $1.2 million in cash used in purchase of equipment, approximately $0.4 million loan to third party and approximately $2.5 million cash payment in connection with investment in Nekcom Inc.

Net cash used in investing activities was approximately $6.3 million for the year ended March 31, 2025 and was attributable to approximately $0.2 million in cash used in purchase of equipment, approximately $0.4 million payment related to achievement of tranche 3 of the contingent consideration in connection with the 2Game acquisition, approximately $0.4 million loan to third party and approximately $5.4 million cash payment in connection with investment in Nekcom Inc.

Net cash used in investing activities was approximately $0.8 million for the year ended March 31, 2024 and was attributable to approximately $0.3 million in cash used in purchase of equipment and approximately $0.5 million payment related to achievement of tranche 3 of contingent consideration in connection with the 2Game acquisition.

Financing activities

Net cash provided by financing activities was approximately $46.9 million for the year ended March 31, 2026 and was primarily attributable to (i) approximately $56.1 million proceed received from bank loans; (ii) approximately $23.0 million proceeds from non-controlling interest; (iii) approximately $4.9 million proceeds from convertible notes; (iv) approximately $2.5 million proceed received from share subscription; and (v) approximately $0.2 million loan from related parties; offset by (a) approximately $14.0 million bank loans repayments; (b) approximately $0.2 million of principal payments for finance lease; (c) approximately $24.8 million cash payment in connection of acquiring additional controlling interest in Ban Leong and its subsidiaries, and (d) approximately $0.8 million payment of debt issuance cost in connection with bank loan and convertible notes.

Net cash provided by financing activities was approximately $33.6 million for the year ended March 31, 2025 and was primarily attributable to (i) approximately $31.7 million proceed received from bank loans; (ii) approximately $33.0 million proceeds from convertible notes, and (iii) approximately $0.6 million proceed received from reverse recapitalization; offset by (a) approximately $28.8 million bank loans repayments; (b) approximately $0.7 million in payments for deferred merger costs, (c) approximately $1.6 million repayments to related parties loan, (d) approximately $63,000 of principle payments for finance lease, and (e) approximately $0.6 million cash payment in connection of acquiring additional controlling interest in 2game.

Net cash provided by financing activities was approximately $0.1 million for the year ended March 31, 2024 and was primarily attributable to (i) approximately $24.2 million proceed received from bank loans; (ii) approximately $4.0 million loan from related parties; offset by (a) approximately $25.4 million bank loans repayments; (b) approximately $0.9 million in payments for deferred merger costs, (c) approximately $1.4 million advance to related parties, (d) approximately $0.2 million in principle payments, and (e) approximately $0.2 million payment to a shareholder as redemption of ordinary share.

Commitments and Contingencies

In the normal course of business, we are subject to loss contingencies, such as legal proceedings and claims arising out of our business, that cover a wide range of matters, including, among others, government investigations and tax matters. In accordance with FASB ASC No. 450-20, "Loss Contingencies", we will record accruals for such loss contingencies when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. For the years ended March 31, 2026, 2025 and 2024, we did not record any accruals for loss contingencies.

The following table summarizes our contractual obligations as of March 31, 2026:

	Payments due by period				
Contractual obligations	**Total**	**Less than 1 year**	**1 - 3 years**	**3 - 5 years**	**More than 5 years**
Bank loans, current maturities	$ 21,715,464	$ 21,715,464	$ -	$ -	$ -
Bank loan, non-current	32,265,166	-	29,237,239	3,027,927	-
Amount due to related parties, current	1,042,949	1,042,949	-	-	-
Operating lease obligations	3,454,475	1,663,735	1,755,363	35,377	-
Financing lease obligations	407,335	106,743	253,612	46,980	-
Total	$ 58,885,389	$ 24,528,891	$ 31,246,214	$ 3,110,284	$ -

Commitment in publishing agreement

On December 18, 2024, we, through our subsidiary 4Divinity SG, entered into a Publishing Agreement with Nekcom Private Limited and its PRC affiliate (collectively, "Nekcom"), pursuant to which 4Divinity SG was appointed as the global publisher and distributor of the video game *SHOWA American Story* (the "Licensed Game") for all platforms and territories, excluding certain regions previously licensed to other parties. Under the terms of the agreement, 4Divinity SG committed to a fully recoupable minimum sales guarantee of $5,000,000, payable in tranches as defined in the agreement. In addition, 4Divinity SG agreed to furnish a non-recoupable marketing budget of $5,000,000, which will be used to support global marketing efforts for the Licensed Game. As of March 31, 2026, we had paid $5,000,000 of the minimum sales guarantee.

Capital Expenditures

For the years ended March 31, 2026, 2025 and 2024, we purchased approximately $1.2 million, $0.2 million, and $0.3 million, respectively, of equipment mainly for the use in our business daily operation.

Non-GAAP Performance Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, we use the following non-GAAP financial measures for our consolidated results: EBITDA which represents net income (loss) before interest expense, provision for income taxes, depreciation and amortization expenses. We believe that EBITDA helps understand and evaluate our core operating performance.

EBITDA does not represent net income, as that term is defined under GAAP, and should not be considered as an alternative to net income (loss) as an indicator of our operating performance. Additionally, EBITDA is not intended to be measures of free cash flow available for management or discretionary use as such measures do not consider certain cash requirements such as capital expenditures, tax payments and debt service requirements. In light of the foregoing limitations, you should not consider EBITDA as substitutes for, or superior to, net income (loss) prepared in accordance with U.S. GAAP. We encourage our shareholders and investors and others to review its financial information in its entirety and not rely on any single financial measure.

EBITDA is presented to enhance GCL investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. Investors are encouraged to review the reconciliation of the historical non-GAAP financial measures to their most directly comparable GAAP financial measures. As EBITDA has material limitations as analytical metrics and may not be calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies.

	For the years ended March 31,		
	2026	2025	2024
	US$	US$	US$
Net (loss) / income	(26,203,221)	5,049,421	(1,960,956)
Interest expense, net	3,039,054	2,255,934	507,803
Provision for income taxes	239,753	1,128,672	53,291
Depreciation and amortization expenses	4,018,456	2,369,036	2,371,718
EBITDA	(18,905,958)	10,803,063	971,856

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements including arrangements that would affect our liquidity, capital resources, market risk support and credit risk support or other benefits.

5C. Research and Development, Patents and Licenses, etc.

See "Item 4. Information on the Company-B. Business Overview-Intellectual Property."

5D. Trend Information

Other than as disclosed elsewhere in this annual report and below, we are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

5E. Critical Accounting Estimates

Financial statements and accompanying notes have been prepared in accordance with U.S. GAAP. The preparation of these financial statements and accompanying notes requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Certain accounting estimates are particularly sensitive because of our significance to financial statements and because of the possibility that future events affecting the estimate may differ significantly from management's current judgments. We believe that the following accounting estimates are critical to our business operations and understanding our consolidated financial results.

Contingent consideration for acquisitions

We determined that the contingent consideration related to the 2Game acquisition should be classified as a liability, as we are obligated to settle the arrangement in cash or shares upon 2Game's achievement of certain performance milestones. In accordance with ASC 815-40, *Derivatives and Hedging*, we initially recognized the contingent consideration at fair value and remeasure it at each reporting date. We continue to adjust the carrying amount until the contingency is resolved. Any changes in fair value are recognized as a gain or loss in our consolidated statements of operations and comprehensive income (loss).

Contingent consideration for acquisition was valued at the time of acquisition and March 31, 2025 and 2024, using unobservable inputs and the undiscounted cash flow methodology. The determination of the fair value is based on discounted cash flows, the key assumptions take into consideration the probability of meeting each performance target and the discount factor. As of the acquisition date of 2Game, the fair value of the contingent consideration for acquisition was determined to be approximately $3.4 million.

Subsequently, the change of fair value of the contingent consideration for acquisition was amounted to a gain of approximately $0.2 million for the year ended March 31, 2026, and a loss of approximately $0.5 million and $0.3 million for the year ended March 31, 2025 and 2024, respectively. As of March 31, 2026 and 2025, the contingent consideration for acquisition amounted to nil and approximately $1.1 million, respectively.

Convertible notes and derivative liabilities

We determined that the convertible notes issued in connection with the Business Combination contained multiple embedded features, including conversion rights and a Top-Up Share provision. Because our ordinary shares were not publicly traded at the time of issuance, the embedded features did not meet the net settlement criterion under ASC 815. As such, we accounted for the entire instrument as a hybrid financial instrument measured at fair value, with changes in fair value recognized in our consolidated statements of operations and comprehensive income (loss) until conversion. Upon the conversion of the notes into equity on February 13, 2025, the embedded features were detached and separately evaluated.

As of the issuance date, we determined that the fair value of the convertible notes approximated their carrying amount. The fair value was subsequently remeasured as of February 12, 2025 using a probability-weighted scenario analysis that considered expected outcomes associated with the conversion feature. Key inputs included the number of shares issuable upon conversion, the fair value of our ordinary shares at the measurement date, and relevant discount factors. The fair value of the convertible notes as of February 12, 2025 was approximately $25.0 million.

We concluded that the Top-Up Share feature met the definition of a derivative liability under ASC 815-40 due to its variable settlement structure and the fact that it was not considered indexed to our own stock. Accordingly, we accounted for the Top-Up Share provision as a standalone derivative liability, which is measured at fair value upon initial recognition and remeasured at each reporting date until settlement or expiration. Changes in fair value are recognized in our consolidated statements of operations and comprehensive income (loss).

The Top-Up Share liability was valued as of February 12, 2025 and March 31, 2025, using a Monte Carlo simulation model based on unobservable inputs. The fair value measurement incorporated key assumptions, including our stock price, expected volatility, holding period, and the risk-free interest rate. As the conversion date occurred shortly before our March 31, 2025 reporting date and no material changes in valuation inputs were identified, we did not record a significant change in fair value between the two measurement dates. The Top-Up Share liability was recorded at approximately $2.7 million as of the conversion date and $16.2 million as of March 31, 2026.

Goodwill impairment

We perform annual goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. For the year ended March 31, 2025, management evaluated the recoverability of goodwill by performing qualitative assessment on its reporting units and determined that it is less likely than not that the fair value of the reporting unit is less than its carrying amount, and therefore, no impairment loss on goodwill was recognized for the year ended March 31, 2025. For the years ended March 31, 2026 and 2024, management evaluated the recoverability of goodwill by comparing the fair value of a reporting unit with its carrying amount. We had engaged a third-party appraiser to assess the fair value of the console game, hardware, computer accessories, and other multi-media products reporting unit by applying income approach which considers the present value of the console game, hardware, computer accessories, and other multi-media products reporting unit's future after-tax cash flows, discounting them to present value using a 12.5% and 13.0% discount rate for the years ended March 31, 2026 and 2024. As a result, the fair value of the game distributing reporting unit's fair value exceeds its carrying value, and therefore, no impairment loss on goodwill was recognized for the years ended March 31, 2026 and 2024.

Recent Accounting Pronouncements

See Note 2 of the notes to the consolidated financial statements included elsewhere in this annual report for a discussion of recently issued accounting standards.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Executive Officers

The following table sets forth information regarding our directors and executive officers as of the date of this Report. Our board is comprised of six directors.

Name	Age	Position
Executive Officers:		
Jacky Choo See Wee	50	Group Chairman, Chief Executive Officer of Epicsoft Asia and 4Divinity and Director
Sebastian Toke Hong Ta	41	Group Chief Executive Officer and Director
Keith Liu Min Tzau	55	Group Deputy Chief Executive Officer and Group Chief Marketing Officer
Kenny Lin Yuxin[(1)]	44	Group Chief Financial Officer
Catherine Choo See Ling[(2)]	47	Group Chief Operating Officer and Director
Non-independent Directors:		
Jacky Choo See Wee	50	Director
Sebastian Toke Hong Ta	41	Director
Catherine Choo See Ling	47	Director
Independent Directors:		
Tse Meng Ng	51	Independent Director
Wilson W. Wang	44	Independent Director
Joshua Kewei Cui	42	Independent Director

(1) Mr. Lin joined GCL as its Group Chief Financial Officer on April 21, 2025.
(2) Ms. Choo started her role as the Group Chief Operating Officer on April 21, 2025.

Executive Officers

Jacky Choo See Wee has served as our Group Chairman since February 13, 2025. Mr. Choo is a veteran with over 20 years of experience in the video game industry. He is widely recognized in the industry for his deep understanding of gaming trends, technology, and market dynamics. Mr. Choo has been serving in multiple executive and decision making positions within the GCL Group and other private companies in the industry since 2005. Most recently, Mr. Choo has been the Chairman for GCL BVI since December 2018, where he directs and executes the Company's vision, strategically expands a portfolio of gaming-related and social media entities, diversifies the Company's offerings and enhances its market presence, and leads expansions both geographically and horizontally across platforms. Mr. Choo has also been the Director and CEO of Epicsoft Asia since September 2014, where he spearheads the company's expansion of video game distribution operations into multiple regions, achieving year-on-year growth in both revenue and market presence. He forged strategic partnerships with international game developers and publishers such as Take-Two, CD Projekt Red, Warner Bros. Games and SEGA, enriching the company's game catalog and bolstering market competitiveness. He successfully led the digital transformation of the company's business, expanding into the digital game distribution space, capitalizing on emerging trends, and reaching new markets. Mr. Choo also serves as a Director for Epicsoft Malaysia, 4Divinity, Martiangear, and other companies within the GCL Group. Mr. Choo received a Bachelor's degree in Chemical Engineering from National University of Singapore in Singapore.

Sebastian Toke Hong Ta has served as our Group Chief Executive Officer and director since February 13, 2025. Mr. Toke has been serving as the Group CEO of GCL Global since February 2023, where he manages GCL Group's business, overseeing all key business verticals, and makes strategic decisions in collaboration with senior management and our Group Chairman. Mr. Toke is responsible for driving GCL Group's growth and diversification initiatives to ensure its financial health and sustainability. Prior to joining GCL Group, Mr. Toke was the Head of Investments at Impecca Ventures from May 2022 to January 2023, where he led the overall investment strategy for the investment portfolio across both public and private markets. From February 2021 to April 2022, Mr. Toke was the Asia Head of Fixed Income for Nomura Securities where he was responsible for driving the fixed income business across Asia within the wealth management platform across trading, research and advisory. From August 2014 to January 2021, he served in a Fixed Income Advisory role at BNP Paribas, where he helped formulate BNP Paribas' wealth management fixed income strategy and drive regional investments in fixed income credits and structured products. Mr. Toke received Bachelor Degree of Economics and Finance at the Royal Melbourne Institute of Technology in Australia.

Keith Liu Min Tzau has served as our Group Deputy CEO and Group Chief Marketing Officer since February 13, 2025. Mr. Liu has been serving as the Deputy CEO of GCL Global since February 2024, and GCL Global's Group Chief Marketing Officer and Head of Publishing since April 2020, where he leads, plans and executes marketing campaigns, including 360 campaign activations for PC and console titles across multiple channels including digital, social media, influencers, PR and traditional media. He collaborates with global game publishers and studios, and manages game releases on digital platforms such as Valve's Steam, Microsoft's Xbox and Sony's PlayStation Network. From June 2016 to March 2020, Mr. Liu worked as Director for Asia Pacific region at Wilson Electronics where he started up its Singapore regional headquarters to introduce and legalize America's top-selling cellular repeaters to Asian countries. Mr. Liu received his Bachelor's Degree of Communications from University Science Malaysia in Malaysia.

Kenny Lin Yuxin has served as our Group CFO since April 21, 2025. Mr. Lin has over 15 years of financial management, accounting and strategic leadership experience. Immediately prior to joining GCL, Mr. Lin was the Finance Director of Kacific Broadband Satellites Ltd. and has held that position since July 2024. From October 2021 to April 2024, he was the Chief Financial Officer of Pegasus Asia, a Singapore-listed special purpose acquisition company. From June 2019 to October 2021, Mr. Lin was the Finance and Investment Manager of SIN Capital Group Pte Ltd, a private investment company in Singapore. From February 2016 to January 2019, Mr. Lin was the Group Finance Manager of Soilbuild Construction Group Limited, a Singapore-listed company. Prior to that, he was Senior Auditor at two large public accounting firms in Singapore. Mr. Lin holds a Master of Business Administration from University of Newcastle in Australia. He is also a Chartered Accountant of Singapore.

Catherine Choo See Ling has served as our Group Chief Operating Officer since April 21, 2025. Ms. Choo is Mr. Jacky Choo See Wee's sister. Immediately prior to that, Ms. Choo served as GCL Group's Human Resources Director and Epicsoft Asia's Human Resources Director starting in January 2020. She collaborates with other senior executives to ensure that human resource strategies support overall business objectives, and oversees talent acquisition, recruitment, and deployment strategies. Ms. Choo has been serving on the board of directors of GCL Global Pte. Ltd. since August 16, 2024, and the board of directors of Epicsoft Ventures Pte. Ltd. since June 30, 2021. Between February 2021 and May 2023, Ms. Choo served on the board of directors of a few other private companies including, Go Game Pte. Ltd., Why Kids Ptd. Ltd., and 4Divinity Pte. Ltd. From June 2003 through December 2019, Ms. Choo served as a Senior Education Officer in the Singapore Ministry of Education.

Directors

Jacky Choo See Wee is a member of our board of directors. For more information about Mr. Choo, see "*Management - Executive Officers*."

Sebastian Toke Hong Ta is a member of our board of directors. For more information about Mr. Toke, see "*Management - Executive Officers*."

Catherine Choo See Ling is a member of our board of directors. For more information about Ms. Choo, see "*Management - Executive Officers*."

Tse Meng Ng has been a member of our board of directors since February 13, 2025. Since September 2025, Mr. Ng has been the Chairman and Chief Executive Officer of RF Acquisition Corp. III, a special purpose acquisition company that consummated a $100 million initial public offering in February 2026. Since February 2024, he has been the Chairman and Chief Executive Officer of RF Acquisition II, a special purpose acquisition company that consummated a $150 million initial public offering in May 2024 and executed a definitive agreement for its initial business combination with Nanyang Biologics Pte. Ltd. in October 2025. From January 2021 to February 2025, Mr. Ng was the Chairman and Chief Executive Officer of RFAC. In February 2019, Mr. Ng co-founded Ruifeng Wealth Management Pte Ltd, a Singapore Capital Markets Services licensed financial institution regulated by the Monetary Authority of Singapore with a market capitalization of approximately $2 billion, for which he serves as the chairman. There, Mr. Ng and his team provide fund management services to ultra-high net worth individuals. From May 2014 to January 2019, Mr. Ng served as the Managing Director of Credit Agricole, an international full-service banking group. He was voted 'Outstanding Young Private Banker' in 2011 by Private Banker International, a leading journal for the global wealth management industry. Prior to that, Mr. Ng was a Director at Credit Suisse where he helped form the team that covered the North Asia markets. He started his career in 1998 at Citibank N.A where he managed a team of banking staff. Mr. Ng earned a B.S. in Business from Nanyang Technological University.

Wilson W. Wang, PhD has been a member of our board of directors since February 13, 2025. Dr. Wang is currently the Director of Innovation PG, Office of Provost at the Singapore University of Technology and Design, championing a new Innovation pathway for getting postgraduate accreditations. He is also an adjunct Professor of Van Lang University and a Professor of Practice (Global) for Golden Gate University, giving masterclasses to students from the respective universities. From July to December 2025, Dr. Wang was the Chief Investment and Enterprise Officer of AccTrain Academy, a private educational institution providing Digital, AI and Cybersecurity upskilling courses for practitioners. From August 2023 to April 2025, Dr. Wang was the acting Director of Investments, Deputy Academic Director and adjunct Associate Professor of NUS Enterprise Academy at the National University of Singapore (NUS). He led investment strategies and oversaw postgraduate and Continuing Education and Training (CET) programmes focusing on venture creation and entrepreneurship education. From December 2019 to July 2023, Dr. Wang was the Deputy Director, Industry Liaison Office at NUS, where he spearheaded collaboration initiatives between academia and industry, driving innovation through strategic partnerships with the global venture capital community. He was also appointed by the Sri Lanka government as an honorary advisor for the masterplanning project in the Northern Province in February 2023. Prior to his employment with NUS, Dr. Wang has held various management positions in different global investment firms including Temasek and Fosun International between 2006 and 2018. Dr. Wang received a Bachelor's Degree (First Class Honors) in Computing from the National University of Singapore, an Executive MBA from the Quantic School of Business and Technology and PhD in Management with research focus on Applied Behavioral Economics from the University of Canberra in Australia.

Joshua Kewei Cui has been a member of our board of directors and has served as the chairman of our audit committee since February 13, 2025. Since April 2022, Mr. Cui has been the executive officer of SOCC Capital Consultancy Pte Ltd ("SOCC Capital"), a regional Singapore-based corporate and advisory firm he co-founded. SOCC Capital specializes in corporate finance and reporting compliance services. Since August 2024, Mr. Cui has served as an independent director and a member of the audit committee of BitFuFu Inc. (NASDAQ: FUFU). From June 2017 to October 2024, he was a director at JWCC Capital Consultancy Pte Ltd, a consultancy firm specialized in strategic planning, business development and internal controls. From June 2022 to September 2023, Mr. Cui was the Chief Financial Officer at Ohmyhome Ltd (NASDAQ: OMH). Mr. Cui has nearly 20 years of experience in financial management, financial planning, auditing, consulting, corporate governance, and capital markets advisory. Mr. Cui began his career as an auditor at one of the international accounting firms, and has held several key leadership roles in companies listed in Hong Kong and Singapore. He has extensive experience in financial reporting, compliance, internal controls, strategic planning, fundraising and corporate advisory.. He received a Bachelor's Degree in Applied Accounting from Oxford Brookes University and has been a member of the Institute of Singapore Chartered Accountants since December 2010 and holds an Executive Master in Finance from INSEAD.

Family Relationships

Ms. Catherine Choo See Ling, one of our directors, and Mr. Jacky Choo See Wee, our Group Chairman, are siblings.

B. Compensation

Executive Officers

The aggregate cash compensation paid to our executive officers during the fiscal year ended March 31, 2026 (including individuals who are no longer with GCL Group at the time of reporting) was approximately $3.3 million. Neither the Company nor the compensation committee of the Board has engaged a compensation consultant to determine or recommend the amount or form of executive or director compensation. In addition to salaries, this amount includes (i) an aggregate of $273,435 of rent, representing 50% of the rent payments for a property in Singapore which served as Mr. Choo See Wee's office as well as residence, (ii) an aggregate of $51,800 in lease payments for a company car for Mr. Choo See Wee, (iii) an aggregate of $10,467 in lease payments for a company car for Mr. Sebastian Toke, and (iv) a one-time special bonus payment of $920,000 to Mr. Choo See Wee.

Directors

The aggregate cash compensation paid to our directors during the fiscal year ended March 31, 2026 was $480,000, consisting entirely of cash fees for the directors' service on the Board. Neither the Company nor the compensation committee of the Board has engaged a compensation consultant to determine or recommend the amount or form of executive or director compensation.

Employment Agreements, Service Agreements, and Indemnification Agreements

We have entered into employment agreements with each of our executive officers. Such agreements provide for a base salary, a bonus opportunity, and other incentive compensation programs offered to executives of the Company. Subject to the terms of the employment agreements, we may terminate their employment by giving a written notice. In addition, upon termination of an executive officer's employment without cause or resignation by the executive officer for "good reason," as defined in their employment agreements, such executive officer will, conditioned upon his/her execution of a separation and release agreement, be eligible to receive a severance payment in the amount specified in their employment agreement. Under these agreements, the executive officers are also subject to confidentiality, non-competition, and non-solicitation provisions.

We also entered into service agreements with each of our directors. Such agreements provide for an annual fee for the board members' services, including base fees, and fees for their board committee memberships. Such agreements will be automatically terminated once the director stops serving on the board. Under these agreements, the directors are also subject to confidentiality, non-competition, and non-solicitation provisions.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of our company.

Other Benefit

Our full-time employees of the Company are entitled to the government mandated defined contribution plan. The Company is required to accrue and pay for these benefits based on certain percentages of the employees' respective salaries, subject to certain ceilings, in accordance with the relevant government regulations, and make cash contributions to the government mandated defined contribution plan.

Equity Incentive Plan

In February 2025, our Board approved the GCL Global Holdings Ltd Equity Incentive Plan, which we refer to as the "Equity Incentive Plan". The purpose of the Equity Incentive Plan is to help us attract, motivate and retain such persons with awards under the Equity Incentive Plan and thereby enhance shareholder value.

The Equity Incentive Plan permits the awards of options, share appreciation rights, rights to dividends and dividend equivalent right, restricted shares and restricted share units and other rights or benefits. Employees, members of the Board and consultants of the Company and its affiliates are eligible to participate in the Equity Incentive Plan. An employee, a director, or consultant who has been granted an award may, if he or she is otherwise eligible, be granted additional awards. Each award under the Equity Incentive Plan is designated in an award agreement, which is a written agreement evidencing the grant of an award executed by the company and the grantee, including any amendments thereto. The Board or any entity appointed by the Board to administer the Equity Incentive Plan shall determine the provisions, terms, and conditions of each award including, but not limited to, the award vesting schedule, repurchase provisions, rights of first refusal, forfeiture provisions, and form of payment upon settlement of the award. The aggregate number of ordinary shares that is initially authorized for issuance under the Equity Incentive Plan was 18,941,458. Subject to any adjustments provided in the Equity Incentive Plan, such aggregate number of shares will automatically increase every April 1 of each year, in an amount equal to 3% of the total number of ordinary shares outstanding on March 31 of the preceding year.

During the fiscal year ended March 31, 2026, an aggregate of 547,183 ordinary shares were awarded under the Equity Incentive Plan.

C. Board Practices

We are a foreign private issuer within the meaning of the rules under the Exchange Act and, as such, we are permitted to follow the corporate governance practices of its home country, the Cayman Islands, in lieu of the corporate governance standards of Nasdaq applicable to U.S. domestic companies. For example, we are not required to have a majority of the board consisting of independent directors nor have a compensation committee or a nominating and corporate governance committee consisting entirely of independent directors. We may elect to follow home country's corporate governance practices as long as we remain a foreign private issuer. As a result, our shareholders may not have the same protection afforded to shareholders of U.S. domestic companies that are subject to Nasdaq corporate governance requirements. As a foreign private issuer, we are also subject to reduced disclosure requirements and are exempt from certain provisions of the U.S. securities rules and regulations applicable to U.S. domestic issuers such as the rules regulating solicitation of proxies and certain insider reporting and short-swing profit rules. For instance, we are exempt from the requirement to obtain shareholder approval for certain dilutive events, including a transaction other than a public offering involving the sale of 20% or more of the issuer's ordinary shares outstanding prior to the transaction for less than the greater of book or market value of the shares, or the issuance of ordinary shares issuable upon conversion of the convertible notes.

We are a "controlled company" as defined under the Nasdaq rules, because Mr. Jacky Choo See Wee, our Group Chairman is able to exercise approximately 61.9% of the aggregate voting power of our total issued and outstanding shares. Under the Nasdaq rules, a "controlled company" may elect not to comply with certain corporate governance requirements. Accordingly, we have elected to avail itself of the exemptions available to it under Rule 5615(a)(7)(B) of the Nasdaq rules by foregoing (i) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (ii) the requirement that we have a nominating and corporate governance committee with a written charter addressing the committee's purpose and responsibilities. We are eligible to take advantage of additional exemptions from certain Nasdaq corporate governance requirements. As a result, our shareholders may not have the same protection afforded to shareholders of companies that are subject to these corporate governance requirements.

Independence of Directors

We adhere to the rules of the Nasdaq stock market, as applicable to foreign private issuers and controlled companies, in determining whether a director is independent. Our board of directors has consulted, and will continue to consult, with its counsel to ensure that the board of director's determinations are consistent with those rules and all relevant securities and other laws and regulations regarding the independence of directors.

We currently have six directors, three of whom qualify as independent within the meaning of the independent director guidelines of Nasdaq. Tse Meng Ng, Wilson W. Wang and Joshua Kewei Cui are "independent directors" as defined in the rules of Nasdaq and applicable SEC rules.

Director Nominations

As a "controlled company" under Nasdaq rules, We are not required to and does not currently have a standing nominating committee, though we intend to form a corporate governance and nominating committee as and when required to do so by law or the Nasdaq rules. We believe that our directors can satisfactorily carry out the responsibility of properly selecting or approving director nominees without the formation of a standing nominating committee.

Committees of the Board of Directors

We have established a separately standing audit committee and compensation committee, and adopted a charter for each of these committees.

Audit Committee

Our audit committee consists of Tse Meng Ng, Wilson W. Wang and Joshua Kewei Cui, with Mr. Cui serving as the chair of the audit committee. Each member of the audit committee qualifies as an independent director under the Nadsaq corporate governance standards and the independence requirements of Rule 10A-3 of the Exchange Act. In addition, each proposed member of the audit committee is financially literate. Our board of directors has determined that Mr. Cui qualifies as an "audit committee financial expert", as defined in Item 407(d)(5) of Regulation S-K, and possesses financial sophistication, as defined under the rules of Nasdaq.

The audit committee's responsibilities include, among other things:

- appointing, compensating, retaining, evaluating, terminating and overseeing our independent registered public accounting firm;
- discussing with our independent registered public accounting firm their independence from management;
- reviewing with our independent registered public accounting firm the scope and results of their audit;
- pre-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; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters.

Our board of directors has adopted a written charter for the audit committee which is available on our website at https://www.gclglobalholdings.com/.

Compensation Committee

Our compensation committee consists of Jacky Choo See Wee, Catherine Choo and Joshua Kewei Cui. Neither Mr. Choo nor Ms. Choo qualifies as an independent director. We rely on the "controlled company" exemption of the Nasdaq rules relating to compensation committee composition.

The compensation committee's responsibilities include, among other things:

- reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officers, evaluating the performance of our Chief Executive Officer in light of these goals and objectives and setting or making recommendations to the Board regarding the compensation of our Chief Executive Officer;
- reviewing and setting or making recommendations to our board of directors regarding the compensation of our other executive officers;
- making recommendations to our board of directors regarding the compensation of our directors;
- reviewing and approving or making recommendations to our board of directors regarding our incentive compensation and equity-based plans and arrangements; and
- appointing and overseeing any compensation consultants.

Our board of directors has adopted a written charter for the compensation committee which is available on our website at https://www.gclglobalholdings.com/.

Code of Ethics

We have a code of ethics that applies to all of its executive officers, directors and employees, including its principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. The code of ethics is available on our website at https://www.gclglobalholdings.com/. We intend to make any legally required disclosures regarding amendments to, or waivers of, provisions of its code of ethics on our website rather than by filing a Current Report on Form 6-K.

D. Employees

We had approximately 331, 162 and 106 full-time employees as of March 31, 2026, 2025 and 2024, respectively. The steady growth of our head-count was primarily due to expansion in Operations and Sales and Marketing as we grew our business and operations as a public company and as a result of our acquisition of Ban Leong. The 331 full-time employees we had as of March 31, 2026 consisted of 300 in Asia Pacific (including 169 in Singapore, 58 in Malaysia, 51 in Thailand, 9 in Hong Kong, 5 in China, 4 in Bangladesh, 3 in Japan, and 1 in Indonesia), 19 in Europe, and 12 in other parts of the world, carrying out the following primary functions:

Media Production	7
Content Development and Publishing	4
Operations	113
Sales and Marketing	134
Finance	34
Management and Administration	39
Total	331

GCL Group seeks to hire and develop employees who are dedicated to our strategic mission. Over the next twelve months, we intend to continue to hire a significant number of additional personnel across a variety of functions including, but not limited to, sales and marketing, research and development, content design and creation, video production, and operations to support of our anticipated growth.

We are committed to maintaining equitable compensation programs including equity participation. We offer market-competitive salaries aimed at attracting and retaining team members capable of making exceptional contributions to our success. Our compensation decisions are guided by the external market, role criticality, and the contributions of each team member.

To date, we have not experienced any work stoppages and we consider our relationship with our employees to be good. None of our employees are either represented by a labor union or subject to a collective bargaining agreement.

E. Share Ownership

Ownership of our shares by our directors and executive officers is set forth in "Item 7. *Major Shareholders and Related Party Transactions-A. Major Shareholders*" of this Report.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table sets forth information regarding the beneficial ownership of our ordinary shares as of the date of this Report by:

- each person known by us to be the beneficial owner of more than 5% of our outstanding shares;
- each of our officers and directors; and
- all our officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to, or the power to receive the economic benefit of ownership of, the securities. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares that the person has the right to acquire within 60 days are included, including through the exercise of any option or other right or the conversion of any other security. However, these shares are not included in the computation of the percentage ownership of any other person.

The calculations in the table below are based on 130,135,432 ordinary shares issued as of the date of this Report.

Name and Address of Beneficial Owner	Number of Shares	Percentage of Class
Five Percent or Greater Holders:		
Epicsoft Ventures Ltd.[(1)]	80,581,793	61.9%
Sega Corporation[(2)]	8,001,835	6.1%
RF Dynamic LLC[(3)]	7,325,500	5.6%
Directors and Executive Officers		
Jacky Choo See Wee[(1)]	80,581,793	61.9%
Sebastian Toke	-	-
Keith Liu Min Tzau	-	-
Kenny Lin Yuxin	-	-
Catherine Choo See Ling[(1)]	-	-
Tse Meng Ng[(3)]	7,325,500	5.6%
Wilson W. Wang	-	-
Joshua Kewei Cui	-	-
All Directors and Executive Officers as a group (8 individuals)(1)	87,906,793	67.5%

(1) Mr. Jacky Choo See Wee, Chairman of the Board and Ms. Catherine Choo See Ling, the Chief Operating Officer and a director of the Company, holds 98% and 1% of Epicsoft Ventures Ltd., a Cayman Islands company, respectively. Mr. Jacky Choo See Wee has the sole voting and investment power over these shares.

(2) The business address of Sega Corporation is Sumitomo Fudosan Osaki Garden Tower, 1-1-1 Nishi-Shinagawa, Shinagawa-Ku, Tokyo 141-0033, Japan.

(3) Number of shares beneficially owned is comprised of (i) 2,875,000 Ordinary Shares issued to the Sponsor in exchange for the same number of shares of RFAC Common Stock held by the Sponsor immediately prior to the closing of business combination; and (ii) up to 4,450,500 Ordinary Shares issuable upon exercise of 4,450,500 Warrants. RF Dynamic LLC is the record holder of the securities reported herein. Tse Meng Ng is the sole member and manager of RF Dynamic LLC and has voting and investment discretion with respect to the securities held of record by the Sponsor. Tse Meng Ng disclaims any beneficial ownership of any shares held by the Sponsor except to the extent of his respective pecuniary interest therein. The business address of RF Dynamic LLC is 111 Somerset Road, #05-06, Singapore 238164.

B. Related Party Transactions

For the fiscal year ended March 31, 2026, the Company owes Mr. Jacky Choo See Wee, in an aggregate total of $823,864 which included interest free loan due on demand and director fee payable. For more information about related party transactions involving Mr. Jacky Choo See Wee, see "*Item 6. Directors, Senior Management and Employees - B. Compensation.*"

C. Interests of Experts and Counsel

None.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

Consolidated financial statements have been filed as part of this Report.

B. Significant Changes

None.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Nasdaq Listing of Ordinary Shares and Warrants

Our Ordinary Shares are listed on Nasdaq Global Select Market under the trading symbol "GCL" and our Warrants are listed on Nasdaq Capital Market under the trading symbol "GCLWW." Holders of Ordinary Shares and Warrants should obtain current market quotations for their securities.

B. Plan of Distribution

Not applicable.

C. Markets

Our Ordinary Shares are listed on Nasdaq Global Select Market under the trading symbol "GCL" and Our Warrants are listed on Nasdaq Capital Market under the trading symbol "GCLWW".

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

The authorized share capital of the Company is $50,000 divided into 500,000,000 Ordinary Shares of par value of $0.0001 each.

B. Memorandum and Articles of Association

The Memorandum and Articles of Association of the Company were most recently amended and restated upon the closing of the Business Combination and are filed as Exhibit 1.1 to this Report. The description of the Amended and Restated Memorandum and Articles of Association of the Company is included in the Company's Shell Company Report on Form 20-F, filed with the SEC on February 26, 2025.

C. Material Contracts

Note Purchase Agreements

From September 30, 2024 to December 2024, pursuant to certain convertible note purchase agreements (as further amended on or about February 5, 2025, the "Note Purchase Agreements"), GCL Global issued to certain accredited investors (the "Transaction Investors") an aggregate of $33,025,000 convertible notes which were exchanged for 9,540,552 shares of Merger Consideration Shares (as defined in the Merger Agreement) on February 13, 2025 upon closing of the business combination. Of the 9,540,552 shares issued at Closing, 2,201,665 shares were "Bonus Shares" (as defined in the Note Purchase Agreements) held in escrow, scheduled to be released in one-third (1/3) increments at the end of each of the first three anniversary dates of the Closing Date to either the Transaction Investors or to the Company for cancellation, based on the number of Merger Consideration Shares held by the Transaction Investors at the time. In the event that the lowest volume-weighted average closing price of the Merger Consideration Shares is less than $4.50 per share for any ten (10) consecutive trading days during the last month prior to the third anniversary day of the Conversion Date, the Transaction Investors will be entitled to receive certain Top-Up Shares (defined in the Note Purchase Agreement) and, under certain limited circumstances, a cash payment, based on the number of Merger Consideration Shares held on the third anniversary date of the Business Combination. Based on the number of ordinary shares held by the Transaction Investors at the end of the first anniversary date of the Closing date and due to the precipitous drop in trading price of our ordinary shares during the first year from the Closing Date, we released from escrow the entire 2,201,665 shares to the Transaction Investors on March 26, 2026.

