

LOTTERY.COM, INC. DEMONSTRATES SUBSTANTIAL PROGRESS TOWARDS REPORTING COMPLIANCE

Filing of Financial Statements for FY2021 and First Quarter 2022 Completed

AUSTIN, TX, USA, May 16, 2023

/EINPresswire.com/ -- Lottery.com, Inc. (NASDAQ: LTRY, LTRYW) ("Lottery.com" or "the Company") is pleased to announce that it has achieved notable

advancements in making current its obligations for public disclosure and improving its reporting controls to ensure a prompt return to compliance with key the listing requirements for both the Securities and Exchange Commission ("SEC") and Nasdaq Stock Market ("Nasdaq").



Lottery.com Logo

As previously communicated, Lottery.com received a letter from Nasdaq on May 8, 2023, confirming that the Nasdaq Hearing Panel (the "Panel") granted the Company's request for continued listing, subject to meeting the conditions for filing certain financial reports no later than May 15, 2023. These conditions included filing the amended Annual Report on Form 10-K for the year ending December 31, 2021, and the Quarterly Report on Form 10-Q for the period ending March 31, 2022, with the SEC. Additionally, the Company was to provide the Panel with updated projections for 2022 and 2023 (the "Updated Projections") Lottery.com is delighted to report that the Company diligently worked with its auditor to successfully file the audited restatement for FY 2021 on May 10, 2023, and filed its auditor-reviewed restatement for Q1 2022 on May 15, 2023. Further, the Company submitted to the Panel the Updated Projections yesterday, thereby timely meeting all the requirements set forth by the Panel thus far to maintain its continued listing on Nasdaq.

A central part of the process was the necessity of the Company's new management to re-evaluate its internal accounting processes and the reported results. Consequently, the management of the Company corrected accounting errors related to cash on hand, accounts receivable, prepaid expenses, deferred revenue, accrued expenses, revenue, costs of revenue, reserve losses of prepaid advertising credits and stock-based compensation that were misstated by prior management.

Having accomplished these critical milestones, the Company is now actively working towards

filing all of its remaining quarterly reports for 2022 and 2023 and its fully audited year-end report for 2022.

Commenting on these developments, Mr. Matthew McGahan, Chairman of Lottery.com, stated: "Our new management team has worked persistently to ensure that Lottery.com swiftly regain compliance with the SEC and Nasdaq. I am confident that we have made substantial progress in enhancing our shareholder disclosure and continue to make improvements with our reporting controls. Through a continued dedication to fully resolving our prior compliance issues, we can begin to redirect our focus towards the operational aspects of the business and the array of prospects that await the Company."

"We have a clear strategy in place to capitalize on several exciting near-term revenue-generating opportunities and partnerships. Moreover, with available funds for future investments, we will be well-positioned to leverage the significant revenue growth possibilities and partnerships that we have identified and continue to cultivate, which include our recent announcements relating to Texas and an expansion into the Dominican Republic."

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About Lottery.com, Inc.

Lottery.com, Inc. is a leading technology company that is transforming how, where and when lotteries are played. Its engaging mobile and online platforms enable players and commercial partners located throughout the United States and other countries to remotely purchase safe and legally sanctioned lottery games. Lottery participants look to the Company's website, Lottery.com, for compelling, real-time results on over 800 lottery games from over 40 countries. Additionally, Lottery.com is fundamentally changing how non-profit donors are incentivized to action by gamifying charitable giving. In all that it does, Lottery.com's mission remains the same: an uncompromising passion to innovate, grow a new demographic of enthusiasts, deliver responsible and trusted solutions, and promote community and philanthropic initiatives.

For more information contact: ir@lottery.com , or visit: <http://www.lottery.com> and Sports.com Twitter

Important Notice Regarding Forward-Looking Statements

This press release contains statements that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of present or historical fact included in this press release, regarding the company's future financial performance, as well as the company's strategy, future operations, revenue guidance, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this press release, the words "could," "should," "will," "may," "believe," "anticipate," "intend," "estimate," "expect," "project," the negative of such terms and other similar expressions are intended to identify forward-looking statements,

although not all forward-looking statements contain such identifying words. These forward-looking statements are based on management's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. Except as otherwise required by applicable law, Lottery.com disclaims any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this press release. Lottery.com cautions you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Lottery.com. In addition, Lottery.com cautions you that the forward-looking statements contained in this press release are subject to the following factors: (i) the outcome of any legal proceedings that may be instituted against Lottery.com; (ii) the Company's ability to maintain effective internal controls over financial reporting, including the remediation of identified material weaknesses in internal control over financial reporting relating to segregation of duties with respect to, and access controls to, its financial record keeping system, and its accounting staffing levels; (iii) the effects of competition on Lottery.com's future business; (iv) changes in applicable laws or regulations; (v) risks relating to privacy and data protection laws, privacy or data breaches, or the loss of data; (vi) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; (vii) Company's ability to maintain effective internal controls over financial reporting, including the remediation of identified material weaknesses in internal controls; and (viii) those factors discussed in the proxy statement/prospectus filed by Lottery.com, Inc. with the SEC. [Additional information is available publicly.](#)

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