

## EIGHTCO HOLDINGS INC. 2024 ANNUAL REPORT

### Eightco Holdings Inc. Board of Directors and Executive Officers as of December 1, 2025

<b>BOARD OF DIRECTORS</b>	
<b>Name</b>	<b>Principal Occupation or Employment</b>
Daniel Ives	Managing Director, Senior Equity Research Analyst, and Global Head of Technology Research at Wedbush Securities
Kevin O'Donnell	Chief Executive Officer of Eightco Holdings Inc.
Frank Jennings	President of Pelago Health
Louis Foreman	Chief Executive Officer of Enventys
Nicola Caiano	Chief Financial Officer of Cytometric Therapeutics

<b>EXECUTIVE OFFICERS</b>	
<b>Name</b>	<b>Principal Occupation or Employment</b>
Kevin O'Donnell	Chief Executive Officer
Brett Vroman	Chief Financial Officer

This Annual Report contains forward-looking statements. All statements contained in this Annual Report other than statements of historical fact, including statements regarding our future results of operations and financial position, our business strategy and plans, and our objectives for future operations, are forward-looking statements. Please read the section of our Annual Report on Form 10-K entitled "Cautionary Note Regarding Forward-Looking Statements" for a discussion of the limitations and risks regarding forward-looking statements made in this Annual Report. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K included herein, which may cause actual results to differ materially from those contained in any forward-looking statements we may make. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

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

**FORM 10-K**

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

For the fiscal year ended December 31, 2024

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-41033

**EIGHTCO HOLDINGS INC.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction  
of Incorporation or Organization)

**87-2755739**

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

**101 Larry Holmes Dr., Suite 313  
Easton, PA**

(Address of Principal Executive Offices)

**18042**

(Zip Code)

**(888) 765-8933**

(Registrant's Telephone Number, Including Area Code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	OCTO	Nasdaq Capital Market

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or Section 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The aggregate market value on June 28, 2024 (the last business day of the Company’s most recently completed second quarter) of the voting common stock held by non-affiliates of the registrant, computed by reference to the closing price of the stock on that date, was approximately \$4,008,639. The registrant does not have non-voting common stock outstanding.

As of March 31, 2025, there were 3,044,744 shares of the registrant’s common stock outstanding.

#### DOCUMENTS INCORPORATED BY REFERENCE

None

---

---

# EIGHTCO HOLDINGS INC.

## TABLE OF CONTENTS

	<u>Page Number</u>
<b>PART I</b> .....	5
Item 1. Business .....	5
Item 1A. Risk Factors .....	8
Item 1B. Unresolved Staff Comments .....	19
Item 1C. Cybersecurity .....	19
Item 2. Properties .....	20
Item 3. Legal Proceedings .....	20
Item 4. Mine Safety Disclosures .....	20
<b>PART II</b> .....	21
Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities .....	21
Item 6. Reserved .....	21
Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations .....	21
Item 7A. Quantitative and Qualitative Disclosures About Market Risk .....	34
Item 8. Financial Statements and Supplementary Data .....	35
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure .....	36
Item 9A. Controls and Procedures .....	36
Item 9B. Other Information .....	37
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections .....	37
<b>PART III</b> .....	38
Item 10. Directors, Executive Officers and Corporate Governance .....	38
Item 11. Executive Compensation .....	44
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters .....	49
Item 13. Certain Relationships and Related Transactions, and Director Independence .....	50
Item 14. Principal Accounting Fees and Services .....	51
<b>PART IV</b> .....	52
Item 15. Exhibits and Financial Statement Schedules .....	52
Item 16. Form 10-K Summary .....	58
Signatures .....	59

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND SUMMARY RISK FACTORS

This Annual Report on Form 10-K for the period ended December 31, 2024 (the “Annual Report”) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements relate to future events including, without limitation, our ability to raise capital, our operational and strategic initiatives or our future financial performance. We have attempted to identify forward-looking statements by using terminology such as “anticipates,” “believes,” “expects,” “can,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predict,” “should” or “will” or the negative of these terms or other comparable terminology. These statements are only predictions; uncertainties and other factors may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels or activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Our expectations are as of the date this Annual Report is filed, and we do not intend to update any of the forward-looking statements after the date this Annual Report is filed to confirm these statements to actual results, unless required by law.

You should not place undue reliance on forward-looking statements. The cautionary statements set forth in this Annual Report identify important factors which you should consider in evaluating our forward-looking statements. These factors include, among other things:

- Our ability to effectively execute our business plans including transitioning from being focused on end-to-end consumer product innovation, development, and commercialization to being focused on inventory financing, digital media, advertising and content technologies innovation, development, and commercialization;
- Our ability to operate as a going concern;
- Our ability to manage our expansion, growth and operating expenses;
- Our ability to protect our brands, reputation and intellectual property rights;
- Our ability to obtain adequate financing to support our development plans;
- Our ability to repay our debts;
- Our ability to rely on third-party suppliers, content contributors, developers, and other business partners;
- Our ability to evaluate and measure our business, prospects and performance metrics;
- Our ability to compete and succeed in a highly competitive and evolving industry;
- Our ability to respond and adapt to changes in technology and consumer behavior;
- Our dependence on information technology, and being subject to potential cyberattacks, security problems, network disruptions, and other incidents;
- Our ability to comply with complex and evolving laws and regulations including those relating to privacy, data use and data protection, content, competition, safety and consumer protection, e-commerce, digital assets and other matters, many of which are subject to change and uncertain interpretation;
- Our ability to enhance disclosure and financial reporting controls and procedures and remedy the existing weakness;
- Risks in connection with completed or potential acquisitions, dispositions and other strategic growth opportunities and initiatives;
- Changes in tax laws and regulations;
- The stability of the governments and political and business conditions in certain foreign countries in which we or certain of our business partners may operate now or in the future;
- Costs and results of potential litigation;
- Changes in accounting standards or inaccurate estimates or assumptions in the application of accounting policies;
- The use of social or digital media to disseminate false, misleading and/or unreliable or inaccurate information regarding our products, services or the industry in which we operate;
- Our ability to maintain compliance with the listing standards of the Nasdaq Capital Market.

These and other factors discussed above could cause results to differ materially from those expressed in the estimates made by any independent parties and by us.

## **TRADEMARKS, SERVICE MARKS AND TRADE NAMES**

Solely for convenience, we refer to trademarks in this Annual Report without the ® or the ™ or symbols, but such references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights to our own trademarks. Other service marks, trademarks and trade names referred to in this Annual Report, if any, are the property of their respective owners, although for presentational convenience we may not use the ® or the ™ symbols to identify such trademarks.

## **OTHER PERTINENT INFORMATION**

Unless the context otherwise indicates, when used in this Annual Report, the terms “Eightco,” “OCTO,” “we,” “us,” “our,” the “Company” and similar terms refer to Eightco Holdings Inc., a Delaware corporation, and all of our consolidated subsidiaries and variable interest entities.

## **USE OF MARKET AND INDUSTRY DATA**

This Annual Report includes market and industry data that we have obtained from third-party sources, including industry publications, as well as industry data prepared by our management on the basis of its knowledge of and experience in the industries in which we operate (including our management’s estimates and assumptions relating to such industries based on that knowledge). Management has developed its knowledge of such industries through its experience and participation in these industries. While our management believes the third-party sources referred to in this Annual Report are reliable, neither we nor our management have independently verified any of the data from such sources referred to in this Annual Report or ascertained the underlying economic assumptions relied upon by such sources. Furthermore, internally prepared and third-party market prospective information, in particular, are estimates only and there will usually be differences between the prospective and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Also, references in this Annual Report to any publications, reports, surveys or articles prepared by third parties should not be construed as depicting the complete findings of the entire publication, report, survey or article. The information in any such publication, report, survey or article is not incorporated by reference in this Annual Report.

## PART I

### ITEM 1. BUSINESS

Our company was established in 2021, initially composed of three businesses - the Web3 business, the BTC Mining Hardware Business and the Corrugated Packaging Business, which we acquired from our former parent company, Vinco Ventures, Inc. (the “Former Parent”). These businesses had a more extended operating history than ours, and we include information related to their operations before our existence and acquisition in our discussions.

On October 1, 2022, the Company completed the acquisition of Forever 8 Fund, LLC (“Forever 8”), an inventory capital and management platform for e-commerce sellers. The Company’s business has since been focused primarily on the Corrugated Packaging Business and the Inventory Cash Flow Solutions business of Forever 8.

Our corporate headquarters are located in Easton, Pennsylvania, and our common stock is listed on the Nasdaq Capital Market under the symbol “OCTO.”