Nekcom SPA

In November 2024, GCL Global, Nekcom and certain significant shareholders of Nekcom entered into a Series B Preferred Stock Purchase Agreement (the "Nekcom SPA") pursuant to which, among other things, (i) Nekcom entered into a publishing agreement with GCL Global (the "Nekcom Publishing Agreement") appointing 4Divinity as Nekcom's global publisher and distributor of the upcoming game *Showa American Story*, excluding certain regions previously licensed to other parties; and (ii) the Company purchased 12,250,000 shares of Nekcom's Series B Preferred Stock ("Nekcom Series B Preferred Shares") constituting 20% of the total outstanding shares of Nekcom for an aggregate purchase price of $15,000,000 consisting of (a) $7,500,000 in cash, and (b) $7,500,000 in GCL Global ordinary shares. Pursuant to the Nekcom Publishing Agreement, the $3,000,000 secured loan extended to Nekcom in September 2024 was converted into the minimum guarantee (the "Minimum Guarantee") advanced by 4Divinity to Nekcom, which represents a contractually specified guaranteed publishing payment that we have agreed to provide under the related publishing agreement and that is recoverable by us from our contractual share of revenues generated from the exploitation and distribution of the game. In connection with the Nekcom SPA, 262,325 ordinary shares of GCL Global (the "Nekcom Consideration Shares") and an additional 262,325 ordinary shares of GCL Global (the "Nekcom Additional Consideration Shares") were issued in the name of Nekcom on December 18, 2024. The Nekcom Consideration Shares and the Nekcom Additional Consideration Shares were exchanged for an aggregate of 2,126,729 ordinary shares of the Company on February 13, 2025 upon closing of the business combination, but were held in escrow until the date on which the Company has recovered, through our contractual share of publishing revenues, an amount equal to the minimum guarantee (the "Full Recoupment Date"), at which time they will be released to either Nekcom or the Company depending on the value of Nekcom Consideration Shares (the "Consideration Shares VWAP") based on the volume weighted average price of the Consideration Shares over thirty (30) trading days immediately preceding the Full Recoupment Date. If the Consideration Shares VWAP exceeds $7,500,000, all Nekcom Consideration Shares will be released to Nekcom, and all Nekcom Additional Consideration Shares will be returned to GCL Global for cancellation. In the event that the Consideration Shares VWAP is below $7,500,000 but exceeds $1,200,000, Nekcom will receive such number of Nekcom Additional Consideration Shares from the escrow account that would make up the shortfall, with the balance returned to the Company for cancellation. If the value of the Nekcom Additional Consideration Shares so released from the escrow account is not sufficient to make up the shortfall, the Company has agreed to either pay Nekcom cash to make up the shortfall, or issue additional shares to Nekcom and use its reasonable best efforts to register such shares for resale. If the Consideration Shares VWAP is below $1,200,000, the Company has agreed to pay Nekcom the shortfall between $7,500,000 and the Consideration Shares VWAP in cash. As of the date of this Report, the game *Showa American Story* has not been commercially launched and the Minimum Guarantee has not yet been recouped. If either (i) Full Recoupment is not achieved within twelve (12) months following the commercial launch of the game, or (ii) the game is not commercially launched on or before December 31, 2026, the Nekcom Consideration Shares and the Nekcom Additional Consideration Shares held in escrow may be subject to forfeiture and return, at the discretion of the Company.

Pursuant to a Share Purchase Agreement between GCL Global and an accredited investor, dated March 10, 2026, GCL Global sold 306,250 of the 12,250,000 Nekcom Series B Preferred Shares it held to the investor for $1,000,000. Buyer will have the right, but not the obligation, to sell back to GCL Global any or all of these 306,250 Nekcom Series B Preferred Shares at two times the original purchase price per share during the first six months following the official release of the game *Showa American Story.* In the event that the game *Showa American Story* is not officially launched on or before June 30, 2028, buyer will have the right to demand GCL Global to buy back these 306,250 Nekcom Series B Preferred Shares at a price equal to the original purchase price plus 10% per annum.

2Game SPA

Pursuant to the Share Sale and Purchase Agreement dated March 19, 2025 (the "2Game SPA") by and among GCL Global SG and the 2Game Sellers, GCL Global SG purchased from the 2Game Sellers 1,000 shares of 2Game (the "Sale Shares") for $1,200,000, resulting in GCL Global SG currently holding 61% equity interests of 2Game. The 2Game SPA contains certain financial performance targets for 2Game over the next three years starting and including fiscal year 2026. Pursuant to the terms of the 2Game SPA, the 2Game Sellers were required to buy back the Sale Shares from GCL Global SG for $1,272,000 because 2Game has failed to generate at least $70,000,000 of revenue and net profit after tax of at least $2,500,000 during fiscal year 2026. As of the date of this Report, 2Game Sellers have not bought back the Sale Shares.

Nekcom Series B Shares

Pursuant to a Share Purchase Agreement between GCL Global and an accredited investor, dated March 10, 2026, GCL Global sold 306,250 of the 12,250,000 shares of Nekcom Series B Preferred Stock ("Nekcom Series B Shares") it held to investor for $1,000,000. Buyer will have the right, but not the obligation, to sell back to GCL Global any or all of these 306,250 Nekcom Series B Preferred Shares at two times the original purchase price per share during the first six months following the official release of the game *Showa American Story.* In the event that the game *Showa American Story* is not officially launched on or before June 30, 2028, buyer will have the right to demand GCL Global to buy back these 306,250 Nekcom Series B Preferred Shares at a price equal to the original purchase price plus 10% per annum.

4Divinity SG Shares

Our subsidiary, 4Divinity SG entered into share subscription agreements with ADATA Technology Co., Ltd., a Taiwanese company that is also a leader in memory and storage solutions, between October 2025 and July 2026, pursuant to which ADATA has purchased newly issued ordinary shares of 4Divinity SG, representing an aggregate of approximately 10.2% of outstanding equity interests of 4Divinity SG, for $32,000,000.

ATW SPA, Registration Rights Agreement, Exchange Agreement, and April 2026 Warrant

On May 21, 2025, the Company entered into a securities purchase agreement (the "ATW SPA") with ATW Partners (the "Investor") for the issuance of senior unsecured convertible notes (the "Notes"), through a facility of up to $45.5 million. Pursuant to the ATW SPA, the Company has issued and sold to the Investor an initial note in the aggregate original principal amount of $2,900,000, at a purchase price of $2,610,000 on May 22, 2025. Pursuant to the ATW SPA, as amended on August 26, 2025, the Company has issued and sold to the Investor additional Notes in the aggregate original principal amount of $2,530,000, at a purchase price of $2,277,000. The Notes had a three-year term and bore interest at 6% per annum, payable monthly, at GCL's option, in cash or, provided that certain conditions were met, in ordinary shares.

In connection with the ATW SPA, the Company and the Investor entered into a Registration Rights Agreement pursuant to which the Company filed a resale registration statement (333-290032) for certain Conversion Shares (as defined in the Registration Rights Agreement) which was declared effective by the SEC on September 8, 2025.

In April 2026, the Company redeemed, in part, the then-outstanding Notes for approximately $3.18 million pursuant to the terms of the Notes. The Parties also entered into that certain Amendment, Waiver and Exchange Agreement (the "Exchange Agreement"), pursuant to which, the remaining balance of the Notes was exchanged for a warrant to purchase 1,125,000 ordinary shares at an initial exercise price of $8.00 per share, subject to full-ratchet anti-dilution adjustments and other price protections in the event of, among other things, a reverse stock split or share combination (the "April 2026 Warrant") in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act. The Parties have also agreed to, among other things, waive any right to consummate any additional closing or cause the Company to issue additional notes, pursuant to the terms of the SPA.

OCBC Warrant

In connection with that certain Facility Letter dated as of October 1, 2024, as supplemented by the Supplemental Letter dated as of March 12, 2025 and July 7, 2025 between Epicsoft Asia Pte. Ltd. (the "Borrower"), a wholly-owned subsidiary of GCL Global Holdings Ltd. (the "Company" or "GCL"), and Oversea-Chinese Banking Corporation Limited ("OCBC") for a financing of up to SGD5,000,000 (the "Facility Agreement"), the Company issued to OCBC a warrant (the "OCBC Warrant") to purchase up to 899,281 ordinary shares of the Company (the "Warrant Shares") at an exercise price of US$4.17 per share (the "Exercise Price") to meet one of the conditions precedent for the Borrower to draw down funds under the Facility Agreement. The aggregate Exercise Price payable for the total number of Warrant Shares purchasable under the Warrant shall be US$3,750,000, and shall first be used to repay all principal, interest and other amounts outstanding under the Facility Agreement with the remainder, if any, for the Borrower's working capital. The Warrant was issued in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). On July 29, 2025, the Company and OCBC entered into Amendment No. 1 to the Warrant (the "Amendment") to clarify their commercial understanding that none of the terms of the Warrant shall have any legal effect on the Borrower and/or the Company unless and until the entire SGD 5,000,000 has been disbursed to the Borrower by OCBC under the Facility Agreement; and that OCBC will have no claims for penalties, damages and legal remedies of any kind against either the Company or the Borrower for non-performance of any obligations under the Warrant. The Amendment also provides that, among other things, until the full amount of SGD5,000,000 is disbursed by OCBC to the Borrower pursuant to the Facility Agreement, (i) the Warrant shall not be capable of exercise of any kind, and shall remain un-exercisable; and (ii) OCBC will have no rights to Piggyback Registration (as defined in the Warrant). Under the Amendment, the Company will have six months from the date the full amount of SGD5,000,000 is disbursed to file a registration statement for the public resale of all of the Warrant Shares (as defined in the Warrant). On December 2, 2025, the facility is cancelled with no fund disbursed.

Acquisition of Ban Leong

On April 30, 2025, Epicsoft Asia made a voluntary conditional cash offer (the "Offer") of S$0.6029 per share (approximately US$0.4580 per share) to acquire all of the issued and paid-up ordinary shares in the capital of Ban Leong Technologies Limited ("Ban Leong"), a Singaporean company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Offer became unconditional on May 27, 2025. Ban Leong became a wholly-owned subsidiary of Epicsoft Asia Pte. Ltd. and effective August 26, 2025, Ban Leong was officially delisted from the SGX-ST and on August 28, 2025, changed its name to Ban Leong Technologies Pte. Ltd. Cash consideration of the Offer was financed through a combination of an approximately $38.7 million secured term loan facility provided by The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the "HSBC term loan facility") and approximately $10.0 million cash on hand from the Company. The HSBC term loan facility is secured by all assets of GCL Global Pte Ltd, has a five-year term, bears a floating interest rate ranging between 2.5% and 7.5%, and requires quarterly repayments, with the final installment due in May 2030.

D. Exchange Controls

There are no foreign exchange controls or foreign exchange regulations under the currently applicable laws of the Cayman Islands.

E. Taxation

The following summary of certain material Cayman Islands and U.S. federal income tax considerations generally applicable to the ownership of our ordinary shares and Warrants to acquire our ordinary shares, sometimes referred to collectively in the summary as our "securities," is based upon laws and relevant interpretations thereof in effect as of the date of this Report, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in our securities, such as the tax consequences under state, local and other tax laws.

Cayman Islands Tax Considerations

The following summary contains a description of certain Cayman Islands income tax consequences of the acquisition, ownership and disposition of our securities, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase our securities. The summary is based upon the tax laws of Cayman Islands and regulations thereunder as of the date hereof, which are subject to change. Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any securities under the laws of their country of citizenship, residence or domicile.

The following is a discussion on certain Cayman Islands income tax consequences of an investment in our securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under Existing Cayman Islands Laws:

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our ordinary shares, nor will gains derived from the disposal of our securities be subject to Cayman Islands income or corporation tax.

Material U.S. Federal Income Tax Considerations for U.S. Holders

The following is a discussion of certain material U.S. federal income tax considerations for U.S. Holders (as defined below) generally applicable to the ownership and disposition of our Ordinary Shares and Warrants (which we refer to collectively as our securities). For purposes of this discussion, a "Holder" is a beneficial owner of our Ordinary Shares or Warrants. This discussion applies only to our Ordinary Shares and Warrants, as the case may be, that are held as "capital assets" within the meaning of Section 1221 of the Code for U.S. federal income tax purposes (generally, property held for investment). This discussion is based on the provisions of the Code, U.S. Treasury regulations ("Treasury Regulations"), administrative rules, and judicial decisions, all as in effect on the date hereof, and all of which are subject to change or differing interpretations, possibly with retroactive effect. Any such change or differing interpretation could significantly alter the tax considerations described herein. The Company has not sought any rulings from the IRS with respect to the statements made and the positions or conclusions described in this summary. Such statements, positions and conclusions are not free from doubt, and there can be no assurance that your tax advisor, the IRS, or a court will agree with such statements, positions, and conclusions.

This summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any U.S. state or local or non-U.S. tax laws, or any tax treaties. Furthermore, this discussion does not address all U.S. federal income tax considerations that may be relevant to particular holders in light of their personal circumstances or that may be relevant to certain categories of investors that may be subject to special rules under the U.S. federal income tax laws, such as:

- banks, insurance companies, or other financial institutions;
- tax-exempt or governmental organizations;
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- persons whose functional currency is not the U.S. dollar;
- taxpayers that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- entities or arrangements treated as partnerships for U.S. federal income tax purposes or holders of interests therein;

- persons deemed to sell our Ordinary Shares or Warrants under the constructive sale provisions of the Code;
- persons that acquired our Ordinary Shares or Warrants through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- persons that hold our Ordinary Shares or Warrants as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction, or other integrated investment or risk reduction transaction;
- certain former citizens or long-term residents of the United States;
- except as specifically provided below, persons that actually or constructively own 5% or more (by vote or value) of any class of shares of the Company;
- holders of private placement warrants;
- the Company's officers or directors; and
- holders who are not U.S. Holders.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our Ordinary Shares or Warrants, the tax treatment of a partner in such partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, partners in such partnerships holding our Ordinary Shares or Warrants are urged to consult with their own tax advisors regarding the U.S. federal income tax consequences to them relating to the matters discussed below.

ALL HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL FUTURE CHANGES THERETO) TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY OTHER TAX LAWS, INCLUDING U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR ANY U.S. STATE OR LOCAL OR NON-U.S. TAX LAWS, OR UNDER ANY APPLICABLE INCOME TAX TREATY.

U.S. Holder Defined

For purposes of this discussion, a "U.S. Holder" is a Holder that, for U.S. federal income tax purposes, is:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) who have the authority to control all substantial decisions of the trust or (ii) that has made a valid election under applicable Treasury Regulations to be treated as a United States person.

Passive Foreign Investment Company Rules

Certain adverse U.S. federal income tax consequences could apply to a U.S. Holder if we are treated as a PFIC for any taxable year during which U.S. Holders hold our securities. A foreign (i.e., non-U.S.) corporation will be classified as a PFIC for U.S. federal income tax purposes if at least 75% of its gross income in a taxable year, including its pro rata share of the gross income of any entity in which it is considered to own at least 25% of the interest by value, is passive income. Alternatively, a foreign corporation will be a PFIC if at least 50% of its assets in a taxable year, ordinarily determined based on fair market value and averaged quarterly over the year, including its pro rata share of the assets of any entity in which it is considered to own at least 25% of the interest by value, are held for the production of, or produce, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets.

The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis applying principles and methodologies that in some circumstances are unclear and subject to varying interpretation. Under the income test described above, our status as a PFIC depends on the composition of our income which will depend on the transactions we enter into in the future and our corporate structure. The composition of our income and assets is also affected by the spending of the cash we raise in any offering. We are not currently expected to be treated as a PFIC for U.S. federal income tax purposes, but this conclusion is a factual determination made annually and, thus, is subject to change. Our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year. We urge U.S. Holders to consult their own tax advisors regarding the possible application of the PFIC rules in light of their individual circumstances.

Taxation of Distributions

Subject to the PFIC rules discussed above, a U.S. holder generally will be required to include in gross income any distribution paid on our Ordinary Shares that is treated as a dividend for U.S. federal income tax purposes. A distribution on such shares generally will be treated as a dividend for U.S. federal income tax purposes to the extent the distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we may not maintain calculations of earnings and profits under U.S. federal income tax principles, it is possible that the full amount of distributions paid by us will need to be reported as dividends for U.S. federal income tax purposes.

Distributions in excess of such earnings and profits generally will be applied against and reduce the U.S. holder's basis in its Ordinary Shares (but not below zero) and, to the extent in excess of such tax basis, will be treated as gain from the sale or exchange of such Ordinary Shares.

Dividends paid by the Company will be taxable to a corporate U.S. Holder at regular rates and will not be eligible for the dividends-received deduction generally allowed to domestic corporations in respect of dividends received from other domestic corporations. Dividends the Company pays to a non-corporate U.S. Holder generally will constitute "qualified dividends" that will be subject to U.S. federal income tax at the lower applicable long-term capital gains tax rate only if (i) our Ordinary Shares are readily tradable on an established securities market in the United States, and (ii) a certain holding period and other requirements are met. If such requirements are not satisfied, a non-corporate U.S. Holder may be subject to tax on the dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income.

Possible Constructive Distributions

The terms of the Warrants provide for an adjustment to the number of our Ordinary Shares for which Warrants may be exercised or to the exercise price of the Warrants in certain events. An adjustment which has the effect of preventing dilution generally is not taxable. U.S. Holders of Warrants would, however, be treated as receiving a constructive distribution from the Company if, for example, the adjustment increases the warrant holders' proportionate interest in the Company's assets or earnings and profits (e.g., through an increase in the number of our Ordinary Shares that would be obtained upon exercise or through a decrease in the exercise price of the Warrants) as a result of a distribution of cash or other property to the U.S. Holders of shares of our Ordinary Shares. Any such constructive distribution would be treated in the same manner as if U.S. Holders of Warrants received a cash distribution from the Company generally equal to the fair market value of the increased interest and would be taxed in a manner similar to distributions to U.S. Holders of our Ordinary Shares described herein. Please see the section entitled "*Taxation of Distributions*" above.

Gain or Loss on Sale or Other Taxable Exchange or Disposition of our Ordinary Shares and Warrants

Subject to the PFIC rules discussed above, upon a sale or other taxable disposition of our Ordinary Shares or Warrants (which, in general, would include a redemption of our Ordinary Shares or Warrants that is treated as a sale of such securities), a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such disposition and (ii) the U.S. Holder's adjusted tax basis in our Ordinary Shares or Warrants. Any such capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder's holding period for our Ordinary Shares or Warrants, as applicable, so disposed of exceeds one year. Long-term capital gains recognized by non-corporate U.S. Holders may be eligible to be taxed at preferential rates. The deductibility of capital losses is subject to limitations.

Exercise or Lapse of a Warrant

Subject to the PFIC rules discussed above, a U.S. Holder generally will not recognize gain or loss on the acquisition of our Ordinary Shares upon the exercise of a Warrant for cash. The U.S. Holder's initial tax basis in our Ordinary Shares received upon exercise of a Warrant generally will be an amount equal to the sum of the U.S. Holder's tax basis in the Warrant and the exercise price of such Warrant. It is unclear whether a U.S. Holder's holding period for our Ordinary Shares received upon exercise of the Warrant will commence on the date of exercise of the Warrant or the immediately following date. In either case, the holding period will not include the period during which the U.S. Holder held the Warrant. If a Warrant is allowed to expire unexercised, a U.S. Holder generally will recognize a capital loss equal to such U.S. Holder's tax basis in the Warrant. The deductibility of capital losses is subject to certain limitations.

The tax characterization of a cashless exercise of a Warrant is not clear under current U.S. federal tax law. A cashless exercise could potentially be characterized as any of the following for U.S. federal income tax purposes: (i) not a realization event and thus tax-deferred, (ii) a realization event that qualifies as a tax-deferred "recapitalization," or (iii) a taxable realization event. The tax consequences of all three characterizations are generally described below. U.S. Holders should consult with their own tax advisors regarding the tax consequences of a cashless exercise.

If a cashless exercise were characterized as either not a realization event or as a realization event that qualifies as a recapitalization, a U.S. Holder generally would not recognize any gain or loss on the exchange of Warrants for our Ordinary Shares. A U.S. Holder's initial basis in our Ordinary Shares received would generally equal the U.S. Holder's aggregate basis in the exchanged Warrants.

If the cashless exercise were not a realization event, it is unclear whether a U.S. Holder's holding period in our Ordinary Shares would be treated as commencing on the date of exchange of the Warrants or on the immediately following date, but the holding period would not include the period during which the U.S. Holder held the Warrants. On the other hand, if the cashless exercise were characterized as a realization event that qualifies as a recapitalization, the holding period of our Ordinary Shares would include the holding period of the warrants exercised therefor.

If the cashless exercise were treated as a realization event that does not qualify as a recapitalization, the cashless exercise could be treated in whole or in part as a taxable exchange in which gain or loss would be recognized by the U.S. Holder. Under this characterization, a portion of the Warrants to be exercised on a cashless basis would be deemed to have been surrendered in payment of the exercise price of the remaining portion of such warrants, which would be deemed to be exercised. In such a case, a U.S. Holder would effectively be deemed to have sold a number of Warrants having an aggregate value equal to the exercise price of the remaining Warrants deemed exercised. The U.S. Holder would recognize capital gain or loss in an amount generally equal to the difference between the value of the portion of the warrants deemed sold and its adjusted tax basis in such warrants (generally in the manner described in the section entitled "Gain or Loss on Sale or Other Taxable Exchange or Disposition of our Ordinary Shares and Warrants" above), and the U.S. Holder's tax basis in our Ordinary Shares received would generally equal the sum of the U.S. Holder's tax basis in the remaining Warrants deemed exercised and the exercise price of such warrants. It is unclear whether a U.S. Holder's holding period for our Ordinary Shares would commence on the date of exercise of the Warrants or on the date following the date of exercise of the Warrants, but the holding period would not include the period during which the U.S. Holder held the Warrants.

Due to the absence of authority on the U.S. federal income tax treatment of a cashless exercise, there can be no assurance which, if any, of the alternative tax characterizations and resultant tax consequences would be adopted by the IRS or upheld by a court of law. Accordingly, U.S. Holders should consult with their own tax advisors regarding the tax consequences of a cashless exercise.

Redemption or Repurchase of Warrants for Cash

If the Company redeems the Warrants for cash as permitted under the terms of the warrant agreement or if the Company repurchases Warrants in an open market transaction, such redemption or repurchase generally will be treated as a taxable disposition to the U.S. Holder, taxed as described in the section entitled "Gain or Loss on Sale or Other Taxable Exchange or Disposition of our Ordinary Shares and Warrants" above.

Information Reporting and Backup Withholding

Certain U.S. Holders are required to report information to the Internal Revenue Service relating to an interest in "specified foreign financial assets," including shares issued by a non-United States corporation, for any year in which the aggregate value of all specified foreign financial assets exceeds $50,000 (or a higher dollar amount prescribed by the Internal Revenue Service), subject to certain exceptions (including an exception for shares held in custodial accounts maintained with a U.S. financial institution). These rules also impose penalties if a U.S. Holder is required to submit such information to the Internal Revenue Service and fails to do so.

In addition, dividend payments with respect to our Ordinary Shares and proceeds from the sale, exchange or redemption of our Ordinary Shares or Warrants may be subject to additional information reporting to the IRS and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certification on IRS Form W-9 or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status generally must provide such certification on IRS Form W-9. U.S. Holders are urged to consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Any amounts withheld as backup withholding may be credited against your U.S. federal income tax liability, if any, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS and furnishing any required information. We do not intend to withhold taxes for individual shareholders. However, transactions effected through certain brokers or other intermediaries may be subject to withholding taxes (including backup withholding), and such brokers or intermediaries may be required by law to withhold such taxes.

THE PRECEDING DISCUSSION OF U.S. FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR ORDINARY SHARES, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.

F. Dividends and Paying Agents

The Company has never declared or paid any cash dividends and has no plan to declare or pay any dividends on Ordinary Shares in the foreseeable future. The Company currently intends to retain any earnings for future operations and expansion.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to certain of the informational filing requirements of the Exchange Act. Since we are a "foreign private issuer," our officers, directors and principal shareholders are exempt from the "short-swing" profit recovery provisions contained in Section 16 of the Exchange Act, with respect to their purchase and sale of our equity securities. In addition, we are not required to file reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we are required to file with the SEC an Annual Report on Form 20-F containing financial statements audited by an independent accounting firm. We will also furnish to the SEC, on Form 6-K, unaudited half-yearly financial information. Information filed with or furnished to the SEC by us will be available on our website. The SEC also maintains a website at *www.sec.gov* that contains reports and other information that we file with or furnish electronically with the SEC.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks in the ordinary course of our business. These risks primarily include credit risk, foreign currency risk and interest rate risk. The Company's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its performance through ongoing operational and finance activities. The Company monitors and manages its exposure to such risks as part of its overall risk management program with the objective of seeking to reduce the potential adverse effects of such risks on its results of operations and financial position. The board of directors reviews policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process. See Note 21 to our consolidated financial statements included elsewhere in this report for further details.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Report, an evaluation was carried out under the supervision and with the participation of our management, including our Group Chief Executive Officer and our Group Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and 15d-15(e) promulgated under the Exchange Act.

In connection with the preparation of the Company's consolidated financial statements for fiscal year 2026, the Company identified material weaknesses in its internal control over financial reporting, as defined in the standards established by the PCAOB. The material weakness identified related to (1) Lack of effective monitoring and evaluation of the design and operating effectiveness of internal controls over financial reporting, including those related to: (i) identification and assessment of the accounting treatment of complex transactions and the related impact including fair valuation adjustments; and (ii) formal period-end closing and financial reporting policies and procedures in accordance with U.S. GAAP and financial reporting requirements set forth by the SEC, and (2) Lack of information technology general controls in the areas of IT policies and procedures, access management, change management, oversight of outsourced IT services and maintenance of documentary evidence supporting IT processes. To remediate the material weaknesses, the Company will implement the following measures (A) design an effective control framework and strengthen the monitoring function over the financial reporting process; (B) implement a formal process to identify complex or non-routine transactions at inception and throughout their lifecycle. Accounting implications and conclusions documented in U.S. GAAP technical accounting memoranda by technical accounting specialists or valuation specialists will be subjected to management review and approval prior to recording the transaction in the financial statements; and (C) formulate and implement formal IT general controls in the areas of IT policies and procedures, access management, change management, oversight of outsourced IT services and maintenance of documentary evidence supporting IT processes. In addition, the Company cannot predict the outcome of this determination and whether the Company will need to implement additional remedial actions in order to implement effective control over financial reporting.

Based on that evaluation, our management has concluded that, due to the outstanding material weaknesses described above, as of March 31, 2026, our disclosure controls and procedures were not effective in ensuring that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Group Chief Executive Officer and Group Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act. Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, management evaluated the effectiveness of our internal control over financial reporting as of March 31, 2026 based on the criteria set forth in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, any evaluation of effectiveness for future periods is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with established policies and procedures may deteriorate.

Based on management's evaluation, and due to the material weaknesses described below, management concluded that the Company did not maintain effective internal control over financial reporting as of March 31, 2026.

The material weaknesses identified related primarily to the following areas: (1) Lack of effective monitoring and evaluation of the design and operating effectiveness of internal controls over financial reporting, including those related to: (i) timely identification and assessment of the accounting treatment of complex transactions and the related impact including fair valuation adjustments; and (ii) formal period-end closing and financial reporting policies and procedures in accordance with U.S. GAAP and financial reporting requirements set forth by the SEC; and (2) Lack of information technology general controls in the areas of IT policies and procedures, access management, change management, oversight of outsourced IT services and maintenance of documentary evidence supporting IT processes. To remediate the material weaknesses, the Company will implement the following measures (A) design an effective control framework and strengthen the monitoring function over the financial reporting process; (B) implement a formal process to identify complex or non-routine transactions at inception and throughout their lifecycle. Accounting implications and conclusions documented in U.S. GAAP technical accounting memoranda by technical accounting specialists or valuation specialists will be subjected to management review and approval prior to recording the transaction in the financial statements; and (C) formulate and implement formal IT general controls in the areas of IT policies and procedures, access management, change management, oversight of outsourced IT services and maintenance of documentary evidence supporting IT processes. In addition, the Company cannot predict the outcome of this determination and whether the Company will need to implement additional remedial actions in order to implement effective control over financial reporting.

The material weaknesses will not be considered remediated until the applicable controls have been designed and implemented, operated for a sufficient period of time, and management has concluded, through testing, that such controls are operating effectively. Management will continue to monitor the effectiveness of the remediation measures and may take additional actions or modify existing remediation plans as appropriate.

Report of the Registered Public Accounting Firm

This annual report on Form 20-F does not include an attestation report of our independent registered public accounting firm on internal control over financial reporting because we qualified as a "emerging growth company".

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) other than acquisition of Ban Leong during the period covered by this Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Joshua Kewei Cui, an independent director and member of our audit committee, qualifies as an audit committee financial expert.

ITEM 16B. CODE OF ETHICS

Our board of directors has adopted a code of ethics and business conduct that applies to all our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller and any other persons who perform similar functions for us. A copy of our code of business conduct and ethics is available on our website at *https://gclglobalholdings.com/*.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate fees in connection with certain professional services rendered by our principal accountant for the respective period.

	2026	2025
Audit fees[(1)]	1,000,000	618,000
Audit related fees[(2)]	-	-
Tax fees[(3)]	-	-
All Other Fees[(4)]	-	-
Total	1,000,000	618,000

Notes:

(1) Audit Fees. Audit fees consist of fees for the audit of our annual financial statements and the reviews of our interim financial statements. Audit fees for each period also include related services that are normally provided in connection with registration statements.
(2) Audit-related Fees. Audit-related fees consist of fees billed for assurance and related services that are reasonably related to performance of the audit or review of our financial statements and are not reported under "Audit Fees." These services include attest services that are not required by statute or regulation and consultation concerning financial accounting and reporting standards.
(3) Tax Fees. Tax fees consist of fees billed for professional services rendered by our independent registered public accounting firm for tax compliance, tax advice, and tax planning.
(4) All other Fees. All other fees include the aggregate fees billed in each of the fiscal years for products and services provided by our independent registered public accounting firm, other than the services reported under audit fees, audit-related fees, and tax fees.

The policy of our audit committee is to pre-approve all audit and non-audit services provided by our principal accountant, including audit services and audit-related services as described above.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

None.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Our audit committee conducted a review process to consider the selection of the Company's independent registered public accounting firm for the audits of the Company's consolidated financial statements as of and for the fiscal year ending March 31, 2026.

On March 24, 2026, the Board of the Company dismissed Marcum Asia CPAs LLP ("Marcum Asia") and approved the appointment of Ernst & Young LLP, located in Singapore ("EY SG") as the Company's independent registered public accounting firm for the audits of the Company's consolidated financial statements to be filed with the SEC. The change of the Company's independent registered public accounting firm was and made after a review process conducted by Audit Committee.

Marcum Asia's audit reports on the Company's consolidated financial statements for the years ended March 31, 2025 and 2024 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope, or accounting principles as defined in Item 16F(a)(1)(ii)of Form 20-F. During the two most recent fiscal years and through the subsequent interim period preceding the dismissal, there were no (i) disagreements (as defined in Item 16F(a)(1)(iv) to Form 20-F and the related instructions thereto) between the Company and Marcum Asia on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, any of which, if not resolved to Marcum Asia's satisfaction, would have caused Marcum Asia to make reference thereto in its audit report on the financial statements of the Company for such period, or (ii) "reportable events" as defined in Item 16F(a)(1)(v)(A)-(D) of Form 20-F, except for the material weaknesses related to the Company's internal control over financial reporting, including (i) lack of accounting staff and resources with appropriate knowledge of GAAP and SEC reporting and compliance requirements to design and implement formal period-end financial reporting policies and procedures to address complex technical accounting issue in accordance with GAAP and the SEC requirements., and (ii) lack of information technology general controls in the areas of IT policies and procedures, user provisioning and termination, privileged access and service organization monitoring who are responsible for change management over certain core business system and accounting system. There were no disputes or disagreements between the Company and Marcum Asia during the time it was the Company's independent registered public accounting firm through the date of dismissal.

During the two most recent fiscal years and through the date of this report, the Company has not consulted with EY SG regarding any of the following: (1) the application of accounting principles to any specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's consolidated financial statements; (2) the type of audit opinion that might be rendered on the Company's consolidated financial statements by EY SG, in either case where written or oral advice provided by EY SG would be an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issues; or (3) any matter that was either the subject of a disagreement (as defined in Item 16F(a)(1)(iv) of the instructions to Form 20-F and the related instructions therein) or a reportable event (as defined in Item 16F(a)(1)(v) of the instructions to Form 20-F).

ITEM 16G. CORPORATE GOVERNANCE

We are a company incorporated in the Cayman Islands and are listed on Nasdaq. Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of our home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from Nasdaq corporate governance listing standards applicable to domestic U.S. companies.

Among other things, we are not required to have: (i) a majority-independent board of directors; (ii) a compensation committee consisting of independent directors; (iii) a nominating committee consisting of independent directors; (iv) regularly scheduled executive sessions with only independent directors each year; or (v) an annual shareholders meeting.

We rely on the exemptions listed above. As a result, you may not be provided with the benefits of certain corporate governance requirements of Nasdaq applicable to U.S. domestic public companies.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTION THAT PREVENT INSPECTION

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

The Company has adopted an Insider Trading Policy governing the purchase, sale and other disposition of its securities by directors, senior management and employees that is reasonably designed to promote compliance with applicable insider trading laws, rules and regulations and the listing standards of the Nasdaq Capital Market.

ITEM 16K. CYBERSECURITY

We recognize the critical importance of developing, implementing, and maintaining appropriate cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity, and availability of our data. Accordingly, we engage in continuous and ongoing efforts to safeguard our information systems and protect the confidentiality, integrity and availability of our data.

Managing Material Risks and Integrating Cybersecurity Risk with Overall Risk Management

The Company is committed to maintaining cybersecurity measures to protect the confidentiality, integrity, and availability of its information systems and data. Cybersecurity risks are assessed based on their potential operational, financial, legal, regulatory, and reputational impact and are integrated into the Company's enterprise risk management processes. Our current cybersecurity risk assessments include areas such as potential threats and vulnerabilities, implementation of data encryption protocols, access controls based on internal security policies, employee training and awareness programs, and real-time monitoring and incident response capabilities. Cybersecurity risk oversight is provided by our Board of Directors. Our Board receives updates on the Company's cybersecurity program at least annually, and more frequently as appropriate in the event of significant cybersecurity risks or incidents. These updates include the Company's cybersecurity strategy, material cybersecurity risks, significant cybersecurity incidents, and the effectiveness of management's cybersecurity risk management processes. Day-to-day responsibility for identifying, assessing, managing, and responding to cybersecurity risks is delegated to the Group Chief Executive Officer and Group Chief Operating Officer, who are supported by other personnel, advisors and the Company's Legal Department. Management maintains a risk-based cybersecurity program that includes enterprise-wide risk assessments, continuous security monitoring, vulnerability management, penetration testing, incident response planning, third-party risk management, cybersecurity awareness training, and business continuity and disaster recovery planning. Management provides cybersecurity updates to the Group Chief Executive Officer at least biannually and more frequently as appropriate in the event of significant cybersecurity risks or incidents.

Engagement of Third-Parties For Cybersecurity Risk Management Support

From time to time, we engage cybersecurity consultants, auditors, and other third parties to assess and enhance our cybersecurity practices. These third parties conduct assessments, penetration testing, and vulnerability assessments to help us identify weaknesses and, in some cases, to recommend improvements. Additionally, we use certain third-party tools and technologies as part of our efforts to enhance cybersecurity functions including vulnerability scanning tools, key management services, data encryption and continuous monitoring, detection, and response capabilities.

Oversight of Third-Party Service Providers

Given the importance of cybersecurity, we evaluate third-party service providers that either provide or support our information systems from a cybersecurity risk perspective. We endeavor to assess service-provider risks based upon the services each such third-party service provider may provide and the potential threat impact of each such service provider's services. Our risk evaluations are used to inform our third-party service provider cybersecurity risk assessments and our assessments may include review of appropriate reports or certifications relating to the service provider's security controls and practices or review of the service provider's physical and technical security measures, practices and procedures.

Risks from Cybersecurity Threats

To date, we have not identified or experienced any cybersecurity threats or incidents that have materially affected, or are reasonably likely to materially affect, our operations, strategy, financial condition, or results. In the event of a material cybersecurity incident, we will report to the Board and disclose relevant information, including the nature, scope, impact, and remediation actions taken.

PART III

ITEM 17. FINANCIAL STATEMENTS

See Item 18.

ITEM 18. FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company are included at the end of this Report.

ITEM 19. EXHIBITS

EXHIBIT INDEX

1.1	Amended and Restated Memorandum and Articles of Association of GCL Global Holdings Ltd (incorporated by reference to Exhibit 1.1 of the Company's Shell Company Report on Form 20-F, filed with the SEC on February 26, 2025).
2.1*	Description of Securities
4.1	Form of Senior Convertible Note issued on May 22, 2025 (incorporated by reference to Exhibit 4.1 of the Company's Form 6-K filed with the SEC on May 22, 2025)
4.2	Form of Warrant issued on July 7, 2025 (incorporated by reference to Exhibit 4.1 of the Company's Form 6-K filed with the SEC on July 8, 2025)
4.2.1	Amendment No. 1 to Warrant dated July 29, 2025 (incorporated by reference to Exhibit 4.1 of the Company's Form 6-K filed with the SEC on July 29, 2025)
4.3	Form of Warrant issued on April 28, 2026 (incorporated by reference to Exhibit 4.1 of the Company's Form 6-K filed with the SEC on August 29, 2026)
10.1	Assignment, Assumption and Amendment Agreement by and among RFAC, the Company and Continental Stock Transfer & Trust Company dated February 13, 2025 (incorporated by reference to Exhibit 10.1 of the Company's Shell Company Report on Form 20-F filed with the SEC on February 26, 2025).
10.2	Registration Rights Agreement by and among the Company, GCL Global Limited and certain holders named therein, dated February 13, 2025 (incorporated by reference to Exhibit 10.2 of the Company's Shell Company Report on Form 20-F filed with the SEC on February 26, 2025)
10.3	Bonus Shares Escrow Agreement by and between the Company and Continental Stock Transfer & Trust Company dated February 13, 2025 (incorporated by reference to Exhibit 10.3 of the Company's Shell Company Report on Form 20-F filed with the SEC on February 26, 2025)
10.4	Share Escrow Agreement by and between the Company and Continental Stock Transfer & Trust Company dated February 13, 2025 (incorporated by reference to Exhibit 10.4 of the Company's Shell Company Report on Form 20-F filed with the SEC on February 26, 2025)
10.5	Form of Convertible Note Purchase Agreement (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by RF Acquisition Corp. on October 18, 2024)
10.5.1	Form of Amendment to Convertible Note Purchase Agreement (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by RF Acquisition Corp. on February 5, 2025)
10.6	Series B Preferred Stock Purchase Agreement by and between GCL Global Limited and Nekcom Inc. dated November 20, 2024 (incorporated by reference to Exhibit 10.24 of the Company's registration statement on Form F-4 (File 333-280559) filed with the SEC on December 26, 2024)
10.6.1	Addendum to Payment Rescheduling Agreement by and among GCL Global Limited, Nekcom Inc. and other parties named therein dated July 10, 2025 (incorporated by reference to Exhibit 10.6.1 of the Company's Annual Report on Form 20-F, filed with the SEC on July 31, 2025)
10.6.2	First Amendment to Series B Preferred Stock Purchase Agreement between GCL Global Limited and Nekcom Inc., dated May 15, 2025 (incorporated by reference to Exhibit 99.4 of the Company's Form 6-K, filed with the SEC on January 30, 2026)
10.7	Securities Purchase Agreement between the Company and the investor named therein, dated May 21, 2025 (incorporated by reference to Exhibit 10.7 of the Company's Annual Report on Form 20-F, filed with the SEC on July 31, 2025)
10.7.1	Form of Amendment, Waiver and Exchange Agreement dated April 29, 2026 (incorporated by reference to Exhibit 10.1 of the Company's Form 6-K filed with the SEC on August 29, 2026)
10.8	Registration Rights Agreement between the Company and the buyer named therein, dated May 21, 2025 (incorporated by reference to Exhibit 10.8 of the Company's Annual Report on Form 20-F, filed with the SEC on July 31, 2025)

10.9##	Sales and Purchase Agreement by and between Ludus Asia Pte. Ltd. and Vendors dated July 31, 2022 (incorporated by reference to Exhibit 10.5 of the Company's registration statement on Form F-4 (File 333-280559) filed with the SEC on December 26, 2024)
10.10	The First Contract Addendum for the Sales and Purchase Agreement by and between Ludus Asia Pte. Ltd. and Vendors dated July 31, 2022 (incorporated by reference to Exhibit 10.6 of the Company's registration statement on Form F-4 (File 333-280559) filed with the SEC on December 26, 2024)
10.11	The Second Contract Addendum for the Sales and Purchase Agreement by and between Ludus Asia Pte. Ltd. and Vendors dated October 17, 2023 (incorporated by reference to Exhibit 10.7 of the Company's registration statement on Form F-4 (File 333-280559) filed with the SEC on December 26, 2024)
10.12	The Third Contract Addendum for the Sales and Purchase Agreement by and between GCL Global Pte. Ltd. (formerly known as Ludus Asia Pte. Ltd.) and Vendors dated December 29, 2024 (incorporated by reference to Exhibit 10.12 of The Company's Form 20-F filed with the SEC on July 31, 2025)
10.13##	Share Sale and Purchase Agreement dated March 19, 2025 by and between GCL Global Pte. Ltd. and parties named therein (incorporated by reference to Exhibit 10.13 of The Company's Form 20-F filed with the SEC on July 31, 2025)
10.14	Form of Director Indemnification Agreement (incorporated by reference to Exhibit 10.6 of the Company's Shell Company Report on Form 20-F filed with the SEC on February 26, 2025)
10.15	Equity Incentive Plan, effective February 13, 2025 (incorporated by reference to Exhibit 4.2 of the Company's Form S-8 filed with the SEC on May 1, 2025)
10.16	First Amendment to Series B Preferred Stock Purchase Agreement between GCL Global Limited and Nekcom Inc., dated May 15, 2025 (incorporated by reference to Exhibit 99.4 of the Company's Form 6-K filed with the SEC on January 30, 2026)
11.1*	Insider Trading Policy
12.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
14.1	Code of Ethics and Business Conduct (incorporated by reference to Exhibit 14.1 of the Company's Shell Company Report on Form 20-F filed with the SEC on February 26, 2025)
15.1*	Consent from Marcum Asia LLP
15.2*	Consent from Ernst & Young LLP
21*	List of Subsidiaries
97	Clawback Policy (incorporated by reference to Exhibit 99.5 of The Company's Form 20-F filed with the SEC on February 26, 2025)
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

\# Certain exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Company agrees to furnish supplementally a copy of any omitted exhibit or schedule to the SEC upon its request; however, the Company may request confidential treatment of omitted items.

Certain confidential portions of this exhibit were omitted by means of marking such portions with brackets and asterisks because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed, or constituted personally identifiable information that is not material.

** Furnished herewith. This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filings of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Report on its behalf.

GCL GLOBAL HOLDINGS LTD

July 31, 2026

By: /s/ Sebastian Toke
Name: Sebastian Toke
Title: Group Chief Executive Officer and Director

GCL GLOBAL HOLDINGS LTD. AND ITS SUBSIDIARIES

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of GCL Global Holdings Ltd.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of GCL Global Holdings Ltd. and its subsidiaries (the Company) as of March 31, 2026, the related consolidated statements of operations and comprehensive income (loss), changes in shareholders' equity and cash flows for the year then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at March 31, 2026, and the results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

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.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2026.

Singapore
July 31, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of GCL Global Holdings Ltd.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of GCL Global Holdings Ltd. (the "Company") as of March 31, 2025, the related consolidated statements of operations and comprehensive income (loss)**,** changes in shareholders' equity and cash flows for each of the two years in the period ended March 31, 2025, and the related notes (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 March 31, 2025, and the results of its operations and its cash flows for each of two years in the period ended March 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

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 audits. 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits 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 audits 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 audits 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 audits 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 audits provide a reasonable basis for our opinion.

/s/ Marcum Asia CPAs LLP

Marcum Asia CPAs LLP

We served as the Company's auditor from 2023 to 2026.

New York, New York
July 31, 2025

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GCL GLOBAL HOLDINGS LTD AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Stated in U.S. dollar, except for the number of shares)

	March 31 2026	March 31 2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 36,577,264	$ 18,247,380
Restricted cash	2,741,404	3,131,335
Accounts receivable, net	36,654,784	25,761,683
Amount due from related parties	164,292	392,334
Inventories, net	32,416,453	5,936,223
Other receivable and other current assets, net	2,654,096	1,733,022
Prepayments, net	13,868,916	6,239,861
Loan to third party	678,204	382,024
Derivative asset	326,766	269,119
Total current assets	126,082,179	62,092,981
NONCURRENT ASSETS		
Property and equipment, net	1,624,600	380,315
Definite-lived intangible assets, net	6,146,890	2,207,852
Indefinite-lived intangible assets	10,051,143	14,324,323
Goodwill	12,351,587	2,990,394
Long-term investments	16,841,899	15,435,274
Prepayments, a related party	5,000,000	3,000,000
Operating leases right-of-use assets	3,416,686	442,376
Finance leases right-of-use assets	668,822	363,008
Deferred tax assets, net	997,954	351,060
Total noncurrent assets	57,099,581	39,494,602
TOTAL ASSETS	$ 183,181,760	$ 101,587,583
LIABILITIES, AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank loans, current	$ 21,715,464	$ 10,500,085
Convertible notes, net of unamortized discounts of $20,979 and $0 as of March 31, 2026 and 2025	1,207,022	-
Accounts payable	32,825,509	28,389,357
Accounts payable, a related party	4,293,316	4,567,337
Contract liabilities	8,179,636	505,323
Other payables and accrued liabilities	9,972,124	4,702,791
Operating lease liabilities, current	1,663,734	376,751
Contingent consideration for acquisition, current	-	1,121,006
Finance leases liabilities, current	112,687	84,528
Amount due to related parties	1,042,949	683,338
Derivative liabilities	495,000	-
Tax payables	1,624,995	1,417,173
Total current liabilities	83,132,436	52,347,689
NON-CURRENT LIABILITIES		
Operating lease liabilities, non-current	1,790,741	110,368
Finance leases liabilities, non-current	294,648	164,606
Bank loans, non-current	32,265,166	1,421,139
Deferred investment consideration payable	7,500,000	7,500,000
Derivative liabilities, non-current	16,206,000	3,086,519
Deferred tax liabilities	1,097,163	-
Total non-current liabilities	59,153,718	12,282,632
TOTAL LIABILITIES	142,286,154	64,630,321
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Ordinary share, par value $0.0001; 500,000,000 shares authorized,130,135,432 and 126,276,372 shares issued as of March 31, 2026 and 2025, respectively, and 128,008,703 and 121,947,978 outstanding as of March 31, 2026 and 2025, respectively	12,803	12,196
Additional paid-in capital	44,213,702	18,149,582
(Accumulated deficit) retained earnings	(7,481,845)	17,513,985
Accumulated other comprehensive income	52,676	178,312
TOTAL GCL Global Holdings Ltd shareholders' equity	36,797,336	35,854,075

Non-controlling interests	4,098,270	1,103,187
TOTAL SHAREHOLDERS' EQUITY	40,895,606	36,957,262
TOTAL LIABILITIES, AND SHAREHOLDERS' EQUITY	$ 183,181,760	$ 101,587,583

The accompanying notes are an integral part of these consolidated financial statements.

GCL GLOBAL HOLDINGS LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (INCOME) LOSS
(Stated in U.S. dollar, except for the number of shares)

	For the Years Ended March 31,		
	2026	**2025**	**2024**
REVENUES			
Revenues	$ 238,805,340	$ 140,563,181	$ 97,492,224
Revenues, a related party	118,749	1,509,405	42,477
TOTAL REVENUES	238,924,089	142,072,586	97,534,701
COST OF REVENUES			
Cost of revenues	(202,693,150)	(104,995,460)	(65,970,028)
Cost of revenues, related parties	(11,502,810)	(15,833,765)	(18,246,215)
TOTAL COST OF REVENUES	(214,195,960)	(120,829,225)	(84,216,243)
GROSS PROFIT	24,728,129	21,243,361	13,318,458
OPERATING EXPENSES			
Selling and marketing	(4,848,605)	(2,568,702)	(2,602,892)
General and administrative	(33,151,801)	(15,438,447)	(13,109,638)
TOTAL OPERATING EXPENSES	(38,000,406)	(18,007,149)	(15,712,530)
(LOSS) INCOME FROM OPERATIONS	(13,272,277)	3,236,212	(2,394,072)
OTHER INCOME (EXPENSE)			
Other income, net	2,151,369	867,823	1,266,239
Interest expense, net	(3,039,054)	(2,255,934)	(507,803)
Change in fair value of contingent consideration for acquisition	73,352	(545,428)	(272,029)
Change in fair value of convertible notes	-	5,254,103	-
Change in fair value of investment in convertible notes	(1,188,928)	-	-
Change in fair value of derivative asset and derivative liabilities	(10,687,930)	(378,683)	-
TOTAL OTHER (EXPENSE) INCOME, NET	(12,691,191)	2,941,881	486,407
(LOSS) INCOME BEFORE INCOME TAXES	(25,963,468)	6,178,093	(1,907,665)
INCOME TAXES EXPENSE	(239,753)	(1,128,672)	(53,291)
NET (LOSS) INCOME	(26,203,221)	5,049,421	(1,960,956)
Less: net loss attributable to non-controlling interests	(1,207,391)	(538,204)	(587,452)
NET (LOSS) INCOME ATTRIBUTABLE TO GCL GLOBAL HOLDINGS LTD'S SHAREHOLDERS	$ (24,995,830)	$ 5,587,625	$ (1,373,504)
NET (LOSS) INCOME	(26,203,221)	5,049,421	(1,960,956)
OTHER COMPREHENSIVE (LOSS) INCOME			
Foreign currency translation adjustments	(175,314)	312,217	(87,881)
COMPREHENSIVE (LOSS) INCOME	(26,378,535)	5,361,638	(2,048,837)
Less: total comprehensive loss attributable to non-controlling interests	(1,257,069)	(522,820)	(583,642)
Total comprehensive (loss) income attributable to GCL Global Holdings Ltd's shareholders	$ (25,121,466)	$ 5,884,458	$ (1,465,195)
(LOSS) EARNING PER SHARE - BASIC AND DILUTED, ORDINARY SHARES	$ (0.20)	$ 0.05	$ (0.01)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING			
Basic and diluted	123,232,562	107,184,280*	105,013,283*

* Giving retroactive effect to reverse recapitalization effected on February 13, 2025.

The accompanying notes are an integral part of these consolidated financial statements.

GCL GLOBAL HOLDINGS LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the Years Ended March 31, 2026, 2025 and 2024
(Stated in U.S. dollar, except for the number of shares)

	Ordinary share*		Additional paid-in capital	(Accumulated deficit) retained earnings	Accumulated other comprehensive (loss) income	Non-controlling interest	Total shareholders' equity
	Shares	Par value					
Balance as of March 31, 2023	104,972,376	$ 10,498	$ 1,094,597	$ 13,311,878	$ (28,860)	$ 2,767,775	$ 17,155,888
Recognition of non-controlling interest from acquisition of subsidiaries	-	-	381,947	-	-	182,599	564,546
Accretion from change in fair value of ordinary shares subject to possible redemption	-	-	(12,652)	-	-	-	(12,652)
Net loss	-	-	-	(1,373,504)	-	(587,452)	(1,960,956)
Shares issuance for partial settlement of contingent consideration for acquisition	82,969	8	266,206	-	-	-	266,214
Foreign currency translation adjustments	-	-	-	-	(91,691)	3,810	(87,881)
Balance as of March 31, 2024	105,055,345	10,506	1,730,098	11,938,374	(120,551)	2,366,732	15,925,159
Reclassification of redeemable ordinary shares from mezzanine to permanent equity	217,724	22	699,978	-	-	-	700,000
Net loss	-	-	-	5,587,625	-	(538,204)	5,049,421
Acquisition of additional controlling interest of subsidiaries	-	-	(192,186)	-	2,030	(740,725)	(930,881)
Shares issuance for partial settlement of contingent consideration for acquisition	1,059,628	106	2,633,344	-	-	-	2,633,450
Ordinary shares issued for conversion of convertible notes	7,338,887	734	25,062,327	-	-	-	25,063,061
Issuance of ordinary share upon the reverse recapitalization	6,276,394	628	(10,081,840)	-	-	-	(10,081,212)
Incremental fair value of warrants upon the reverse recapitalization	-	-	12,014	(12,014)	-	-	-
Merger transaction cost	-	-	(1,713,953)	-	-	-	(1,713,953)
Share-based compensation	2,000,000	200	(200)	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	296,833	15,384	312,217
Balance as of March 31, 2025	121,947,978	12,196	18,149,582	17,513,985	178,312	1,103,187	36,957,262
Net loss	-	-	-	(24,995,830)	-	(1,207,391)	(26,203,221)
Recognition of non-controlling interest through business combination	-	-	-	-	-	27,070,012	27,070,012
Acquisition of additional non-controlling interest	-	-	-	-	-	(24,806,735)	(24,806,735)
Recognition of non-controlling interest upon sales of controlling interest in a subsidiary	-	-	21,011,125	-	-	1,988,875	23,000,000
Ordinary shares issued for conversion of convertible notes	2,645,024	265	2,791,711	-	-	-	2,791,976
Ordinary shares issued for settlement of contingent consideration for acquisition	547,183	55	1,121,671	-	-	-	1,121,726
Ordinary shares issued from shares subscription agreement	625,000	63	2,499,937	-	-	-	2,500,000
Ordinary shares released from escrow in connection with bonus shares issued pursuant to the convertible note	2,201,665	220	(1,460,320)	-	-	-	(1,460,100)
Share-based compensation	41,853	4	99,996	-	-	-	100,000
Foreign currency translation adjustments	-	-	-	-	(125,636)	(49,678)	(175,314)
Balance as of March 31, 2026	128,008,703	$ 12,803	$ 44,213,702	$ (7,481,845)	$ 52,676	$ 4,098,270	$ 40,895,606

*** Giving retroactive effect to reverse recapitalization effected on February 13, 2025.**

The accompanying notes are an integral part of these consolidated financial statements.

GCL GLOBAL HOLDINGS LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in U.S. dollar, except for the number of shares)

	For the Years Ended March 31,		
	2026	**2025**	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss) income	$ (26,203,221)	$ 5,049,421	$ (1,960,956)
Adjustments to reconcile net (loss) income to net cash used in operating activities:			
Depreciation of property and equipment	406,830	328,948	320,308
Amortization of intangible assets	1,100,112	1,065,373	1,168,358
Amortization of right of use assets- operating leases	1,571,856	861,508	839,152
Amortization of right of use assets- finance leases	116,166	113,207	43,900
Amortization of debt discount and debt issuance cost	823,492	-	-
Provision for (recovery from) credit loss and doubtful accounts	1,218,192	(195,604)	484,247
Loss from disposal of property and equipment	512	-	57,202
Loss from disposal of finance leases	(30,093)	-	-
Deferred taxes benefit	(399,931)	(233,848)	(669,869)
Change in fair value of contingent consideration for acquisition	(73,352)	545,428	272,029
Change in fair value of convertible notes, derivative asset and derivative liabilities	10,687,930	(4,875,420)	-
Change in fair value of investment in convertible notes	1,188,928	-	-
Share-based compensation	100,000	-	-
Change in operating assets and liabilities			
Accounts receivables	3,869,088	(6,553,616)	(688,981)
Inventories	(1,058,463)	(987,139)	(1,614,310)
Indefinite-lived intangible assets	4,260,532	(7,457,563)	3,679,922
Other receivable and other current assets	85,948	(1,078,716)	298,028
Amount due from related parties	344,246	(378,330)	-
Prepayments	(7,323,890)	(636,796)	(3,418,619)
Prepayments, a related party	(2,000,000)	(3,000,000)	-
Accounts payable	(7,221,863)	21,091,971	(1,521,354)
Accounts payable, a related party	(274,021)	(2,000,144)	2,501,759
Contract liabilities	6,672,444	294,594	(153,395)
Other payables and accrued liabilities	3,560,478	(11,884,607)	2,456,933
Operating Lease Liabilities	(1,608,203)	(851,010)	(803,335)
Income tax payables	(310,523)	473,709	25,277
Net cash (used in) provided by operating activities	(10,496,806)	(10,308,634)	1,316,296
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of equipment	(1,152,829)	(161,403)	(277,645)
Cash paid for contingent consideration for acquisition	-	(435,385)	(540,496)
Cash paid in business combination, net of cash acquired	(14,280,517)	-	37,517
Loan to third party	(350,439)	(381,381)	-
Repayment from third party	49,942	-	-
Cash paid in connection with long term investment payable	(2,500,000)	(5,364,229)	
Net cash used in investing activities	(18,233,843)	(6,342,398)	(780,624)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash paid for redemption of ordinary shares	-	-	(163,905)
Proceed from share subscription	2,500,000	-	-
Proceeds from sale of controlling interest in subsidiaries	23,000,000	-	-
Proceeds from bank loans	56,124,193	31,736,150	24,221,605
Repayments to bank loans	(14,049,923)	(28,835,340)	(25,419,912)
Advances proceeds related to convertible notes	-	-	-
Proceeds from convertible notes	4,887,000	33,025,000	-
Payments of debt issuance cost	(763,297)	-	-
Loan from related parties	214,843	-	3,954,657
Advance to related parties	-	-	(1,382,616)
Repayments to related parties	-	(1,617,045)	-
Principal payments of finance lease liabilities	(231,757)	(63,429)	(174,062)
Proceeds from reverse recapitalization, net of payments of transaction costs	-	611,708	-
Cash paid in acquiring additional controlling interest in subsidiaries	(24,806,735)	(600,000)	-
Payments of deferred merger costs	-	(699,598)	(900,531)
Net cash provided by financing activities	46,874,324	33,557,446	135,236
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH	(203,722)	138,564	(168,777)
INCREASE IN CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH	17,939,953	17,044,978	502,131

CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH, beginning of the year	21,378,715	4,333,737	3,831,606
CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH, end of the year	$ 39,318,668	$ 21,378,715	4,333,737
SUPPLEMENTAL CASH FLOWS INFORMATION			
Income taxes paid	$ 1,437,823	$ 910,450	$ 723,160
Interest paid	$ 645,068	$ 597,111	$ 507,803
SUPPLEMENTAL NON-CASH FLOWS INFORMATION			
Fair value of share issuance in acquisition of a subsidiary	$ -	$ -	$ 687,348
Accretion of change in fair value of ordinary shares subject to possible redemption	$ -	$ -	$ 12,652
Right-of-use assets in exchange for operating lease liabilities	$ 2,641,841	$ 169,655	$ 1,512,807
Disposal of operating lease right-of-use asset	$ 27,779	$ -	$ -
Disposal of finance lease right-of-use asset	$ 56,897	$ -	$ -
Recognition of non-controlling interest from acquisition of subsidiaries	$ 27,070,012	$ -	$ 564,546
Share issuance for acquisition payable	$ -	$ -	$ 266,214
Deferred merger costs included in other payables and accrued liabilities	$ -	$ -	$ 167,426
Reclassification of redeemable ordinary shares from mezzanine to permanent equity	$ -	$ 700,000	$ -
Recognition of derivative liability from convertible notes' conversion feature	$ 1,794,000	$ 269,119	$ -
Acquisition of additional interest in a subsidiary through recognition of payable	$ -	$ 600,000	$ -
Shares issuance for partial settlement of contingent consideration for acquisition	$ 1,121,726	$ 2,633,450	$ -
Issuance of ordinary shares upon conversion of convertible notes	$ 2,791,976	$ 25,063,061	$ -
Issuance of ordinary share upon the reverse recapitalization	$ -	$ 10,081,212	$ -
Recognition of incremental fair value of warrants upon the reverse recapitalization	$ -	$ 12,014	$ -
Reclassification of deferred merger costs to additional paid-in capital	$ -	$ 1,713,953	$ -
Contingent investment consideration payable	$ -	$ 7,500,000	$ -

The table below reconciles cash and cash equivalents, along with restricted cash, as reported on the statement of financial position to the total amounts presented in the statement of cash flows:

	As of March 31,		
	2026	**2025**	**2024**
Cash and cash equivalents	$ 36,577,264	$ 18,247,380	$ 2,677,059
Restricted cash	2,741,404	3,131,335	1,656,678
Total cash and cash equivalents, and restricted cash	$ 39,318,668	$ 21,378,715	$ 4,333,737

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 — Nature of business and organization

GCL Global Holdings Ltd (the "Company" or "PubCo") was incorporated as a Cayman Islands exempted company limited by shares on October 12, 2023. The Company was formed solely for the purpose of completing the transactions contemplated by the merger agreement, dated as of October 18, 2023 (as amended on December 1, 2023, December 15, 2023, January 31, 2024, and September 30, 2024, the "Merger Agreement"). The parties to the Merger Agreement include PubCo, Grand Centrex Limited, a British Virgin Islands business company ("GCL BVI"), GCL Global Limited, a Cayman Islands exempted company limited by shares ("GCL Global"), RF Acquisition Corp., a Delaware corporation ("RFAC"), and RF Dynamic LLC, a Delaware limited liability company (the "Sponsor"). As further discussed below and in Note 3 on February 13, 2025 (the "Closing Date"), the Company consummated the business combination transactions (the "Business Combination") contemplated by the Merger Agreement.

GCL Global was incorporated and registered as an exempted Company with limited liability on September 8, 2023, under the laws of the Cayman Islands. GCL Global is a holding Company and has no substantive operations other than holding all of the outstanding equities of its directly and indirectly owned subsidiaries through various recapitalizations.

The Company, through its subsidiaries in Singapore, Malaysia, Thailand, Hong Kong, China, Taiwan, Japan, Brazil, the United Kingdom, and the United Arab Emirates, operates its business in four segments, 1) sale of console games, hardware, computer accessories and other multi-media products, 2) game publishing, 3) media advertising service, and 4) others.

— Reorganization under GCL Global Pte. Ltd ("GCL Global SG")

GCL Global SG was incorporated on July 26, 2021, under the laws of Singapore. GCL Global SG is a holding Company and has no substantive operations other than holding all of the outstanding equities of Epicsoft Asia, 4Divinity SG, 2Game, and Starlight.

On June 30, 2023, GCL Global SG completed the acquisition of 100% of the equity interests in Titan Digital Media Pte Ltd ("Titan Digital"), which was held under common control with Grand Centrex Limited ("GCL BVI"). The transaction was executed with a consideration of SGD 10. GCL Global SG and Titan Digital are under the effective control of the same group of shareholders.

On July 18, 2023, GCL Global SG completed the acquisition of 100% of the equity interests in Epicsoft Hong Kong Limited ("Epic HK"), which was held under common control with GCL BVI. The transaction was executed with a consideration of HKD 10. GCL Global SG and Epic HK are effectively controlled by the same shareholder.

— Reorganization under GCL Global

GCL BVI was incorporated on November 16, 2018, under the laws of British Virgin Island ("BVI").

GCL BVI is a holding Company and has no substantive operations other than holding all of the outstanding equity of Epic MY after reorganization under GCL Global SG.

On February 13, 2024, GCL BVI and GCL Global had completed a sequential two-step transaction involving (a) sale by GCL BVI of all its equity interests in GCL Global SG to GCL Global in return for GCL Global shares being issued to the GCL Shareholders (defined below), resulting in (i) GCL Global SG becoming a wholly-owned subsidiary of GCL Global; and (ii) GCL Shareholders holding all issued and outstanding shares in GCL Global; and (b) sale by GCL BVI shareholders holding a total of 99.8% of the total outstanding shares of GCL BVI ("GCL Shareholders") of their equity interests in GCL BVI to GCL Global, resulting in GCL BVI becoming a 99.8%-owned subsidiary of GCL Global (the "Reorganization").

Before and after the Reorganizations, GCL Global, together with its subsidiaries (as indicated above), is effectively controlled by the major shareholders, and therefore the Reorganization is considered as a recapitalization of entities under common control in accordance with Accounting Standards Codification ("ASC") 805-50-25. The consolidation of the Company and its subsidiaries have been accounted for at historical cost and prepared on the basis as if the aforementioned transactions had become effective as of the beginning of the first period presented in the accompanying consolidated financial statements in accordance with ASC 805-50-45-5.

— Merger and reverse recapitalization

As described above and further discussed in Note 3, the Business Combination was consummated on February 13, 2025. As a result, RFAC and GCL Global, including its subsidiaries, became wholly-owned subsidiaries of the Company.

The Business Combination was accounted for as a "reverse recapitalization". Under this method of accounting, RFAC was treated as the "acquired" company for financial reporting purposes. Accordingly, the Business Combination was treated as the equivalent of GCL Global issuing shares for the net assets of RFAC, accompanied by a recapitalization. The net assets of RFAC are stated at historical costs. No goodwill or other intangible assets are recorded.

Upon closing of the Business Combination, PubCo and its subsidiaries are hereafter referred as the Company.

The accompanying consolidated financial statements reflect the activities of the Company and each of the following subsidiaries as of March 31, 2026:

Name	Background	Ownership
GCL Global Limited ("GCL Global")	● A Cayman Island company ● Incorporated on October 12, 2023 ● Holding company	100.0% owned by Pubco
RF Acquisition Corp ("RFAC")	● A Delaware, US company ● Incorporated on January 11, 2021 ● Holding company	100.0% owned by Pubco
Grand Centrex Limited ("GCL BVI")	● A BVI company ● Incorporated on November 16, 2018 ● Holding company	99.8% owned by GCL Global
GCL Global Pte. Ltd ("GCL Global SG")	● A Singapore company ● Incorporated on July 26, 2021 ● Holding company	100% owned by GCL Global
GCL Taiwan Co, Ltd ("GCL Taiwan")	● A Taiwan company ● Incorporated on November 6, 2025 ● A gaming Company that engages in the distribution and sales of gaming-related products and related services.	100% owned by GCL Global SG
Titan Digital Media Pte. Ltd. ("Titan Digital") (1)	● A Singapore company ● Incorporated on January 08, 2018 ● An advertising Company that provides video production, and advertising on social media platform.	85% owned by GCL Global SG
Epicsoft Asia Pte. Ltd ("Epicsoft Asia")	● A Singapore company ● Incorporated on September 23, 2014 ● A gaming Company that engage in operation of distribution of console games software, and console game code.	100% owned by GCL Global SG
Epicsoft (Hong Kong) Limited ("Epic HK")	● A Hong Kong company ● Incorporated on April 15, 2005 ● A gaming Company that engage in operation of distribution of console games software, and console game code.	100% owned by GCL Global SG
4Divinity HK Limited ("4Divinity HK") (5)	● A Hong Kong company ● Incorporated on March 12, 2026 ● Publishing of game software	100% owned by GCL Global SG

Name	Background	Ownership
4Divinity Pte. Ltd. ("4Divinity SG") (5) (7)	• A Singapore company • Incorporated on September 30, 2022 • Publishing of game software	91.9% owned by 4Divinity HK
4Divinity UK Ltd. ("4Divinity UK")	• A United Kingdom company • Incorporated on December 4, 2024 • Publishing of game software	100% owned by 4Divinity SG
4Divinity Japan Ltd. ("4Divinity JP") (3)	• A Japanese company • Incorporated on April 1, 2025 • Publishing of game software	100% owned by 4Divinity SG
Epicsoft Malaysia Sdn. Bhd. ("Epic MY")	• A Malaysian company • Incorporated on June 26, 2019 • Distribution of console game software and hardware.	100% owned by GCL BVI
2Game Digital Limited ("2Game") (2) (5)	• A Hong Kong company • Incorporated on May 11, 2022 • Distribution of console game code	61% owned by 4Divinity HK
Starry Jewelry Pte. Ltd. ("Starry")	• A Singapore company • Incorporated on June 16, 2020 • Retail in jewelry.	100% owned by Titan Digital
Martiangear Pte. Ltd. ("Martiangear") (1)	• A Singapore company • Incorporated on September 24, 2020 • Retail in gaming desk and chair	100% owned by GCL Global SG
Hainan GCL Technology Co. Ltd. ("Hainan GCL")	• A PRC company • Incorporated on July 26, 2024 • Distribution of console game code	100% owned by GCL Global SG
2 Game Pro LTDA ("2Game Brazil)	• A Brazil company • Incorporated on August 21, 2023 • Distribution of console game code	100% owned by 2Game
2 Game Digital DMCC ("2Game Dubai")	• A U.A.E. company • Incorporated on October 1, 2024 • Distribution of console game code	100% owned by 2Game
Ban Leong Technologies Limited ("Ban Leong") (4)	• A Singapore company • Incorporated on June 18, 1993 • Distribution of computer peripherals and accessories	100% owned by Epicsoft Asia
Digital Hub Pte. Ltd. ("Digital Hub") (4)	• A Singapore company • Incorporated on March 20, 2003 • Distribution of computer peripherals and accessories	100% owned by Ban Leong
AV Labs International Pte. Ltd. ("AV Labs") (4)	• A Singapore company • Incorporated on June 23, 2006 • Marketing and distribution of computer and hardware	100% owned by Ban Leong
Ban Leong Technologies Sdn. Bhd. ("Ban Leong MY") (4)	• A Malaysia company • Incorporated on August 15, 2003 • Distribution of computer peripherals and accessories	100% owned by Ban Leong
Ban Leong Chin Inter Co., Ltd. ("Ban Leong Thailand") (4)	• A Thailand company • Incorporated on July 16, 2004 • Distribution of computer peripherals and accessories	60% owned by Ban Leong
BLC (China) Limited ("BLC China") (4) (6)	• A PRC company • Incorporated on November 27, 2008 • Distribution of corporate gift cards	100% owned by Ban Leong

(1) On December 12, 2024, Titan Digital sold all of its equity interest in Martiangear to GCL Global SG for a total consideration of SGD 10.

(2) On March 19, 2025, GCL Global SG acquired an additional 10% equity interest in 2Game for a total consideration of $1,200,000. As a result of this acquisition, GCL Global SG increased its equity interest in 2Game from 51% to 61% (See Note 19).

(3) On April 1, 2025, 4Divinity JP was established under the laws of Japan to serve as the Company's legal entity presence in Japan, facilitating anticipated business activities and supporting future commercial operations in the region.

(4) On April 30, 2025, Epicsoft Asia launched a voluntary conditional cash offer to acquire all of the issued and paid-up ordinary shares of Ban Leong Technologies Limited ("Ban Leong"), a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"), at an offer price of S$0.6029 per share.

The offer was declared unconditional on May 27, 2025, at which time Epicsoft Asia and parties acting in concert owned, controlled, or had valid acceptances for approximately 50.9% of Ban Leong's issued shares, resulting in Epicsoft Asia obtaining effective control of Ban Leong.

Subsequent to the offer becoming unconditional, Epicsoft Asia continued to receive acceptances, resulting in ownership of more than 90% of Ban Leong's issued shares. Accordingly, Epicsoft Asia exercised its right of compulsory acquisition pursuant to the Companies Act 1967 of Singapore to acquire the remaining shares not tendered in the offer. Upon completion of the compulsory acquisition on August 25, 2025, Epicsoft Asia became the sole shareholder owning 100% of the issued and outstanding shares of Ban Leong. Ban Leong was delisted from the SGX-ST on August 26, 2025. (Note 4)

(5) On March 25, 2026, the Company completed an internal reorganization of its corporate structure by transferring GCL Global SG's equity interests in 4Divinity SG and 2Game, respectivly to 4Divinity HK. Following the transfers, 4Divinity HK directly held 95.1% and 61% of the equity interests in 4Divinity SG and 2Game, respectively. On April 14, 2026, GCL Global SG completed an internal reorganization pursuant to which it transferred its remaining ordinary shares in 4Divinity SG to 4Divinity HK Limited. As a result of the share transfer, 4Divinity SG became a subsidiary of 4Divinity HK Limited. The share transfers were completed as part of an internal restructuring among entities under common control and did not result in any change in the Company's ultimate beneficial ownership or control. Accordingly, the transfers had no impact on the Company's consolidated financial statements.

(6) On February 2, 2026, BLC China was dissolved. The dissolution did not have a material impact on the Company's operations or its consolidated financial statements. The loss recognized in connection with the dissolution was immaterial.

(7) On October 13, 2025 and January 15, 2026, the Company's subsidiary, 4Divinity SG, entered into share subscription agreements with an accredited investor, pursuant to which the investor agreed to subscribe for an aggregate of 5,200,000 newly issued ordinary shares at a subscription price of $2.50 per share, for an aggregate consideration of $13,000,000. As of March 31, 2026, upon completion of the subscriptions, the Company had received aggregate purchase consideration of $13,000,000, and the accredited investor held a 4.9% equity interest in 4Divinity SG.

On March 5, 2026, 4Divinity SG entered into an additional share subscription agreement with the accredited investor, pursuant to which the investor agreed to subscribe for additional newly issued ordinary shares at a subscription price of $2.75 per share for aggregate consideration of $10,000,000. As of March 31, 2026, the Company had received the $10,000,000 subscription proceeds, and the subscription had been completed. The related ordinary shares were subsequently issued in April 2026. As of March 31, 2026, the accredited investor beneficially owned approximately 8.1% of the Company's outstanding ordinary shares. Subsequent to March 31, 2026, 4Divinity SG entered into an additional share subscription agreement with the same accredited investor for aggregate consideration of $9,000,000 at a subscription price of $3.50 per share. As of the date of issuance of these consolidated financial statements, all subscriptions had been completed, resulting in aggregate purchase consideration of $32,000,000 and the accredited investor holding a 10.2% equity interest in 4Divinity SG.

Note 2 — Summary of significant accounting policies

Basis of presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for information pursuant to the rules and regulations of the Securities Exchange Commission ("SEC").

Principles of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. All transactions and balances among the Company and its subsidiaries have been eliminated upon consolidation.

A subsidiary is an entity in which the Company, directly or indirectly, controls more than one half of the voting power; or has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the board of directors, or to cast a majority of votes at the meeting of directors.

Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the periods presented. Significant accounting estimates reflected in the Company's consolidated financial statements include reserve for excess and obsolete inventory, estimates of impairment of long-lived assets and goodwill, other provisions and contingencies, contingent consideration for acquisition, fair value of investment in convertible note, fair value of derivative asset and liability and estimated fair value used in business acquisitions. Actual results could differ from these estimates, and as such, differences may be material to the consolidated financial statements.

Foreign currency translation and transaction

Transactions denominated in currencies other than the functional currency are remeasured into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the consolidated statements of operations and comprehensive income (loss).

The reporting currency of the Company is United States Dollars ("US$") and the accompanying financial statements have been expressed in US$. The Company's subsidiaries in Singapore, Hong Kong, Malaysia, China, Brazil, the United Kingdom, Japan, Thailand, Dubai and Taiwan conduct their businesses and maintain their books and records in US$, or local currencies of Singapore Dollars ("SGD"), Hong Kong Dollar ("HKD"), Malaysian Ringgit ("MYR"), Chinese Yuan ("RMB"), Brazil Real ("BRL"), Great Britain Pound ("GBP"), Japanese Yen ("JPY"), Thai Baht ("THB"), United Arab Emirates Dirham ("AED") and Taiwan dollar ("TWD") as their respective functional currencies.

In general, for consolidation purposes, assets and liabilities of its subsidiaries whose functional currency is not US$ are translated into US$, in accordance with ASC Topic 830-30, "Translation of Financial Statement", using the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates prevailing during the period. The gains and losses resulting from translation of financial statements of foreign subsidiary are recorded as a separate component of accumulated other comprehensive income (loss) within the statements of change in shareholders' equity. Cash flows are also translated at average translation rates for the periods. Therefore, amounts reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the consolidated balance sheets.

Business Combination

The Company accounts for its business combinations using the acquisition method of accounting in accordance with ASC 805 "Business Combinations." The cost of an acquisition is measured as the aggregate of the acquisition date fair value of the assets transferred to the sellers and liabilities incurred by the Company and equity instruments issued. Transaction costs directly attributable to the acquisition are expensed as incurred. Identifiable assets and liabilities acquired or assumed are measured separately at their fair values as of the acquisition date, irrespective of the extent of any non-controlling interests. The excess of (i) the total costs of acquisition, fair value of the non-controlling interests and acquisition date fair value of any previously held equity interest in the acquiree over (ii) the fair value of the identifiable net assets of the acquiree is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiaries acquired, the difference is recognized directly in the consolidated statements of operations and comprehensive income (loss). During the measurement period, which can be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the consolidated statements of operations and comprehensive income (loss).

Non-controlling interests

For the Company's non-wholly owned subsidiaries, a non-controlling interest is recognized to reflect portion of equity that is not attributable, directly or indirectly, to the Company. The cumulative results of operations attributable to non-controlling interests are also recorded as non-controlling interests in the Company's consolidated balance sheets and consolidated statements of operations and comprehensive income (loss). Cash flows related to transactions with non-controlling interests are presented under financing activities in the consolidated statements of cash flows.

Segment reporting

The chief executive officer is identified as the Company's chief operating decision-maker who reviews financial information presented on a consolidated basis, together with disaggregated financial information for the Company's operating segments, and evaluates segment performance and allocates resources primarily based on segment profit (loss). Based on qualitative and quantitative criteria established by Accounting Standards Codification ("ASC") 280, "Segment Reporting", the Company considers itself to be operating within three reportable segments as set forth in Note 25.

Cash and cash equivalents, and restricted cash

Cash is carried at cost and represents cash on hand. Cash equivalents consist of time deposits placed with banks or other financial institutions and all highly liquid investments with an original maturity of three months or less. In addition, cash equivalents also consist of funds received from customers, which were held at the third-party platform's account, and which are unrestricted and immediately available for withdrawal and use.

Restricted cash consists of fixed deposits being held as collateral to secure the banking facilities. As of March 31, 2026 and 2025, the Company had deposit amounted to $2,741,404 and $3,131,335, respectively, held in the banks as collateral to secure the banking facilities which the Company signed with HSBC Bank and Citibank (referred to Note 14).

Accounts receivable, net

Accounts receivable are recognized and carried at the original invoiced amount less an allowance for credit losses and do not bear interest. Customers who owed accounts receivables, are granted credit terms based on their credit metrics. The Company measured the credit loss against its accounts receivable and records the allowance for credit losses as an offset to accounts receivable, and the estimated credit losses charged to the allowance is classified as "general and administrative" in the consolidated statements of operations and comprehensive income (loss). The Company assesses collectability by reviewing accounts receivable on a collective basis where similar characteristics exist, primarily based on similar business line, service or product offerings and on an individual basis when the Company identifies specific customers with known disputes or collectability issues. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the accounts receivable balances, credit quality of the Company's customers based on ongoing credit evaluations, current economic conditions, reasonable and supportable forecast of future economic conditions and other factors that may affect the Company's ability to collect from customers. As of March 31, 2026 and 2025, the Company provided allowance for credit loss of $1,343,107 and $248,956, respectively.