#### Forever 8

On October 1, 2022, the Company completed the acquisition of Forever 8. Forever 8 provides funding solutions for e-commerce businesses which sell on Amazon, Shopify and other leading online platforms. Forever 8 uses proprietary technology to review product sales data and determine funding potential for online retail entrepreneurs around the world. Forever 8’s process is automated and does not require a personal guarantee, credit check or traditional lending requirements. Forever 8’s unique approach directly purchases inventory on its customers’ behalf, applies a mark-up and collects the revenue as the products are sold. The Company assumes the role of supplier and acts as a principal in these transactions, and therefore recognizes revenue on a gross basis. At the time of entering into an agreement with the customer, Forever 8 takes title and assumes control of the inventory when it is purchased from its customers or directly from suppliers. This includes the responsibility for managing the inventory. Forever 8 has full discretion over the pricing of the inventory sold to its customers, established at the time of signing the agreement. Forever 8 also retains the right to liquidate inventory, exercising pricing discretion, particularly if certain sales thresholds are not met, which could result in selling below cost. Forever 8 is not entitled to incremental fees from vendor customers for unsold inventory but its pricing model includes variable pricing based on aged inventory. The primary source of revenue is from the sale of inventory to its customers at a markup. Under the terms of the agreement, Forever 8 does not have an option to put or sell unsold inventory back to vendor customers.

In the fiscal years ended December 31, 2024 and 2023, Forever 8 had revenue of \$39,621,272 and \$67,568,353, respectively.

#### Corrugated Packaging Business

The Corrugated Packaging Business, through Ferguson Containers, manufactures and sells custom packaging for a wide variety of products. In our experience, packaging has the capability to “tell” the products story, generating increased product awareness, promote brand image, and drive unit growth. Senior management has more than 100 years of combined experience marketing, producing and delivering packaging materials. A hallmark of our operation is our quick production cycle. We can often begin a production run within minutes of receipt of an order. Many of our products are manufactured from 100% post-consumer recycled material. When production is complete, we typically ship the product using our own trucks rather than relying on a common carrier. Ferguson Containers does not have long-term agreements with its customers, and instead manufactures and sells its packaging products subject to purchase orders from its customers.

On November 22, 2024, we entered into an Asset Purchase Agreement (the “APA”) among Ferguson Containers, Ferguson Containers, LLC (the “Buyer”) and Edward Reichard and Derick Reichard (the “Buyer’s Owners” and together with the Buyer, the “Buying Parties”). Pursuant to the APA, we agreed to sell certain assets (the “Purchased Assets”) constituting the business of Ferguson Containers to the Buyer. The purchase price for the Purchased Assets will be (i) an aggregate of \$557,835 in cash, (ii) \$2,500,000 issued in the form of a seller note and (iii) the right to receive certain earnout consideration upon the achievement of certain milestones.

In December 2024, our shareholders approved the transactions contemplated by the APA and we are in the process of seeking to consummate such transactions.

In the fiscal years ended December 31, 2024 and 2023, the Corrugated Packaging Business had revenue of \$6,823,277 and \$7,729,131, respectively.

## **Business Strategy**

Eightco is committed to driving revenue growth primarily through Forever 8. The Company intends to expand Forever 8's market reach through strategic expansion while continuing to focus on revenue growth. Forever 8 generates revenue through the purchase and sale of products.

The Company plans to continually assess its businesses to allocate resources efficiently and maximize growth opportunities. With a diverse range of industries and revenue sources, management believes they are well-positioned to navigate changing economic conditions and customer preferences.

Eightco plans to expand through a combination of organic growth and strategic acquisitions. While strategic acquisitions may be considered, management believes that organic growth is the key to success through continued sales efforts.

The Company is dedicated to maintaining a close partnership with customers, which will enable them to effectively focus their efforts and respond to changing demands. Management believes that by listening to customers and adapting to their needs and preferences, they can remain relevant in constantly evolving industries.

## **Competition**

We operate and plan to operate in a competitive market and encounter competition from both domestic and foreign participants. We believe we can effectively compete with our present competitors. We compete, and plan to compete, primarily based upon innovation, performance, price, quality, reliability, durability, consumer brand awareness, and customer service and support. Our competitors include a large number of private companies that directly compete with a number of our brands. Certain of our competitors may have more established brand names and stronger distribution channels than we do and have, or have through their owners, access to financial and marketing resources that are greater than we possess that may afford them the ability to invest more than we can in product development, intellectual property and marketing.

Forever 8's competitors include Clearco and Payoneer. Competitors to our Corrugated Packaging Business include Sutherland Packaging, Acme Corrugated Box Company and Trenton Corrugated Products, Inc.

## **Patents, Trademarks, and Copyrights**

We recognize the importance of innovation and protecting our intellectual property. We will apply for patents whenever we develop innovative new products, unique designs, or processes of commercial importance and seek trademark protection when we believe they provide a marketing advantage. We do not believe that our business is materially dependent on any single patent or trademark.

We rely on a combination of trade secrets, trademarks, trade dress, customer records, monitoring, brand protection services, confidentiality agreements, and other contractual provisions to protect our intellectual property.

We intend to vigorously pursue and challenge infringements of our patents, trademarks, service marks, trade dress, and copyrights, as we believe the goodwill associated with them is a cornerstone of our branding strategy.

## **Information Systems**

Our information systems use software enterprise resource platforms, including procurement, inventory management, receivables management, and accounting. We utilize QuickBooks Enterprise and Xero Accounting as our ERP systems.

## **Seasonality**

Our business is not seasonal and there are not large fluctuations with our operations between quarterly revenues based on the time of year.

## **Government Regulations**

*Corrugated Packaging and Inventory Solutions Businesses*

Like other manufacturers and distributors of consumer products, we are required to comply with a wide variety of federal, state, and international laws, rules, and regulations, including those related to consumer products and consumer protection, advertising and marketing, labor and employment, data protection and privacy, intellectual property, workplace health and safety, the environment, the import and export of products, and tax matters. Our failure to comply with applicable federal, state, and international laws, rules, and regulations may result in our being subject to claims, lawsuits, fines, and adverse publicity that could have a material adverse effect on our business, operating results, and financial condition. These laws, rules, and regulations currently impose significant compliance requirements on our business, and more restrictive laws rules and regulations may be adopted in the future.

For additional information about government regulation applicable to our business, see Part I, Item 1A, “Risk Factors” in this Annual Report on Form 10-K.

### **Human Capital Resources**

As of March 31, 2025, the companies that comprise Eightco had 23 employees that perform various administrative, finance and accounting, technology, and corporate management functions. Of the 23 employees, 14 employees were employed by Ferguson Containers and 9 were employed by Forever 8. None of our employees are represented by a union in collective bargaining with us. We consider relations with our employees to be good.

We are committed to creating a diverse, equitable and inclusive space for all our employees, customers and retail partners. The core values of our Company include integrity, caring and inclusivity that affirms every individual. Our leadership team is committed to fostering an environment where everyone is welcomed, respected, listened to and valued for their unique contributions to the organization, and to providing a work environment that is free from all forms of harassment, discrimination and inequality. We recruit, employ, train, promote and compensate our employees without regard to race, ethnicity, age, gender, gender identity, religion, national origin, citizenship, marital status, veteran’s status or disability. All facilities have established human resource departments with formal hiring processes and controls in place to ensure ethical and fair hiring practices. We compensate employees competitively relative to the industry and local labor market, and in accordance with all applicable federal, state and local wage, work hour, overtime and benefit laws.

### **Supply Chain and Production**

Our Corrugated Packaging Business does not have long-term contractual arrangements with any of our suppliers that guarantee us production capacity, prices, lead times, or delivery schedules. Our reliance on independent party suppliers exposes us to vulnerability because of our dependence on a few sources of supply. We believe, however, that other sources of supply are available. In addition, we continually strive to develop relationships with other sources of supply in order to reduce our dependence on any one source of supply. As a result, we believe that our current and other available suppliers will ensure that we obtain a sufficient supply of goods built to our specifications in a timely manner and on satisfactory economic terms. The main raw material used by our Corrugated Packaging Business is corrugated cardboard. Our main suppliers of corrugated cardboard are Corrugated Supplies Company, Georgia Pacific, and Freedom Corrugated. We also purchased certain finished products from Delta Packaging for resale to end users.

Our Inventory Solutions Business purchases finished products from its suppliers and does not have long-term contractual arrangements that guarantee production capacity, prices, lead times, or delivery schedules. Our reliance on independent party suppliers exposes us to vulnerability because of our dependence on a few sources of supply. We believe, however, that other sources of supply are available. In addition, we continually strive to develop relationships with other sources of supply in order to reduce our dependence on any one source of supply. As a result, we believe that our current and other available suppliers will ensure that we obtain a sufficient supply of goods built to our specifications in a timely manner and on satisfactory economic terms.

### **Backlog**

We currently do not have a material backlog of orders through our Corrugated Packaging Business. A backlog consists of orders for which purchase orders have been received and which are generally scheduled for shipment within six months or subject to capacity constraints, including lack of available products. We allow orders received that have not yet shipped to be cancelled; therefore, our backlog may not be indicative of future sales.