Inventories, net

Inventories are stated at the lower of cost or net realizable value. Weighted average method is the inventory valuation method applied to these inventories. Inventories mainly include physical console game compact disc, gaming hardware, computer peripherals, and accessories which are purchased from the Company's suppliers as merchandized goods. Inventories are reviewed for potential write-down for estimated obsolescence or unmarketable inventories which equals the difference between the costs of inventories and the estimated net realizable value based upon forecasts for future demand and market conditions. When inventories are written down to net realizable value, it is not marked up subsequently based on changes in underlying facts and circumstances. For the years ended March 31, 2026, 2025 and 2024, $172,282, $211,356 and $468,941 of inventories write-down were recorded, respectively.

Other receivables and other current assets, net

Other receivables primarily include receivables from the marketing expense related to promoting console games that the Company paid on behalf of vendors, and refundable deposit such as rental deposit. The Company measures credit loss against its other receivables using the current expected credit loss model under ASC 326. As of March 31, 2026 and 2025, the Company provided allowance for credit loss of $149,739 and $27,923, respectively.

Prepayments, net

Prepayments mainly consist of cash deposited or advanced to suppliers for future inventory purchases and minimum guarantee ("MG") payments made to game developers under publishing agreements. Prepayments for future inventory purchases are refundable if the purchases are not completed and bear no interest. MG payments are advances made to game developers under publishing agreements and are generally recoupable from future game sales.

For any prepayments for which management determines that the Company will not receive inventories or services, recoup the advances, or obtain a refund, as applicable, the Company will recognize an allowance to reserve such balances. Management regularly reviews the aging of such balances and changes in payment and realization trends and records allowances when management believes collection or realization of amounts due are at risk. Delinquent account balances are written off against the allowance after management has determined that the likelihood of completion, collection or realization is not probable. As of March 31, 2026 and 2025, the Company provided allowances related to prepayments of $286,098 and $114,792, respectively.

Property and equipment, net

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets with no residual value. The estimated useful lives are as follows:

	Expected useful lives
Office equipment	3 years
Furniture & fitting	3 years
Motor vehicle	3-5 years
Office and warehouse renovation	Shorter of the lease term or 3 years

The cost and related accumulated depreciation of assets sold or otherwise retired are eliminated from the accounts and any gain or loss is included in the consolidated statements of operations and comprehensive income (loss). Expenditures for maintenance and repairs are charged to earnings as incurred, while additions, renewals and betterments, which are expected to extend the useful life of assets, are capitalized. The Company also re-evaluates the periods of depreciation to determine whether subsequent events and circumstances warrant revised estimates of useful lives.

Indefinite-lived intangible assets (Console Game Codes)

The Company's indefinite-lived intangible assets consisted of the console game codes. The console game codes represent sequences of code providing users with access to specific video games. Acquired from vendors in batches, their primary purpose is for resale. Each console game code grants single access right to the user and is individually identified at cost upon purchase from its vendor.

Each console game code is defined as an intangible asset, due to its lack of physical form. The useful life of an intangible asset should be considered indefinite if no legal, regulatory, contractual, competitive, economic, or other factors limit its useful life to the reporting entity in accordance with ASC 350-30-35-4. Consequently, each console game code is recorded at cost on the Company's consolidated balance sheet and is not subject to amortization. Instead, the cost of each game code will be transferred to cost of goods sold upon the sale of each individual code. Additionally, the remaining balance of the console game codes will continue to generate cash flows from sales activities until the last code is sold, with the total balance and the number of console game codes decreasing as individual codes are sold.

Impairment testing for indefinite-lived intangible assets is conducted on both an interim and annual basis to assess whether the carrying value of an individual asset exceeds its fair value. When the carrying value exceeds fair value, the carrying amount is reduced to the fair value. The assessment for impairment incorporates a review of external factors, including current market prices for console game codes, market demand trends, and market competition. Additionally, the evaluation considers the long-term viability of the console game codes, factoring in elements such as platform support and the lifespan of the gaming ecosystem in which the console game codes operate.

If the fair market value of an indefinite-lived intangible asset is determined to be lower than its carrying value at any point during the reporting period, an impairment loss equal to the difference is recognized in the consolidated statements of operations and comprehensive income (loss). For the years ended March 31, 2026, 2025 and 2024, impairment losses of $16,901, $11,688 and $500,684 respectively, were recorded against indefinite-lived intangible assets.

Definite-lived intangible assets

Definite-lived intangible assets consisted primarily of customer relationships, trademark and license. The estimated useful life and amortization methodology of intangible assets are determined based on the period in which they are expected to contribute directly to cash flows in accordance with ASC Topic 350 "Intangibles — Goodwill and Other". Intangible assets that are determined to have a definite life are amortized over the life of the asset.

Definite-lived intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of any impairment loss for identifiable intangible assets is based on the amount by which the carrying amount of the assets exceeds its fair value determined by using a discounted cash flow model.

Long-term investments

The Company accounts for equity investments without a readily determinable fair value under ASC 321, Investments - Equity Securities. Such investments are initially measured at cost and subsequently adjusted for observable price changes and impairments, if applicable. Impairment assessments are conducted at each reporting date, and any impairment losses are recognized in the consolidated statement of operations and comprehensive loss. Equity investments are evaluated to determine whether they meet the definition of in-substance common stock under ASC 323, Investments - Equity Method and Joint Ventures. Investments that fail to meet this definition are not accounted for under the equity method. Instead, they are classified and measured in accordance with ASC 321.

Goodwill

Goodwill represents the excess of the consideration paid of an acquisition over the fair value of the net identifiable assets of the acquired subsidiaries at the date of acquisition. Goodwill is not amortized and is tested for impairment at least annually, or more often when circumstances indicate impairment may have occurred. Goodwill is carried at cost less accumulated impairment losses. If impairment exists, goodwill is immediately written off to its fair value and the loss is recognized in the consolidated statements of operations and comprehensive income (loss). Impairment losses on goodwill are not reversed.

The Company reviews the carrying value of intangible assets not subject to amortization, including goodwill, to determine whether impairment may exist annually or more frequently if events and circumstances indicate that it is more likely than not that an impairment has occurred.

The table below summarizes the changes in the carrying amount of goodwill for each reporting unit:

	Console game, hardware, computer accessories and other multi-media products	Game Publishing	Advertising service	Others	Total
Balance at March 31, 2024	**$ 2,721,521**	**$ -**	**$ -**	**$ 268,873**	**$ 2,990,394**
Impairments	-	-	-	-	-
Balance at March 31, 2025	**2,721,521**	**-**	**-**	**268,873**	**2,990,394**
Acquired goodwill	9,361,193	-	-	-	9,361,193
Impairments	-	-	-	-	-
Balance at March 31, 2026	**$ 12,082,714**	**$ -**	**$ -**	**$ 268,873**	**$ 12,351,587**

An entity performs its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should recognize a goodwill impairment charge for the amount by which the reporting unit's carrying amount exceeds its fair value. If fair value exceeds the carrying amount, no impairment should be recorded. Any loss recognized should not exceed the total amount of goodwill allocated to that reporting unit.

An entity may still perform the optional qualitative assessment for a reporting unit to determine if it is more likely than not that goodwill is impaired. However, ASU 2017-04 eliminates the requirement to perform a qualitative assessment for any reporting unit with zero or negative carrying amount.

For the years ended March 31, 2025, management evaluated impairment of goodwill by performing qualitative assessment on its reporting units and determined that it is not more likely than not that the fair value of the reporting unit is less than its carrying amount, and therefore, no impairment loss on goodwill was recognized for the years ended March 31, 2025.

For the year ended March 31, 2026 and 2024, management evaluated the recoverability of goodwill by comparing the fair value of a reporting unit with its carrying amount. The Company had engaged with a third-party appraiser in assessing the fair value of the console game, hardware, computer accessories, and other multi-media products reporting unit by applying income approach which considers the present value of the console game, hardware, computer accessories, and other multi-media products reporting unit's future after-tax cash flows, discounting them to present value using 12.5% and 13.0% discount rate for the years ended March 31, 2026 and 2024, respectively. As a result, the fair value of the console game, hardware, computer accessories, and other multi-media products reporting unit exceeds its carrying value, and therefore, no impairment loss on goodwill was recognized for the year ended March 31, 2026 and 2024.

Impairment for long-lived assets

In accordance with ASC 360-10, long-lived assets, including property and equipment with finite lives, are reviewed for impairment loss whenever events or changes in circumstances (such as a significant adverse change to market conditions that will impact the future use of the assets) indicate that the carrying value of an asset may not be recoverable. The Company assesses the recoverability of the assets based on the undiscounted future cash flows the assets are expected to generate and recognizes an impairment loss when estimated undiscounted future cash flows expected to result from the use of the asset plus net proceeds expected from disposition of the asset, if any, are less than the carrying value of the assets. If an impairment loss is identified, the Company will reduce the carrying amount of the asset to its estimated fair value based on a discounted cash flows approach, or, when available and appropriate, comparable market values. As of March 31, 2026 and 2025, no impairment of long-lived assets was recognized.

Derivative asset

In connection with the share sale and purchase Agreement ("2Game SPA") executed on March 19, 2025 between the Company and 2Game's minority shareholders for the acquisition of an additional 10% controlling interest in 2Game, the Company recognized a derivative asset related to a contractual buy-back option and obligation ("Buy-Back Feature") embedded in the agreement. Under the terms of the agreement, the Company has the sole discretion to exercise the buy-back option or may enforce a buy-back obligation requiring the minority shareholders of 2Game to repurchase the acquired shares at a specified premium if certain financial targets are not met within the twelve months ending March 31, 2026. In accordance with ASC 815-40, Derivatives and Hedging, the Company determined that the Buy-Back Feature met the definition of a derivative, and therefore need to be bifurcated and separately accounted for. As a result, the Buy-Back feature is recognized as a derivative asset, measured initially and subsequently at fair value, with changes in fair value recognized in the consolidated statements of operations and comprehensive income (loss) in each reporting period until the obligation is settled or expires.

Contingent consideration for acquisitions

In connection with the business combination set forth in Note 4, the Company recognized contingent consideration for acquisition upon completion of the business combination in accordance with ASC 805-10-55-28. The Company determined the fair value of the contingent consideration for acquisition as the Company has the obligation to pay cash or issuing shares to settle the contingent consideration upon 2Game's achievement of certain performance milestones.

In accordance with ASC 815-40 "Derivatives and Hedging", the Company determined that the contingent consideration for acquisition should be classified as a liability as it is not considered indexed to the Company's stock. As a result, the contingent consideration for acquisition shall be measured initially, and subsequently at fair value on each reporting date. The Company will continue to adjust the carrying value of the contingent consideration for acquisitions until contingency is finally determined. Any changes in fair value will be recorded as a gain or loss in the statements of operations and comprehensive loss.

Contingent consideration for acquisition was valued at the time of acquisition and at March 31, 2025 and 2024, using unobservable inputs and discounted cash flow methodology. The determination of the fair value is based on discounted cash flows, and the key assumptions include the probability of meeting each performance target and the discount factor.

Convertible notes and derivative liabilities

The Company accounts for convertible notes in accordance with ASC 470, Debt, and ASC 815, Derivatives and Hedging. Convertible notes that contain embedded features—such as conversion rights, bonus shares, top-up shares, or other contingent settlement provisions—are evaluated to determine whether the features require bifurcation and separate accounting, on an instrument by instrument basis. For certain instruments, embedded features that are not clearly and closely related to the host instrument and do not qualify for equity classification, the Company has decided to apply the fair value option and measures the entire convertible note at fair value, with changes in fair value recognized as a gain or loss in the consolidated statements of operations and comprehensive income (loss) until conversion.

For other instruments, embedded features that are not clearly and closely related to the host instrument and do not qualify for equity classification are accounted for as derivative liabilities. These derivative liabilities are measured at fair value upon initial recognition and remeasured at each reporting date, with changes in fair value recognized in the consolidated statements of operations and comprehensive income (loss) loss until the instruments are settled.

Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") ASC 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own ordinary shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of equity at the time of issuance. Upon further review of the warrant agreements, the Company concluded that its warrants qualify for equity accounting treatment.

Upon completion of the Business Combination, all of RFAC's public and private placement warrants that were then outstanding were replaced by the Company's public and private placement warrants. The Company treated such warrants replacement as a warrant modification and recognized incremental fair value of $12,014 as a deemed dividend paid to the warrant holders.

Revenue recognition

The Company follows the revenue accounting requirements of Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606) ("Accounting Standards Codification ("ASC") 606"). The core principle underlying the revenue recognition of this ASU allows the Company to recognize revenue that represents the transfer of goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in such exchange. This requires the Company to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time, based on when control of goods and services transfers to a customer.

To achieve that core principle, the Company applies five-step model to recognize revenue from customer contracts. The five-step model requires the Company to (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, including variable consideration to the extent that it is probable that a significant future reversal will not occur, (iv) allocate the transaction price to the respective performance obligations in the contract, and (v) recognize revenue when (or as) the Company satisfies the performance obligation.

The Company recognizes a contract with a customer when the contract is committed in writing, the rights of the parties, including payment terms, are identified, the contract has commercial substance and collectability is probable.

Revenue recognition policies for each type of revenue stream are as follows:

(1) Revenue from sales of console game, gaming hardware, computer accessories and other multimedia products including data storage devices.

The Company generates revenue from distributing gaming content that are compatible with major gaming consoles such as Sony PlayStation, Microsoft Xbox, and personal computers ("PC") to retailers. In addition, the Company sells gaming hardware and accessories, primarily consisting of computer peripherals, multimedia products such as data storage devices, and other gaming-related hardware.

The Company recognized the revenue from sales of console game, gaming hardware, and accessories at a point in time when control of the product is passed to the retailers, generally after the retailers pick up the products or the Company delivers the products to the retailers' appointed forwarding agent, which is the point in time that the retailers are able to direct the use of and obtain substantially all of the economic benefit of the goods. The transfer of control typically occurs at a point in time based on when the retailers have the obligation to pay for the goods, and physical possession of, legal title to, and the risks and rewards of ownership of the goods has been transferred, and the retailers have accepted the goods. Revenue is recognized net of estimates of variable consideration, including product returns, and customer discounts. Historically, the product return was immaterial.

Certain customers have the right to return products, primarily computer accessories and other multimedia products, including data storage devices, within 180 days of sale. Customer remedies may include the exchange of returned products. As a result, the Company estimates and records right-of-return assets and related refund liabilities as a reduction of revenue, when necessary. The Company uses its accumulated historical experience to estimate expected product returns at a portfolio level using the expected value method. As of March 31, 2026, 2025 and 2024, the estimate expected product returns were immaterial.

The Company determined that the shipping and handling activities are performed before the customer obtains control of the good. The Company elects to account for shipping and handling as activities to fulfill the promise to transfer the good, and accrue the related shipping cost.

Cost of revenue from sales of console game, gaming hardware, and accessories consist of cost of purchase of console game compact discs, gaming hardware and accessories, and multimedia products from vendors.

(2) Revenue from sales of console game code

The Company derives its revenue from the sale of console game codes through the following settlement arrangement: (1) fixed price settlement with sales price being predetermined in the contract, and (2) variable price settlement with sales price being variable and to be settled based on retailer's monthly sales.

The Company recognized the revenue from sales of console game code at a point in time when control of the goods is passed to retailers or end users, generally after the console game code was E-delivered to the retailers or end users, which is the point in time that the customers are able to direct the use of, and obtain substantially all of the economic benefit of, the goods. The transfer of control typically occurs at a point in time based on when the retailers or end users have an obligation to pay for the goods, and physical possession of, legal title to, and the risks and rewards of ownership of the goods has been transferred, and the retailers or end users has accepted the goods.

For settlement arrangement under the fixed price settlement, the transaction price is generally fixed and does not contain any variable considerations such as sales returns, discounts, or rebates, as the Company settles the sales with customers on a sales contract basis.

For settlement arrangement under the variable price settlement, the transaction price varies and is determined based on the retailer's monthly sales. The pricing for individual game codes is calculated based on their wholesale price and the quantity sold. Additionally, a proportionate adjustment is made based on the total sales of each specific game code. As a result, the consideration received from retailer can fluctuate, making it a variable component of the overall consideration.

The Company accounts for revenue from sales of console game code under both settlement arrangements as mentioned above on a gross basis as the Company is acting as a principal in these transactions and is responsible for fulfilling the promise to provide specified goods, of which the Company has control and has the ability to direct the use to obtain substantially all the benefits of the goods.

In making this determination, the Company assesses whether it is responsible to fulfill the performance obligation in these transactions, is subject to inventory risk, has latitude in establishing prices, or has met several but not all of these indicators in accordance with ASC 606-10-55-36 through 40. The Company determined that it is primarily responsible for fulfilling the promise to provide the specified good as the Company directly purchases the console game codes from the vendors prior to posting any sale to retailers or end users. Meanwhile, the Company maintained the console game codes electronically which demonstrates that Company has control over the goods and is subject to inventory risk. Furthermore, the Company has discretion in establishing the price of the goods, further demonstrating the Company's ability to direct the use of the goods and obtain substantially all the benefits of the goods.

Cost of revenue from sales of console game code consist of cost of console game codes purchased from vendors.

(3) Revenue from game publishing

The Company generates its revenue from game publishing by providing a non-exclusive license to reproduce, publicly display and perform, transmit, sell, license and otherwise distribute the PC games in object code form ("console game code") to gaming platforms such as Sony's PlayStation Network, Valve's Steam, and Microsoft's Xbox for distribution. In these sales arrangements, the gaming platforms are considered as the Company's customers.

The Company recognizes revenue from game publishing at the point in time when control of the console game code is transferred to the gaming platform, which specifically occurs when the console game code is activated. Since the transaction price for publishing varies and is determined based on a predetermined rate applied to the gaming platform's monthly sales, the Company recognizes revenue based on the consideration expected to be received from the gaming platform.

The Company accounts for revenue from game publishing on a gross basis as the Company is acting as a principal who is primarily responsible for fulfilling the promise to publishing the game on the gaming platform.

Cost of revenue from game publishing consist of game development cost from developers.

(4) Video marketing campaign services

The Company provides video marketing campaign services, which include video production, content alteration based on the customer's specifications, and video publishing on designated influencers' social media platforms. The Company identifies video marketing campaign services as a single performance obligation because the services in the contract cannot be distinct.

The customer cannot simultaneously receive and consume the benefits provided by the Company throughout the performance obligation process, and the customer does not have control on the video content as it is produced. Therefore, none of the criteria of ASC 606-10-25-27 is met, and the Company recognizes revenue from video marketing campaign services at a point in time when the customer takes control of the video. The transfer of control typically occurs when customers are able to direct the use of and obtain substantially all of the economic benefits of the video, which happens when the video production is completed and accepted by the customer.

Cost of revenue from video marketing campaign service consist of video production related cost such as labor and production supplies.

(5) Social media advertising

The Company generates revenue from social media advertising by monetizing video content on social media platforms by allowing advertisement to be displayed within the Company's video posting during the playback process.

Revenue from social media advertising is recognized by the Company when it fulfills its performance obligation at a point in time, which occurs when the Company grants the right to use of the license of the video content to the social media platform, and when the social media platform can derive substantial economic benefit from monetizing the video content. The revenue generated is contingent on a profit- sharing arrangement with the social media platform and is assessed based on multiple factors. These factors include viewer engagement, viewer location, the type of advertisements, the number of advertisements engaged with, and more. The transaction price will be entitled to be received by the Company upon monthly settlement with the social media platform. Consequently, the Company has determined that revenue from social media advertising is recognized at a point in time when it is probable that a significant reversal of the revenue recognized will not occur.

Cost of revenue from social media marketing service consist of video production related cost such as labor and production supplies.

The Company has elected to apply the practical expedient to expense costs as incurred for incremental costs to obtain a contract when the amortization period would have been one year or less. As of March 31, 2026, 2025 and 2024, the Company did not incur any incremental costs to obtain contract.

As of March 31, 2026 and 2025, the Company did not have any contract assets.

The Company recognized advance payments from its customer prior to revenue recognition as contract liability until the revenue recognition performance obligations are met. As of March 31, 2026 and 2025, the contract liabilities amounted to $8,179,636 and $505,323, respectively. For the years ended March 31, 2026, 2025 and 2024, revenue recognized that was included in the beginning period contract liabilities balance amounted to $505,323, $209,903 and $363,726, respectively. As of March 31, 2026 and 2025, there were no contracts with performance obligations beyond twelve months for revenue recognition.

Disaggregated information of revenues by products/services are as follows:

	For the Years Ended March 31,		
	2026	**2025**	**2024**
Console game	$ 160,811,234	$ 36,082,735	$ 38,429,942
Console game code	68,078,926	87,180,808	52,588,862
Console game– subtotal	**228,890,160**	**123,263,543**	**91,018,804**
Game publishing	**7,146,373**	**16,029,523**	**3,431,680**
Video marketing campaign services	1,451,324	1,815,420	2,128,589
Social media advertising services	61,738	422,944	587,500
Media advertising services- subtotal	**1,513,062**	**2,238,364**	**2,716,089**
Other revenue	**1,374,494**	**541,156**	**368,128**
Total revenues	**$ 238,924,089**	**$ 142,072,586**	**$ 97,534,701**

Warranty

The Company generally provides limited warranties for its products sold. At the time a sale is recognized, the Company records estimated future warranty costs under ASC 460. Such estimated costs for warranties are estimated at time of delivery and these warranties are not service warranties separately sold by the Company. Generally, the estimated claim rates of warranty are based on actual warranty experience or the Company's best estimate. As the historical claim rates of warranty were immaterial, the Company did not accrue warranty reserves as of March 31, 2026 and 2025.

Advertisement expense

Advertising is mainly through online and offline promotion activities. Advertisement expenses amounted to $3,579,683, $2,155,033 and $1,547,129 for the years ended March 31, 2026, 2025 and 2024, respectively.

Defined contribution plan

Full-time employees of the Company are entitled to government-mandated defined contribution plan. The Company is required to accrue and pay for these benefits based on certain percentages of the employees' respective salaries, subject to certain ceilings, in accordance with the relevant government regulations, and make cash contributions to the government-mandated defined contribution plan. Total expenses for the plans were $1,094,630, $305,690 and $211,432 for the years ended March 31, 2026, 2025 and 2024, respectively.

The related contribution plans include:

Singapore subsidiaries

- Central Provident Fund ("CPF") — 17.00% based on employee's monthly salary for employees aged 55 and below, reduces progressively to 7.5% as age increase;
- Skill Development Levy ("SDL") — up to 0.25% based on employee's monthly salary capped $8.3 (SGD 11.25).

Malaysian subsidiary

- Social Security Organization ("SOSCO") — 1.75% based on employee's monthly salary capped of RM 4,000;
- Employees Provident Fund ("EPF") — 12% based on employee's monthly salary; and
- Employment Insurance System ("EIS") — 0.2% based on employee's monthly salary capped of RM 5,000.

Hong Kong subsidiaries

— Mandatory Provident Fund ("MPF") — 5% based on employee's monthly salary capped of HKD 30,000;

Brazil subsidiary

— Employees' Severance Indemnity Fund ("FGTS") — 8% based on employee's monthly salary;

— Social Security Contribution ("INSS") — up to 14% based on employee's monthly salary capped of BRL 7,507;

United Kingdom subsidiary

— National Insurance Contribution ("NIC") — up to 15% based on employee's monthly salary, subject to statutory thresholds;

— Workplace Pension — minimum 3% based on qualifying earnings;

Dubai subsidiary

— General Pension and Social Security Authority ("GPSSA") — 12.5% based on employee's monthly salary;

People of republic of China ("PRC") subsidiary

— Social Security and Housing Provident Fund Contributions — Employers are required to contribute to five statutory social insurance programs (pension, medical, unemployment, maternity, and work-related injury) and the housing provident fund. The total employer contribution rate typically ranges from approximately 30% to 40% of each employee's monthly salary, subject to minimum and maximum contribution bases set by local authorities. The exact contribution rates and bases vary by city and province.

Thailand subsidiary

— Social Security and Statutory Employer Contributions — Under Thai law, employers are required to make statutory contributions on behalf of employees to the national Social Security Fund at a rate of 5% of each employee's monthly salary, subject to a maximum contribution base of THB 15,000 per month. These contributions cover benefits such as sickness, maternity, disability, death, unemployment, and old-age pension. In addition, employers are required to contribute annually to the Workmen's Compensation Fund at rates that vary based on industry risk classification.

Japan subsidiary

— Social Security and Statutory Employer Contributions — Employers are required to make statutory contributions on behalf of employees to various social insurance programs, including employees' pension insurance, health insurance (including nursing care insurance), employment insurance, and workers' accident compensation insurance. Total employer contributions generally range from approximately 15% to 20% of each employee's salary, subject to statutory contribution bases and caps determined by the Japanese authorities.

Taiwan subsidiary

— Social Security and Statutory Employer Contributions — Employers in Taiwan are required to make statutory contributions on behalf of employees to various government-sponsored social insurance and retirement programs, including Labor Insurance, National Health Insurance, Employment Insurance, Occupational Accident Insurance, and the Labor Pension Plan under the Labor Pension Act. Employer contribution rates are prescribed by applicable laws and regulations and are generally based on employees' insured salary or monthly wages, subject to statutory contribution bases and maximum contribution limits applicable to each program. For most employees, the aggregate employer contribution is approximately 20% of employees' covered compensation, although the effective rate varies depending on employee compensation levels, applicable statutory salary caps, and industry-specific occupational accident insurance rates.

Goods and Services Taxes ("GST"), Value Added Taxes ("VAT"), and Sales and Service Tax ("SST")

Revenue represents the invoiced value of service, net of applicable GST or VAT. The GST is chargeable on gross sales price. In Singapore, GST rate is 9% for calendar year 2026. In the United Kingdom, VAT is 20%; in China, VAT is generally 13%, with reduced rates of 9% and 6% for specific industries; in Dubai, United Arab Emirates, VAT is 5%; and In Japan, consumption tax is 10%, with a reduced rate of 8% applicable to certain qualifying items. In Thailand, VAT is 7%. Entities that are GST/VAT-registered are allowed to offset qualified input GST/VAT paid to suppliers against their output GST/VAT liabilities. In Malaysia, the Sales and Service Tax ("SST") generally consists of a 6% service tax on prescribed taxable services, while sales tax is generally imposed at rates of 5% or 10% on certain taxable goods. Net GST/VAT/SST balance between input GST/VAT and output GST/VAT is recorded in tax payable or receivable.

Income taxes

The Company accounts for income taxes in accordance with ASC 740, Income tax. The charge for taxation is based on the results for the fiscal year and adjusted for items, which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date

Deferred tax is calculated using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax basis. In principle, deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is more likely than not that taxable income will be utilized with prior net operating loss carried forwards using tax rates that are expected to apply to the period when the asset is realized or the liability is settled. Deferred tax is charged or credited in the income statement, except when it is related to items credited or charged directly to equity. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be utilized. Current income taxes are provided for in accordance with the laws of the relevant tax authorities.

An uncertain tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. No penalties and interest were incurred related to underpayment of income tax for the years ended March 31, 2026, 2025 and 2024.

The Company recognizes interest and penalties related to unrecognized tax benefits, if any, on the other expense line in the accompanying consolidated statement of operation and comprehensive loss. Accrued interest and penalties are included on the other payables and accrued liabilities line in the consolidated balance sheets.

The Company conducts a significant portion of its business activities in Singapore, Malaysia, Hong Kong, Thailand and the People's Republic of China ("PRC") and is subject to taxation in these jurisdictions. As a result of these activities, the Company's subsidiaries file separate tax returns that are subject to examination by the respective foreign tax authorities. As of March 31, 2026, the tax returns for the Company's Singapore entities for the years 2023 through 2026 remain open for statutory examination by the Singapore tax authorities. Similarly, the tax returns for the Company's Hong Kong entities for the years 2021 through 2026 remain open for examination by the Hong Kong tax authorities. The tax returns for the Company's Malaysia entity for the years 2022 through 2026 also remain open for examination by the Malaysian tax authorities. In addition, the tax return for the Company's PRC entity for the year 2025 remains open for statutory examination by the PRC tax authorities. The tax returns for the Company's Thailand entity for the years 2022 through 2026 remain open for examination by the Thai tax authorities.

Debt discount and issuance Costs

Debt discounts arise when the proceeds received from issuing debt, including convertible notes, are less than the principal amount due to embedded features, beneficial conversion features, or other allocated components. Debt issuance costs consist primarily of legal fees, professional fees, and other direct costs incurred in connection with the issuance of debt instruments. For debt instruments that are not measured at fair value under the fair value option, both the debt discount and debt issuance costs are recorded as direct reductions of the carrying amount of the related debt and are amortized to interest expense over the contractual term of the debt using the effective interest method.

When certain embedded features are required to be bifurcated and accounted for separately as derivative liabilities or other components, the related debt discount and debt issuance costs are allocated between the debt host and the bifurcated components using an approach that is consistent with the allocation of proceeds between the freestanding financial instruments. The portion allocated to the debt host is amortized to interest expense over the term of the debt, while the portion allocated to bifurcated derivative components is expensed as incurred. If the Company has elected to account for the convertible notes at fair value under the fair value option, all related debt issuance costs are expensed immediately in the period incurred.

The Company incurred debt issuance costs in connection with the issuance of bank loan (See Note 14), and convertible notes (See Note 16).

Share-based compensation

The Company accounts for share-based compensation awards to non-employees in accordance with FASB ASC Topic 718 amended by ASU 2018-07. Under FASB ASC Topic 718, stock compensation granted to non-employees has been determined as the fair value of the consideration received or the fair value of equity instrument issued, whichever is more reliably measured and is recognized as an expense as the goods or services are received. For awards settled in ordinary shares, fair value is determined based on the quoted market price of the Company's ordinary shares on the measurement date. Compensation cost is recognized on a straight-line basis over the requisite service period.

Comprehensive income (loss)

Comprehensive income (loss) consists of two components, namely net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) refers to revenue, expenses, gains and losses that under U.S. GAAP are recorded as an element of shareholders' equity but are excluded from net income (loss). Other comprehensive income (loss) includes items such as results of foreign currency translation adjustment.

Earnings (loss) per share

The Company computes earnings or loss per share ("EPS") in accordance with ASC 260, "Earnings per Share". ASC 260 requires companies to present basic and diluted EPS. Basic EPS is measured as net income attributable to the Company divided by the weighted average ordinary share outstanding for the period. Diluted EPS presents the diluted effect on a per share basis of the potential ordinary shares (e.g., convertible securities, options and warrants) as if they had been converted at the beginning of the periods presented, or issuance date, if later. Potential ordinary shares that have an anti-dilutive effect (i.e., those that increase income per share or decrease loss per share) are excluded from the calculation of diluted EPS. For the years ended March 31, 2026, 2025 and 2024, the Company had the 16,500,000, 16,500,000 and nil shares of warrants, respectively, outstanding which were not included in the calculation of diluted net income (loss) per ordinary share because inclusion thereof would be anti-dilutive.

Fair value measurements

Fair value is defined as the price that would be received for an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. When determining the fair value measurements for assets and liabilities, we consider the principal or most advantageous market in which it would transact and consider assumptions that market participants would use when pricing the asset or liability. The following summarizes the three levels of inputs required to measure fair value, of which the first two are considered observable and the third is considered unobservable:

Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value for certain assets and liabilities such as cash and restricted cash, accounts receivable, net, amount due from related parties, other receivables and other current assets, prepayments, banking facilities, accounts payable, contract liabilities, amount due to related parties, other payables and accrued liabilities, and tax payables have been determined to approximate carrying amounts due to the short maturities of these instruments. The Company believes that its long-term bank facilities approximate the fair value based on current yields for debt instruments with similar terms.

The following table sets forth by level within the fair value hierarchy our financial asset and liability that were accounted for at fair value on a recurring basis. As of March 31, 2026 and 2025 and February 11, 2026:

	Carrying Value at March 31, 2026	Fair Value Measurement at March 31, 2026		
		Level 1	Level 2	Level 3
Derivative asset attributable to Buy-Back Feature embedded in 2Game SPA (Note 19)	$ 326,766	$ -	$ -	$ 326,766
Derivative liabilities (Top-Up Shares) (Note 16)	$ 16,206,000	$ -	$ -	$ 16,206,000
Derivative liabilities (conversion feature) (Note 16)	$ 495,000	$ -	$ -	$ 495,000

	Carrying Value at February 11, 2026 (Conversion Date)	Fair Value Measurement at March 31, 2026		
		Level 1	Level 2	Level 3
Investment in convertible notes (Note 6)	$ 1,406,625	$ -	$ -	$ 1,406,625

	Carrying Value at March 31, 2025	Fair Value Measurement at March 31, 2025		
		Level 1	Level 2	Level 3
Derivative asset attributable to Buy-Back Feature embedded in 2Game SPA (Note 19)	$ 269,119	$ -	$ -	$ 269,119
Contingent consideration for acquisition of 2Game (Note 4)	$ 1,121,006	$ -	$ -	$ 1,121,006
Derivative liabilities (Top-Up Shares) (Note 16)	$ 3,086,519	$ -	$ -	$ 3,086,519

The following is a reconciliation of the beginning and ending balance of the financial assets and liability measured at fair value on a recurring basis for the years ended March 31, 2026, 2025 and 2024:

	Derivative Asset
Initial fair value of derivative assets attributable to Buy-Back Feature embedded in 2Game SPA	$ 269,119
Change in fair value of derivative asset	-
Ending balance as of March 31, 2025	269,119
Change in fair value of derivative asset	46,388
Exchange rate difference	11,259
Ending balance as of March 31, 2026	$ 326,766

	Investment in convertible notes
Acquired upon acquisition of Ban Leong	$ 2,597,253
Change in fair value of investment in convertible note	(1,188,928)
Exchange rate difference	(1,700)
Conversion to long-term investment	(1,406,625)
Ending balance as of March 31, 2026	$ -

	Contingent consideration for acquisition
Ending balance as of March 31, 2024	3,697,000
Payments of cash and share consideration	(3,068,835)
Change in fair value of contingent consideration for acquisition	545,428
Exchange rate difference	(52,587)
Ending balance as of March 31, 2025	1,121,006
Change in fair value of contingent consideration for acquisition	(73,352)
Exchange rate difference	74,072
Payments of share consideration	(1,121,726)
Ending balance as of March 31, 2026	$ -

	Convertible notes
Initial fair value of convertible notes	$ 33,025,000
Conversion of the convertible notes	(25,063,061)
Change in fair value of convertible notes upon conversion of the convertible notes	(5,254,103)
Fair value allocated to Top-Up Shares upon conversion of the convertible notes	(2,707,836)
Ending balance as of March 31, 2025 and 2026	$ -

	Derivative liabilities (Top-Up Shares)
Fair value allocated to Top-Up Shares upon conversion of the convertible notes	$ 2,707,836
Change in fair value of derivative liability	378,683
Ending balance as of March 31, 2025	3,086,519
Change in fair value of derivative liability	13,119,481
Ending balance as of March 31, 2026	$ 16,206,000

	Derivative liabilities (Conversion feature)
Fair value allocated to conversion feature at inception date	$ 2,923,000
Conversion	(1,502,937)
Change in fair value of derivative liability	(925,063)
Ending balance as of March 31, 2026	$ 495,000

Leases

The Company accounts for leases in accordance with ASU 2016-02, "Leases" (Topic 842).

If any of the following criteria are met, the Company classifies the lease as a finance lease:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
- The lease grants the lessee an option to purchase the underlying asset that the Company is reasonably certain to exercise;
- The lease term is for 75% or more of the remaining economic life of the underlying asset, unless the commencement date falls within the last 25% of the economic life of the underlying asset;
- The present value of the sum of the lease payments equals or exceeds 90% of the fair value of the underlying asset; or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Leases that do not meet any of the above criteria are accounted for as operating leases.

The Company combines lease and non-lease components in its contracts under Topic 842, when permissible.

Finance and operating lease right-of-use ("ROU") assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Since the implicit rate for the Company's leases is not readily determinable, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term.

Lease terms used to calculate the present value of lease payments generally do not include any options to extend, renew, or terminate the lease, as the Company does not have reasonable certainty at lease inception that these options will be exercised. The Company generally considers the economic life of its finance or operating lease ROU assets to be comparable to the useful life of similar owned assets. The Company has elected the short-term lease exception, therefore operating lease ROU assets and liabilities do not include leases with a lease term of twelve months or less. Its leases generally do not provide a residual guarantee.

The finance or operating lease ROU asset also excludes lease incentives. Lease expense is recognized on a straight-line basis over the lease term for operating lease. Meanwhile, the Company recognizes the finance leases ROU assets and interest on an amortized cost basis. The amortization of finance ROU assets is recognized on straight-line basis as amortization expense, while the lease liability is increased to reflect interest on the liability and decreased to reflect the lease payments made during the period. Interest expense on the lease liability is determined each period during the lease term.

The Company reviews the impairment of its ROU assets consistent with the approach applied for its other long-lived assets. The Company reviews the recoverability of its long-lived assets when events or changes in circumstances occur that indicate that the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on its ability to recover the carrying value of the asset from the expected undiscounted future pre-tax cash flows of the related operations. The Company has elected to include the carrying amount of operating lease liabilities in any tested asset group and include the associated operating lease payments in the undiscounted future pre-tax cash flows. For the years ended March 31, 2026, 2025 and 2024, the Company did not recognize impairment loss on its finance and operating lease ROU assets.

Related parties

The Company identifies related parties, accounts for and discloses related party transactions in accordance with ASC 850, "Related Party Disclosures" and other relevant ASC standards.

Corporations or individual parties are considered to be related if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions. Entities are also considered to be related if they are subject to common control or common significant influence.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

Commitments and contingencies

The Company adheres to ASC 450, "Contingencies" for the recognition, measurement, and disclosure of commitments and contingencies. Contingencies, representing uncertainties related to potential liabilities or gains stemming from past events, are evaluated based on available information, legal counsel advice, and historical experience. The Company records accruals for losses when it is probable and reasonably estimable.

Recent accounting pronouncements

The Company considers the applicability and impact of all accounting standards updates ("ASUs"). Management periodically reviews new accounting standards that are issued. Under the Jumpstart Our Business Startups Act of 2012, as amended (the "JOBS Act"), the Company meets the definition of an emerging growth company and has elected the extended transition period for complying with new or revised accounting standards, which delays the adoption of these accounting standards until they would apply to private companies.

New Accounting Standards That Have Been Adopted:

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The ASU requires the annual financial statements to include consistent categories and greater disaggregation of information in the rate reconciliation, and income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for public business entities for annual periods beginning after December 15, 2024, and interim periods within those annual periods; early adoption is permitted. Adoption is either with a prospective method or a fully retrospective method of transition. The Company adopted ASU 2023-07 on April 1, 2025, on a prospective basis, and the adoption does not have a material impact on its financial statements.

New Accounting Standards That Have Not Yet Been Adopted:

In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements—Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*, which amends various disclosure and presentation requirements in the Codification to align them with the SEC's disclosure requirements and improve consistency and comparability. The effective date depends on when the SEC removes the related disclosure requirements from Regulation S-X or Regulation S-K, and early adoption is not permitted. If the SEC does not remove the applicable disclosure requirement by June 30, 2027, the related amendment will not become effective. The Company is currently evaluating the impact of the adoption of this ASU on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-04, *Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*, which clarifies the accounting for induced conversions of convertible debt, including the consideration required to qualify as an induced conversion and the applicability of the guidance to certain instruments not currently convertible. The amendments are effective for annual periods beginning after December 15, 2025, with early adoption permitted for entities that have adopted ASU 2020-06. The Company is currently evaluating the impact of the adoption of this ASU on its consolidated financial statements and related disclosures.

On November 4, 2024, the FASB issued ASU No. 2024-03, Expense Disaggregation Disclosures ("ASU 2024-03"). ASU 2024-03 amends ASC 220, Comprehensive Income to expand income statement expense disclosures and require disclosure in the notes to the financial statements of specified information about certain costs and expenses. ASU 2024-03 is required to be adopted for fiscal years commencing after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of adopting the standard on its consolidated financial statements.

In January 2025, the FASB issued ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, which clarifies the effective date of ASU 2024-03 for non-calendar year-end public business entities. The amendments confirm that all public business entities should initially adopt the disclosure requirements in the first annual reporting period beginning after December 15, 2026, with interim reporting beginning after December 15, 2027. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which simplifies the guidance for capitalizing internal-use software costs by eliminating the prescribed software development stages. The amendments are effective for annual periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this ASU and does not expect its adoption to have a material effect on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements*, which includes targeted amendments to clarify, correct, and improve various topics in the Codification. The amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of this ASU and does not expect its adoption to have a material effect on its consolidated financial statements.

Except as mentioned above, the Company does not believe other recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on the Company's consolidated balance sheets, statements of operations and comprehensive income (loss) and statements of cash flow.

Note 3 — Reverse recapitalization

On February 13, 2025 (the "Closing Date"), the Company consummated the transactions contemplated by that certain agreement and plan of merger dated October 18, 2023 (as amended on December 1, 2023, December 15, 2023, January 31, 2024, and September 30, 2024, the "Merger Agreement"), entered by and among (i) the Company, (ii) RFAC, (iii) GCL BVI, (iv) GCL Global, and, (v) Sponsor. Pursuant to the Merger Agreement, the Company formed two wholly-owned subsidiaries for the purpose of participating in the contemplated transactions: (i) a Cayman Islands exempted company limited by shares ("Merger Sub 1"), and (ii) a Delaware corporation ("Merger Sub 2"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Merger Agreement. On the Closing Date, pursuant to the Merger Agreement: (a) Merger Sub 1 merged with and into GCL Global, with GCL Global continuing as the surviving entity in the merger (the "Initial Merger"), as a result of which: (i) GCL Global became a wholly-owned subsidiary of the Company and (ii) each issued and outstanding security of GCL Global immediately prior to the consummation of the Merger was no longer outstanding and automatically cancelled, in exchange for the right of the holder thereof to receive such number of newly issued shares of the Company specified below; and (b) Merger Sub 2 merged with and into RFAC, with RFAC surviving such merger as a wholly owned subsidiary of the Company (the "SPAC Merger" and together with the Initial Merger, the "Mergers", and together the other transactions and ancillary agreements contemplated by the Merger Agreement and the Ancillary Agreements (as defined below), the "Business Combination" or "Transactions"). As a result of the Transactions, RFAC and GCL Global each became a wholly-owned subsidiary of the Company.

Upon the consummation of the Business Combination, the following transaction ("collectively, the "Transaction") were completed, based on the Company's capitalization as of February 13, 2025:

- Each ordinary share of GCL Global issued and outstanding immediately prior to the Initial Merger Effective Time (other than any treasury shares or Dissenting Shares), was automatically cancelled and ceased to exist in exchange for the right to receive, such number of newly issued ordinary shares of PubCo, par value $0.0001 per share (the "PubCo Ordinary Shares") at an exchange ratio of 1 for 4.0536 ("Exchange Ratio"), rounded up to the nearest whole share (the "Merger Consideration Shares"), and as of the Initial Merger Effective Time, each Company Shareholder (as defined in the Merger Agreement) ceased to have any other rights in and to GCL Global (other than any applicable appraisal and dissenter's rights);

- Each share of RFAC common stock, including RFAC Class A Common Stock and RFAC Class B Common Stock, issued and outstanding immediately prior to the effective time of the Business Combination (other than any redeemed shares) was automatically cancelled and ceased to exist and, for each share of RFAC common stock, the Company issued to each RFAC shareholder (other than RFAC shareholders who exercised their redemption rights in connection with the Business Combination) one validly issued Company ordinary share

- Each RFAC warrant issued and outstanding immediately prior to effective time of the Business Combination converted into a Company warrant to purchase one ordinary share of the Company (each, a "Warrant") (or equivalent portion thereof). The Warrants have substantially the same terms and conditions as set forth in the RFAC warrants, except that the Warrant is exercisable for shares of the Company ordinary shares rather than RFAC common stock;

- Every 10 RFAC Rights issued and outstanding immediately prior to the effective time of the Business Combination converted into one ordinary share of the Company (rounded down to the nearest whole share). Upon closing of the Business Combination, 11,499,980 RFAC Rights were converted into 1,149,998 shares of the Company's ordinary shares;

- 2,000,000 shares of the Company's ordinary shares were issued as an incentive to certain investors in connection with transaction financing; and

The following table presents the number of the Company's ordinary shares issued and outstanding immediately following the Reverse Recapitalization:

	Ordinary Share
RFAC's common stock outstanding prior to Reverse Recapitalization	4,276,394
Ordinary shares issued at the Closing as an incentive to certain investors designated by RFAC Sponsor in connection with Transaction Financing	2,000,000
Conversion of GCL Global's ordinary shares	120,000,000
Minus ordinary share placed in escrow:	
Bonus Shares in connection with convertible note (See Note 16)	(2,201,665)
Issuance of ordinary shares in connection with long-term investment in Nekcom Inc. ("Nekcom") (See Note 6)	(2,126,729)
Rounding	(22)
Total ordinary share issued and outstanding	121,947,978

GCL Global was determined to be the accounting acquirer given GGL Global effectively controlled the combined entity after the SPAC Transaction. The transaction is not a business combination because RFAC was not a business. The transaction is accounted for as a reverse recapitalization, which is equivalent to the issuance of shares by GCL Global for the net monetary assets of RFAC, accompanied by a recapitalization. GCL Global is determined as the accounting acquirer and the historical financial statements of GCL Global became the Company's historical financial statements, with retrospective adjustments to give effect of the reverse recapitalization. The net assets of RFAC were recognized as of the closing date at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Merger are those of GCL Global and GCL Global's operations are the only ongoing operations of GCL.

In connection with the Reverse Recapitalization, the Company raised approximately $0.6 million of proceeds, presented as cash flows from financing activities, which included the contribution of approximately $0.6 million of funds held in RFAC's trust account and cash held in RFAC's operating cash account.

The following table reconciles the elements of the Reverse Recapitalization to the consolidated statements of cash flows, changes in shareholders' equity, and net deficit of RFAC as of the closing date.

	At Closing date February 13, 2025
Funds held in RFAC's trust account	$ 499,932
Funds held in RFAC's operating cash account	111,776
Proceeds from the Reverse Recapitalization	611,708
Less: non-cash net deficit assumed from RFAC	(10,692,920)
Net deficit from issuance of ordinary shares upon the Reverse Recapitalization	$ (10,081,212)

Note 4 — Business Combination

— Acquisition of 2Game

On July 31, 2022, GCL Global SG entered into a share purchase agreement (the "SPA") with three unrelated parties to acquire a 51% equity interest in 2Game. 2Game, incorporated in Hong Kong, primarily engages in the distribution of game codes and other related consumer items. Pursuant to the SPA, the Company is obligated to pay an aggregate of up to $6,120,000 consideration which consist of following five tranches to the aforementioned three parties upon certain conditions are met.

- **Tranche 1** — A cash consideration of $6,550 is to be paid upon the completion of the acquisition of 2Game.
- **Tranche 2** — A consideration of $2,993,450, comprised of 67% in cash and 33% in shares, is to be issued upon the successful listing on the US capital market.
- **Tranche 3** — A consideration of $800,000, comprising 67% in cash and 33% in shares, is to be paid upon 2Game's achievement in a gross revenue target of $19,400,000 and a Net Profit After Tax (NPAT) of $714,273 for the fiscal year ending March 31, 2023.

- **Tranche 4** — A consideration of $1,000,000, comprising 67% in cash and 33% in shares, is to be paid upon 2Game's achievement in a gross revenue target of $31,072,773 and an NPAT of $893,201 for the fiscal year ending March 31, 2024.

- **Tranche 5** — A consideration of $1,320,000, comprising 67% in cash and 33% in shares, is to be paid upon 2Game's achievement in a gross revenue target of $37,852,287 and an NPAT of $1,238,956 for the fiscal year ending March 31, 2025

Under Tranche 3 to 5, in the event that either one or both the gross revenue and NPAT are below the gross revenue target and NPAT target, the consideration shares shall be reduced on a pro rata basis.

Additionally, in the event of 2Game's net profit after tax ("NPAT") is in excess of the NPAT target set out in financial performance milestones, the above mentioned third parties shall be entitled to the additional cash and shares consideration ("Outperformance Consideration").

On October 17, 2023, parties, through a contract addendum, changed the consideration payment schedule to the following:

- **Tranche 2** — A consideration of $2,993,450, comprised of 100% in shares, is to be issued upon the successful listing on the US capital market.

- **Tranche 4** — A consideration of $1,000,000, comprising 100% in cash, is to be paid upon 2Game's achievement in a gross revenue target of $31,072,773 and an NPAT of $893,201 for the fiscal year ending March 31, 2024.

- **Tranche 5** — A consideration of $1,320,000, comprising 100% in shares, is to be paid upon 2Game's achievement in a gross revenue target of $37,852,287 and an NPAT of $1,238,956 for the fiscal year ending March 31, 2025.

On December 29, 2024, parties, through another addendum, changed the consideration payment schedule.

- **Tranche 2** — A consideration of $2,993,450, comprised of 10% in cash and 90% in shares, is to be issued upon the successful listing on the US capital market.

On August 12, 2025, parties entered into an addendum ("Final Addendum") to the existing share purchase agreements to provide a final and conclusive settlement ("Final Settlement") of the share-based consideration previously issued to the sellers in connection with the 2Game acquisition. The addendum establishes a limited price-protection mechanism, subject to a cap of $5,137,569, based on certain market conditions of the Company's shares. The addendum further provides that the sellers irrevocably waive and release all claims against the Company and its affiliates arising from the prior share purchase agreements, while preserving the Company's rights under those agreements, and constitutes a full and final settlement of all legacy rights and obligations relating to the share consideration.

As of March 31, 2026, the Company has achieved the milestones associated with Tranches 1 through 5 and Final Settlement. The corresponding cash or share consideration for Tranches 1 through 5 and final settlement of the share-based consideration has been fully settled.

The Company's acquisition of 2Game was accounted for as a business combination in accordance with ASC 805. The Company has allocated the purchase price of 2Game based upon the fair value of the identifiable assets acquired and liabilities assumed on the acquisition date. The Company estimated the fair values of the assets acquired and liabilities assumed at the acquisition date in accordance with the business combination standard issued by the FASB using the fair value approach. Management of the Company is responsible for determining the fair value of assets acquired, liabilities assumed, and intangible assets identified as of the acquisition date. Acquisition-related costs incurred for the acquisitions amounted to $78,254 and have been expensed as incurred in general and administrative expenses.

The Company concluded that the acquisition of 2Game was not significant based on assessments using the income test, asset test, and investment test pursuant to S-X Rule 3-05. Pursuant to ASC 805-10-50-2 (h). the unaudited pro forma information of the Company for the year ended March 31, 2023 set forth below gives effect to the business combination as if it had occurred on April 1, 2022 and combines the results of operations of the Company since then. The unaudited pro forma information is presented after applying the Company's accounting policies and elimination intra-entity transactions, as applicable. The unaudited pro forma information does not include any impact of transaction synergies and is presented for informational purposes only and is not necessarily indicative of the results of operations that would actually have been occurred had the business combination been consummated as of that time or that may result in the future:

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Unaudited pro forma revenue	$ 77,444,155	$ 65,827,057
Unaudited pro forma net income	$ 2,140,643	$ 4,586,525
Cash		$ 6,550
* Contingent consideration for acquisition		3,360,848
Total consideration at fair value		**$ 3,367,398**

* As of the acquisition date of 2Game, the fair value of the contingent consideration for acquisition was determined to be $3,360,848, which included approximately $55,000 outperformance consideration. Subsequently, the change of fair value of the contingent consideration for acquisition amounted to a loss $19,438, $545,428 and $272,029 for the years ended March 31, 2026, 2025 and 2024, respectively. As March 31, 2026, the fair value of contingent consideration for acquisition was nil. As March 31, 2025, the fair value of contingent consideration for acquisition amounted to $1,121,006.

The following table summarizes the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, which represents the net purchase price allocation at the date of the acquisition of 2Game:

	Fair value as of acquisition date
Total consideration	$ 3,367,398
Non-controlling interest	2,590,000
Less: net assets of 2Game:	
Cash	428
Prepayments	7,338
Intangible assets	4,742,000
Total assets	4,749,766
Accounts payable	(33,382)
Deferred tax liability	(806,140)
Total liabilities	(839,522)
Total net assets of 2Game	3,910,244
Goodwill	$ 2,047,154

The purchase price was allocated to the identifiable intangible assets acquired and liabilities assumed based on their acquisition date estimated fair values. The identifiable intangible assets principally included customer relationships, with estimated useful lives of 4.6 years based on the expected future economic benefit of the assets and are being amortized over the estimated useful life in proportion to the economic benefits consumed using the straight-line method.

The Company, with the assistance of a third-party appraiser, assessed the fair value of the 100% equity interest, identifiable intangible assets acquired, and non-controlling interest in 2Game through using income approach based on the following factors: (a) assumptions on the market and the asset that are considered to be fair and reasonable; (b) financial performance that shows a consistent trend of the operation; (c) consideration and analysis on the micro and macro economy affecting the subject asset; (d) analysis on tactical planning, management standard and synergy of the subject assets; (e) analytical review of the subject asset; and (f) assessment of the leverage and liquidity of the subject asset. The significant assumption being used by the Company includes financial forecast, discount rate and attribution rate.

The fair value of the non-controlling interest in 2Game's was measured based on significant inputs that are not observable in the market and thus represents a Level 3 measurement. Key assumption includes adjustments because of the lack of control that market participants would consider when estimating the fair value of the non-controlling interest in 2Game.

The fair value of client relationships was estimated using a multi-period excess earnings method. To calculate fair value, the Company estimated the attribution rate and used cash flows discounted at a rate considered appropriate given the inherent risks associated with each client grouping.

The goodwill is not deductible for income tax purposes and is related primarily to the expected synergies from combining the operations into the Company's console games business.

— Acquisition of Starry

On April 12, 2023, the Company, through its subsidiary, Titan Digital, entered into a sale and purchase agreements ("SPA1") with Debbie Soon Rui Yi ("Debbie"), a related party who is the spouse of Jianhao Tan, the CEO of Titan Digital, to acquire 100% equity interest in Starry. Starry was incorporated in Singapore on June 16, 2020, and its principal activities mainly include distribution of Jewelry. Pursuant to the SPA1, Titan digital is obligated to issue 17,648 or 15% of Titan Digital's ordinary shares to Debbie. On April 12, 2023, the acquisition of starry was completed ("Acquisition date"), and 17,648 shares of Titan Digital's ordinary shares were issued to Debbie.

The Company's acquisition of Starry was accounted for as a business combination in accordance with ASC 805. The Company has allocated the purchase price of Starry based upon the fair value of the identifiable assets acquired and liabilities assumed on the acquisition date. The Company estimated the fair values of the assets acquired and liabilities assumed at the acquisition date in accordance with the business combination standard issued by the FASB using the fair value approach. Management of the Company is responsible for determining the fair value of assets acquired, liabilities assumed, and intangible assets identified as of the acquisition date. Acquisition-related costs incurred for the acquisitions were not material and were expensed as incurred in general and administrative expenses.

Based on assessments using the income test, asset test, and investment test pursuant to S-X Rule 3-05, the Company concluded that the acquisition of Starry was not significant. Pursuant to ASC 805-10-50-2 (h). the unaudited pro forma information of the Company for the years ended March 31, 2024, and 2023 set forth below gives effect to the business combination as if it had occurred on April 1, 2022 and combines the results of operations of the Company since then. The unaudited pro forma information is presented after applying the Company's accounting policies and elimination intra-entity transactions, as applicable. The unaudited pro forma information does not include any impact of transaction synergies and is presented for informational purposes only and is not necessarily indicative of the results of operations that would actually have been occurred had the business combination been consummated as of that time or that may result in the future.

	For the year ended March 31, 2024
Unaudited pro forma revenue	$ 97,534,701
Unaudited pro forma net income	$ (1,960,956)

The following tables summarizes the consideration transferred to acquiring starry at the date of acquisition:

Share issuance*	$ 564,546
Total consideration at fair value	**$ 564,546**

* The fair value of Titan's share issuance on April 12, 2023 were estimated by applying discounted cash flow approach which considers the present value of Titan Digital's future after-tax cash flows using a 14.0% discount rate.

The following table summarizes the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, which represents the net purchase price allocation at the date of the acquisition of Starry:

	Fair value as of acquisition date
Total consideration	$ 564,546
Less: net assets of Starry:	
Cash	128,843
Inventory	57,102
Prepaid expense	34,202
Deposit Paid	442
Intangible asset	131,810
Total assets	352,399
Accounts payable	(9,796)
Other payable	(23,896)
Deferred tax liability	(23,034)
Total liabilities	(56,726)
Total net assets of Starry	295,673
Goodwill	$ 268,873

The purchase price was allocated to the identifiable intangible assets acquired and liabilities assumed based on their acquisition date estimated fair values. The identifiable intangible assets principally included licenses, with estimated useful lives of 1.0 years based on the expected future economic benefit of the assets and are being amortized over the estimated useful life in proportion to the economic benefits consumed using the straight-line method.

The Company, with the assistance of a third-party appraiser, assessed the fair value of the 100% equity interest, and identifiable intangible assets acquired, in Starry through using income approach based on a number of factors including in the valuations from the third-party appraiser. The significant assumptions used by the Company include financial forecast and discount rate.

The fair value of the licenses was estimated using a relief-from-royalty method. This method calculates fair value by assuming that if the license were to be acquired from a third-party owner, a royalty rate on revenue would be charged for the privilege of using the asset. Therefore, the fair value of the licenses represents the present value of the after-tax royalties saved as a result of owning the legal right to utilize the licenses.

The goodwill, which is not deductible for income tax purposes, is primarily attributed to the enhanced brand recognition expected from integrating Starry's operations. The acquisition of Starry is strategically aimed at leveraging its expertise in jewelry and accessories retail. By collaborating with Starry, the Company plans to create unique, game character-inspired jewelry and accessories. This collaboration will not only promote and market certain games but also expand the Company's customer base. The synergy between the gaming operations and the jewelry business is expected to increase brand visibility and appeal to a broader demographic, thereby enhancing brand recognition.

— Acquisition of Martiangear

On July 25, 2023, the Company through its subsidiary, Titan Digital, entered into a sale and purchase agreements ("SPA2") with two third-parties ("Vendors") to acquire 100% equity interest of Martiangear. Martiangear was incorporated in Singapore on September 24, 2020, and its principal activities include distribution of gaming desks and chairs. The acquisition of Martiangear was completed on September 4, 2023 ("Acquisition Date"). Pursuant to the SPA2, the Company is obligated to remit an aggregate total of $835,348 consideration in fair value which consist of following three tranches to the Vendors.

- **Tranche 1** — 217,724 of the Company's ordinary shares ("Consideration Share") to the Vendors on the Acquisition Date. In the event that the Company fail to become a listed company within 24 months from the Completion Date, the Company irrevocably undertakes to purchase all of the Consideration Share from the Vendors for a cash consideration of $700,000. Given the condition of whether the company can become a listed entity within 24 months is not solely within the control of the Company and in accordance with ASC 480-10-S99, the Company record the fair value of the issuance of the Consideration Shares in Tranche 1 to the Vendors as mezzanine equity.

- **Tranche 2** — An aggregate total of $148,000 cash consideration issue to the Vendors which include (1) $48,000 due on the Completion Date, (2) $50,000 due on one month after the Completion Date, and (3) $50,000 due on two months after the Completion Date.

As of the date of the issuance of these financial statements, the Company had issued 217,724 of its ordinary shares to the Vendors and paid $148,000 in cash consideration as agreed upon in Tranche 2 payment terms. On February 13, 2025, the 217,724 ordinary shares were reclassified from mezzanine equity to permanent equity as a result of the Company becoming a listed company.

The Company's acquisition of Martiangear was accounted for as a business combination in accordance with ASC 805. The Company has allocated the purchase price of Martiangear based upon the fair value of the identifiable assets acquired and liabilities assumed on the acquisition date. The Company estimated the fair values of the assets acquired and liabilities assumed at the acquisition date in accordance with the business combination standard issued by the FASB using the fair value approach. Management of the Company is responsible for determining the fair value of assets acquired, liabilities assumed, and intangible assets identified as of the acquisition date. Acquisition-related costs incurred for the acquisitions were not material and were expensed as incurred in general and administrative expenses.

Based on assessments using the income test, asset test, and investment test pursuant to S-X Rule 3-05, the Company concluded that the acquisition of Martiangear was not significant. Pursuant to ASC 805-10-50-2 (h), the unaudited pro forma information of the Company for the years ended March 31, 2024, and 2023 set forth below gives effect to the business combination as if it had occurred on April 1, 2022 and combines the results of operations of the Company since then. The unaudited pro forma information is presented after applying the Company's accounting policies and elimination intra-entity transactions, as applicable. The unaudited pro forma information does not include any impact of transaction synergies and is presented for informational purposes only and is not necessarily indicative of the results of operations that would have been occurred had the business combination been consummated as of that time or that may result in the future:

	For the Year ended March 31, 2024
Unaudited pro forma revenue	$ 97,576,855
Unaudited pro forma net income	$ (1,957,135)

The following tables summarizes the consideration transferred to acquired Martiangear at the date of acquisition:

Share issuance*	$	687,348
Cash consideration		148,000
Total consideration at fair value	**$**	**835,348**

* The fair value of the Company's share issuance on July 25, 2023 were estimated by applying discounted cash flow approach which considers the present value of the Company's future after-tax cash flows using a 14.0% discount rate.

The following table summarizes the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, which represents the net purchase price allocation at the date of the acquisition of Martiangear:

	Fair value as of acquisition date
Total consideration	835,348
Less: net assets of Martiangear:	
Cash	8,263
Accounts receivable	4,808
Inventory	92,889
Intangible asset	85,675
Total assets	191,635
Accounts payable	(17,457)
Deferred tax liability	(13,197)
Total liabilities	(30,654)
Total net assets of Martiangear	160,981
Goodwill	$ 674,367

The purchase price was allocated to the identifiable intangible assets acquired and liabilities assumed based on their acquisition date estimated fair values. The identifiable intangible assets principally included trademark and license, with estimated useful lives of 7.45 years and 0.82 year, respectively, based on the expected future economic benefit of the assets and are being amortized over the estimated useful life in proportion to the economic benefits consumed using the straight-line method.

The Company, with the assistance of a third-party appraiser, assessed the fair value of the 100% equity interest, and identifiable intangible assets acquired, in Martiangear through using income approach based on a number of factors including in the valuations from the third-party appraiser. The significant assumptions being used by the Company include revenue forecast and discount rate.

The fair value of the licenses and trademarks was estimated using a relief-from-royalty method. This method calculates fair value by assuming that if the licenses and trademarks were to be acquired from third-party owners, a royalty rate on revenue would be charged for the privilege of using the assets. Consequently, the fair value of the licenses and trademarks represents the present value of the after-tax royalties saved as a result of owning the legal right to utilize them.

The goodwill is not deductible for income tax purposes and is related primarily to the expected synergies from combining the operations into the Company's business operation in console game.

— *Acquisition of Ban Leong*

On April 30, 2025, Epicsoft Asia made a voluntary conditional cash offer to acquire 100% of the issued shares of Ban Leong at an offer price of SGD $0.6029 per share (approximately US$0.4580). The total offer consideration ("Offer Consideration") was approximately US$50.5 million, which was financed through a secured term loan facility from Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the "HSBC term loan facility") and the Company's cash on hand. The HSBC term loan facility is secured by all assets of GCL Global SG, has a term of five years, bears a floating interest rate ranging from 2.5% to 7.5%, and requires quarterly repayments, with the final installment due in May 2030.

The acquisition became effective on May 27, 2025 ("Acquisition Date"), when Epicsoft Asia received valid acceptances representing approximately 50.9% of Ban Leong's total issued share capital, at which time the Company obtained control of Ban Leong and the business combination was deemed consummated. Purchase consideration of approximately US$25,716,146 was utilized on the Acquisition Date to acquire this controlling equity interest. The remaining portion of the total Offer Consideration was subsequently utilized to acquire the remaining equity interests in Ban Leong as additional acceptances were received following the Acquisition Date.

On July 2, 2025, Epicsoft Asia announced the successful close of its voluntary unconditional cash offer, having received valid acceptances for 104,122,998 ordinary shares, representing 96.59% of Ban Leong's total issued share capital. As acceptances exceeded 90%, Epicsoft Asia exercised its right of compulsory acquisition under the Companies Act 1967 of Singapore. Ban Leong was officially delisted from the SGX-ST effective August 26, 2025. As of March 31, 2026, Ban Leong is a wholly-owned subsidiary of Epicsoft Asia.

Ban Leong is a leading Singapore-based distributor of IT hardware, gaming components, and smart technology, with operations across Singapore, Malaysia, and Thailand. Ban Leong serves as an authorized distributor for major brands such as Razer, NVIDIA, and Samsung. The acquisition aligns with the Company's strategy to expand its bundled gaming product offerings and enhance its distribution network in Asia.

The Company's acquisition of Ban Leong was accounted for as a business combination in accordance with ASC 805. The Company has allocated the purchase price of Ban Leong based upon the fair value of the identifiable assets acquired and liabilities assumed on the acquisition date. The Company estimated the fair values of the assets acquired and liabilities assumed at the acquisition date in accordance with the business combination standard issued by the FASB using the fair value approach. Management of the Company is responsible for determining the fair value of assets acquired, liabilities assumed, and intangible assets identified as of the acquisition date. Acquisition-related costs incurred for the acquisitions are not material and have been expensed as incurred in general and administrative expenses.

The Company concluded that the acquisition of Ban Leong was significant based on assessments using the income test, asset test, and investment test pursuant to S-X Rule 3-05. Pursuant to ASC 805-10-50-2 (h). the unaudited pro forma information of the Company for the year ended March 31, 2026 set forth below gives effect to the business combination as if it had occurred on April 1, 2025 and combines the results of operations of the Company since then. The unaudited pro forma information is presented after applying the Company's accounting policies and elimination intra-entity transactions, as applicable. The unaudited pro forma information does not include any impact of transaction synergies and is presented for informational purposes only and is not necessarily indicative of the results of operations that would actually have been occurred had the business combination been consummated as of that time or that may result in the future:

	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Unaudited pro forma revenue	$ 264,536,604	$ 286,786,289
Unaudited pro forma net (loss) income	$ (12,840,524)	$ 8,083,117
Cash consideration		$ 25,716,146

The following table summarizes the fair value of the identifiable assets acquired and liabilities assumed at the Acquisition Date, which represents the net purchase price allocation at the date of the acquisition of Ban Leong:

	Fair value as of Acquisition Date
Total consideration	$ 25,716,146
non-controlling interest	27,070,012
Less: net assets of Ban Leong:	
Cash	11,311,600
Accounts receivable, net	15,642,759
Inventories, net	25,604,539
Other receivable and other current assets, net	1,125,378
Investment in convertible notes	2,597,253
Prepayments	426,720
Property and equipment, net	487,217
Operating leases right-of-use assets	2,253,549
Intangible assets	5,039,150
Deferred tax assets	27,431
Total assets	64,515,596
Bank Loans, current	(442,852)
Accounts payable	(11,691,291)
Operating lease liabilities	(2,281,716)
Other payables and accrued liabilities	(4,742,439)
Contract liabilities	(520,926)
Deferred tax liabilities	(907,047)
Tax payables	(504,360)
Total liabilities	(21,090,631)
Total net assets of Ban Leong	43,424,965
Goodwill	$ 9,361,193

The purchase price was allocated to the identifiable intangible assets acquired and liabilities assumed based on their acquisition date estimated fair values. The identifiable intangible assets principally included customer relationships, with estimated useful lives of 10 years based on the expected future economic benefit of the assets and are being amortized over the estimated useful life in proportion to the economic benefits consumed using the straight-line method.

The Company, with the assistance of a third-party appraiser, assessed the fair value of the 100% equity interest, identifiable intangible assets acquired, and non-controlling interest in Ban Leong through using income approach based on the following factors: (a) assumptions on the market and the asset that are considered to be fair and reasonable; (b) financial performance that shows a consistent trend of the operation; (c) consideration and analysis on the micro and macro economy affecting the subject asset; (d) analysis on tactical planning, management standard and synergy of the subject assets; (e) analytical review of the subject asset; and (f) assessment of the leverage and liquidity of the subject asset. The significant assumption being used by the Company includes financial forecast, discount rate and attribution rate.

Since Ban Leong was a publicly listed company on the Singapore Exchange on the Acquisition Date, the fair value of the non-controlling interest was determined based on the observable offer price per share under the voluntary cash offer, which represents a quoted price in an orderly transaction. As the fair value measurement is based on observable market inputs, it is classified as a Level 1 fair value measurement under ASC 820.

The fair value of client relationships was estimated using a multi-period excess earnings method. To calculate fair value, the Company estimated the attribution rate and used cash flows discounted at a rate considered appropriate given the inherent risks associated with each client grouping.

The goodwill is not deductible for income tax purposes and is related primarily to the expected synergies from combining the operations into the Company’s business operation in console game.

Note 5 — Investment in convertible note

The convertible note was issued on December 30, 2022, by an unrelated privately held company and earned fixed interest at 6% per annum. The convertible note may be converted in part or in whole at the Company’s discretion within 36 months from the issuance date. The convertible note matured on December 29, 2025. Upon maturity, the Company initiated the conversion process; For the year ended March 31, 2026, the Company recognized interest income of $20,189 based on the interest rate of the convertible note. For the year ended March 31, 2026, no impairment was recorded from investment in convertible note.

By electing the fair value option, the embedded conversion feature is not separately bifurcated or accounted for as a derivative. Instead, the fair value of the instrument as a whole captures the economic effect the embedded features. Upon the acquisition of Ban Leong, the investment in convertible note was recognized at its acquisition-date fair value of $2,597,253. Immediately before the February 20, 2026 (the “Conversion Date”), the fair value of investment in convertible note was $1,406,625.

The fair value of the investment in convertible note on February 20, 2026 was estimated using a combination of an Equity Allocation ("EA") model to determine the as-converted value and a Discounted Cash Flow ("DCF") model to determine the kept-as-debt value. The fair value was determined as the higher of the estimated value upon conversion and the value upon repayment at the valuation date. Significant assumptions used in the valuation included an estimated post-money equity value of approximately $19.6 million, expected exit scenario probabilities of 45% for redemption, 45% for liquidation and 10% for a qualified initial public offering, an expected term of 5.0 years, an expected volatility of 48.5%, and a risk-free interest rate of 3.7%. The fair value measurement was classified as a Level 3 measurement within the fair value hierarchy due to the use of significant unobservable inputs.

Changes in fair value are recognized in earnings in the period in which they occur. Loss from changes in fair value amounted to $1,188,928 for the period from May 27, 2025 through Conversion Date.

The Company believes this accounting treatment best reflects the economic substance of the investment and aligns with the way the instrument is managed and evaluated internally.

The aggregate principal amount of the convertible note was $1,000,000 as of March 31, 2026. The excess fair value over principal reflects the estimated value of the embedded equity conversion feature.

On Conversion Date, the outstanding principal and accrued interest under the convertible note were converted into Series Seed-3 Preference Shares of MyFirst Tech Holdings Pte. Ltd (“MyFirst Tech”). As a result of the conversion, the convertible note was derecognized and replaced with an equity investment in a privately held company. The initial carrying amount of the investment in MyFirst Tech’s Series Seed-3 Preference Shares was established based on the fair value of the convertible note immediately prior to conversion, which equaled its fair value.

Note 6 — Long-term investments

As of March 31, 2026 and 2025, long-term investments comprised of the following:

	March 31, 2026	March 31, 2025
Investment in Nekcom	$ 15,364,229	$ 15,364,229
Investment in MyFirst Tech	1,406,625	-
Investment in Cloudshelf Limited	71,045	71,045
Total	**$ 16,841,899**	**$ 15,435,274**

Investment in Nekcom

On November 20, 2024, the Company, Nekcom and certain significant shareholders of Nekcom entered into a Series B Preferred Stock Purchase Agreement (the "Nekcom SPA") pursuant to which the Company has agreed to purchase 12,250,000 shares of Nekcom's Series B Preferred Stock that would constitute 20% of the total outstanding shares of Nekcom for an aggregate purchase price of $15,000,000 consisting of (a) $7,500,000 in cash, and (b) $7,500,000 in the Company's ordinary shares.

In connection with the Nekcom SPA, 262,325 ordinary shares of GCL Global (the "Nekcom Consideration Shares") and an additional 262,325 ordinary shares of GCL Global (the "Nekcom Additional Consideration Shares") were issued in the name of Nekcom on December 18, 2024 but were held in escrow until full recoupment date of the minimum guarantee pursuant to a Publishing Agreement dated December 18, 2024 (see Note 23) when they will be released to either Nekcom or the Company depending on the value of Nekcom Consideration Shares (the "Consideration Shares VWAP") based on the volume weighted average price of the Consideration Shares over thirty (30) trading days immediately preceding the full recoupment date. If the Consideration Shares VWAP exceeds $7,500,000, all Nekcom Consideration Shares will be released to Nekcom, and all Nekcom Additional Consideration Shares will be returned to the Company for cancellation. In the event that the Consideration Shares VWAP is below $7,500,000 but exceeds $1,200,000, Nekcom will receive such number of Nekcom Additional Consideration Shares from the escrow account that would make up the shortfall, with the balance returned to the Company for cancellation. If the value of the Nekcom Additional Consideration Shares so released from the escrow account is not sufficient to make up the shortfall, the Company has agreed to either pay Nekcom cash to make up the shortfall, or issue additional shares to Nekcom and use its reasonable best efforts to register such shares for resale. If the Consideration Shares VWAP is below $1,200,000, the Company has agreed to pay Nekcom the shortfall between $7,500,000 and the Consideration Shares VWAP in cash. Upon completion of the Business Combination on February 13, 2025, the Nekcom Consideration Shares and the Nekcom Additional Consideration Shares were exchanged for an aggregate of 2,126,729 of ordinary shares of the Company, all of which were held in escrow (see Note 3).

On May 15, 2025, parties amended the Nekcom SPA (the "First Amendment") to provide that, among other things, the Company shall have the right to instruct the escrow agent to return to the Company the full amount of the Nekcom Consideration Shares if either (i) the Company has not recouped in full both the minimum guarantee (as defined in the Publishing Agreement) and its investments related to SHOWA American Story (the "Licensed Game") as specified in the First Amendment within 12 months of the commercial launch of the Licensed Game; or (ii) the Licensed Game has not been commercially launched on or before December 31, 2026. In that case, the Company shall be required to return to Nekcom 10% of the equity interests of Nekcom issued to the Company pursuant to the Nekcom SPA.

As of March 31, 2026, the Company had remitted $7,500,000 cash consideration towards investment in Nekcom's Series B preferred Share. However, the Nekcom Consideration Shares and Nekcom Additional Consideration Share are being held in escrow yet to be released as the contingency of recoupment of the minimum guarantee has not yet been met.

The Company's investment in Nekcom's Series B Preferred Shares are classified as equity securities but do not meet the criteria to be considered in-substance common stock under ASC 323-10-15-13. These shares possess substantive liquidation preferences, fixed returns, and conditional participation rights that distinguish them from common stock. Consequently, the Nekcom investment is not accounted for under the equity method. As a result, the investment Nekcom's Series B Preferred Shares does not qualify for equity method accounting under ASC 323 and is instead accounted for under ASC 321 as an equity investment to measure it at cost, with subsequent remeasurement to fair value only upon impairment or when there are observable prince changes in orderly transactions for identical or similarly investments. As of the acquisition date, the $7,500,000 cash consideration, $364,229 acquisition cost, and $7,500,000 share consideration were determined to be included in the initial investment cost. The Company will assess the impairment as subsequent measurement. As of March 31, 2026, no impairment was recorded against investment in Nekcom.

On March 10, 2026, an accredited investor, entered into a share purchase agreement with the Company to acquire 306,250 Series B Preferred Shares of Nekcom for a total purchase price of $1,000,000, with closing to occur no later than April 30, 2026. Pursuant to the share purchase agreement, it features a put option allowing the buyer to sell the shares back to the Company at two times the purchase price within six months following the official launch of Nekcom's game, *Showa the American Story*. Additionally, if the game fails to launch by June 30, 2028, the buyer holds a Mandatory Buyback right, enabling it to require the Company to repurchase the entire investment interest by December 31, 2028, at the original purchase price plus a 10% per annum compound interest rate. As of March 31, 2026, the transaction has not been closed yet.

Investment in MyFirst Tech

As discussed in Note 5, the Company converted its investment in a convertible note into 1,484,049 Series Seed-3 Preference Shares of MyFirst Tech pursuant to a Series A financing transaction completed by MyFirst Tech. Upon completion of the conversion, the Company's contractual rights under the convertible note were extinguished and replaced by an ownership interest in MyFirst Tech. Accordingly, the Company derecognized the convertible note and recognized an equity investment in MyFirst Tech. The initial carrying amount of the Series Seed-3 Preference Shares was established based on the carrying amount of the convertible note immediately prior to conversion, which equaled its fair value as a result of the Company's election of the fair value option under ASC 825. Following the conversion, the Company held approximately 12.98% of the equity interests of MyFirst Tech.

The Company evaluated the accounting for the Series Seed-3 Preference Shares received upon conversion and concluded that the investment represents an equity security within the scope of ASC 321. Although the Company holds approximately 12.98% of the equity interests of MyFirst Tech, the Series Seed-3 Preference Shares do not qualify as in-substance common stock under ASC 323-10-15-13 because they possess substantive liquidation preferences, preferential economic rights, conversion rights, anti-dilution protections, and other investor rights that are not substantially similar to those of ordinary shares. Accordingly, the investment does not qualify for equity method accounting under ASC 323.

Because the Series Seed-3 Preference Shares do not have a readily determinable fair value and MyFirst Tech is a privately held company, the Company elected the measurement alternative under ASC 321-10-35-2. Under this measurement alternative, the investment is measured at cost, less impairment, adjusted for observable price changes resulting from orderly transactions involving identical or similar investments of the same issuer. The initial carrying amount of the investment was determined based on the fair value of the convertible note immediately prior to the Conversion Date (Note 5). The Company evaluates the investment for impairment and observable price changes at each reporting date. As of March 31, 2026, no impairment loss was recognized.