## Segment Information

The Company uses “the management approach” in determining reportable operating segments. The management approach considers the internal organization and reporting used by the Company’s chief operating decision maker for making operating decisions and assessing performance as the source for determining the Company’s reportable segments. The Company’s chief operating decision maker is the Chairman and Chief Executive Officer (“CEO”) of the Company, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company’s primary revenue streams include the sale of products under our inventory management solutions platform and corrugated packaging materials and therefore the Company has identified two reportable operating segments.

## Corporate Information

Eightco Holdings Inc. was incorporated in the State of Nevada on September 21, 2021, and is currently listed on the Nasdaq Capital Market under the symbol “OCTO.” On March 9, 2022, we changed our state of domicile to the State of Delaware. On April 3, 2023, we changed our corporate name from Cryptyde, Inc. to Eightco Holdings Inc. Our principal executive office is located at 101 Larry Holmes Dr., Suite 313, Easton, PA 18042, and our telephone number is (866) 980-2818. Our website is [www.8co.holdings](http://www.8co.holdings),

## Available Information

Our website, [www.8co.holdings](http://www.8co.holdings), provides access, without charge, to our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission (“SEC”). The information provided on our website is not part of this Annual Report and is therefore not incorporated by reference unless such information is otherwise specifically referenced elsewhere in this Annual Report. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding our company that we file electronically with the SEC.

## ITEM 1A. RISK FACTORS

### RISK FACTORS

An investment in our securities involves certain risks. Before deciding to invest in our common stock, you should consider carefully the following discussion of risks and uncertainties affecting us and our securities, together with other information in this Annual Report. Our business, business prospects, financial condition or results of operations could be seriously harmed as a result of these risks. This could cause the trading price of our common stock to decline, resulting in a loss of all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial, also may materially and adversely affect our business, financial condition and results of operations. Please also read carefully the section below entitled “Cautionary Note Regarding Forward-Looking Statements and Summary Risk Factors.”

#### Summary of our Risk Factors

##### *Risks Related to Our Business Generally*

- We are a recently formed entity with little track record and limited historical financial information available;
- The Company has limited financial resources. Our auditors have expressed in the report of independent registered public accounting firm that there is substantial doubt about our ability to continue as a going concern;
- Loss of any or all of our key management personnel may present challenges;
- We could be adversely affected by declines in discretionary consumer spending, consumer confidence and general and regional economic conditions;
- We operate in highly competitive industries and our revenues, profits or market share could be harmed if we are unable to compete effectively;
- We may not be able to fund capital expenditures and investment in projects and offerings;
- A deterioration in the domestic and international economic environment, whether by way of current inflationary conditions or potential recessionary conditions, could adversely affect our operating results, cash flow and financial condition;

- Geopolitical risks, such as those associated with Russia’s invasion of Ukraine, could result in a decline in the outlook for the U.S. and global economies;
- Cyber security risks and the failure to maintain the integrity of internal, partner, and consumer data could result in damages to our reputation, the disruption of operations and/or subject us to costs, fines or lawsuits;
- Our insurance coverage may not be adequate to cover all possible losses that we could suffer and our insurance costs may increase;
- Our management has limited experience in operating a public company;
- The requirements of being a public company may strain our resources and distract management; and
- Our business plan may require additional liquidity and capital resources that might not be available on terms that are favorable to us, or at all.

*Risks Related to Our Corrugated Packaging Business*

- We are subject to the costs and availability of raw materials, and we rely on a limited number of third-party suppliers of raw materials; and
- We may be affected by interruptions in the transportation of the materials we require to produce packaging.

*Risks Related to Forever 8 and its Operations*

- Our business depends on our strong and trusted brand, and failure to maintain and protect our brand, or any damage to our reputation, or the reputation of our partners, could adversely affect our business, financial condition or results of operations;
- We are dependent upon consumers continued and unimpeded access to the internet, and upon their willingness to use the internet for commerce; and
- Our results of operations may be adversely affected by changes in foreign currency exchange rates.

*Risks Related to Our Securities*

- We do not expect to issue dividends;
- An active trading market for our securities may never develop, and the price of our securities may be volatile;
- We may issue shares of preferred or common stock in the future, which could dilute your percentage ownership of the Company; and
- In the event that we fail to satisfy any of the listing requirements of Nasdaq, our common stock may be delisted, which could affect our market price and liquidity.

**Risks Related to Our Business Generally**

***We are a recently formed entity with little track record and limited historical financial information available.***

Eightco Holdings Inc. was formed on September 21, 2021, in the State of Nevada and converted to a Delaware corporation on March 9, 2022. Our Corrugated Packaging Business was formed in 1966. However the rest of our businesses were recently started. Because we are in the early stages of executing our business strategy, we cannot provide assurance that, or when, we will be profitable. We will need to make significant investments to develop and operate the Company and expect to incur significant expenses in connection with operating components, including costs for developing technology, talent fees, marketing, and salaries. We expect to incur significant capital, operational and marketing expenses for a few years in connection with our strategy and growth plan. Any failure to achieve or sustain profitability may have a material adverse impact on the value of the shares of our common stock.

***The Company has limited financial resources. Our auditors have expressed in the report of independent registered public accounting firm that there is substantial doubt about our ability to continue as a going concern.***

The report of our independent registered accounting firm expresses substantial doubt about our ability to continue as a going concern based on the absence of our significant losses from operations and our need for additional financing to fund all of our operations. It is not possible at this time for us to predict with assurance the potential success of our business. The revenue and income potential of our proposed business and operations are unknown. If we cannot continue as a viable entity, we may be unable to continue our operations and you may lose some or all of your investment in our common stock.

***Loss of any or all of our key management personnel may present challenges.***

We aim to recruit the most qualified candidates and strive for a diverse and well-balanced workforce. While we expect to reward and support employees through competitive pay, benefits, and perquisite programs that allow employees to thrive, due to our size we may not be able to provide compensation equal to our more established competitors and may not be able to attract qualified management personnel. If we are unable to retain the key management personnel at our Company, the underlying business could suffer.

***We could be adversely affected by declines in discretionary consumer spending, consumer confidence and general and regional economic conditions.***

Our success depends to a significant extent on discretionary consumer spending, which is heavily influenced by general economic conditions and the availability of discretionary income. We believe the markets that all of the Eightco businesses depend on are heavily reliant on discretionary consumer spending. The current economic environment, coupled with high volatility and uncertainty as to the future global economic landscape, may have an adverse effect on consumers' discretionary income and consumer confidence. Future volatile, negative, or uncertain economic conditions and recessionary periods or periods of significant inflation may adversely impact consumer spending on our products and services, which would materially adversely affect our business, financial condition and results of operations. Such effects can be especially pronounced during periods of economic contraction or slow economic growth.

***We operate in highly competitive industries and our revenues, profits or market share could be harmed if we are unable to compete effectively.***

Each of the Eightco businesses will face competition from existing competitors. Our competitors in the Inventory Management Solutions business include Clearco and Payoneer. With respect to the Corrugated Packaging Business, our competitors include Sutherland Packaging, Acme Corrugated Box Company, and Trenton Corrugated Products, Inc.

Competition in each of these areas may increase as a result of technological developments, changes in consumer preferences, economic conditions, changes in market structure, and other factors. Increased competition may divert consumers from our products, which could reduce our revenue or increase our marketing costs. Our competitors may have substantially greater financial resources than we do, and they may be able to adapt more quickly to changes in consumer preferences or devote greater resources to promotion of their offerings and services or to development or acquisition of offerings and services that are perceived to be of a higher quality or value than our offerings and services. As a result, we may not be able to compete successfully against such competitors.

***We may not be able to fund capital expenditures and investment in projects and offerings.***

A principal competitive factor for a large portion of the Eightco businesses is the originality and perceived quality of our products and offerings. We will need to make continued capital investments to adapt to constantly changing consumer preferences. Our ability to fund capital expenditures will depend on our ability to generate sufficient cash flow from operations and to raise capital from third parties. We cannot assure you that our operations will be able to generate sufficient cash flow to fund such costs, or that we will be able to obtain sufficient financing on adequate terms, or at all, which could cause us to delay or abandon certain projects or plans.

***A deterioration in the domestic and international economic environment, whether by way of current inflationary conditions or potential recessionary conditions, could adversely affect our operating results, cash flow and financial condition.***

Current inflationary conditions in the United States and other parts of the world have increased some of our costs, including our cost of materials and labor. While we thus far have been largely successful in mitigating the impact of current inflationary conditions, we may need to increase our own prices on goods and services sufficiently to offset cost increases, we may not be able to maintain acceptable operating margins and achieve profitability. Additionally, competitors operating in regions with less inflationary pressure may be able to compete more effectively, which could further impact our ability to increase prices and/or result in lost sales.

Recessionary economic conditions could lower discretionary spending of our consumers, which could result in a loss of sales. Recessionary economic conditions may cause difficulty in collecting accounts receivable and reduce the availability of credit and spending power for our customers, both of which may negatively impact our business.

***Geopolitical risks, such as those associated with Russia's invasion of Ukraine, could result in a decline in the outlook for the U.S. and global economies.***

The uncertain nature, magnitude, and duration of hostilities stemming from Russia's military invasion of Ukraine, and the ongoing conflict between Israel and Hamas, including the potential effects of sanctions and retaliatory cyber-attacks on the world economy and markets, have contributed to increased market volatility and uncertainty, and such geopolitical risks could have an adverse impact on macroeconomic factors which affect our businesses, as well as our access to capital.

***Cyber security risks and the failure to maintain the integrity of internal, partner, and consumer data could result in damages to our reputation, the disruption of operations and/or subject us to costs, fines or lawsuits.***

We have and will continue to collect and retain large volumes of internal, partner and consumer data, including credit card numbers and other personally identifiable information, for business purposes, including for transactional or target marketing and promotional purposes, and our various information technology systems enter, process, summarize and report such data. We also maintain personally identifiable information about our employees. The integrity and protection of our customer, employee, and company data is critical to our business and our customers and employees are likely to have a high expectation that we will adequately protect their personal information. The regulatory environment, as well as the requirements imposed on us by the credit card industry, governing information, security and privacy laws is increasingly demanding and continues to evolve. Maintaining compliance with applicable security and privacy regulations may increase our operating costs and/or adversely impact our ability to market our products and services.

We also rely on accounting, financial and operational management information technology systems to conduct our operations. If these information technology systems suffer severe damage, disruption or shutdown and our business continuity plans do not effectively resolve the issues in a timely manner, our business, financial condition and results of operations could be materially adversely affected.

We may face various security threats, including cyber security attacks on our data (including our vendors' and customers' data) and/or information technology infrastructure. Although we utilize various procedures and controls to monitor and mitigate these threats, there can be no assurance that these procedures and controls will be sufficient to prevent penetrations or disruptions to our systems. Furthermore, a penetrated or compromised data system or the intentional, inadvertent or negligent release or disclosure of data could result in theft, loss, fraudulent or unlawful use of customer, employee, or company data which could harm our reputation or result in remedial and other costs, fines or lawsuits and require significant management attention and resources to be spent. In addition, our insurance coverage and indemnification arrangements that we enter into, if any, may not be adequate to cover all the costs related to cyber security attacks or disruptions resulting from such events.

***Our insurance coverage may not be adequate to cover all possible losses that we could suffer and our insurance costs may increase.***

We seek to maintain comprehensive insurance coverage at commercially reasonable rates. There can be no assurance that our insurance will be sufficient to cover the full extent of all losses or liabilities for which we are insured, and we cannot guarantee that we will be able to obtain insurance policies on favorable terms, or at all.

***Our management has limited experience in operating a public company.***

Our executive officers have limited experience in the management of a publicly traded company. Our management team may not successfully or effectively manage its transition to a public company that will be subject to significant regulatory oversight and reporting obligations under federal securities laws. Their limited experience in dealing with the increasingly complex laws pertaining to public companies could be a significant disadvantage in that it is likely that an increasing amount of their time may be devoted to these activities, which will result in less time being devoted to the management and growth of our business. We may not have adequate personnel with the appropriate level of knowledge, experience and training in the accounting policies, practices or internal controls over financial reporting required of public companies in the U.S. The development and implementation of the standards and controls necessary for us to achieve the level of accounting standards required of a public company in the U.S. may require costs greater than expected. It is possible that we will be required to expand our employee base and hire additional employees to support our operations as a public company, which will increase our operating costs in future periods.

***The requirements of being a public company may strain our resources and distract management.***

We incur significant costs associated with our public company reporting requirements and costs associated with applicable corporate governance requirements. These applicable rules and regulations are expected to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly than those for privately owned companies that are not registrants with the SEC. Compliance with these rules and regulations may divert management's attention from other business concerns.

***Our business plan may require additional liquidity and capital resources that might not be available on terms that are favorable to us, or at all.***

We currently obtain a portion of the capital required for the development and operations of the Company from various forms of public and private financing. We may require additional capital and/or cash flow from future operations to fund the Company, our debt service obligations and our ongoing business. There is no assurance that we will be able to raise sufficient additional capital or generate sufficient future cash flow from our future operations to fund our ongoing business. If the amount of capital we are able to raise, together with any income from future operations, is not sufficient to satisfy our liquidity and capital needs, including funding our current debt obligations, we may be required to abandon or alter our plans for the Company. The Company may also have to raise additional capital through the equity market, which could result in substantial dilution to existing stockholders.

Our ability to obtain necessary financing may be impaired by factors such as the health of and access to capital markets, our limited track record and the limited historical financial information available, or the substantial doubt about our ability to continue as a going concern. Any additional capital raised through the sale of additional shares of our capital stock, convertible debt or other equity may dilute the ownership percentage of our stockholders.

**Risks Related to Our Corrugated Packaging Business**

***An increase in the cost or a reduction in the availability of wood fiber, other raw materials, energy and transportation may have an adverse effect on our profitability and results of operations.***

Wood fiber, including old corrugated containers ("OCC"), is the principal raw material in many parts of the paper and packaging industry, including the corrugated cardboard on which our Corrugated Packaging Business relies. Wood fiber is a commodity, and prices historically have been cyclical and have varied on a regional basis. Environmental litigation and regulatory developments have caused, and may cause in the future, significant reductions in the amount of timber available for commercial harvest in the United States. In addition, future domestic or foreign legislation and litigation concerning the use of timberlands, the protection of endangered species, the promotion of forest health and the response to and prevention of catastrophic wildfires could also affect timber supplies. Availability of harvested timber may further be limited by fire, insect infestation, disease, ice storms, windstorms, flooding and other causes, thereby reducing supply and increasing prices. Demand for OCC, especially from China, could result in shortages or spikes in the cost of OCC.

Industry supply of commodity paper and wood products is also subject to fluctuation, as changing industry conditions can influence producers to idle or permanently close individual machines or entire mills. Oversupply in these markets can also result from producers introducing new capacity in response to favorable short-term pricing trends. Industry supply of commodity papers and wood products is also influenced by overseas production capacity, which has grown in recent years and is expected to continue to grow. Wood fiber pricing is subject to regional market influences, and the cost of wood fiber may increase in particular regions due to market shifts in those regions. In addition, the ability to obtain wood fiber from foreign countries may be impacted by economic, legal and political conditions in those countries as well as transportation difficulties.

Energy is a significant input cost for the paper and packaging industry. Increases in energy prices can be expected to adversely impact businesses.

Because we rely on a supply of corrugated sheets of cardboard to produce packaging, these uncertainties in the supply and cost of raw materials used to produce paper products could affect the availability of the corrugated sheets of cardboard we rely on. Increases in costs may need to be passed on to our customers, and ultimately may negatively affect our business.

***Disruptions in transportation could adversely affect our supply of raw materials and could have an adverse effect on our results of operations, profitability, and liquidity.***

Since we receive our supply of raw material from suppliers that use third-party shippers that rely on truck, rail, and other forms of transportation, the reduced availability of those modes of transportation could limit our ability to promptly produce products for our customers, which could have an adverse effect on our operations, financial condition, and liquidity. In addition, the increased cost of transportation of raw material from our suppliers may reduce our profitability if we are not able to recover those costs through price increases for our products.

***Paper and packaging companies face strong competition.***

We face competition from numerous competitors, domestic as well as foreign. Some of our competitors are larger, more vertically integrated companies that have greater financial and other resources, greater manufacturing economies of scale, greater energy self-sufficiency, and/or lower operating costs.

***Certain paper and wood products are vulnerable to long-term declines in demand due to competing technologies or materials.***

Companies in the paper and packaging industry are subject to possible declines in demand for their products as the use of alternative materials and technologies grows and the prices of such alternatives become more competitive. Any substantial shift in demand from wood and paper products to competing technologies or materials could result in a material decrease in sales of our products and could adversely affect our results of operations, cash flows, and financial position. We cannot ensure that any efforts we might undertake to adapt our product offerings to such changes would be successful or sufficient.

***Because we service customers in a variety of industries, we may be particularly impacted by general economic downturns.***

Our Corrugated Packaging Business provides packaging for third-party customers in a variety of industries, including pharmaceutical and e-commerce companies. Certain of our Corrugated Packaging Business customers provide goods that are discretionary items for consumers. Therefore, their business, and in turn our Corrugated Packaging Business, depends on the strength of the retail, commercial, and industrial sectors of the economy in various parts of the world, and trends therein. During a downturn in the economy, consumer purchases of discretionary items are affected, which could materially lower our customers' demand for our packaging products, and negatively affect our profitability and financial condition.