Investment in Cloudshelf Limited ("Cloudshelf")

On November 8, 2022, the Company entered into a subscription and shareholders agreement with Cloudshelf, a private limited company incorporated in England and Wales. Pursuant to the agreement, the Company subscribed for ordinary shares in Cloudshelf for a total consideration of $71,045, representing a 13.5% equity interest of Cloushelf.

As the Company does not have significant influence over Cloudshelf, the investment is accounted for in accordance with ASC 321, The investment is measured at cost, with subsequent remeasurement to fair value only upon impairment or when there are observable prince changes in orderly transactions for identical or similarly investments. As of March 31, 2026, no impairment indicators were identified, and no loss was recorded.

Note 7 — Accounts receivable, net

As of March 31, 2026 and 2025, accounts receivables comprised of the following:

	March 31, 2026	March 31, 2025
Receivables from console game, gaming hardware, computer accessories and other multimedia products, and console game code	$ 37,285,373	$ 23,121,281
Receivables from game publishing	507,494	2,604,231
Receivables from advertising service	205,024	285,127
Less: Allowance for credit loss	(1,343,107)	(248,956)
Accounts receivable, net	**$ 36,654,784**	**$ 25,761,683**

Movement of credit loss for the years ended March 31, 2026, 2025 and 2024 are as follows:

	March 31, 2026	March 31, 2025	March 31, 2024
Beginning balance	$ 248,956	$ 325,457	$ 55,533
Credit loss carried forward from acquisition of Ban Leong	164,672	-	-
Addition (Recovery)	924,961	(76,725)	277,273
Translation adjustment	4,518	224	(7,349)
Ending balance	**$ 1,343,107**	**$ 248,956**	**$ 325,457**

Note 8 — Inventories, net

Inventories are stated at lower of cost or net realizable value, which is determined using the weighted average method.

	March 31, 2026	March 31, 2025
Physical console game compact discs	$ 6,566,820	$ 5,936,223
IT hardware, computer accessories	25,842,304	-
Gaming hardware and accessories	7,329	-
Total inventories and digital inventories	**$ 32,416,453**	**$ 5,936,223**

For the years ended March 31, 2026, 2025 and 2024, the impairment for inventories amounted to $172,282, $211,356 and $468,941, respectively.

Note 9 — Other receivables and other current assets, net

As of March 31, 2026 and 2025, other receivables and other current assets, net comprised of the following:

	March 31, 2026	March 31, 2025
Deposits (i)	$ 610,813	$ 273,041
Prepaid expenses (ii)	730,627	1,122,403
Prepaid income tax (iii)	75,741	1,812
Right-of-return assets (vi)	257,301	-
GST recoverable (iv)	110,657	209,880
Other receivables (v)	1,018,696	153,809
Less: allowance for credit loss	(149,739)	(27,923)
Total other receivables and other current assets, net	**$ 2,654,096**	**$ 1,733,022**

(i) Deposits

The balance of deposits mainly comprised deposits made for rental and utility service of the Company.

(ii) Prepaid expenses

The balance of prepaid expenses represented prepayment for services, such as subscription fees, advertising expenses, and director & officer insurance.

(iii) Prepaid income tax

The balance of prepaid income tax represents prepaid estimated income tax from the Company's Thailand subsidiary.

(iv) GST recoverable

The balance of GST recoverable represented the amount of GST, which resulted from historical purchasing activities and could be further used for deducting future GST in Singapore.

(v) Other receivables

The balance of other receivables mainly represented balance due from vendor for marketing expense paid on behalf, and recoverable claims receivable from suppliers.

(vi) Right- of- return assets

The balance of right-of-return assets primarily represents amounts recognized in connection with Company's product return arrangements from hardware, computer accessories and other multi- media products and reflects the estimated recovery of inventory expected to be returned by customers.

Movement of allowance for credit loss for the years ended March 31, 2026, 2025 and 2024 are as follows:

	March 31, 2026	March 31, 2025	March 31, 2024
Beginning balance	$ 27,923	$ 52,949	$ 3,747
Addition (Recovery)	121,781	(24,093)	49,351
Translation adjustment	35	(933)	(149)
Ending balance	**$ 149,739**	**$ 27,923**	**$ 52,949**

Note 10 — Prepayments, net

	March 31, 2026	March 31, 2025
Prepayment	$ 14,155,014	$ 6,354,653
Less: allowance for prepayment	(286,098)	(114,792)
Total prepayments, net	**$ 13,868,916**	**$ 6,239,861**

Movement of allowance for credit loss for the years ended March 31, 2026, 2025 and 2024 are as follows:

	March 31, 2026	March 31, 2025	March 31, 2024
Beginning balance	$ 114,792	$ 209,412	$ 51,755
Addition (Recovery)	171,450	(94,786)	157,623
Translation adjustment	(144)	166	34
Ending balance	**$ 286,098**	**$ 114,792**	**$ 209,412**

Note 11 — Loan to third party

Loan to third party consist of the following:

Name of third party*	Maturities	Interest Rate	As of March 31, 2026	As of March 31, 2025
2Game LLC	Amount to be due on September 30, 2026	10% started from April 1, 2025	678,204	382,024
Total			**$ 678,204**	**$ 382,024**

2Game LLC is an e-sports company engaged in digital gaming and online tournament operations. In order to promote 2Game's platform and create potential business synergies between both parties, the Company provided a loan to 2Game LLC.

Note 12 — Property and equipment, net

Property and equipment consist of the following:

	March 31, 2026	March 31, 2025
Office equipment	$ 3,458,060	$ 1,003,594
Motor vehicle	759,063	-
Furniture & Fitting	306,004	70,563
Office and warehouse renovation	974,051	455,313
Subtotal	**5,497,178**	**1,529,470**
Less: accumulated depreciation	(3,872,578)	(1,149,155)
Total property and equipment, net	**$ 1,624,600**	**$ 380,315**

Depreciation expenses for the years ended March 31, 2026, 2025 and 2024 amounted to $406,830, $328,948 and $320,308, respectively. The Company recognized loss from disposal of property and equipment of $512, nil and $57,202 for the years ended March 31, 2026, 2025 and 2024.

Note 13 — Definite-lived Intangible assets, net

Definite-lived intangible assets consisted of the following:

	March 31, 2026	March 31, 2025
Customer relationships	$ 9,633,962	$ 4,594,812
License	139,865	139,865
Trademark	224,809	224,809
Less: accumulated amortization	(3,851,746)	(2,751,634)
Total definite-lived intangible assets	**$ 6,146,890**	**$ 2,207,852**

Amortization expense for the years ended March 31, 2026, 2025 and 2024 amounted to $1,100,112, $1,065,373 and $1,168,358, respectively.

The following table sets forth the Company's amortization expense for the next five years ending:

	Amortization expenses
Twelve months ending March 31, 2027	$ 1,670,018
Twelve months ending March 31, 2028	558,381
Twelve months ending March 31, 2029	726,164
Twelve months ending March 31, 2030	881,848
Twelve months ending March 31, 2031 and thereafter	2,310,479
Total	**$ 6,146,890**

Note 14 — Bank Loans

Outstanding balance of banking facilities consisted of the following:

Bank name	Maturity date	Interest rate	Collateral/Guarantee	March 31, 2026	March 31, 2025
United Overseas Bank Limited ("UOB")	July 2025 (Repaid in July 2025)	2.5%	Personal Guarantee by Choo See Wee, the Chairman of the Company, and GCL BVI.	$ -	$ 209,633
Green Link Digital Bank Pte. Ltd.	December 2027	7.35%	Guaranteed by GCL Global Holdings Ltd. and GCL Global SG Collateral by fixed deposit in bank	1,686,555	-
Citi Bank	October 2025 to December 2025 (Repaid in December 2025)	3.40%-6.14%	Personal Guarantee by Choo See Wee, the Chairman of the Company. Collateral by fixed deposit in bank	-	2,738,728
HSBC Bank	April 2026 to June 2026	2.78%-5.54%	Personal Guarantee by Choo See Wee, the Chairman of the Company. Collateral by fixed deposit in bank	7,566,619	6,015,053
HSBC Bank (1)	May 2030	3.74%-4.25%	Personal Guarantee by GCL Global Holdings Ltd. Collateral by fixed deposit in bank	36,822,683	-
HSBC Bank	April 2026 to May 2026	4.22%	Guaranteed by Ban Leong	426,091	-
HSBC Loan (2)	February 2027	6.33%	Personal Guarantee by Choo See Wee, the Chairman of the Company.	1,375,000	2,875,000
HSBC Bank	April 2026 to May 2026	2.80%-2.86%	None	6,055,822	-
DBS Bank Ltd	May 2027	6.88%	Personal Guarantee by Choo See Wee, the Chairman of the Company, and Tan Jian Hao, the CEO of Titan Digital	47,860	82,810
Total				**$ 53,980,630**	**$ 11,921,224**
Bank Loans, current				**$ 21,715,464**	**$ 10,500,085**
Bank Loans, non-current				**$ 32,265,166**	**$ 1,421,139**

(1) Acquisition of Ban Leong (see Note 4) was financed through a secured term loan facility with The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and the Company's cash on hand. The HSBC term loan facility is secured by all assets of GCL Global SG, has a tenure of five years, bears a floating interest rate ranging from 3.74% to 4.25%, and requires quarterly repayments, with the final installment due in May 2030. In addition, the Company incurred aggregate structuring fees of $593,297, which the Company determined to be debt issuance costs to be recorded as a reduction of the loan balance. These costs are amortized over the term of the loan facility using the effective interest method. As of March 31, 2026, the unamortized debt issuance costs related to the HSBC term loan facility amounted to $461,826.

(2) From April 2024 to the date of the issuance of these consolidated financial statements, the Company obtained long term bank loans from HSBC Bank for an aggregate total of approximately $2.7 million to be due starting from February 2027. These bank loans bear interest rates per annum of 6.33%

The interest expense pertained to above banking facilities for the years ended March 31, 2026, 2025 and 2024 were $1,988,260, $518,770 and $460,628, respectively. The weighted-average interest rate pertaining to above-mentioned bank loans, current were 4.1%, 6.2% and 7.1% for the years ended March 31, 2026, 2025 and 2024, respectively.

Note 15 — Other payables and accrued liabilities

	March 31, 2026	March 31, 2025
Accrued payroll and welfare	$ 1,660,410	$ 127,473
Accrued expenses (i)	3,091,695	408,370
Other payables (ii)	4,941,140	1,666,948
Refund liability (iv)	278,879	-
Investment payable (iii)	-	2,500,000
Total accrued expenses and other liabilities	**$ 9,972,124**	**$ 4,702,791**

(i) The balance of accrued expenses represented accrued professional fee, lender fee and other miscellaneous fee.

(ii) The balance of other payables mainly consists of share subscription payable, advances from suppliers for support of future programs related to Ban Leong's operation. In addition, the balance of other payables consists of the deposit received from a third party as co-publisher's minimum guarantee in game development for game publishing operations. Such balance is recoupable by third parties upon certain minimum sales targets of the games achieved after the game's launch.

(iii) The balance of investment payable relates to the Company's investment in Nekcom, and consists of $2,500,000 in cash consideration, which the Company has paid during the year ended March 31, 2026.

(iv) The balance of refund liability primarily represents amounts recognized in connection with the Company's product return arrangements and reflects the estimated recovery of inventory expected to be returned by customers.

Note 16 — Convertible Notes and Derivative Liabilities

Note Purchase Agreements

From September 30, 2024 to December 2024, the Company, GCL Global, and Epicsoft Asia, entered into convertible note purchase agreements (the "Note Purchase Agreements") with each of certain accredited investors (the "Transaction Investors") pursuant to which the Transaction Investors have agreed to pay GCL Global an aggregate of $33,025,000 for certain convertible notes (the "Note") which automatically converted into GCL Global's fully paid and nonassessable ordinary shares that were exchanged for 7,338,887 shares of Merger Consideration Shares (as defined in the Merger Agreement) at $4.50 per share at the closing of the transactions (the "Conversion Date") contemplated by the Merger Agreement (the "Business Combination"). The number of Merger Consideration Shares was determined based on the Exchange Ratio established in the Merger Agreement. Pursuant to the Note Purchase Agreements, an additional thirty percentage (30%) of the number of Merger Consideration Shares issued to the Transaction Investors (the "Bonus Shares") were held in an escrow account for three (3) years from the Conversion Date. At the end of each of the first three anniversary dates of the Conversion Date (each such year, a "Bonus Year"), one-third (1/3) of the Bonus Shares was scheduled to be released from the escrow account to either the Transaction Investors or to the Company for cancellation, based on the number of Merger Consideration Shares held by the Transaction Investors at the end of each Bonus Year. In the event that the lowest volume-weighted average closing price of the Merger Consideration Shares is less than $4.50 per share for any ten(10) consecutive trading days during the last month prior to the third anniversary day of the Conversion Date, the Transaction Investors will be entitled to receive certain Top-Up Shares (defined in the Note Purchase Agreement) and, under certain limited circumstances, a cash payment, based on the number of Merger Consideration Shares held on the third anniversary date of the Business Combination. The Transaction Investors will be entitled to receive 110% of the outstanding principal balance of the Note in the event that the Business Combination is not consummated on or before March 28, 2025, or if the per share price used to the calculate the Exchange Ratio for the Business Combination is less than $10.00 per share. Epicsoft Asia has agreed to unconditionally guarantee all of the Company's obligations and performance under $33,250,000 of the Note, including but not limited to the Company's obligation to pay.

In addition, the issuance costs in connection with these Notes amounted to $1,590,750 and were expensed in full on the issuance date, as the Company elected to account for the convertible notes at fair value under the fair value option.

Upon completion of the Business Combination on February 13, 2025, the aggregate principal amount of the Notes, net of unamortized discount, amounted to $33,025,000 which was converted into 7,338,887 ordinary shares of the Company. In addition, 2,201,665 shares of the Company's ordinary shares were issued and held in an escrow account for three years as the Bonus Shares.

The Company evaluated the convertible notes agreement under ASC 470 Debt ("ASC 470"), and ASC 815 Derivatives and Hedging ("ASC 815"). ASC 815 generally requires the analysis embedded terms and features that have characteristics of derivatives to be evaluated for bifurcation and separate accounting in instances where their economic risks and characteristics are not clearly and closely related to the risks of the host contract.

The Company elected to measure the entire convertible note, including all embedded features, at fair value option under ASC 825 on the issuance date, with changes in fair value recognized through earnings until conversion. The fair value of the convertible notes was determined the same as its carrying value at issuance than reevaluated upon conversion by using a scenario-based probability-weighted approach for the conversion and bonus share components and a Monte Carlo simulation model for the top-up share feature. Subsequently, the component of fair value changes relating to the instrument specific credit risk of the convertible note is minimal. Key assumptions included stock price volatility, share price at measurement dates, risk-free rate, and the expected holding period.

Upon the closing of the Business Combination, the convertible notes automatically converted into equity, and the related embedded features were detached and re-evaluated. The bonus share provision was determined to be clearly and closely related to equity and was not bifurcated. However, the Top-Up Shares feature was determined to be derivative liabilities under ASC 815-40, as it is not considered indexed to the Company's own stock due to variable settlement provisions.

The Top-Up Shares liabilities were measured at fair value on the conversion date and at each subsequent reporting date until settlement, with changes in fair value recognized in the consolidated statements of operations and comprehensive (loss). The fair value of the Top-Up Shares liability is determined using unobservable inputs and a Monte Carlo simulation model. Key assumptions include the Company's stock price volatility, the price floor, the expected holding period, and the risk-free discount rate.

As of February 12, 2025, immediately prior to the conversion upon completion of the Business Combination, the fair value of the convertible notes was allocated to (i) conversion feature of $22,377,734, (ii) bonus share component of $2,685,327, and (iii) top-up share feature of $2,707,836. As of March 31, 2026 and 2025, the fair value of the top-up share feature was remeasured to $16,206,000 and $3,086,519, respectively. The fair value of the conversion and bonus share components was estimated using a scenario-based probability-weighted approach, while the top-up share feature was valued using a Monte Carlo simulation model based on 10,000 simulated price paths. Valuation assumptions included stock prices of $3.05, $1.95 and $0.59 as of February 12, 2025, March 31, 2025 and March 31, 2026, respectively, a volatility assumption of 60%, risk-free rates of 4.4%, 3.9%, and 3.9% and an expected holding period of three years. The fair value measurement of the Top-Up Shares represents Level 3 inputs under the fair value hierarchy due to the use of unobservable inputs.

Senior Unsecured Notes

Between May 2025 and August 2025, the Company issued senior unsecured notes ("Senior Unsecured Notes") with an aggregate principal amount of $5,430,000 to an investor pursuant to a Securities Purchase Agreement. The Company received aggregate net cash proceeds of $4,717,000 from the issuance of the Senior Unsecured Notes. The Senior Unsecured Notes bear interest at 6% per annum, which increases to 18% upon an event of default, and mature three years from their respective issuance dates unless earlier converted, redeemed, or accelerated. Interest is payable monthly in arrears and is generally settled in ordinary shares of the Company, subject to the satisfaction of specified equity conditions, although the Company may elect to pay interest in cash or a combination of cash and shares. Upon maturity, the Company is required to repay all outstanding principal, accrued and unpaid interest, and any applicable charges in cash. The Senior Unsecured Notes are not freely prepayable except under specified circumstances, including optional redemptions, change of control, or events of default.

The Senior Unsecured Notes are convertible at the holder's option at any time after issuance into the Company's ordinary shares at a conversion price of $2.16 per share, subject to adjustments. The conversion amount generally equals 110% of the principal converted, plus accrued and unpaid interest and late charges. In addition, the agreements provide the investor with the right to purchase additional notes up to an aggregate principal amount of $40.1 million under similar terms.

During the year ended March 31, 2026, an aggregate principal amount of $1,278,999 of the Company's convertible notes, together with accrued interest payable of $10,041 and the derivative liability associated with the conversion feature of $1,502,937, were converted into 2,645,024 ordinary shares of the Company.

The Company evaluated the embedded features of the Senior Unsecured Notes in accordance with ASC 470, ASC 815 and ASC 825. Based on this evaluation, the embedded conversion feature is required to be bifurcated from the host debt instrument and accounted for separately as a derivative liability. The conversion feature is not considered clearly and closely related to the debt host and meets the definition of a derivative under ASC 815. In addition, the Senior Unsecured Notes are not otherwise measured at fair value through earnings, and the conversion feature does not qualify for the scope exception for instruments indexed to the Company's own stock due to variable-priced settlement provisions.

Accordingly, the conversion feature is initially measured at fair value and recorded as a derivative liability, with subsequent changes in fair value recognized in earnings in the period in which they occur. The redemption feature was determined to be clearly and closely related to the debt host and, therefore, does not require separate accounting.

At issuance, the Company allocated the proceeds between the conversion feature derivative liability and the host debt using an allocation approach consistent with the measurement basis of each component. The conversion feature derivative liability was recorded at its fair value, with the residual proceeds attributed to the host debt. The fair value of the conversion feature was determined using a binomial valuation model applied to the convertible notes, with the host debt valued separately using a discounted cash flow model. Key assumptions include the Company's stock price, expected volatility, conversion price and floor price, contractual term of the notes, and the risk-free interest rate.

As of the issuance date of the Senior Unsecured Notes, the fair value of the conversion feature from the Senior Unsecured Notes amounted to $$2,923,000. As of March 31, 2026, the fair value of the conversion feature was remeasured to $495,000 which has classified as derivative liabilities. Valuation assumptions as of the issuance date included stock prices of $2.64 to $3.53, a volatility assumption of 1% to 56.07%, risk-free rates of 3.49 %to 3.94%. Valuation assumptions as March 31, 2026 included stock prices of $0.59, a volatility assumption of 56.60%, risk-free rates of 3.86%. The fair value measurement of the conversion feature represents Level 3 inputs under the fair value hierarchy due to the use of unobservable inputs.

Debt discount and issuance costs were allocated between the derivative liability and the host debt on a relative fair value basis, with the portion attributable to the derivative liability expensed as incurred and the portion attributable to the host debt recorded as a reduction of the carrying amount of the debt and amortized to interest expense over the term of the Senior Unsecured Notes using the effective interest method.

The Company has convertible notes, net of unamortized discounts as follows:

	Face value of convertible notes payable	Unamortized debt discounts	Convertible notes payable, net of unamortized discounts
Issuance of convertible notes	$ 5,430,000	$ (333,757)	$ 5,096,243
Fair value allocation of conversion feature	(2,923,000)	-	(2,923,000)
Amortization of debt discounts	-	123,285	123,285
Conversion	(1,278,999)	189,493	(1,089,506)
March 31, 2026 balance	$ 1,228,001	$ (20,979)	$ 1,207,022

Note 17 — Deferred investment consideration payable

	March 31, 2026	March 31, 2025
Deferred investment consideration payable	**$ 7,500,000**	**$ 7,500,000**

The balance of contingent investment consideration payable relates to the Company's investment in Nekcom of $7,500,000 in share consideration, for which the corresponding ordinary shares have been issued and placed in escrow. These shares will not be released until the Full Recoupment Date (see Note 6). As the Company expects the Full Recoupment Date to occur more than twelve months after March 31, 2026, the investment payable related to the $7,500,000 share consideration has been classified as non-current.

Note 18 — Related party balances and transactions

Related party balances

Amount due from related parties

Name of related party	Relationship	Nature	As of March 31, 2026	As of March 31, 2025
Epicsoft Ventures Ltd	Common shareholders	Reimbursement of business expenses	$ -	$ 426
SEGA Corporation	Shareholder of the Company	Recoupable advertising fee receivable	-	377,904
Joseph Thomas Van Heeswijk	Minority Shareholder of 2Game	Director loan, interest free, no maturity date	164,292	8,873
Jianhao Tan Brand Ventures Pte Ltd	Tan Jian Hao, the shareholder of JHTB Venture, the CEO of Titan Digital	Expenses paid on behalf	-	5,131
Total			**$ 164,292**	**$ 392,334**

Prepayment, a related party

Name of related party	Relationship	Nature	As of March 31, 2026	As of March 31, 2025
Nekcom Inc	Equity securities investee	Prepayment for a recoupable minimum sales guarantee, Five (5) years following the First Commercial Release Date	$ 5,000,000	$ 3,000,000

Accounts payable, a related party

Name of related party	Relationship	Nature	As of March 31, 2026	As of March 31, 2025
SEGA Corporation	Shareholder of the Company	Purchase	$ 4,293,316	$ 4,567,337

Amount due to related parties

Name of related party	Relationship	Nature	As of March 31, 2026	As of March 31, 2025
Choo See Wee ("Jacky")	Chairman of the Company	Loan from Director, interest fee and repayable on demand, Director fee payable	$ 823,864	$ 12,293
Tan Jian Hao	Shareholder of the Company	Loan from Director, interest fee and repayable on demand, compensation payable	188,087	56,127
Joseph Thomas Van Heeswijk	Minority Shareholder of 2Game	Consideration payable for 10% controlling interest in 2Game	14,539	197,885
Shaun Amah Gozo-Hill	Minority Shareholder of 2Game, Director of 2Game Dubai	Consideration payable for 10% controlling interest in 2Game	6,450	197,885
Wong Wan Ping Mario	Minority Shareholder of 2Game	Consideration payable for 10% controlling interest in 2Game	-	197,885
Debbie Soon Rui Yi	Director of Starry Jewelry	Expenses paid on behalf	-	743
Shaun Amah Gozo-Hill	Minority Shareholder of 2Game, Director of 2Game Dubai	Expenses paid on behalf	10,009	20,520
Total			**$ 1,042,949**	**$ 683,338**

Related parties' transactions

Revenue from a related party

Name of Related Party	Relationship	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
SEGA Corporation	Shareholder of the Company	$ 114,094	$ 1,244,899	$ 42,477
Jianhaotan Brand Ventures Pte Ltd	Tan Jian Hao, who is a shareholder of this entity and serves as the Chief Executive Officer of Titan Digital	4,655	264,506	-
Total		**$ 118,749**	**$ 1,509,405**	**$ 42,477**

Cost of revenue from related parties

Name of related party	Relationship	Nature	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
SEGA Corporation	Shareholder of the Company	Purchase of console game	$ 11,501,519	$ 15,596,454	$ 17,578,879
Tan Jian Hao	CEO of Titan Digital	Content creation for social media advertising	1,291	237,311	667,336
Total			**$ 11,502,810**	**$ 15,833,765**	**$ 18,246,215**

Note 19 — Shareholders' equity

Ordinary shares

GCL Global was established under the laws of Cayman Islands on September 8, 2023, and authorized to issue 500,000,000 shares with a par value of $$0.0001. On February 13, 2024, the Company completed its Reorganization under GCL Global with a sequential two-step transaction (see Note 1). On February 13, 2025, the Company completed its reverse recapitalization under Pubco through consummating the Business Combination contemplated by the Merger Agreement (See Note 3). All of the outstanding ordinary shares is presented on the basis as if the reverse recapitalization under Pubco became effective as of the beginning of the first period presented on April 1, 2022. The shares and corresponding capital amounts and all per share data related to GCL Global's outstanding ordinary shares prior to the Reverse Recapitalization in the accompanying consolidated financial statements have been retroactively adjusted using the Exchange Ratio of 1 for 4.0536.

Private Placement

On September 3, 2025, the Company issued 625,000 ordinary shares in connection with a private placement pursuant to a subscription agreement entered into with an accredited investor. Under the subscription agreement, the investor subscribed for the ordinary shares at a purchase price of $4.00 per share for a total consideration of $2,500,000.

Settlement of Mezzanine Equity

On February 13, 2025, 217,724 ordinary shares were reclassified from mezzanine equity to permanent equity in connection with the settlement of the Tranche 1 share consideration related to the acquisition of Martiangear.

Settlement of Contingent Consideration from 2Game Acquisition

At the closing of the Business Combination, the Company collectively issued an additional 1,059,628 ordinary shares to the minority shareholders of 2Game to settle tranche 2 of the contingent consideration in connection with the 2Game acquisition. On October 15, 2025, the Company's Compensation Committee recommended, and the Board approved of, a one-time grant of 547,183 ordinary shares under its Equity Incentive Plan to the three 2Game directors who are also the minority shareholders of 2Game in recognition of their continued contributions to 2Game.As of March 31, 2026, all contingent consideration in connection with the 2Game acquisition has been settled. (See Note 4).

Conversion of convertible notes

On February 13, 2025, convertible notes issued under the Note Purchase Agreements with an aggregate principal amount of $33,025,000 were converted into 7,338,887 ordinary shares of the Company. In addition, 2,201,665 ordinary shares of the Company were issued and placed into an escrow account for three years as bonus shares (see Note 16).

During the year ended March 31, 2026, an aggregate principal amount of $1,278,999 of the Company's convertible notes, together with the derivative liability associated with the conversion feature of $1,502,937 and accrued interest payable of $10,041 were converted into 2,645,024 ordinary shares of the Company (see Note 16).

Release of Bonus Shares from Escrow

Pursuant to the Note Purchase Agreements (Note 4), 2,201,665 Bonus Shares were issued and placed into an escrow account upon the closing of the Business Combination. On March 26, 2026, all 2,201,665 Bonus Shares were released from escrow upon satisfaction of the applicable release conditions under the Note Purchase Agreements.

Stock based compensation

- Consultancy Agreements

On November 8, 2022, the Company entered into two separate SPAC listing consultancy agreements (collectively, the "Consultancy Agreements") with two third-party consultants (the "Consultants") to assist in facilitating the Business Combination. Pursuant to the Consultancy Agreements, the Company agreed to compensate the Consultants an aggregate amount of $20,000,000, payable, at the sole discretion of the Company, in either cash or equity upon the closing of the Business Combination. On February 13, 2025, upon the closing of the Business Combination, the Company elected to settle the obligation by issuing an aggregate of 2,000,000 ordinary shares to the Consultants.

Because the services provided by the Consultants were directly related to the Business Combination and contingent upon its successful closing, the Company determined that the associated stock-based compensation should be accounted for as a direct and incremental cost of the transaction. Accordingly, the fair value of the shares issued was recorded as a reduction to additional paid-in capital in accordance with ASC 340-10-S99-1, "Expenses of Offering."

- Marketing Services Agreement

On April 28, 2025, the Company entered into a marketing services agreement with Outside The Box Capital Inc.("Marketing Consultant") to provide investor awareness and marketing support services for a six-month period ending October 28, 2025. The services included strategic planning, distribution of Company-approved messaging across various digital and social media platforms, and content creation to enhance investor engagement, and expressly exclude investor solicitation, securities transactions, or broker-dealer activities. In consideration for the services, the Company agreed to pay cash compensation of $50,000 and issued ordinary shares with a value of $100,000, with the number of shares determined based on the volume-weighted average price of the Company's ordinary shares over the ten trading days immediately preceding the date of the agreement. On June 26, 2025, the Company issued 41,853 ordinary shares to the Marketing Consultant in satisfaction of the equity portion of the consideration.

Reverse Recapitalization

On February 13, 2025, upon the consummation of the Business Combination, the Company issued an aggregate total of 6,276,394 ordinary shares to RFAC Sponsor, RFAC public shareholders, Early Bird Capital and certain investors designated by RFAC Sponsor.

The following table presents the number of the Company's ordinary shares issued upon the Reverse Recapitalization:

	Ordinary Share
RFAC's ordinary shares outstanding prior to Reverse Recapitalization	3,126,396
Ordinary shares issued at the Closing as an incentive to certain investors designated by RFAC Sponsor in connection with Transaction Financing	2,000,000
Conversion of RFAC rights	1,149,998
Total shares issued upon the Reverse Recapitalization	6,276,394

Recognition of non-controlling interests from acquisition of subsidiaries

- Non-controlling interest in Martiangear

On December 12, 2024, Titan Digital sold its entire equity interest in Martiangear to GCL Global SG for total consideration of SGD10. As a result, the Company increased its equity interest in Martiangear to 100% and derecognized $44,134 of non-controlling interest, while the same amount was recorded as a decrease to additional paid-in capital.

- Non-controlling interest in 2Game

On March 19, 2025, GCL Global SG acquired an additional 10% equity interest in 2Game for total cash consideration of $1,200,000. As a result, GCL Global SG increased its ownership interest in 2Game from 51% to 61%, and $782,828 of non-controlling interest was derecognized. The difference of $148,013 was recorded as a decrease to additional paid-in capital. In addition, the Company recognized a derivative asset related to a contractual buy-back option and obligation ("Buy-Back Feature") embedded in the agreement. Under the terms of the agreement, the Company has the sole discretion to exercise the buy-back option or may enforce a buy-back obligation requiring the minority shareholders of 2Game to repurchase the acquired shares at a specified premium if certain financial targets are not met within the twelve months ended March 31, 2026. In accordance with ASC 815-40 "Derivatives and Hedging," the Company determined that the Buy-Back Feature met the definition of a derivative, and therefore need to bifurcate and separately accounted for. As a result, the Buy-Back feature is recognized as a derivative asset, measured initially and subsequently at fair value, with changes in fair value recognized in the statements of operations and comprehensive loss in each reporting period until the obligation is settled or expires.

As of March 31, 2026, the fair value of the Buy-Back Feature was estimated using a forward pricing model, with the underlying equity value determined using a discounted cash flow ("DCF") analysis. As of the valuation date, the Company had not achieved the specified performance targets; therefore, the Buyback Obligation was valued based on the contractual repurchase terms, using the forward pricing model and market-based inputs, including the risk-free interest rate and the remaining contractual term.

As of March 31, 2025, the valuation of fair value of the Buy-Back Feature was performed using a weighted average probability scenario analysis, incorporating two mutually exclusive outcomes: (i) if the performance targets are not met, the fair value was calculated using a forward pricing model; and (ii) if the performance targets are met, the fair value was estimated using the Black-Scholes option pricing model. A probability of 50% was assigned to each scenario.

As of March 31, 2026, the fair value of the Buy-Back Feature was determined to be $326,766. Key assumptions included a risk-free rate of 3.5% to 3.85%, 0.5 year to 1.5 year time to expiration, and a volatility estimate of approximately 57%. As of March 31, 2025, the fair value of the Buy-Back Feature was determined to be $269,119. Key assumptions included a risk-free rate of 4.11%, a one-year time to expiration, and a volatility estimate of approximately 58%. Since the closing date of the transaction (March 19, 2025) is near the valuation date (March 31, 2025), the fair value at initial recognition and at period-end were deemed to be similar, and therefore, no change in fair value was recorded. The resulting valuation reflects Level 3 inputs under the fair value hierarchy due to the use of significant unobservable assumptions.

All adjustments to additional paid-in capital were made in accordance with ASC 810-10-45-23, "Change in a parent's ownership interest in a subsidiary," as there was no change in control.

- Non-controlling interest in Ban Leong

Subsequent to the acquisition date of the Ban Leong acquisition, the remaining portion of the total offer consideration was utilized to acquire the remaining equity interests in Ban Leong as additional acceptances were received, for an aggregate cash consideration of $24,806,735. (See Note 4)

- Non-controlling interest in 4Divinity SG

On October 13, 2025, January 15, 2026 and March 5, 2026, the Company's subsidiary, 4Divinity SG, entered into share subscription agreements with an accredited investor, pursuant to which the investor subscribed for 5,200,000 newly issued ordinary shares at a subscription price of $2.50 per share and additional newly issued ordinary shares at a subscription price of $2.75 per share, for total gross proceeds of $23,000,000. Upon completion of the share subscriptions, the accredited investor obtained an 8.1% non-controlling equity interest in 4Divinity SG. As of March 31, 2026, the Company had received the full subscription proceeds of $23,000,000. The issuance of the additional shares was accounted for as an equity transaction in accordance with ASC 810-10-45-23, as the Company retained control of 4Divinity SG. Accordingly, the carrying amount of non-controlling interest was adjusted by $1,988,875 to reflect the change in ownership interest. The excess of the consideration received of $23,000,000 over the adjustment to the non-controlling interest of $1,988,875, amounting to $21,011,125, was recognized in additional paid-in capital.

Public and Private Placement Warrant ("Warrant")

In connection with the reverse recapitalization, the Company assumed 16,500,000. Warrants outstanding from RFAC, consisting of 11,500,000 Public Warrants and 5,000,000 Private Placement Warrants. Both the Public Warrants and Private Placement Warrants met the criteria for equity classification. As the fair value of the Warrants increased upon replacement in connection with the Business Combination, the Company recognized $12,014 as a deemed dividend paid to the warrant holders.

Warrants may only be exercised for a whole number of shares at an exercise price of $11.50 per share. No fractional warrants will be issued upon separation of the Units and only whole warrants will trade. The Warrants will become exercisable 30 days after the consummation of a Business Combination. The Warrants will expire five years from the consummation of a Business Combination or earlier upon redemption or liquidation.

Once the warrants become exercisable, the Company may redeem the Warrants:

- in whole and not in part;
- at a price of $0.01 per warrant;
- at any time after the warrants become exercisable;
- upon not less than 30 days' prior written notice of redemption to each warrant holder;
- if, and only if, the reported last sale price of the ordinary shares equals or exceeds $18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, and recapitalizations) for any 20 trading days within a 30-trading day period commencing at any time after the warrants become exercisable and ending on the third trading day prior to the notice of redemption to warrant holders; and
- if, and only if, there is a current registration statement in effect with respect to the Ordinary shares underlying such warrants.

If the Company calls the Public Warrants for redemption, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a "cashless basis," as described in the warrant agreement. The exercise price and number of shares of Ordinary share 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, except as described below, the warrants will not be adjusted for issuance of Ordinary share at a price below its exercise price. Additionally, in no event will the Company be required to net cash settle the warrants. If the Company is unable to complete a Business Combination within the Combination Period and the Company liquidates the funds held in the Trust Account, holders of warrants will not receive any of such funds with respect to their warrants, nor will they receive any distribution from the Company's assets held outside of the Trust Account with the respect to such warrants. Accordingly, the warrants may expire worthless.

In addition, if (x) the Company issues additional shares of Ordinary share or equity-linked securities, for capital raising purposes in connection with the closing of a Business Combination at an issue price or effective issue price of less than $9.20 per share of Ordinary share (with such issue price or effective issue price to be determined in good faith by the Company's board of directors, and, in the case of any such issuance to the Sponsor, our initial stockholders or such affiliates, without taking into account any founder shares held by the Sponsor, initial stockholders or such affiliates, as applicable, prior to such issuance) (the "Newly Issued Price"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of a Business Combination on the date of the completion of a Business Combination (net of redemptions), and (z) the volume weighted average trading price of the Company's Ordinary share during the 20 trading day period starting on the trading day after the day on which the Company completes a Business Combination (such price, the "Market Value") is below $9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the greater of the Market Value or the Newly Issued Price, and the $18.00 per share redemption trigger price will be adjusted (to the nearest cent) to be equal to 180% of the greater of the Market Value or the Newly Issued Price.

The summary of warrants activity is as follows:

	Warrants Outstanding	Ordinary Shares Issuable	Weighted Average Exercise Price	Average Remaining Contractual Life
March 31, 2024	-	-	$ -	-
Granted	16,500,000	16,500,000	$ 11.50	5.00
Forfeited	-	-	$ -	-
Exercised	-	-	$ -	-
March 31, 2025	16,500,000	16,500,000	$ 11.50	4.87
Granted	-	-	$	
Forfeited	-	-	$ -	-
Exercised	-	-	$ -	-
March 31, 2026	16,500,000	16,500,000	$ 11.50	3.87

Note 20 — Income tax

Singapore

Although the Company is incorporated in the Cayman Islands and conducts operations through subsidiaries in multiple jurisdictions as described in Note 1, management has determined that Singapore represents the Company's primary tax jurisdiction because the Company's principal management and operational activities are conducted through its Singapore subsidiaries.

The Company's subsidiaries incorporated in Singapore, are subject to Singapore Profits Tax on the taxable income as reported in its statutory financial statements adjusted in accordance with relevant Singapore tax laws. The applicable corporate income tax rate is 17% in Singapore, with 75% of the first $7,474 (SGD 10,000) taxable income and 50% of the next $142,001 (SGD 190,000) taxable income are exempted from income tax.

Cayman Islands

GCL Global is incorporated in Cayman Islands and is not subject to tax on income or capital gains under current Cayman Island law. Additionally, upon payments of dividends to the shareholders, no Cayman Islands withholding tax will be imposed.

British Virgin Islands

GCL BVI is incorporated in British Virgin Islands and are not subject to tax on income or capital gains under current British Virgin Island law. Additionally, upon payments of dividends to the shareholders, no British Island withholding tax will be imposed.

Hong Kong

The Company's subsidiaries incorporated in Hong Kong, are subject to Hong Kong Profits Tax on the taxable income as reported in its statutory financial statements adjusted in accordance with relevant Hong Kong tax laws. Under the two-tiered profits tax rates regime, the first 2,000,000 Hong Kong Dollar ("HKD") of profits of the qualifying group entity will be taxed at 8.25%, and profits above HKD2,000,000 will be taxed at 16.5%.