***We incur significant expenses to maintain our manufacturing equipment and any interruption in the operations of our facilities may harm our operating performance.***

We regularly incur significant expenses to maintain our manufacturing equipment and facilities. The machines and equipment that we use to produce our products are complex, interdependent, and have many parts. We must perform routine maintenance on our equipment and will have to periodically replace a variety of parts.

Disruptions to our Corrugated Packaging Business could occur due to any number of circumstances, including prolonged power outages, mechanical or process failures, shortages of raw materials, natural catastrophes, disruptions in the availability of transportation, labor disputes, terrorism, changes in or non-compliance with environmental or safety laws, and the lack of availability of services from any of our facilities' key suppliers. Any facility shutdowns may be followed by prolonged startup periods, regardless of the reason for the shutdown. Any prolonged disruption in operations at any of our facilities could cause significant lost production, which would have a material adverse effect on our results of operations.

***We rely on a limited number of third-party suppliers for certain raw materials required for the production of our products.***

Our dependence on a limited number of third-party suppliers, and the challenges we may face in obtaining adequate supplies of raw materials, involve several risks, including limited control over pricing, availability, quality and delivery schedules. We cannot be certain that our current suppliers will continue to provide us with the quantities of these raw materials that we require or will continue to satisfy our anticipated specifications and quality requirements. Any supply interruption in limited raw materials could materially harm our ability to manufacture our products until a new source of supply, if any, could be identified and qualified. Although we believe there are other suppliers of these raw materials, we may be unable to find a sufficient alternative supply channel in a reasonable time or on commercially reasonable terms. Any performance failure on the part of our suppliers could interrupt production of our products, which would have a material adverse effect on our business.

***We may not achieve the desired benefits of selling Ferguson Containers.***

We have entered into the APA to sell Ferguson Containers. If we consummate the sale of Ferguson Containers pursuant to the APA, we may not achieve the expected benefits of such sale and may incur additional expenses related thereto. This may have a negative impact on our business and results of operations. It could also cause the market price of our securities to decline.

#### **Risks Related to Forever 8 and its Operations**

***Our business depends on our strong and trusted brand, and failure to maintain and protect our brand, or any damage to our reputation, or the reputation of our partners, could adversely affect our business, financial condition or results of operations.***

We have developed a strong and trusted brand that has contributed significantly to the success of our business. We believe that maintaining and promoting our brand in a cost-effective manner is critical to achieving widespread acceptance of our products and services and expanding our base of customers.

Maintaining and promoting our brand will depend largely on our ability to continue to provide useful, reliable, secure, and innovative products and services, as well as our ability to maintain trust and remain a global payments leader. We may introduce, or make changes to, features, products, services, privacy practices, or terms of service that customers do not like, which may materially and adversely affect our brand. Our brand promotion activities may not generate customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand or if we incur excessive expenses in this effort, our business could be materially and adversely affected.

We rely on relationships with marketplaces and enterprises to obtain and maintain customers. Our ability to acquire new customers could be materially harmed if we are unable to enter into or maintain these relationships on terms that are commercially reasonable to us, or at all.

Harm to our brand can arise from many sources, including failure by us or our partners and service providers to satisfy expectations of service and quality, inadequate protection or misuse of personally identifiable information (“PII”), compliance failures and claims, litigation and other claims, and misconduct by our partners or other counterparties.

***We are dependent upon consumers’ continued and unimpeded access to the internet, and upon their willingness to use the internet for commerce.***

Our success depends upon the general public’s ability to access the internet and its continued willingness to use the internet as a means to pay for purchases, communicate, research and conduct commercial transactions, including through mobile devices. The adoption of any laws or regulations that adversely affect the growth, popularity or use of the internet, including changes to laws or regulations impacting internet neutrality, could decrease the demand for our products, increase our operating costs, or otherwise adversely affect our business. Given uncertainty around these rules, we could experience discriminatory or anticompetitive practices that could impede both our and our merchants’ growth, increase our costs or adversely affect our business. If consumers or merchants become unable, unwilling or less willing to use the internet for commerce for any reason, including lack of access to high-speed communications equipment, congestion of traffic on the internet, internet outages or delays, disruptions or other damage to merchants’ and consumers’ computers, increases in the cost of accessing the internet and security and privacy risks or the perception of such risks, our business could be adversely affected.

If we do not successfully maintain a strong and trusted brand, our business could be materially and adversely affected.

***Our results of operations may be adversely affected by changes in foreign currency exchange rates.***

We are subject to risks related to changes in currency rates as a result of our investments in international operations and from revenues generated in currencies other than the United States dollar. Our results of operations may be affected by such international operations as a result of changes in foreign currency exchange rates.

From time to time, we may utilize foreign currency forward contracts and other hedging instruments to mitigate the market value risks associated with foreign currency-denominated transactions and investments. These hedging strategies may not, however, eliminate all of the risks related to foreign currency translation, and we may forgo the benefits we would otherwise experience if currency exchange rates were to change in our favor.

In addition, our ability to optimize foreign exchange revenues as part of the payment delivery process may be adversely affected due to foreign exchange market and regulatory conditions outside of our control, as a result of which revenue and profit may decrease as compared to prior periods. In addition, we may become subject to exchange control regulations that restrict or prohibit the conversion of our foreign revenue currencies into United States dollars. Any of these factors could decrease the value of revenues and earnings we derive from our international operations and have a material adverse effect on our business.

### **Risks Related to Our Securities and other General Risks**

***We currently do not intend to pay dividends on our common stock. Consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our common stock.***

We do not expect to pay cash dividends on our common stock. Any future dividend payments are within the absolute discretion of our board of directors and will depend on, among other things, our results of operations, working capital requirements, capital expenditure requirements, financial condition, level of indebtedness, contractual restrictions with respect to payment of dividends, business opportunities, anticipated cash needs, provisions of applicable law and other factors that our board of directors may deem relevant.

***As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting in order to comply with Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). We may not complete our analysis of our internal control over financial reporting in a timely manner, or these internal controls may not be determined to be effective, which may adversely affect investor confidence in us and, as a result, the value of our common stock.***

As a result of being a public company we are subject to SEC reporting and other regulatory requirements. We will incur expenses and diversion of our management's time in its efforts to comply with Section 404 of the Sarbanes-Oxley Act regarding internal controls over financial reporting. Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us conducted in connection with Section 404 of the Sarbanes-Oxley Act, or the subsequent testing by our independent registered public accounting firm when required, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retrospective changes to our consolidated financial statements or identify other areas for further attention or improvement. If we are unable to assert that our internal controls over financial reporting are effective, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline, and we may be subject to investigation or sanctions by the SEC.

***Ferguson Containers has material weaknesses in its controls over financial reporting, which could negatively impact investor confidence in the accuracy and completeness of our financial reports, and cause the price of our common stock to decline.***

For Ferguson Containers' fiscal years ended December 31, 2024 and 2023, respectively, Ferguson Containers had the following material weakness in internal controls over financial reporting:

- Primarily due to the small size of Ferguson Containers, it does not maintain sufficient segregation of duties to ensure the processing, review and authorization of all transactions including non-routine transactions.
- Ferguson Containers' processes lacked timely and complete reviews and analysis of information used to prepare its financial statements and disclosures in accordance with accounting principles generally accepted in the United States of America.

The material weaknesses of Ferguson Containers' internal control over financial reporting could negatively impact investor confidence in the accuracy and completeness of our financial reports, which could cause the price of our common stock to decline.

***An active, liquid trading market for our common stock may not develop, which may limit your ability to sell your shares.***

Although our common stock is listed on the Nasdaq under the trading symbol "OCTO," an active trading market for our common stock may never develop or be sustained. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being

dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our common stock, and you may not be able to sell your shares of our common stock.

***We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.***

Our Certificate of Incorporation authorizes us to issue one or more series of preferred stock. Our board of directors has the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our common stock.

On January 19, 2023, the Company filed a Certificate of Designation with the Delaware Secretary of State for its Series A Preferred Stock. The number of shares designated is three hundred thousand (300,000).

***The trading price of our securities will likely be, and continue to be, volatile and you could lose all or part of your investment.***

The trading price of our securities could be volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control, including but not limited to our general business condition, the release of our financial reports and general economic conditions and forecasts. Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general, and Nasdaq, have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for the stocks of other companies which investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future. Any of these factors could have a material adverse effect on our stockholders' investment in our securities, and our securities may trade at prices significantly below the price they paid for them. In such circumstances, the trading price of our securities may not recover and may experience a further decline.

***Anti-takeover provisions contained in our Certificate of Incorporation and Bylaws, as well as provisions of Delaware law, could impair a takeover attempt.***

Eightco's Certificate of Incorporation, Bylaws and Delaware law contain provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the bidder and to encourage prospective acquirers to negotiate with Eightco's board of directors rather than to attempt a hostile takeover. These provisions include, among others:

- rules regarding how stockholders may present proposals or nominate directors for election at stockholder meetings;
- the right of Eightco's board of directors to issue preferred stock without stockholder approval;
- the ability of Eightco's directors, and not stockholders, to fill vacancies (including those resulting from an enlargement of the board of directors) on Eightco's board of directors;
- the division of Eightco's board of directors into three classes of directors, with each class serving a staggered term; and
- a provision that directors serving on a classified board may be removed by stockholders only for cause.

In addition, Eightco is subject to Section 203 of the Delaware General Corporation Law (the "DGCL"). Section 203 provides that, subject to limited exceptions, persons that (without prior board approval) acquire, or are affiliated with a person that acquires, more than 15 percent of the outstanding voting stock of a Delaware corporation shall not engage in any business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which that person or its affiliate becomes the holder of more than 15 percent of the corporation's outstanding voting stock.

Eightco believes these provisions will protect its stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with Eightco's board of directors and by providing Eightco's board of directors with more time to assess any acquisition proposal. These provisions are not intended to make Eightco immune from takeovers. However, these provisions will apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that Eightco's board of directors determines is not in the best interests of Eightco and its stockholders. These provisions may also prevent or discourage attempts to remove and replace incumbent directors.

These anti-takeover provisions may also limit the opportunity for our stockholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock.

***Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.***

Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the (i) Court of Chancery (the "Chancery Court") of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for: (A) any derivative action or proceeding brought on behalf of Eightco, (B) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, stockholder, employee or agent of Eightco to Eightco or Eightco's stockholders, (C) any action asserting a claim against the Eightco or any director, officer, stockholder, employee or agent of the Eightco arising out of or relating to any provision of the DGCL, Eightco's Certificate of Incorporation or Eightco's Bylaws, or (D) any action asserting a claim against the Corporation or any director, officer, stockholder, employee or agent of Eightco governed by the internal affairs doctrine of the State of Delaware. Notwithstanding the foregoing, in the event that the Chancery Court lacks subject matter jurisdiction over any such action or proceeding, including in the event claims are brought under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the sole and exclusive forum for such action or proceeding shall be another state or federal court located within the State of Delaware.

The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers, and other employees. Alternatively, if a court were to find the choice of forum provision contained in the proposed charter to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations, and financial condition.

***If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.***

The trading market for our securities will depend in part on the research and reports that securities or industry analysts publish about us or our business. If only a limited number of securities or industry analysts commence coverage of our Company, the trading price for our securities would likely be negatively impacted. In the event securities or industry analysts initiate coverage, if one or more of the analysts who covers us downgrades our stock or publishes unfavorable research about our business, our stock price may decline. If one or more of these analysts ceases coverage of our Company or fails to publish reports on us regularly, demand for our securities could decrease, which might cause our stock price and trading volume to decline.

***We are an emerging growth company and a smaller reporting company within the meaning of the Securities Act, and we are taking advantage of certain exemptions from disclosure requirements available to emerging growth companies or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.***

We are an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and are taking advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a registration statement under the Securities Act declared effective or do not have a class of securities registered under the Exchange Act) are required to

comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such an election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company, which is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used.

We 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 closing of the Company's initial public offering, (b) in which we have total annual revenue of at least \$1.07 billion, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common equity that is held by non-affiliates exceeds \$700 million as of the end of the prior fiscal year's second fiscal quarter; and (2) the date on which we have issued more than \$1.00 billion in non-convertible debt securities during the prior three-year period. References herein to "emerging growth company" have the meaning associated with it in the JOBS Act.

Additionally, we are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of any fiscal year for so long as either (1) the market value of our shares of common stock held by non-affiliates did not equal or exceed \$250 million as of the prior June 30, or (2) our annual revenues did not equal or exceed \$100 million during such completed fiscal year and the market value of our shares of common stock held by non-affiliates did not equal or exceed \$700 million as of the prior December 31.

Because we subject the above listed reduced reporting requirements, investors may not be able to compare us to other companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

***We may not receive the desired benefits of selling Ferguson Containers.***

We have entered into the APA to sell Ferguson Containers. If we consummate the sale of Ferguson Containers pursuant to the APA, we may not achieve the expected benefits of such sale and may incur additional expenses related thereto. This may have a negative impact on our business and results of operations. It could also cause the market price of our securities to decline.

***Your percentage ownership in our company may be diluted in the future.***

In the future, your percentage ownership in our company may be diluted because of equity issuances for warrant exercises, acquisitions, strategic investments, capital market transactions, or otherwise, including equity compensation awards that we grant to our directors, officers and employees. These awards would have a dilutive effect on our earnings per share, which could adversely affect the market price of our common stock. From time to time, we may issue additional equity compensation awards to our employees under our employee benefits plans.

In addition, our Certificate of Incorporation authorizes our board of directors to create and issue, without the approval of our stockholders, one or more series of preferred stock having such powers, preferences, and rights, if any, and such qualifications, limitations, and restrictions, if any, as established by our board of directors. The terms of one or more series of preferred stock that is created and issued by our board of directors may dilute the voting power or reduce the value of our common stock. For example, our board of directors could create and issue one or more series of preferred stock having the right to elect one or more of our directors (in all events or on the happening of specified events) and/or the right to veto specified transactions. Similarly, the repurchase or redemption rights or dividend, distribution, or liquidation rights of a series of preferred stock created and issued by our board of directors could affect the residual value of the common stock.

***Our common stock will be subordinate to all of our future indebtedness and any series of preferred stock, and effectively subordinated to all indebtedness and preferred equity claims against our subsidiaries.***

Shares of our common stock will rank junior to all of our future indebtedness and other liabilities. Additionally, holders of our common stock may become subject to the prior dividend and liquidation rights of holders of any series of preferred stock that our board of directors may designate and issue without any action on the part of the holders of our common stock. Furthermore, our right to participate in a distribution of assets upon any of our subsidiaries' liquidation or reorganization is subject to the prior claims of that subsidiary's creditors.

***Investors are subject to litigation risk and their respective investments in the shares of our common stock may be lost as a result of our legal liabilities or the legal liabilities of our affiliates.***

We or our affiliates may from time to time be subject to claims by third parties and may be plaintiffs or defendants in civil proceedings. There can be no assurance that claims will not be brought in the future if we cannot generate the revenue that we forecast or raise sufficient capital to pay our liabilities. The expense of prosecuting claims, for which there is no guarantee of success, and/or the expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments, would generally be borne by the Company and could result in the reduction or complete loss of all of the assets of the Company, and investors in our common stock could lose all or a part of their investment.

***In the event that we fail to satisfy any of the listing requirements of Nasdaq, our common stock may be delisted, which could affect our market price and liquidity.***

Our common stock is listed on Nasdaq. For continued listing on Nasdaq, we are required to comply with the continued listing requirements, including the minimum market capitalization standard, the corporate governance requirements and the minimum closing bid price requirement, among other requirements.

In the event that we fail to satisfy any of the listing requirements of Nasdaq, our common stock may be delisted. If we are unable to remain listed on Nasdaq, it would likely be more difficult to trade in or obtain accurate quotations as to the market price of our common stock. If our common stock is delisted from trading on Nasdaq, and we are not able to list our common stock on another exchange or to have it quoted on Nasdaq, our securities could be quoted on the OTC Markets. As a result, we could face significant adverse consequences including, without limitation:

- a limited availability of market quotations for our securities;
- a determination that our common stock is a “penny stock” which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage for our Company; and
- a decreased ability to issue additional securities (including pursuant to short-form registration statements on Form S-3 or obtain additional financing in the future).

#### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

#### **ITEM 1C. CYBERSECURITY**

##### **Cyber Risk Management and Strategy**

We recognize the importance of assessing, identifying, and managing risks from cybersecurity threats. Our approach to cybersecurity risk management is aligned with our risk profile and business.

We have leveraged the support of third-party information technology and security providers, including to perform a risk assessment designed to identify, assess, and manage cybersecurity risks. Further, we follow a formal, documented process to assess the data protection practices of certain third-party vendors that handle sensitive information on our behalf.

Although risks from cybersecurity threats have to date not materially affected, and we do not believe they are reasonably likely to materially affect, us or our business strategy, results of operations or financial condition, we could, from time to time, experience threats and security incidents relating to our and our third-party vendors’ information systems. For more information, please see the section entitled “Risk Factors” in this Annual Report on Form 10-K.

##### **Governance Related to Cybersecurity Risks**

Our audit committee has oversight over cybersecurity risks. Our management provides periodic presentations to the audit committee on our cybersecurity program, including updates on cybersecurity risks and related cybersecurity strategy, as applicable. The audit committee provides updates regarding our cybersecurity program to the board of directors when material.