Malaysia

The Company's subsidiary incorporated in Malaysia is governed by the income tax laws of Malaysia and the income tax provision in respect of operations in Malaysia is calculated at the applicable tax rates on the taxable income for the periods based on existing legislation, interpretations and practices in respect thereof. Under the Income Tax Act of Malaysia, enterprises that incorporated in Malaysia are usually subject to a unified 24% enterprise income tax rate while preferential tax rates, tax holidays and even tax exemption may be granted on case-by-case basis.

Brazil

The Company's subsidiary incorporated in Brazil is subject to Brazilian Corporate Income Tax ("IRPJ"). The IRPJ levied at a base rate of 15%, with an additional surtax of 10% applied to taxable income exceeding BRL 240,000 annually, resulting in an effective corporate income tax rate of up to 25%.

United Kingdom

The Company's subsidiary incorporated in the United Kingdom is subject to UK Corporation Tax on taxable profits in accordance with UK tax legislation. The applicable statutory corporate income tax rate was 25% for the fiscal year ended March 31, 2026.

People's Republic of China ("PRC")

The Company's subsidiaries incorporated in the PRC are subject to PRC Enterprise Income Tax at a unified tax rate of 25% on their taxable income, as determined in accordance with relevant PRC tax laws and regulations. Preferential tax rates or exemptions may be available to certain qualified entities, subject to approval by local tax authorities.

Dubai (United Arab Emirates)

The Company's subsidiary incorporated in Dubai is governed by the corporate tax regime established under UAE Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses. Effective from June 1, 2023, the UAE implemented a corporate tax regime at a standard rate of 9% on taxable income exceeding AED 375,000. Income up to this threshold is exempt from corporate tax.

Thailand

The Company's subsidiary incorporated in Thailand is governed by the income tax laws of Thailand and the income tax provision in respect of operations in Thailand is calculated at the applicable tax rates on the taxable income for the periods based on existing legislation, interpretations and practices in respect thereof. The applicable corporate income tax rate is 20% in Thailand.

Japan

The Company's subsidiary incorporated in Japan is governed by the income tax laws of Japan, and the income tax provision related to operations in Japan is calculated at the applicable statutory tax rates on taxable income for the periods based on existing legislation, interpretations, and practices. The statutory corporate income tax rate in Japan is 23.2%, with additional local taxes, including enterprise tax and inhabitants' tax, resulting in a higher effective tax rate that may vary depending on the level of taxable income and applicable local tax rates.

Taiwan

The Company's subsidiary incorporated in Taiwan is governed by the income tax laws of Taiwan, and the income tax provision related to operations in Taiwan is calculated at the applicable statutory tax rates on taxable income for the periods based on existing legislation, interpretations, and practices. The applicable corporate income tax rate in Taiwan is 20% on taxable income. In addition, undistributed earnings may be subject to an additional tax in accordance with the applicable provisions of Taiwan's Income Tax Act.

United States

The Company's subsidiary incorporated in the United States is subject to U.S. federal corporate income tax at a statutory rate of 21% on its taxable income, in accordance with the Internal Revenue Code. Additionally, the subsidiary may also be subject to state and local income taxes, which vary by jurisdiction.

Income tax expense for the years ended March 31, 2026, 2025 and 2024 amounted to $239,753, $1,128,672 and $53,291, respectively.

As further described in Note 2, Recently Issued Accounting Standards, the Company has elected to prospectively adopt the guidance in ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Taxes Disclosures, or ASU 2023-09. The following table presented the loss before income taxes for the year ended March 31, 2026 in accordance with the guidance in ASU No. 2023-09:

	For the Year Ended March 31, 2026
Domestic (Singapore)	$ (3,937,034)
Foreign	(22,026,434)
Total loss before income tax	**$ (25,963,468)**

Income (loss) before income tax by jurisdiction for the years ended March 31, 2025 and 2024 are as following:

	For the Years Ended March 31,	
	2025	2024
Singapore	$ 3,681,089	$ (325,917)
Hong Kong	1,424,781	258,954
Malaysia and others	1,072,223	(1,840,702)
Total income (loss) before income tax	**$ 6,178,093**	**$ (1,907,665)**

As further described in Note 2, Recently Issued Accounting Standards, the Company has elected to prospectively adopt the guidance in ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Taxes Disclosures, or ASU 2023-09. The following table presented the significant components of the provision for income taxes for the year ended March 31, 2026 in accordance with the guidance in ASU No. 2023-09:

	For the Year Ended March 31, 2026
Current	$
Domestic (Singapore)	627,473
Foreign	12,210
Total current income tax expenses	639,683
Deferred	
Domestic (Singapore)	529,572
Foreign	(929,503)
Total deferred income tax benefit	(399,931)
Income taxes expenses	**$ 239,753**

Significant components of the provision for income taxes for the years ended March 31, 2025 and 2024 are as follows:

	For the years ended March 31,	
	2025	2024
Current	$ 1,362,520	$ 723,160
Deferred	(233,848)	(669,869)
Provision for income taxes	$ 1,128,672	$ 53,291

As further described in Note 2, Recently Issued Accounting Standards, the Company has elected to prospectively adopt the guidance in ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Taxes Disclosures, or ASU 2023-09. The following table reconciles Singapore statutory rates to the Company's effective tax rate for the year ended March 31, 2026 in accordance with the guidance in ASU No. 2023-09:

	For the Years Ended March 31, 2026	
	$	%
Singapore statutory income tax rate	(4,413,789)	17.0%
Foreign tax effects:		
Foreign tax effects-Cayman	3,103,039	(12.0)%
Foreign tax effects-Others	(3,560)	(0.0)%
Nontaxable or non-deductible items:		
Change of fair value of contingent consideration	181,103	(0.7)%
Others	396,081	(1.5)%
Preferential tax exemption effect	17,132	(0.1)%
Change in valuation allowance	959,747	(3.6)%
Effective tax rate	239,753	(0.9)%

The following table reconciles Singapore statutory rates to the Company's effective tax rate for the years ended March 31, 2025 and 2024:

	For the Years Ended March 31,	
	2025	2024
Singapore statutory income tax rate	17.0%	17.0%
Change of fair value of contingent consideration	1.5%	(2.5)%
Tax rate difference outside Singapore (1)	(4.2)%	(14.0)%
Preferential tax exemption effect	(0.2)%	1.0%
Change in valuation allowance	3.2%	(0.1)%
Others (2)	1.0%	(4.2)%
Effective tax rate	18.3%	(2.8)%

(1) It is due to tax rate difference of the entities incorporated in Hong Kong, Malaysia, PRC, England, Brazil, British Virgin Island, and Cayman Island.
(2) Others mainly consisted of gain or loss from foreign exchange transaction which is non-deductible under local tax laws.

The following table sets forth the significant components of the aggregate deferred tax assets and liabilities of the Company as of:

	March 31, 2026	March 31, 2025
Deferred Tax Assets		
Net operating loss carryforwards	$ 1,259,513	$ 838,875
Allowance for credit loss	276,022	65,177
Lease liabilities	440,053	448,276
Inventory write-off	72,213	41,307
Less: valuation allowance	(625,365)	(199,508)
Deferred tax assets, net	$ 1,422,436	$ 1,194,127
Deferred tax liabilities:		
Right of use assets	$ 1,093,455	$ 468,476
Amortization of intangible assets	428,190	374,591
Deferred tax liabilities	$ 1,521,645	$ 843,067
Deferred tax (liabilities) assets, net	$ (99,209)	$ 351,060

As of March 31, 2026, the Company's net operating losses carry forward from all subsidiaries amounted to $10,582,688. The net operating losses from the Singapore subsidiaries can be carried forward indefinitely in Singapore. The Company believes it is not more likely than not that Martiangear, BLC China, RFAC, 2Game Dubai 2Game Brazil, 4Divinity UK, 4Divinity JP, and Ban Leong Thailand will be able to fully utilize their deferred tax assets associated with net operating loss carryforwards given their history of recurring losses and ongoing uncertainty regarding future profitability. As a result, the Company provided a 100% allowance on deferred tax assets on net operating losses of $625,365 related to Martiangear, BLC China, RFAC, 2Game Dubai, 2Game Brazil, 4Divinity UK, 4Divinity JP, and Ban Leong Thailand as of March 31, 2026.

As of March 31, 2025, the Company's net operating losses carry forward from GCL Global SG, Titan Digital, Starry, Martiangear, 2Game Brazil, 2 Game Dubai, RFAC, and Epicsoft Malaysia combined amounted to $5,075,982. The net operating losses from GCL Global SG and Martiangear can be carried forward indefinitely in Singapore. The Company believes it is not more likely than not that Martiangear RFAC, 2Game Dubai and 2Game Brazil will be able to fully utilize their deferred tax assets associated with net operating loss carryforwards given their history of recurring losses and ongoing uncertainty regarding future profitability. As a result, the Company provided a 100% allowance on deferred tax assets on net operating losses of $199,508 related to Martiangear, RFAC, 2Game Dubai, and 2Game Brazil as of March 31, 2025.

The movements of the valuation allowance are as follows:

Balance as of March 31, 2024	$ 7,916
Allowance made during the year	195,252
Foreign exchange difference	(3,660)
Balance as of March 31, 2025	199,508
Allowance made during the year	407,204
Foreign exchange difference	18,653
Balance as of March 31, 2026	$ 625,365

Movement in deferred tax (liabilities) assets, net are as following:

Balance at March 31, 2024	$ 115,460
Recognized in profit or loss	233,848
Foreign exchange differences reserve	1,752
Balance at March 31, 2025	351,060
Recognized in Ban Leong acquisition	(879,616)
Recognized in profit or loss	399,929
Foreign exchange differences reserve	29,418
Balance at March 31, 2026	$ (99,209)

As further described in Note 2, Recently Issued Accounting Standards, the Company has elected to prospectively adopt the guidance in ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Taxes Disclosures, or ASU 2023-09. The following table presented presents income taxes paid, net of refunds, disaggregated by jurisdiction for the years ended March 31, 2026 in accordance with the guidance in ASU No. 2023-09:

	For the Year Ended March 31, 2026
Singapore	$ 1,081,005
Thailand	180,983
Malaysia	136,673
Others	39,162
Total income taxes paid, net of refunds	**$ 1,437,823**

Uncertain tax positions

The Company evaluates each uncertain tax position (including the potential application of interest and penalties) based on the technical merits, and measures the unrecognized benefits associated with the tax positions. As of March 31, 2026 and 2025, the Company did not have any significant unrecognized uncertain tax positions.

Taxes payable consist of the following:

	March 31, 2026	March 31, 2025
GST taxes payable	$ 39,853	$ 21,707
Income taxes payable	1,585,142	1,395,466
Totals	**$ 1,624,995**	**$ 1,417,173**

Note 21 — Concentration of Credit risk

(1) Major customers

For the year ended March 31, 2026, customer C accounted for approximately 11% of the Company's total revenue. For the year ended March 31, 2025, customers F, C, and A, are accounted for approximately 15%, 15%, and 14% of the Company's total revenue, respectively. For the year ended March 31, 2024, customers A, F, B and C from the Company's distribution of console game segment are accounted for approximately 17%, 12%, 11%, and 11% of the Company's total revenue, respectively.

As of March 31, 2026, customer B and A from the Company's distribution of console game segment and game publishing segment accounted for approximately 27% and 19% of the total balance of accounts receivable, respectively. As of March 31, 2025, customers A, B, E and C from the Company's distribution of console game segment and game publishing segment accounted for approximately 31%, 17%, 17% and 12% of the total balance of accounts receivable, respectively.

(2) Major vendors

For the year ended March 31, 2026, one vendor accounted for approximately 21% of the Company's total cost of goods sold. For the year ended March 31, 2025, three vendors a, b and o accounted for approximately 41%, 13% and 10% of the Company's total cost of goods sold, respectively. For the year ended March 31, 2024, two vendors a and b are accounted for approximately 34% and 21% of the Company's total cost of goods sold, respectively.

As of March 31, 2026, five vendors A, e, b, a and y accounted for approximately 16%, 14%, 12%, 11% and 10% of the Company's total balance of accounts payable, respectively. As of March 31, 2025, vendors h, a, and e accounted for approximately 46%, 16% and 16% of the Company's total balance of accounts payable, respectively.

(3) Credit risk

Financial instruments that are potentially subject to significant concentrations of credit risk consist primarily of cash. The Singapore Deposit Insurance Corporation Limited (SDIC) insures deposits in a Deposit Insurance (DI) Scheme member bank or finance company up to approximately $58,171 (SGD 75,000) per account. As of March 31, 2026 and 2025, the Company had cash balance of $32,177,785 and $17,323,837, respectively, maintained at DI Scheme banks in Singapore, of which $31,231,177 and $16,379,947 were subject to credit risk, respectively. The Hong Kong Deposit Protection Board pays compensation up to a limit of $102,041 (HKD 800,000) if the bank with which an individual/a Company holds its eligible deposit fails. As of March 31, 2026 and 2025, cash balance of $382,545 and $427,289, respectively, was maintained at financial institutions in Hong Kong, of which $247,354 and $218,660 were subject to credit risk, respectively. The Malaysia deposit insurance corporation (PIDM) standard insurance amount is up to $61,771 (MYR 250,000) per depositor per insured bank. As of March 31, 2026 and 2025, the Company had cash balance of $1,617,945 and $110,745, respectively, maintained at banks in Malaysia, of which $1,410,297 and $50,485 were subject to credit risk, respectively. The Brazilian Deposit Insurance System (FGC) provides deposit insurance coverage of up to $47,971 (BRL 250,000) per depositor per financial institution. As of March 31, 2026 and 2025, the Company had cash balances of $2,126 and $7,526 maintained in Brazilian financial institutions, respectively, none of which was subject to credit risk. The China's Deposit Insurance Fund (DIF) provides deposit insurance coverage of up to $72,485 (RMB 500,000) per depositor per financial institution. As of March 31, 2026 and 2025, the Company had cash balances of $52,163 and $377,982 maintained in China's financial institutions, respectively, of which nil and $309,048 were subject to credit risk, respectively. The Japan Deposit Insurance Corporation of Japan (DICJ) provides deposit insurance coverage of up to $62,861 (JYP 10,000,000) per depositor per financial institution. As of March 31, 2026 and 2025, the Company had cash balance of $13,051 and nil maintained in Japan's financial institutions, respectively, none of which was subject to credit risk. The Thailand Deposit Protection Agency (DPA) provides deposit insurance coverage of up to $30,590 (THD 1,000,000) per depositor per financial institution. As of March 31, 2026 and 2025, the Company had cash balance of $2,149,294 and nil maintained in Thailand's financial institutions, respectively, of which $2,056,900 and nil were subject to credit risk, respectively. The Dubai Deposit Guarantee Scheme (DGS) provides deposit insurance coverage of up to $136,117 (AED 500,000) per depositor per financial institution. As of March 31, 2026 and 2025, the Company had cash balance of $145,387 and nil maintained in Dubai's financial institutions, respectively, of which $7,850 and nil were subject to credit risk, respectively. The Central Deposit Insurance Corporation (CDIC) in Taiwan, China, provides deposit insurance coverage of up to $93,604 (TWD 3,000,000) per depositor per financial institution. As of March 31, 2026 and 2025, the Company had cash balances of $31,109 and nil maintained in Taiwan, China's financial institutions, respectively, of which nil and nil were subject to credit risk, respectively.

While management believes that these financial institutions are of high credit quality, it also continually monitors their credit worthiness.

The Company is also exposed to risk from accounts receivable and other receivables. These assets are subjected to credit evaluations. An allowance has been made for estimated unrecoverable amounts which have been determined by reference to past default experience and the current economic environment.

Note 22 — Leases

As of March 31, 2026 and 2025, the Company has engaged in multiple offices and warehouse leases which were classified as operating leases. In addition, the Company engaged in a few automobiles' leases under finance lease agreements.

The Company occupies various offices under operating lease agreements with a term shorter than twelve months which it elected not to recognize lease assets and lease liabilities under ASC 842. Instead, the Company recognized the lease payments in profit or loss on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred.

The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Company recognized lease expense on a straight-line basis over the lease term for operating lease. Meanwhile, the Company recognized the finance leases ROU assets and interest on an amortized cost basis.

The amortization of finance ROU assets is recognized on straight-line basis as amortization expense, while the lease liability is increased to reflect interest on the liability and decreased to reflect the lease payments made during the period.

Operating and finance lease expenses consist of the following:

		For the years ended March 31,		
	Classification	2026	2025	2024
Operating lease cost				
Lease expenses	General and administrative	1,707,020	879,255	866,481
Finance lease cost				
Amortization of leased asset	General and administrative	116,166	113,207	43,900
Interest on lease liabilities	Interest expenses on finance leases	12,202	11,663	4,234
Total lease expenses		$ 1,835,388	$ 1,004,125	$ 914,615

Weighted-average remaining term and discount rate related to leases were as follows:

	As of March 31, 2026	As of March 31, 2025	As of March 31, 2024
Weighted-average remaining term			
Operating lease	2.41 years	1.1 years	1.6 years
Finance leases	2.10 years	3.5 years	4.4 years
Weighted-average discount rate			
Operating lease	6.0%	4.7%	4.9%
Finance leases	2.6%	4.6%	4.5%

The following table sets forth the Company's minimum lease payments in future periods:

	Operating lease payments	Finance lease payments	Total
Twelve months ending March 31, 2027	$ 1,784,151	$ 131,992	$ 1,916,143
Twelve months ending March 31, 2028	1,080,295	110,212	1,190,507
Twelve months ending March 31, 2029	708,180	106,038	814,218
Twelve months ending March 31, 2030	73,683	60,232	133,915
Twelve months ending March 31, 2031	36,842	47,737	84,579
Total lease payments	3,683,151	456,211	4,139,362
Less: discount	(228,676)	(48,876)	(277,552)
Present value of lease liabilities	**$ 3,454,475**	**$ 407,335**	**$ 3,861,810**
Present value of lease liabilities, current	**$ 1,663,734**	**$ 112,687**	**$ 1,776,421**
Present value of lease liabilities, non-current	**$ 1,790,741**	**$ 294,648**	**$ 2,085,389**

Note 23 — Commitments and contingencies

Contingencies

Legal

From time to time, the Company is party to certain legal proceedings, as well as certain asserted and un-asserted claims. Amounts accrued, as well as the total amount of reasonably possible losses with respect to such matters, individually and in the aggregate, are not deemed to be material to the consolidated financial statements.

Commitment

On December 18, 2024, the Company, through its subsidiary 4Divinity SG, entered into a Publishing Agreement with Nekcom Private Limited and its PRC affiliate (collectively, "Nekcom"), pursuant to which 4Divinity SG was appointed as the global publisher and distributor of the video game *SHOWA American Story* (the "Licensed Game") for all platforms and territories, excluding certain regions previously licensed to other parties. Under the terms of the agreement, 4Divinity SG committed to a fully recoupable minimum sales guarantee of $5,000,000, payable in tranches as defined in the agreement. In addition, 4Divinity SG agreed to furnish a non-recoupable marketing budget of $5,000,000, which will be used to support global marketing efforts for the Licensed Game. As of March 31, 2026, the Company had paid $5,000,000 of the minimum sales guarantee (See Note 18).

In connection with that certain Facility Letter dated as of October 1, 2024, as supplemented by the Supplemental Letter dated as of March 12, 2025 and July 7, 2025 between the Company and Oversea-Chinese Banking Corporation Limited ("OCBC") for a financing of up to SGD 5,000,000 (the "Facility Agreement"), the Company has issued to OCBC a warrant (the "OCBC Warrant") to purchase up to 899,281 ordinary shares of the Company (the "Warrant Shares") at an exercise price of US$4.17 per share (the "Exercise Price") to meet one of the conditions precedent for the Borrower to draw down funds under the Facility Agreement. The aggregate Exercise Price payable for the total number of Warrant Shares purchasable under the Warrant shall be US$3,750,000, and shall first be used to repay all principal, interest and other amounts outstanding under the Facility Agreement with the remainder, if any, for the Borrower's working capital. On July 29, 2025, the Company and OCBC entered into Amendment No. 1 to the Warrant (the "Amendment") to clarify their commercial understanding that none of the terms of the Warrant shall have any legal effect on the Borrower and/or the Company unless and until the entire SGD 5,000,000 has been disbursed to the Borrower by OCBC under the Facility Agreement; and that OCBC will have no claims for penalties, damages and legal remedies of any kind against either the Company or the Borrower for non-performance of any obligations under the Warrant. The Amendment also provides that, among other things, until the full amount of SGD 5,000,000 is disbursed by OCBC to the Borrower pursuant to the Facility Agreement, (i) the Warrant shall not be capable of exercise of any kind, and shall remain un-exercisable; and (ii) OCBC will have no rights to Piggyback Registration (as defined in the Warrant). Under the Amendment, the Company will have six months from the date the full amount of SGD 5,000,000 is disbursed to file a registration statement for the public resale of all of the Warrant Shares (as defined in the Warrant). As of the date of issuance of the consolidated financial statements, no fund has been disbursed under the Facility Agreement. On December 2, 2025, the facility is cancelled with no fund disbursed.

Note 24 — (Loss) earnings per share

For the purpose of calculating loss per share, the number of shares used in the calculation reflects the outstanding shares of the Company as if the reverse recapitalization as described in Note 3 took place at the beginning of the earliest period presented.

	For the years ended March 31,		
	2026	2025	2024
(Loss) earnings per share – basic and diluted:			
Numerator:			
Net (loss) income attributable to the Company's shareholders	$ (24,995,830)	$ 5,587,625	$ (1,373,504)
Denominator:			
Weighted average number of ordinary shares outstanding	123,232,562	107,184,280	105,013,283
(Loss) earnings per ordinary share – basic and diluted	$ (0.20)	$ 0.05	$ (0.01)

The following ordinary shares equivalents were excluded from the computation to eliminate any antidilutive effect:

	For the years ended March 31,		
	2026	2025	2024
Warrant (1)	16,500,000	16,500,000	-
Ordinary shares placed in escrow (2)	2,126,729	4,328,394	-
Senior Unsecured Notes	2,758,823	-	-

(1) For the years ended March 31, 2026, 2025 and 2024, the Company had the 16,500,000, 16,500,000, and 0 warrants, respectively, outstanding which were not included in the calculation of diluted net (income) loss per ordinary share because inclusion thereof would be anti-dilutive.
(2) For the years March 31, 2026, 2025 and 2024, the Company had 2,126,729, 4,328,394, and 0 ordinary shares, respectively, held in escrow. The Company has determined that these shares are non-participating securities in accordance with ASC 260, as they are not entitled to dividends or other rights until certain milestones are met. As such, these shares are excluded from the calculation of basic and diluted (loss) earnings per share for the respective periods.
(3) For the years ended March 31, 2026, 2025 and 2024, the Company had 2,758,823, 0 and 0 potential ordinary shares issuable upon conversion of its senior unsecured notes (Note 16), respectively, which were not included in the calculation of diluted net (income) loss per ordinary share because their inclusion would have been antidilutive.

Note 25 — Segment information

The Company presents segment information on a basis consistent with the internal financial information reviewed by the Chief Operating Decision Maker ("CODM"), which includes intersegment revenues and related expenses. Intersegment amounts are eliminated in consolidation. Intersegment revenues and related expenses are recorded at negotiated transfer prices that include a markup and are eliminated in consolidation. In general, revenue, cost of revenue and operating expenses are directly attributable to, or allocated to, each segment.

The Company's Chief Executive Officer serves as the CODM. The CODM evaluates the performance of reportable segments and allocates resources primarily based on segment profit (loss). Segment profit (loss) represents segment revenue less directly attributable and allocated cost of revenue and operating expenses. Segment profit (loss) is the sole measure used by the CODM and is determined in a manner consistent with the measurement principles used in preparing the consolidated financial statements in accordance with ASC 280-10-50-28A. The CODM does not evaluate the performance of segments using asset information. As such, the Company does not allocate assets to its reportable segments.

Segment profit (loss) excludes certain corporate-level expenses and non-operating items that are not allocated to the reportable segments. These items primarily include professional fees, corporate salary expenses, debt issuance costs, interest expense, changes in fair value of financial instruments, and other corporate expenses managed on a consolidated basis. Such amounts are presented as reconciling items to consolidated income (loss) before income taxes. As a result, consolidated income (loss) before income taxes includes these unallocated corporate-level and non-operating items that are excluded from segment profit (loss), which gives rise to the difference between total segment profit (loss) and consolidated income (loss) before income taxes.

The CODM uses segment profit (loss) in the annual budgeting and forecasting process to allocate capital, marketing expenditures, and personnel resources among the console game, hardware, and accessories, game publishing, and advertising service segments. The CODM reviews segment profit (loss) on a regular basis, including comparisons of budgeted results to actual results, to evaluate margin performance, cost efficiency, and profitability trends within each segment. Segment profit (loss) is also used to compare the relative operating performance of the reportable segments in making decisions regarding expansion initiatives, product strategy, sales focus, and operational investments.

The Company has identified its operating segments based on the internal financial information reviewed by the CODM to assess performance and allocate resources. The Company's operating segments are organized primarily based on the nature of products sold and services provided. Based on the aggregation criteria in ASC 280, the Company has determined that it has three reportable segments: console game, hardware, and accessories, game publishing, and media advertising service.

- **Console game, hardware, and accessories** – primarily engaged in the distribution and sale of console video games, gaming hardware, and related accessories and IT hardware and computer accessories.

- **Game publishing** – primarily engaged in publishing, marketing, and distributing video games under publishing arrangements.

- **Advertising service** – primarily engaged in providing digital advertising and marketing services.

The following tables present financial information for each reportable segment for the years ended March 31, 2026, 2025, and 2024 :

	For the Year Ended March 31, 2026			
	Console game, hardware, and accessories	Game Publishing	Advertising Service	Total
Revenues from external customers	$ 228,776,065	$ 7,146,373	$ 1,508,407	$ 237,430,845
Revenues, a related party	114,094	-	4,655	118,749
Intersegment revenue	381,400	1,523,690	-	1,905,090
Total segment revenue	229,271,559	8,670,063	1,513,062	239,454,684
Reconciliation of revenue				
Other revenue (a)				1,374,495
Elimination of intersegment revenues				(1,905,090)
Total consolidated revenues				$ 238,924,089
Less:				
Cost of revenue	209,884,697	5,041,422	869,320	
Advertising and marketing expenses	1,797,975	1,554,573	446,312	
Amortization and depreciation	1,685,127	1,952	10,302	
Provision for credit loss	888,599	339,214	13,310	
Professional fee	2,162,300	1,028,376	8,569	
R&D Expense	41,338	-	-	
Rent	1,237,336	27,784	195,348	
Salary expenses	11,518,294	1,680,194	614,099	
Interest expenses	1,987,061	148,909	6,955	
Other segments items (b)	2,284,422	331,587	(80,782)	
Segment loss	(4,215,590)	(1,483,948)	(570,371)	$ (6,269,909)
Reconciliation of segment loss				
Add: Other profit (a)				175,468
Less: Elimination of intersegment profit				(11,360)
Less: Unallocated amounts				
Other operating expenses				827,986
Advertising and marketing expenses				268,047
Amortization and depreciation				15,338
Professional fee				4,981,926
Salary expenses				1,428,087
Other expense, net				176,255
Debt issuance costs				379,242
Change in fair value of convertible notes and derivative liabilities				1,188,928
Change in fair value of contingent consideration for acquisition				10,614,578
Loss before income taxes				$ (25,963,468)

	For the Year Ended March 31, 2025			
	Console game, hardware, and accessories	Game Publishing	Advertising Service	Total
Revenues from external customers	$ 122,018,643	$ 16,029,524	$ 1,973,858	$ 140,022,025
Revenues, a related party	1,244,899	-	264,506	1,509,405
Intersegment revenue	-	7,727,708	-	7,727,708
Total segment revenue	123,263,542	23,757,232	2,238,364	149,259,138
Reconciliation of revenue				
Other revenue (a)				541,156
Elimination of intersegment revenues				(7,727,708)
Total consolidated revenues				$ 142,072,586
Less:				
Cost of revenue	115,884,467	11,110,156	956,391	
Advertising and marketing expenses	1,091,784	629,239	412,225	
Amortization and depreciation	2,303,694	-	33,397	
Provision for (recovery from) credit loss	70,076	(205,580)	(60,199)	
Professional fee	713,369	11,366	70,834	
R&D Expense	209,746	-	-	
Rent	680,867	-	232,918	
Salary expenses	4,270,308	1,344,110	913,349	
Interest expenses	644,003	14,822	6,359	
Other segments items (b)	1,422,352	177,328	(113,400)	
Segment profit (loss)	(4,027,124)	10,675,791	(213,510)	$ 6,435,157
Reconciliation of segment profit or loss				
Add: Other profit (a)				26,835
Less: Elimination of intersegment profit				431,341
Less: Unallocated amounts				
Other operating expenses				68,835
Professional fee				2,383,796
Salary expenses				112,603
Other expense, net				26,566
Debt issuance costs				1,590,750
Change in fair value of convertible notes and derivative liabilities				(4,875,420)
Change in fair value of contingent consideration for acquisition				545,428
Income (loss) before income taxes				$ 6,178,093

	For the Year Ended March 31, 2024			
	Console game, hardware, and accessories	Game Publishing	Advertising Service	Total
Revenues from external customers	$ 90,976,328	$ 3,431,678	$ 2,716,090	$ 97,124,096
Revenues, a related party	42,477	-	-	42,477
Intersegment revenue	9,868	1,015,194	-	1,025,062
Total segment revenue	91,028,673	4,446,872	2,716,090	98,191,635
Reconciliation of revenue				
Other revenue (a)				368,128
Elimination of intersegment revenues				(1,025,062)
Total consolidated revenues				$ 97,534,701
Less:				
Cost of revenues	80,804,637	2,736,076	1,389,562	
Advertising and marketing expenses	594,729	768,414	139,762	
Amortization and depreciation	2,161,956	-	202,348	
Provision for (recovery from) credit loss	165,315	234,075	84,858	
Professional fee	791,998	35,372	35,190	
R&D Expense	250,922	-	-	
Rent	612,945	-	199,150	
Salary expenses	3,458,457	765,423	1,183,987	
Interest expenses	507,803	-	-	
Other segments items (b)	(408,726)	128,312	121,649	
Segment profit (loss)	2,088,637	(220,800)	(640,416)	$ 1,227,421
Reconciliation of segment profit or loss				
Less: Other loss (a)				192,545
Less: Elimination of intersegment profit				175,361
Less: Unallocated amounts				
Other operating expenses				48,252
Professional fee				1,095,390
Salary expenses				1,329,679
Other expense, net				21,830
Change in fair value of contingent consideration for acquisition				272,029
Income (loss) before income taxes				$ (1,907,665)

(a) Revenue and profit or loss from segments below the quantitative thresholds are attributable to an operating segment of the Company that includes the distribution of jewelry products. This operating segment has not met any of the quantitative thresholds for determining reportable segments.

(b) Other segment items for each reportable segment include:

Console Game, hardware, and accessories - office, entertainment, travel, non-operating income from advertising compensation from vendors, foreign currencies gain or loss and other miscellaneous expenses

Game publishing - office, entertainment, travel, foreign currencies gain or loss, and other miscellaneous expenses

Advertising service - office, entertainment, travel, foreign currencies gain or loss, and other miscellaneous expenses

Disaggregated information of revenues by regions are as follows:

	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Singapore	$ 153,636,809	$ 71,202,860	$ 58,145,593
Hong Kong	59,230,088	53,720,233	32,696,502
China	2,232,545	12,626,821	-
Malaysia	14,664,763	4,522,672	6,692,606
Thailand	8,645,480	-	-
Other	514,404	-	-
Total revenue	**$ 238,924,089**	**$ 142,072,586**	**$ 97,534,701**

The following table presents long-lived assets by geographic area, which includes property and equipment, net operating leases right-of-use assets, and finance leases right-of-use assets:

	As of March 31, 2026	As of March 31, 2025
Singapore	$ 4,790,882	$ 954,399
Hong Kong	62,748	19,118
Malaysia	324,337	151,171
Brazil	283,656	-
Taiwan	205,990	-
Others	42,495	61,011
Total long-lived assets	**$ 5,710,108**	**$ 1,185,699**

Note 26 — Subsequent Events

The Company evaluated all events and transactions that occurred after March 31, 2026, which is the date the consolidated financial statements to be issued, and concluded that other than the events disclosed below and elsewhere, there is no other subsequent event occurred that would require recognition or disclosure in the Company's consolidated financial statements.

On April 9, 2026, in connection with the share purchase agreement with an accredit investor (Note 6), GCL Global Limited, a subsidiary of the Company, sold 306,250 Series B Preferred Shares of Nekcom for a consideration of $1,000,000. The legal transfer of the 306,250 Series B Preferred Shares (representing the 0.5% equity interest of Nekcom) to the accredited investor was completed on May 26, 2026. Upon successful launch of the game *Showa American Story*, the buyer has the option to sell all or any portion of the Series B Preferred Shares to GCL Global Limited at two times of the purchase price. If the game *Showa American Story* is not launched on or before June 30, 2028, the buyer has the option to sell the Series B Preferred Shares to GCL Global Limited at original purchase consideration plus compound interest accrued at 10% per annum.

On April 28, 2026, the Company redeemed, in part, the then-outstanding Senior Unsecured Notes for approximately $3.18 million pursuant to the terms of the Senior Unsecured Notes. The Parties also entered into that certain Amendment, Waiver and Exchange Agreement (the "Exchange Agreement"), pursuant to which, the remaining balance of the Senior Unsecured Notes was exchanged for a warrant to purchase 1,125,000 ordinary shares of the Company at an initial exercise price of $8.00 per share, subject to full-ratchet anti-dilution adjustments and other price protections in the event of, among other things, a reverse stock split or share combination (the "April 2026 Warrant") in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended (the "Securities Act"). The Parties have also agreed to, among other things, waive any right to consummate any Additional Closing or cause the Company to issue Additional Notes, pursuant to the terms of the Senior Unsecured Notes.

In April 2026, 4Divinity SG issued the related ordinary shares in connection with the $10,000,000 share subscription payable recorded as of March 31, 2026, thereby completing the share subscription (Note 15).

On April 30, 2026, the Company incorporated Shenfang Universe (Shanghai) Technology Co., Ltd. ("Shenfang Shanghai"), an indirect wholly owned subsidiary organized under the laws of the People's Republic of China ("PRC"). Shenfang Shanghai was established to facilitate anticipated business activities and future commercial operations in the Shanghai region.

On June 22, 2026, the Company incorporated Shenfang Interactive (Hangzhou) Technology Co., Ltd. ("Shenfang Hangzhou"), an indirect wholly owned subsidiary organized under the laws of the PRC. Shenfang Hangzhou was established to facilitate anticipated business activities and future commercial operations in the Hangzhou region.

In July 2026, 4Divinity SG entered into an additional share subscription agreement with an accredited investor for the issuance of 2,571,429 ordinary shares at $3.50 per share for aggregate consideration of $9,000,000. The subscription proceeds were received and the related shares were issued in July 2026.

Exhibit 2.1

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

GCL Global Holdings Ltd is a Cayman Islands company incorporated with limited liability and our affairs are governed by the provisions of its Amended and Restated Memorandum and Articles of Association (the "Company Charter"), as amended and restated from time to time, and by the provisions of applicable Cayman Islands law, including the Companies Act and the common law of the Cayman Islands.

Our company registration number in the Cayman Islands is 403942. As provided in the Company Charter, subject to Cayman Islands law, we have full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.

The following description summarizes certain terms of our shares as set out more particularly in the of the Company Charter. Because it is only a summary, it may not contain all the information that is important to you. We urge you to read the applicable provisions of Cayman Islands law and the Company Charter carefully and in their entirety because they describe your rights as a holder of the Company's Ordinary Shares.

Authorized Shares

The authorized shares of the Company consist of US$50,000 divided into 500,000,000 Shares of a par value of US$0.0001 each.

Register of Members

Under the Companies Act, the Company's shares are deemed to be issued when the name of the shareholder is entered in our register of members. Our register of members will be maintained by our transfer agent Continental Stock Transfer & Trust Company ("Continental Stock"). If (a) information that is required to be entered in the register of members is omitted from the register or is inaccurately entered in the register, or (b) there is unreasonable delay in entering information in the register, without sufficient cause, a shareholder of the Company, or any person who is aggrieved by the omission, inaccuracy or delay, may apply to the Cayman Islands Court for an order that the register be rectified, and the Court may either refuse the application or order the rectification of the register, and may direct the Company to pay all costs of the application and any damages the applicant may have sustained.

Ordinary Shares

The following summarizes the rights of holders of our Ordinary Shares:

- each holder of Ordinary Shares is entitled to one vote per share on all matters to be voted on by shareholders generally, including the appointment of directors;

- the holders of our Ordinary Shares are entitled to dividends and other distributions, as may be declared from time to time by our board of directors out of funds legally available for that purpose, if any, and pursuant to the Company Charter, all dividends unclaimed for three years from the date the dividend became due for payment shall be forfeited and shall revert to the Company; and

- upon our liquidation, dissolution or winding up, the holders of Ordinary Shares will be entitled to share ratably, in the distribution of all of our assets remaining available for distribution after satisfaction of all our liabilities.

Preference Shares

The rights, preferences and privileges of Ordinary Shares are subject to, and may be adversely affected by, the rights of the holders of any other class of shares that we may designate in the future having such rights as specified by the board of directors pursuant to the resolution of directors approving the creation of such class of shares. The directors shall not require any approval of the shareholders or any class of shareholders in respect of the creation or issuance of preference shares. However, any related amendment to the Company Charter will require approval of our shareholders by way of special resolution (which requires a majority of not less than two-thirds).

Preemption

Holders of Ordinary Shares do not have any preemptive or other rights to subscribe for additional shares pursuant to the Company Charter.

Shareholders' Meetings

The following summarizes certain relevant provisions of Cayman Islands law and the Company Charter in relation to our shareholders' meetings:

- the directors of the Company may convene meetings of shareholders at such times and in such manner and places within or outside the Cayman Islands as the directors consider necessary or desirable. There is no requirement for the Company to hold annual general meetings;
- our shareholders holding not less than twenty percent (20%) in par value of the issued shares which as at that date carry the right to vote at general meetings shall have the ability to requisition a general meeting;
- the directors convening a meeting of shareholders must give not less than ten days' clear notice of the proposed meeting;
- a shareholder may be represented at a meeting of shareholders by a proxy who may speak and vote on behalf of the shareholder;
- no business may be transacted at a general meeting unless a quorum is present. A quorum is those shareholders present in person or by proxy or by a duly authorised representative holding shares entitled to vote on the business to be transacted which represent not less than one-third of all issued shares, unless the Company has only one shareholder in which case that shareholder alone constitutes a quorum;
- an ordinary resolution of shareholders is passed by a simple majority of such shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company and where a poll is taken regard shall be had in computing a majority to the number of votes to which each shareholder is entitled by the Company Charter;
- a special resolution of shareholders is passed by a majority of not less than two-thirds of such shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a special resolution has been duly given and where a poll is taken regard shall be had in computing a majority to the number of votes to which each shareholder is entitled.

The Company Charter does not permit the adoption by the shareholders of resolutions in writing. A shareholder resolution must be passed at a meeting of the shareholders.