## ITEM 2. PROPERTIES

The following table summarizes pertinent details of our properties as of December 31, 2024:

<u>Location</u>	<u>Owned or Leased</u>	<u>Lease Expiration</u>	<u>Primary Function</u>
101 Larry Holmes Drive, Suite 313, Easton, PA 18042	Leased	April 2025	Principal Executive Office
909 New Brunswick Avenue Phillipsburg, NJ 08865	Leased	Month-to-Month	Office space
20 Industrial Road Alpha, NJ 08865	Leased	Month-to-Month	Packaging and Logistics Center
234 5th Ave, Suite 511 New York, NY 10001	Leased	Month-to-Month	Office space
Keizersgracht 482, 1017 EG Amsterdam, Netherlands	Leased	Month-to-Month	Office space

We believe that our existing properties are adequate for the current operating requirements of our business and that additional space will be available as needed.

## ITEM 3. LEGAL PROCEEDINGS

During the normal course of its business, the Company may be subject to occasional legal proceedings and claims. There are currently no legal proceedings or claims asserted against the Company or its subsidiaries.

## ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

## PART II

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

#### Market Information

Our common stock is currently listed on the Nasdaq Capital Markets. On June 30, 2022, our common stock began trading on the Nasdaq under the symbol of "TYDE." On April 4, 2023, we changed the symbol of our common stock to "OCTO" in conjunction with our name change.

#### Holders of Record

The Company had approximately 75 holders of record of our common stock as of March 31, 2025. We believe our common stock are held by more than 300 beneficial owners.

#### Dividends

We have not historically declared cash dividends on our common stock, and we do not currently intend to pay cash dividends on our common stock in the future. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition. The declaration, amount and payment of any future dividends on shares of our common stock, if any, will be at the sole discretion of our board of directors. Further, any indebtedness we incur in the future may limit our ability to declare dividends in the future.

#### Securities Authorized for Issuance under Equity Compensation Plans

Information required by Item 5 of Form 10-K regarding equity compensation plans is incorporated herein by reference to Item 12 of Part III of this Annual Report on Form 10-K.

#### Recent Sales of Unregistered Securities, Uses of Proceeds and Issuer Purchases of Equity Securities

During the period covered by this Annual Report, we have not sold any equity securities that were not registered under the Securities Act that were not previously reported in a quarterly report on Form 10-Q or in a current report on Form 8-K.

### ITEM 6. [RESERVED]

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

*The following discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and related notes thereto included elsewhere in this Annual Report. This discussion and analysis contain forward-looking statements that are based upon current expectations and involve risks, assumptions and uncertainties. These statements relate to future events including, without limitation, our ability to raise capital, our operational and strategic initiatives or our future financial performance. We have attempted to identify forward-looking statements by using terminology such as "anticipates," "believes," "expects," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predict," "should" or "will" or the negative of these terms or other comparable terminology. These statements are only predictions; uncertainties and other factors may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels or activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. You should not place undue reliance on forward-looking statements.*

#### Overview

As used herein, "Eightco" and the "Company" refer to Eightco Holdings Inc., a Delaware corporation originally incorporated on September 21, 2021 (date of inception) under the laws of the State of Nevada, and its subsidiaries. On March 9, 2022, the Company converted to a Delaware corporation pursuant to a plan of conversion entered into with the Former Parent. On April 3, 2023, the Company changed its name to Eightco Holdings Inc. from Cryptyde, Inc. and its stock symbol to "OCTO." The

Company is comprised of two main businesses, Forever 8's Inventory Cash Flow Solution and the Corrugated Packaging Business of Ferguson Containers. We acquired Forever 8 in October 2022 and it is focused on purchasing inventory and becoming the supplier for e-commerce retailers. We no longer intend to generate revenue from our Web 3 Business. Our Corrugated Packaging Business manufactures and sells custom packaging for a wide variety of products and through packaging helps customers generate brand awareness and promote brand image.

On June 29, 2022, the Company separated from the Former Parent, Vinco Ventures Inc. ("Vinco"). As previously announced, we concluded a spin-off from Vinco in May 2022 (the "Separation"). Following the Separation, we are an independent, publicly traded company, and Vinco retains no ownership interest in our Company.

In connection with the Separation, we entered into a Separation and Distribution Agreement and other agreements with Vinco to effect the Separation and provide a framework for our relationship with Vinco after the Separation. These agreements provide for the allocation between us and our subsidiaries, on the one hand, and Vinco and its subsidiaries, on the other hand, of the assets, liabilities, legal entities, and obligations associated with the Eightco Businesses, on the one hand, and Vinco's other current businesses, on the other hand, and govern the relationship between our Company and our subsidiaries, on the one hand, and Vinco and its subsidiaries, on the other hand, following the Separation. In addition to the Separation and Distribution Agreement, the other principal agreements entered into with Vinco include a Tax Matters Agreement and certain commercial agreements.

## **Financings and Forever 8 Acquisition**

### *Financings*

#### **February 2024 Private Placement**

On February 26, 2024, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with certain investors (the "Investors"), pursuant to which the Company sold to the Investors an aggregate of 865,856 shares (the "Shares") of the Company's common stock at a purchase price of \$0.82 per Share (the "Private Placement"). The Company received aggregate gross proceeds from the Private Placement of approximately \$0.71 million. The Shares are being offered and sold in reliance on the exemption from registration under the Securities Act of 1933, as amended, provided by Section 4(a)(2) and Regulation D promulgated thereunder for transactions not involving a public offering.

The Purchase Agreement contains representations and warranties of the Company and the Investors that are typical for transactions of this type. The Purchase Agreement also contains covenants on the part of the Company that are typical for transactions of this type.

#### **Series A Financing**

On May 30, 2023, Forever 8 (the "Borrower") entered into a Loan and Security Agreement (the "Agreement") with several individuals, financial institutions and entities as lenders. Under the terms of the Agreement, each lender will severally (and not jointly) make available to Borrower, in an amount not to exceed its respective Commitment, a Loan Advance amount to be determined by the lender (as such amount may be increased, the "Aggregate Commitment") in the aggregate, of which (x) a certain amount will be deposited into an account of the Borrower in accordance with its written instructions (the "Initial Loan Advance") and (y) the remaining balance of the Aggregate Commitment after deducting the Initial Loan Advance shall be deposited into the Escrow Account (the "Escrow Funds"). The Borrower may, at any time, request an advance for all or a portion of the Escrow Funds (each such advance, a "Subsequent Draw").

The Borrower issued a Promissory Note to each of the lenders in the amount of the lender's respective Initial Loan Advance. The principal balance of the Initial Loan Advance and each Subsequent Draw shall bear interest thereon from the Closing Date and applicable Advance Date, respectively, at 15.00% per annum. The Borrower shall pay each lender, according to its Applicable Percentage, an unused commitment fee on the actual daily amount of the Unused Commitment Amount during the immediately preceding calendar quarter at the rate of five percent (5.00%) *per annum* (the "Unused Commitment Fee"). In the event any payment is not paid on or within five (5) Business Days of the scheduled payment date, an amount equal to two percent (2.00%) of the past due amount shall be payable on demand, in addition to interest accruing. In addition, upon the occurrence and during the continuation of an Event of Default hereunder, the Initial Loan Advance and all Subsequent Draws, including principal, interest, compounded interest, and professional fees thereupon, shall upon the election of the lenders, bear interest at the Interest Rate, plus five (5) percentage points. In the event any interest is not paid when due hereunder, delinquent interest shall be added to principal and shall bear interest on interest, compounded.

As security for the prompt and complete payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Borrower granted to the lenders a security interest in all of Borrower's right, title, and interest in and to all Inventory or Equipment and machinery, in each case, purchased (or refinanced) with the proceeds of the Initial Loan Advance and any Subsequent Draw, and, to the extent not otherwise included, all Proceeds of each of the foregoing and all products, additions, increases and accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.

As of the date of this filing, \$2,375,000 has been committed by the lenders.

### **Series B Financing**

On October 6, 2023, the Borrower entered into a Series B Loan and Security Agreement (the "Series B Agreement") with an individual as lender. Under the terms of the Series B Agreement, the lender will make available to Borrower, in an amount not to exceed its respective Commitment, a Loan Advance amount to be determined by the lender (as such amount may be increased, the "Aggregate Commitment") in the aggregate, of which (x) a certain amount will be deposited into an account of the Borrower in accordance with its written instructions (the "Initial Loan Advance") and (y) the remaining balance of the Aggregate Commitment after deducting the Initial Loan Advance shall be deposited into the Escrow Account (the "Escrow Funds"). The Borrower may, at any time, request a Subsequent Draw for all or a portion of the Escrow Funds.