Shareholders have no general right under the Company Charter to bring business before a general meeting of the Company, save in the case of any shareholders right to requisition a general meeting provided the minimum shareholder requirement is met.

Appointment of Directors

The directors of the Company may be appointed by an ordinary resolution of the shareholders. Alternatively, the Company board of directors may, by the affirmative vote of a simple majority of the directors present and voting at a board meeting appoint any person as a director to fill a casual vacancy on the board or as an addition to the existing board. The Company directors are not automatically subject to a term of office and hold office until such time as their office is vacated or where they are removed from office by an ordinary resolution of shareholders or otherwise in accordance with the Company Charter. In addition, a director will cease to be a director if, among other things the director (i) becomes bankrupt or makes any arrangement or composition with his or her creditors: (ii) dies or is found to be or becomes of unsound mind within the scope of the Company Charter: (iii) resigns his or her office by notice in writing to the Company; (iv) without special leave of absence from the Company Board, is absent from board meetings for a continuous period of 6 months and the Company directors resolve that his or her office be vacated; (v) by notice in writing signed by not less than three-fourths of all the Company directors in number; or (vi) is removed from office pursuant to any other provision of the Company Charter.

The officers of the Company are appointed by and serve at the discretion of the board of directors, and may be removed by our board of directors.

Shareholder Suits

In principle, the Company will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands courts can be expected to follow and apply the common law principles (namely the rule in Foss v. Harbottle and the exceptions thereto) so that a non-controlling shareholder may be permitted to commence a class action against or derivative actions in the name of the company to challenge actions where:

- a company acts or proposes to act illegally or ultra vires;
- the act complained of, although not ultra vires, could only be effected duly if authorized by more than the number of votes which have actually been obtained; and
- those who control the company are perpetrating a “fraud on the minority.”

A shareholder may have a direct right of action against us where the individual rights of that shareholder have been infringed or are about to be infringed.

Warrants

The following summary is not complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Warrant Agreement, dated as of March 23, 2022, by and between RFAC and Continental Stock Transfer & Trust Company (the "Existing Warrant Agreement"), which was filed as Exhibit 4.5 to the registration statement (333-261765).

On February 13, 2025, the Company, RFAC and Continental Stock Transfer & Trust Company entered into the Assignment, Assumption and Amendment Agreement (the "Amended Warrant Agreement"), pursuant to which, among other things, effective as of the Effective Time, the Company will assume the obligations of RFAC under the Existing Warrant Agreement. Pursuant to the Business Combination Agreement and the Amended Warrant Agreement, each issued and outstanding warrant of RFAC sold to the public and to the Sponsor and EBC in a private placement in connection with RFAC's initial public offering was exchanged for a corresponding warrant exercisable for Ordinary Shares.

The Warrants have the same terms as the RFAC Warrants. Each whole Warrant entitles the registered holder to purchase one Ordinary Share at a price of $11.50 per share, subject to adjustment as discussed below, at any time commencing 30 days after the completion of our Business Combination; provided that we have an effective registration statement under the Securities Act covering the Ordinary Shares issuable upon exercise of the Warrants and a current prospectus relating to them is available (or we permit holders to exercise their Warrants on a cashless basis under the circumstances specified in the warrant agreement) and such shares are registered, qualified or exempt from registration under the securities, or blue sky, laws of the state of residence of the holder. Pursuant to the warrant agreement, a warrant holder may exercise its warrants only for a whole number of Ordinary Shares. This means only a whole Warrant may be exercised at a given time by a warrant holder. The Warrants will expire five years after the completion of our Business Combination, at 5:00 p.m., New York City time, or earlier upon redemption or liquidation.

We will not be obligated to deliver any Ordinary Shares pursuant to the exercise of a Warrant and will have no obligation to settle such Warrant exercise unless a registration statement under the Securities Act with respect to the Ordinary Shares underlying the warrants is then effective and a prospectus relating thereto is current, subject to our satisfying our obligations described below with respect to registration. No Warrant will be exercisable and we will not be obligated to issue a Ordinary Share upon exercise of a Warrant unless the Ordinary Share issuable upon such Warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the Warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a Warrant, the holder of such Warrant will not be entitled to exercise such Warrant and such Warrant may have no value and expire worthless. In no event will we be required to net cash settle any Warrant. In the event that a registration statement is not effective for the exercised Warrants, the purchaser of a unit containing such warrant will have paid the full purchase price for the unit solely for the Ordinary Share underlying such Unit.

We registered the Ordinary Shares issuable upon exercise of the Warrants on a Registration Statement on Form S-1 (File No. 333-265353) because the Warrants will become exercisable 30 days after the completion of its Business Combination, which may be within one year of our Initial Public Offering. However, because the Warrants will be exercisable until their expiration date of up to five years after the completion of our Business Combination, in order to comply with the requirements of Section 10(a)(3) of the Securities Act following the consummation of our Business Combination, under the terms of the warrant agreement, we have filed a registration statement (333-286361) for the resale of the Ordinary Shares underlying the Warrants and the registration statement was declared effective on May 18, 2026. We will use our best efforts to maintain a current prospectus relating to the Ordinary Shares issuable upon exercise of the Warrants until the expiration of the Warrants in accordance with the provisions of the warrant agreement. Notwithstanding the above, if our Ordinary Shares are at the time of any exercise of a Warrant no longer listed on a national securities exchange such that they satisfy the definition of a "covered security" under Section 18(b)(1) of the Securities Act, we may, at our option, require holders of Public Warrants who exercise their Warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event we so elect, we will not be required to file or maintain in effect a registration statement, and in the event we do not so elect, we will use our best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

Redemption

Once the Warrants become exercisable, we may call the Warrants for redemption for cash:

- in whole and not in part;
- at a price of $.01 per Warrant;
- upon not less than 30 days' prior written notice of redemption (the "30-day redemption period") to each warrant holder; and
- if, and only if, the closing price of the common stock equals or exceeds $18.00 per share (as adjusted for stock splits, stock capitalizations, reorganizations, recapitalizations and the like and for certain issuances of Ordinary Shares and equity-linked securities for capital raising purposes in connection with the closing of our Business Combination as described elsewhere in this Annual Report) for any 20 trading days within a 30-trading day period ending three business days before we send to the notice of redemption to the warrant holders.

If and when the Warrants become redeemable by us for cash, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws.

We have established the last of the redemption criterion discussed above to prevent a redemption call unless there is at the time of the call a significant premium to the Warrant exercise price. If the foregoing conditions are satisfied and we issue a notice of redemption of the Warrants, each warrant holder will be entitled to exercise his, her or its Warrant prior to the scheduled redemption date. However, the price of the Ordinary Shares may fall below the $18.00 redemption trigger price (as adjusted for stock splits, stock capitalizations, reorganizations, recapitalizations and the like and for certain issuances of Ordinary Shares and equity-linked securities for capital raising purposes in connection with the closing of our Business Combination as described elsewhere in this Annual Report) as well as the $11.50 Warrant exercise price after the redemption notice is issued.

Redemption procedures

If we call the Warrants for redemption as described above, our Management will have the option to require any holder that wishes to exercise his, her or its Warrant to do so on a "cashless basis." In determining whether to require all holders to exercise their Warrants on a "cashless basis," our Management will consider, among other factors, our cash position, the number of Warrants that are outstanding and the dilutive effect on our stockholders of issuing the maximum number of Ordinary Shares issuable upon the exercise of our Warrants. If our Management takes advantage of this option, all holders of Warrants would pay the exercise price by surrendering their Warrants for that number of Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Ordinary Shares underlying the Warrants, multiplied by the excess of the "fair market value" of our Ordinary Shares (defined below) over the exercise price of the Warrants by (y) the fair market value. The "fair market value" will mean the average closing price of the Ordinary Shares for the five trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of Warrants. If our Management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of Ordinary Shares to be received upon exercise of the Warrants, including the "fair market value" in such case. Requiring a cashless exercise in this manner will reduce the number of shares to be issued and thereby lessen the dilutive effect of a Warrant redemption. We believe this feature is an attractive option to us if we do not need the cash from the exercise of the Warrants after our Business Combination. If we call our Warrants for redemption and our Management does not take advantage of this option, the holders of the Private Placement Warrants and their permitted transferees would still be entitled to exercise their Private Placement Warrants for cash or on a cashless basis using the same formula described above that other warrant holders would have been required to use had all warrant holders been required to exercise their Warrants on a cashless basis.

A holder of a Warrant may notify us in writing if it elects to be subject to a requirement that such holder will not have the right to exercise such Warrant, to the extent that after giving effect to such exercise, such person (together with such person's affiliates), to the warrant agent's actual knowledge, would beneficially own in excess of 4.9% or 9.8% (as specified by the holder) of the Ordinary Shares outstanding immediately after giving effect to such exercise.

If the number of outstanding Ordinary Shares is increased by a share capitalization payable in Ordinary Shares, or by a split-up of common stock or other similar event, then, on the effective date of such share capitalization, split-up or similar event, the number of Ordinary Shares issuable on exercise of each Warrant will be increased in proportion to such increase in the outstanding shares of common stock. A Rights offering to holders of common stock entitling holders to purchase Ordinary Shares at a price less than the fair market value will be deemed a share capitalization of a number of Ordinary Shares equal to the product of (i) the number of Ordinary Shares actually sold in such Rights offering (or issuable under any other equity securities sold in such Rights offering that are convertible into or exercisable for Ordinary Shares) and (ii) the quotient of (x) the price per Ordinary Share paid in such Rights offering and (y) the fair market value. For these purposes (i) if the Rights offering is for securities convertible into or exercisable for Ordinary Shares, in determining the price payable for Ordinary Shares, there will be taken into account any consideration received for such Rights, as well as any additional amount payable upon exercise or conversion and (ii) fair market value means the volume weighted average price of Ordinary Shares as reported during the five trading day period ending on the trading day prior to the first date on which the Ordinary Shares trades on the applicable exchange or in the applicable market, regular way, without the right to receive such Rights.

In addition, if we, at any time while the Warrants are outstanding and unexpired, pay a dividend or make a distribution in cash, securities or other assets to the holders of Ordinary Shares on account of such Ordinary Shares (or other securities into which the Warrants are convertible), other than (a) as described above, (b) certain ordinary cash dividends, (c) to satisfy the redemption rights of the holders of Ordinary Shares in connection with a proposed Business Combination, or (d) in connection with the redemption of our public shares upon our failure to complete our Business Combination, then the Warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each Ordinary Share in respect of such event.

If the number of outstanding Ordinary Shares is decreased by a consolidation, combination, reverse share split or reclassification of Ordinary Shares or other similar event, then, on the effective date of such consolidation, combination, reverse share split, reclassification or similar event, the number of Ordinary Shares issuable on exercise of each Warrant will be decreased in proportion to such decrease in the outstanding Ordinary Shares.

Whenever the number of Ordinary Shares purchasable upon the exercise of the Warrants is adjusted, as described above, the Warrant exercise price will be adjusted by multiplying the Warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of Ordinary Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment, and (y) the denominator of which will be the number of Ordinary Shares so purchasable immediately thereafter.

In addition, if (x) we issue additional Ordinary Shares or equity-linked securities for capital raising purposes in connection with the closing of our Business Combination at an issue price or effective issue price of less than $9.20 per Ordinary Share (with such issue price or effective issue price to be determined in good faith by our board of directors and, in the case of any such issuance to our Sponsor, initial stockholders or their affiliates, without taking into account any Founder Shares held by our Sponsor, initial stockholders or such affiliates, as applicable, prior to such issuance) (the "Newly Issued Price"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of our Business Combination on the date of the consummation of our Business Combination (net of redemptions), and (z) the volume weighted average trading price of our Ordinary Shares during the 20 trading day period starting on the trading day after the day on which we consummate our Business Combination (such price, the "Market Value") is below $9.20 per share, the exercise price of the Warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, and the $18.00 per share redemption trigger price described below under "Redemption of Warrants" will be adjusted (to the nearest cent) to be equal to 118% of the higher of the Market Value and the Newly Issued Price.

The Warrants have been issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. You should review a copy of the warrant agreement, which will be filed as an exhibit to the registration statement of which this Annual Report is a part, for a complete description of the terms and conditions applicable to the Warrants. The warrant agreement provides that the terms of the Warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least a majority of the then outstanding Public Warrants to make any change that adversely affects the interests of the registered holders of Public Warrants.

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 (or on a cashless basis, if applicable), by certified or official bank check payable to us, for the number of Warrants being exercised. The warrant holders do not have the rights or privileges of holders of common stock and any voting rights until they exercise their Warrants and receive Ordinary Shares. After the issuance of Ordinary Shares 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.

Private Placement Warrants

The Private Placement Warrants (including the Ordinary Shares issuable upon exercise of the Private Placement Warrants) will not be transferable, assignable or salable until 30 days after the completion of our Business Combination. The Private Placement Warrants have terms and provisions that are identical to those of the Warrants being sold as part of the units in our Initial Public Offering, including as to exercise price, exercisability and exercise period.

If holders of Warrants (and Private Placement-equivalent Warrants) elect to exercise them on a cashless basis, they would pay the exercise price by surrendering their Warrants for that number of Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Ordinary Shares underlying the Warrants, multiplied by the excess of the "fair market value" (defined below) of the Ordinary Shares over the exercise price of the Warrants by (y) the fair market value. The "fair market value" shall mean the average reported last sale price of the Ordinary Shares for the five trading days ending on the third trading day prior to the date on which the notice of Warrant exercise is sent to the warrant agent. We expect to have policies in place that prohibit insiders from selling our securities except during specific periods of time. Even during such periods of time when insiders will be permitted to sell our securities, an insider cannot trade in our securities if he or she is in possession of material non-public information. Accordingly, unlike public stockholders who could sell the Ordinary Shares issuable upon exercise of the Warrants freely in the open market, the insiders could be significantly restricted from doing so. As a result, we believe that allowing the holders to exercise such Warrants on a cashless basis is appropriate.

In order to finance transaction costs in connection with an intended Business Combination, our sponsor or an affiliate of our sponsor or certain of our officers and directors may, but are not obligated to, loan us funds as may be required. The terms of such working capital loans by our sponsor or its affiliates, or our officers and directors, if any, have not been determined and no written agreements exist with respect to such loans. In addition, holders of our Private Placement Warrants are entitled to certain registration rights. In April 2025, we filed a registration statement (333-286361) for the resale of the Ordinary Shares underlying these Private Placement Warrants and the registration statement was declared effective on May 18, 2026.

Our sponsor and EarlyBirdCapital (and/or its designees) have agreed not to transfer, assign or sell any of the Private Placement Warrants until the date that is 180 days after the date we complete our Business Combination.

Warrant issued in April 2026

Pursuant to an Amendment, Waiver and Exchange Agreement (the "Exchange Agreement") between the Company and ATW Partners (the "Holder"), dated April 28, 2026 (the "Exchange Date"), the Company issued to the Investor a warrant to purchase 1,125,000 ordinary shares at an initial exercise price of $8.00 per share (the "April 2026 Warrant"). The April 2026 Warrant has a three-year term and is exercisable, in whole or in part, at the option of the Holder. The exercise price of the April 2026 Warrant is subject to full-ratchet anti-dilution adjustments and other price protections. If the Company issues or sells or enters into any agreement to issue or sell, "Variable Price Securities" (defined in the April 2026 Warrant) after the Exchange Date that are issuable pursuant to such agreement or convertible into or exchangeable or exercisable for Ordinary Shares at a price which varies or may vary with the market price of the Ordinary Shares, the Holder shall have the right, but not the obligation, in its sole discretion to substitute the Variable Price for the Exercise Price upon exercise of this Warrant.

If at any time and from time to time on or after the Exchange Date there occurs any share split, share dividend, share combination recapitalization or other similar transaction involving the Ordinary Shares (each, a "Share Combination Event", and such date thereof, the "Share Combination Event Date") and the Event Market Price is less than the Exercise Price then in effect, then on the sixteenth (16th) Trading Day immediately following such Share Combination Event, the Exercise Price then in effect on such sixteenth (16th) Trading Day shall be reduced (but in no event increased) to the Event Market Price.

Exhibit 11.1

GCL GLOBAL HOLDINGS LTD

Insider Trading Policy

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GCL GLOBAL HOLDINGS LTD

Insider Trading Policy

This Insider Trading Policy describes the standards of GCL Global Holdings Ltd and its subsidiaries (the "**Company**") on trading, and causing the trading of, the Company's securities or securities of certain other publicly traded companies while in possession of material nonpublic information.

Part I of this Insider Trading Policy prohibits trading of the Company's securities in certain circumstances and applies to all directors, officers and employees and their respective immediate family members of the Company ("**Covered Persons**").

Part II of this Insider Trading Policy imposes special additional trading restrictions and applies to all (i) directors of the Company, and (ii) executive officers of the Company/officers of the Company (together with the directors, "**Company Insiders**").

Part III of this Insider Trading Policy summarizes other limitations on securities transactions.

One of the principal purposes of the federal securities laws is to prohibit so-called "insider trading." Simply stated, insider trading occurs when a person uses material nonpublic information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company's securities or the securities of certain other companies or to provide that information to others outside the Company. This is because the employee, executive officer or director knows information that will probably cause the share price to change, and it would be unfair for the employee or director to have an advantage (knowledge that the share price will change) that the rest of the investing public does not have. The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is "material" and "nonpublic." These terms are defined in this Insider Trading Policy under Part I, Section 3 below. The prohibitions would apply to any director, officer or employee who buys or sells securities on the basis of material nonpublic information that he or she obtained about the Company, its customers (e.g. resellers and distributors), suppliers (e.g., game publishers and studios), partners, competitors or other companies with which the Company has contractual relationships or may be negotiating transactions.

If you have any questions regarding any of the provisions of this Insider Trading Policy, please contact the Compliance Officer.

All Company Insiders are required to sign the attached acknowledgment and certification.

PART I

1. Applicability

This Policy applies to all trading or other transactions in (i) the Company's securities, including ordinary shares, options and any other securities that the Company may issue, such as preferred shares, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company's securities, whether or not issued by the Company and (ii) the securities of certain other companies, including common stock or ordinary shares, options and other securities issued by those companies as well as derivative securities relating to any of those companies' securities, where the person trading used information obtained while working for the Company.

This Policy applies to all employees and officers of the Company and to all members of the Company's board of directors and their respective family members.

2. General Policy: No Trading or Causing Trading While in Possession of Material Nonpublic Information

(a) No director, officer or employee or any of their immediate family members may purchase or sell, or offer to purchase or sell, any Company securities, whether or not issued by the Company, while in possession of material nonpublic information about the Company. (The terms "material" and "nonpublic" are defined in Part I, Section 3(a) and (b) below.)

(b) No director, officer or employee or any of their immediate family members who knows of any material nonpublic information about the Company may communicate that information to ("**tip**") any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

(c) No director, officer or employee or any of their immediate family members may purchase or sell any security of any other publicly traded company while in possession of material nonpublic information that was obtained in the course of his or her involvement with the Company. No director, officer or employee or any of their immediate family members who knows of any such material nonpublic information may communicate that information to, or tip, any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

(d) For compliance purposes, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and nonpublic unless you first consult with, and obtain the advance approval of, the Company's Group Chief Financial Officer (which is defined in Part I, Section 3(c) below).

(e) Covered Persons must "pre-clear" all trading in securities of the Company in accordance with the procedures set forth in Part II, Section 3 below.

3. Definitions

(a) Material. Insider trading restrictions come into play only if the information you possess is "material." Materiality, however, involves a relatively low threshold. Information is generally regarded as "material" if it has market significance, that is, if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

Information dealing with the following subjects is reasonably likely to be found material in particular situations:

- significant changes in the Company's prospects (e.g., loss of a significant customer or business partner);
- significant write-downs in assets or increases in reserves;
- developments regarding significant litigation or government agency investigations;
- liquidity problems;
- changes in earnings estimates or unusual gains or losses in major operations;
- major changes in the Company's management or the board of directors;
- changes in dividends;
- extraordinary borrowings;
- major changes in accounting methods or policies;
- award or loss of a significant contract;
- cybersecurity risks and incidents, including vulnerabilities and breaches;
- changes in debt ratings;
- proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalizations, strategic alliances, licensing arrangements, or purchases or sales of substantial assets; and
- offerings of Company's securities.

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular nonpublic information is material, you should presume it is material. **If you are unsure whether information is material, you should either consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates or assume that the information is material.**

(b) Nonpublic. Insider trading prohibitions come into play only when you possess information that is material and "nonpublic." The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Nonpublic information may include:

- information available to a select group of analysts or brokers or institutional investors;
- undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and
- information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information two trading days.

As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Compliance Officer or assume that the information is nonpublic and treat it as confidential.

(c) Compliance Officer. The Company has appointed the Company's Chief Financial Officer as its Compliance Officer for this Insider Trading Policy. The duties of the Compliance Officer include, but are not limited to, the following:

- assisting with implementation and enforcement of this Insider Trading Policy;
- circulating this Insider Trading Policy to all employees and ensuring that this Policy is amended as necessary to remain up-to-date with U.S. insider trading rules and regulations;
- pre-clearing all trading in securities of the Company by Covered Persons in accordance with the procedures set forth in Part II, Section 3 below; and
- providing approval of any Rule 10b5-1 plans under Part II, Section 1(c) below and any prohibited transactions under Part II, Section 4 below.

4. Violations of Insider Trading Rules and Regulations

Penalties for trading on or communicating material nonpublic information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Insider Trading Policy is absolutely mandatory.

(a) Legal Penalties. A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has material nonpublic information can be sentenced to a jail term and required to pay a criminal penalty of several times the amount of profits gained or losses avoided.

In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed material nonpublic information. Tippers can be subject to the same penalties and sanctions as the tippees, and the SEC has imposed large penalties even when the tipper did not profit from the transaction.

The SEC can also seek substantial civil penalties from any person who, at the time of an insider trading violation, "directly or indirectly controlled the person who committed such violation," which would apply to the Company and/or management and supervisory personnel. These control persons may be held liable to pay a criminal penalty of several times the amount of profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek penalties from a company and/or its management and supervisory personnel as control persons.

(b) Company-Imposed Penalties. Employees who violate this Insider Trading Policy may be subject to disciplinary action by the Company, including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Compliance Officer and must be provided before any activity contrary to the above requirements takes place.

PART II

1. Blackout Periods

All Company Insiders are prohibited from trading in the Company's securities during blackout periods as defined below.

(a) Semi-annual or Annual Blackout Periods. Trading in the Company's securities is prohibited during the period beginning at the close of the market two weeks at the end of semi-annual or annual period and ending at the close of business on the second trading day following the date the Company's financial results are publicly disclosed Form 6-K or Form 20-F is filed. During these periods, Company Insiders generally possess or are presumed to possess material nonpublic information about the Company's financial results.

(b) Other Blackout Periods. From time to time, other types of material nonpublic information regarding the Company (such as negotiation of mergers, acquisitions or dispositions, investigation and assessment of cybersecurity incidents) may be pending and not be publicly disclosed. While such material nonpublic information is pending, the Company may impose special blackout periods during which Company Insiders are prohibited from trading in the Company's securities. If the Company imposes a special blackout period, it will notify the Company Insiders affected.

(c) Exception. These trading restrictions do not apply to transactions under a pre-existing written plan, contract, instruction, or arrangement under Rule 10b5-1 under the Securities Exchange Act of 1934 (an "**Approved 10b5-1 Plan**") that meet the following requirements:

(i) it has been reviewed and approved by the Compliance Officer at least five days in advance of being entered into (or, if revised or amended, such proposed revisions or amendments have been reviewed and approved by the Compliance Officer at least five days in advance of being entered into);

(ii) it provides that no trades may occur thereunder until expiration of the applicable cooling-off period specified in Rule 10b5-1(c)(ii)(B), and no trades occur until after that time. The appropriate cooling-off period will vary based on the status of the Covered Person. For directors and officers, the cooling-off period ends on the later of (x) ninety days after adoption or certain modifications of the 10b5-1 plan; or (y) two business days following disclosure of the Company's financial results in a Form 20-F or Form 6-K for the semi-annual or annual in which the 10b5-1 plan was adopted. For all other Company Insiders, the cooling-off period ends 30 days after adoption or modification of the 10b5-1 plan. This required cooling-off period will apply to the entry into a new 10b5-1 plan and any revision or modification of a 10b5-1 plan;

(iii) it is entered into in good faith by the Covered Person, and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1, at a time when the Covered Person is not in possession of material nonpublic information about the Company; and, if the Covered Person is a director or officer, the 10b5-1 plan must include representations by the Covered Person certifying to that effect;

(iv) it gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Person, so long as such third party does not possess any material nonpublic information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions; and

(v) it is the only outstanding Approved 10b5-1 Plan entered into by the Covered Person (subject to the exceptions set out in Rule 10b5-1(c)(ii)(D)).

No Approved 10b5-1 Plan may be adopted during a blackout period.

If you are considering entering into, modifying or terminating an Approved 10b5-1 Plan or have any questions regarding Approved Rule 10b5-1 Plans, please contact the Compliance Officer. You should consult your own legal and tax advisors before entering into, or modifying or terminating, an Approved 10b5-1 Plan. A trading plan, contract, instruction or arrangement will not qualify as an Approved 10b5-1 Plan without the prior review and approval of the Compliance Officer as described above.

2. Trading Window

Company Insiders are permitted to trade in the Company's securities when no blackout period is in effect. Generally, this means that Company Insiders can trade during the period beginning on the day that blackout period under section 1(a) ends and ending on the day that next blackout period under section 1(a) begins. However, even during this trading window, a Covered Person who is in possession of any material nonpublic information should not trade in the Company's securities until the information has been made publicly available or is no longer material. In addition, the Company may close this trading window if a special blackout period under Part II, Section 1(b) above is imposed and will re-open the trading window once the special blackout period has ended.

3. Pre-Clearance of Securities Transactions

(a) Because Company Insiders are likely to obtain material nonpublic information on a regular basis, the Company requires all such persons to refrain from trading, even during a trading window under Part II, Section 2 above, without first pre-clearing all transactions in the Company's securities. See Annex A for Request for Approval to Trade in the Company's Securities.

(b) Subject to the exemption in subsection (d) below, no Company Insider may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of) any Company security at any time without first obtaining prior approval from the Compliance Officer. These procedures also apply to transactions by such person's spouse, other persons living in such person's household and minor children and to transactions by entities over which such person exercises control.

(c) The Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked or specifically stated otherwise in the Request for Approval to Trade in the Securities (Annex A) signed by the Compliance Officer, a grant of permission will normally remain valid until the close of trading two business days following the day on which it was granted. If the transaction does not occur during the two-day period, pre-clearance of the transaction must be re-requested.

(d) Pre-clearance is not required for purchases and sales of securities under an Approved 10b5-1 Plan once the applicable cooling-off period has expired. No trades may be made under an Approved 10b5-1 Plan until expiration of the applicable cooling-off period. With respect to any purchase or sale under an Approved 10b5-1 Plan, the third party effecting transactions on behalf of the Company Insider should be instructed to send duplicate confirmations of all such transactions to the Compliance Officer.

4. Prohibited Transactions

(a) Company Insiders are prohibited from trading in the Company's equity securities during a blackout period imposed under an "individual account" retirement or pension plan of the Company, during which at least 50% of the plan participants are unable to purchase, sell or otherwise acquire or transfer an interest in equity securities of the Company, due to a temporary suspension of trading by the Company or the plan fiduciary.

(b) Company Insiders, including any person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, are prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the Compliance Officer:

(i) Short-term trading. Company Insiders who purchase Company securities may not sell any Company securities of the same class for at least six months after the purchase;

(ii) Short sales. Company Insiders may not sell the Company's securities short;

(iii) Options trading. Company Insiders may not buy or sell puts or calls or other derivative securities on the Company's securities;

(iv) Trading on margin or pledging. Company Insiders may not hold Company securities in a margin account or pledge Company securities as collateral for a loan; and

(v) Hedging. Company Insiders may not enter into hedging or monetization transactions or similar arrangements with respect to Company securities.

PART III

1. Public Resale – Rule 144

The U.S. Securities Act (the "**Securities Act**") requires every person who offers or sells a security to register such transaction with the SEC unless an exemption from registration is available. Rule 144 under the Securities Act is the exemption typically relied upon for (i) public resales by any person of "restricted securities" (*i.e.*, unregistered securities acquired in a private offering or sale) and (ii) public resales by directors, officers and other control persons, e.g., 10% holders, of a company (known as "**Affiliates**") of any of the Company's securities, whether restricted or unrestricted.

The exemption under Rule 144 will only be available 12 months after the Company has filed a Form 20-F within four business days from the de-SPAC closing, and may be relied upon only if certain conditions are met.

(a) Holding Period. Restricted securities issued by the Company must be held and fully paid for a period of six months prior to their sale. The holding period requirement does not apply to securities held by Affiliates that were acquired either in the open market or in a public offering of securities registered under the Securities Act. Generally, if the seller acquired the securities from someone other than the Company or an Affiliate of the Company, the holding period of the person from whom the seller acquired such securities can be "tacked" to the seller's holding period in determining if the holding period has been satisfied.

(b) Current Public Information. Current information about the Company must be publicly available before the sale can be made. The Company's periodic reports filed with the SEC ordinarily satisfies this requirement. If seller is currently an Affiliate or has been an Affiliate within the previous three months, the Affiliate's sale is subject to the following additional conditions:

(c) Volume Limitations. The amount of equity securities that can be sold by an Affiliate during any three-month period cannot exceed the greater of (i) one percent (1%) of the total number of shares outstanding; and (ii) the average weekly reported trading volume for shares during the four preceding calendar weeks.

(d) Manner of Sale. Equity securities held by Affiliates must be sold in unsolicited brokers' transactions, directly to a market-maker or in riskless principal transactions.

(e) Notice of Sale. An Affiliate seller must file a notice of the proposed sale with the SEC at the time the order to sell is placed with the broker, unless the amount to be sold during any three-month period neither exceeds 5,000 shares nor involves sale proceeds greater than $50,000. See "Filing Requirements" under Part III, Section 3(b) below.

Bona fide gifts are not deemed to involve sales of shares for purposes of Rule 144, so they can be made at any time without limitation on the amount of the gift. Donees who receive restricted securities from an Affiliate generally will be subject to the same restrictions under Rule 144 that would have applied to the donor, depending on the circumstances.

2. Private Resale

Directors and officers also may sell securities in a private transaction without registration. Although there is no statutory provision or SEC rule expressly dealing with private sales, the general view is that such sales can safely be made by Affiliates if the party acquiring the securities understands he is acquiring restricted securities that must be held for at least six months before the securities will be eligible for resale to the public under Rule 144 (which will only be available 12 months after the Company has filed a Form 20-F within four business days from the de-SPAC closing). Private resales raise certain documentation and other issues and must be reviewed in advance by the Company's U.S. legal counsel at Loeb & Loeb LLP.

3. Filing Requirements

(a) Schedule 13D and 13G - Section 13(d) of the Exchange Act requires the filing of a statement on Schedule 13D (or on Schedule 13G, in certain limited circumstances) by any person or group which acquires beneficial ownership of more than five percent (5%) of a class of equity securities registered under the Exchange Act. The threshold for reporting is met if the shares owned, when coupled with the amount of shares subject to options exercisable within 60 days, exceeds the five percent (5%) threshold.

A report on Schedule 13D is required to be filed with the SEC and submitted to the Company within five (5) business days after the reporting threshold is reached. If a material change occurs in the facts set forth in the Schedule 13D, such as an increase or decrease of one percent (1%) or more in the percentage of stock beneficially owned, an amendment disclosing the change must be filed within two (2) business days. A decrease in beneficial ownership to less than five percent (5%) is per se material and must be reported.

A limited category of persons (such as banks, broker-dealers and insurance companies) may file on Schedule 13G, which is a much abbreviated version of Schedule 13D, as long as the securities were acquired in the ordinary course of business and not with the purpose or effect of changing or influencing the control of the issuer. A report on Schedule 13G is required to be filed with the SEC and submitted to the Company within 45 days after the end of the calendar quarter in which the reporting threshold is reached.

Schedule 13G is also available to passive investors (over 5%) that acquired shares "not with the purpose nor with the effect of changing or influencing the control of the issuer," so long as their ownership remains below 20%. A passive investor shall file the initial Schedule 13G within five (5) business days of crossing the threshold for passive investors.

A person is deemed the beneficial owner of securities for purposes of Section 13(d) if such person has or shares voting power (*i.e.*, the power to vote or direct the voting of the securities) or dispositive power (*i.e.*, the power to sell or direct the sale of the securities). A person filing a Schedule 13D or 13G may disclaim beneficial ownership of any securities attributed to him or her if he or she believes there is a reasonable basis for doing so.

(b) Form 144 – As described in Part II, Section 1(e) above, an Affiliate seller relying on Rule 144 must file a notice of proposed sale with the SEC at the time the order to sell is placed with the broker unless the amount to be sold during any three-month period neither exceeds 5,000 shares nor involves sale proceeds greater than $50,000**.**

PART IV

1. Holding Foreign Insiders Accountable Act (HFIAA)

Pursuant to the Holding Foreign Insiders Accountable Act (HFIAA), beginning March 18, 2026, Company Insiders will be required to file with the SEC Section 16 reports (see Section 3 below) to publicly report their ownership of, and trades in, the Company's shares (including equity compensation awards, stock grants, options, warrants, etc.).

2. Covered Persons

Company Insiders under the HFIAA include officers of the Company: (i) the president; (ii) the principal financial officer; (iii) the principal accounting officer; (iv) any vice-president of the issuer in charge of a principal business unit, division or function; and (v) other policymaking individuals, regardless of title. Officers of the issuer's parent(s) or subsidiaries are deemed officers of the issuer if they perform such policymaking functions for the issuer.

Executive officers identified in an issuer's annual report on Form 20-F are presumed to be officers for purposes of Section 16(a) reporting. Although the HFIAA does not extend Section 16(a) reporting obligations to a significant shareholder solely based on share ownership, a shareholder can be subject to Section 16(a) reporting if its affiliate serves as an officer or director of the Company.

3. Filing Requirements

Section 16 reports include:

Form 3 — an initial statement of beneficial ownership due within 10 calendar days after becoming an insider;

Form 4 — a report of changes in beneficial ownership due by the end of the second business day following the transaction;

Form 5 — an end-of-year filing due 45 calendar days after the issuer's fiscal year-end that covers holdings or transactions not previously reported.

Annex A

Request for Approval to Trade in the Securities of GCL GLOBAL HOLDINGS LTD.

To: Chief Financial Officer / General Counsel

From: _____
Print Name

I hereby request approval for myself (or a member of my immediate family or household or a family member whose transactions regarding securities of GCL GLOBAL HOLDINGS LTD. are directed by me or are subject to my influence or control) to execute the following transaction relating to the securities of GCL GLOBAL HOLDINGS LTD.

Type of transaction (check one):

☐ PURCHASE

☐ SALE

☐ EXERCISE OPTION (AND SELL SHARES)

☐ OTHER

Securities involved in transaction: _____

Number of securities: _____

Other (please explain): _____

Name of beneficial owner if other than yourself: _____

Relationship of beneficial owner to yourself: _____

Signature: _____ Date: _____

This Authorization is valid until _____, 20__ (a date not less than two (2) or more than five (5) business days from the date of this Approval) or until the commencement of a "blackout" period.

Approved by: _____

Name: _____

Date: _____ Time: _____

ACKNOWLEDGMENT AND CERTIFICATION

The undersigned does hereby acknowledge receipt of the Company's Insider Trading Policy. The undersigned has read and understands (or has had explained) such Policy and agrees to be governed by such Policy at all times in connection with the purchase and sale of securities and the confidentiality of nonpublic information.

_____

(Signature)

_____

(Please print name)

Date: _____

Exhibit 12.1

Certification by the Group Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Sebastian Toke, certify that:

1. I have reviewed this annual report on Form 20-F of GCL Global Holdings Ltd (the "Company");

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. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company 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 consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

   (c) Evaluated the effectiveness of the 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 period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our 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: July 31, 2026

By: /s/ Sebastian Toke
Name: Sebastian Toke
Title: Group Chief Executive Officer and Director

Exhibit 12.2

Certification by the Group Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kenny Lin, certify that:

1. I have reviewed this annual report on Form 20-F of GCL Global Holdings Ltd (the "Company");

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. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company 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 consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

   (c) Evaluated the effectiveness of the 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 period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our 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: July 31, 2026

By: /s/ Kenny Lin
Name: Kenny Lin
Title: Group Chief Financial Officer

Exhibit 13.1

Certification by the Group Chief Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report of GCL Global Holdings Ltd (the "Company") on Form 20-F for the year ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sebastian Toke, Group Chief Executive Officer and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(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.

Date: July 31, 2026

By: /s/ Sebastian Toke
Name: Sebastian Toke
Title: Group Chief Executive Officer and Director

Exhibit 13.2

Certification by the Group Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report of GCL Global Holdings Ltd (the "Company") on Form 20-F for the year ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kenny Lin, Group Chief 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 to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 31, 2026

By: /s/ Kenny Lin
Name: Kenny Lin
Title: Group Chief Financial Officer

Exhibit 15.1

MARCUMASIA

Independent Registered Public Accounting Firm's Consent

We consent to the incorporation by reference in the Registration Statements on Post-Effective Form F-1 on Form F-3 (File No. 333-286361 and 333-290032) and Form S-8 (File No. 333-286902) of our report dated July 31, 2025 relating to the consolidated financial statements appearing in the Annual Report on Form 20-F of GCL Global Holdings Ltd. for the year ended March 31, 2026. We also consent to the reference to us under the heading "Experts" in such Registration Statements.

/s/ Marcum Asia CPAs LLP

New York, NY
July 31, 2026

Exhibit 15.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- Registration Statement (Form S-8 No. 333-286902)
- Registration Statement (No. 333-290032)
- Registration Statement (No. 333-286361)

of our report dated July 31, 2026, with respect to the consolidated financial statements of GCL Global Holdings Ltd. included in this Annual Report (Form 20-F) of GCL Global Holdings Ltd. for the year ended March 31, 2026.

/s/ Ernst & Young LLP

Singapore
July 31, 2026

Exhibit 21

List of Subsidiaries

GCL Global Limited
RF Acquisition Corp.
Grand Centrex Limited
GCL Global Pte. Ltd.
2Game Digital Limited
2 Game Pro Ltda.
2Game Digital DMCC
4Divinity Pte. Ltd.
4Divinity UK Ltd.
4Divinity HK Ltd.
4Divinity Japan Ltd.
Digital Hub Pte. Ltd.
GCL Taiwan Co., Ltd.
Epicsoft Asia Pte. Ltd.
Epicsoft (Hong Kong) Limited
Epicsoft Malaysia Sdn. Bhd.
Hainan GCL Technology Co. Ltd.
Martiangear Pte. Ltd.
Starry Jewelry Pte. Ltd.
Titan Digital Media Pte. Ltd.
Ban Leong Technologies Pte Ltd
Ban Leong Technologies Sdn Bhd
Ban Leong Chin Inter Co., Ltd.
AV Labs International Pte Ltd
Shenfang Universe (Shanghai) Technology Co., Ltd.
Shenfang Interactive (Hangzhou) Technology Co., Ltd.