The Borrower issued a Promissory Note to the lender in the amount of the lender's Initial Loan Advance. The principal balance of the Initial Loan Advance and each Subsequent Draw shall bear interest thereon from the Closing Date and applicable Advance Date, respectively, at 15.00% per annum. The Borrower shall pay the lender, according to its Applicable Percentage, an Unused Commitment Fee on the actual daily amount of the Unused Commitment Amount during the immediately preceding calendar quarter at the rate of five percent (5.00%) *per annum*. In the event any payment is not paid on or within five (5) Business Days of the scheduled payment date, an amount equal to two percent (2.00%) of the past due amount shall be payable on demand, in addition to interest accruing. In addition, upon the occurrence and during the continuation of an Event of Default hereunder, the Initial Loan Advance and all Subsequent Draws, including principal, interest, compounded interest, and professional fees thereupon, shall upon the election of the lender, bear interest at the Interest Rate, plus five (5) percentage points. In the event any interest is not paid when due hereunder, delinquent interest shall be added to principal and shall bear interest on interest, compounded.

As security for the prompt and complete payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Borrower granted to the lender a security interest in all of Borrower's right, title, and interest in and to all Inventory or Equipment and machinery, in each case, purchased (or refinanced) with the proceeds of the Initial Loan Advance and any Subsequent Draw, and, to the extent not otherwise included, all Proceeds of each of the foregoing and all products, additions, increases and accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.

From October 12, 2023, through February 26, 2024, the Borrower entered into Lender Joinder Agreements (the "Joinder Agreement") with several individuals and entities as subsequent lenders. Under the terms of the Joinder Agreement, the subsequent lenders agreed to become a lender and be bound by the terms of the Series B Agreement as a lender pursuant to the Series B Agreement.

As of the date of this filing, \$175,000 has been committed by the lender and subsequent lenders.

### **Series C Financing**

On October 19, 2023, the Borrower entered into a Series C Loan and Security Agreement (the "Series C Agreement") with an individual as lender. Under the terms of the Series C Agreement, the lender will make available to Borrower, in an amount not to exceed its Commitment, a Loan Advance amount to be determined by the lender (as such amount may be increased, the "Aggregate Commitment") in the aggregate, of which (x) a certain amount will be deposited into an account of the Borrower in accordance with its written instructions (the "Initial Loan Advance") and (y) the remaining balance of the Aggregate Commitment after deducting the Initial Loan Advance shall be deposited into the Escrow Account (the "Escrow Funds"). The Borrower may, at any time, request a Subsequent Draw for all or a portion of the Escrow Funds.

The Borrower issued a Promissory Note to the lender in the amount of the lender's Initial Loan Advance. The principal balance of the Initial Loan Advance and each Subsequent Draw shall bear interest thereon from the Closing Date and applicable Advance Date, respectively, at 18.00% per annum. The Borrower shall pay the Lender, according to its Applicable Percentage, an Unused Commitment Fee on the actual daily amount of the Unused Commitment Amount during the immediately preceding

calendar quarter at the rate of five percent (5.00%) *per annum*. In the event any payment is not paid on or within five (5) Business Days of the scheduled payment date, an amount equal to two percent (2.00%) of the past due amount shall be payable on demand, in addition to interest accruing. In addition, upon the occurrence and during the continuation of an Event of Default hereunder, the Initial Loan Advance and all Subsequent Draws, including principal, interest, compounded interest, and professional fees thereupon, shall upon the election of the lender, bear interest at the Interest Rate, plus five (5) percentage points. In the event any interest is not paid when due hereunder, delinquent interest shall be added to principal and shall bear interest on interest, compounded.

As security for the prompt and complete payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Borrower granted to the lender a security interest in all of Borrower's right, title, and interest in and to all Inventory or Equipment and machinery, in each case, purchased (or refinanced) with the proceeds of the Initial Loan Advance and any Subsequent Draw, and, to the extent not otherwise included, all Proceeds of each of the foregoing and all products, additions, increases and accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.

As of the date of this filing, \$7,225,000 has been committed by the lender.

### **Series D Financing**

On March 15, 2024, the Borrower entered into the Series D Loan and Security Agreement (the "Series D Agreement"), with the lenders party thereto from to time for an amount of up to \$5,000,000.

In connection with the Series D Agreement, on March 15, 2024, Forever 8 also entered into a Subordination Agreement (the "Subordination Agreement") with each of the lenders, the several individuals, financial institutions or entities from time to time party thereto (collectively, the "Senior Lenders") and the collateral agent for the Senior Lenders. Forever 8 additionally entered into an Intercreditor Agreement (the "Intercreditor Agreement") with the lenders party thereto and the collateral agent for such lenders. As of the date of this filing, a total of \$250,000 has been committed by the lender.

### **May 2023 Debt Exchange**

On May 30, 2023, the Borrower entered into a Debt Exchange Agreement (the "Debt Agreement") with two Lenders for funds advanced to the Borrower pursuant to secured promissory notes (the "Old Notes"), executed by the Borrower in favor of the Lenders during 2021. Under the terms of the Debt Agreement, the Old Notes were exchanged for new Notes ("New Notes") as per the terms of the Loan and Security Agreement dated May 30, 2023. The principal of the New Notes issued under the Debt Agreement is \$1,650,000.

### **March 2023 Offering**

On March 15, 2023, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with Hudson Bay Master Fund Ltd. ("Hudson Bay") for the issuance and sale of a Senior Secured Convertible Note with an initial principal amount of \$5,555,000 (the "Hudson Note") at a conversion price of \$6.245 per share of the Company's common stock, and a warrant (the "Hudson Warrant") to purchase up to 889,512 shares of Common Stock with an initial exercise price of \$6.245 per share of Common Stock (the "Private Placement"). The purchase price of the Hudson Note and the Hudson Warrant is \$5 million.

The entire outstanding principal balance on the Hudson Note and any outstanding fees or interest was due and payable in full on January 15, 2024 ("Maturity Date"). The Hudson Note did not bear interest, provided, however, that the Hudson Note would bear interest at 18% per annum upon the occurrence of an event of default. The Hudson Note was paid in full on February 26, 2024. Additionally, the Company redeemed all of the Hudson Warrants for \$660,000 on October 23, 2023. Palladium Capital Group, LLC acted as placement agent for the Private Placement. For the acting as placement agent in the Private Placement, the Placement Agent received (i) cash compensation of \$400,000 (8% of the gross proceeds to the Company) and (ii) a warrant to purchase up to 71,161 shares of Common Stock (8% of the shares of Common Stock underlying the Hudson Note).

The Company repaid the full amount under the Hudson Note and redeemed the Hudson Warrant in 2024. See "Note 16 – Convertible Note Payable" in the accompanying financial statements for further information.

## Forever 8 Acquisition

On September 14, 2022, the Company entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”) by and among the Company, Forever 8 and the former members of Forever 8 (the “Sellers”) pursuant to which Eightco was to acquire 100% of the issued and outstanding membership interests of Forever 8 (the “Membership Interests”) from the Sellers (the “Acquisition”). On October 1, 2022, the closing of the acquisition occurred (the “Closing”).

Pursuant to the Purchase Agreement, the Sellers received consideration consisting of (i) the Initial Base Preferred Units, subject to adjustments discussed below, (ii) the Promissory Notes, and (iii) the right to receive potential earnout amounts. In addition, \$4.6 million in cash was transferred to the Company in consideration for the Company’s payment of certain of its obligations.

In the event that the VWAP of the Eightco Shares the later of (i) the 15 trading days immediately prior to the date the put right pursuant to Section 7(b) of the Amended Operating Agreement (as defined below) is exercisable and (ii) the 15 trading days following the Company’s filing of its Annual Report on Form 10-K for the fiscal year ending December 31, 2022 is less than \$3.07, then Sellers shall be entitled to receive an additional number of Preferred Units (“Additional Base Preferred Units” and together with the Initial Base Preferred Units, the “Total Base Preferred Unit Consideration”) such that the Total Base Preferred Unit Consideration multiplied by the Additional Base Preferred Unit VWAP equals \$21.5 million; provided that in no event shall more than 3,750,000 Additional Base Preferred Units be issued.

As indicated below, the Purchase Agreement provides that the Sellers are entitled to receive three potential earnout payments (the “Earnout Consideration”). The Earnout Consideration is payable to the Sellers in cash or, at Eightco’s election, in up to 7,000,000 additional Preferred Units, upon the achievement of certain performance thresholds relating to cumulative collected revenues (each, an “Earn-Out Target”).

If Eightco elects to issue additional Preferred Units upon the achievement of any Earn-Out Target and the VWAP of Eightco’s common stock for the 15 trading days preceding the date that any Earn-Out Target is achieved (the “Earn-Out VWAP”) is (A) with respect to the first Earn-Out Target, less than \$5.00, (B) with respect to the second Earn-Out Target, less than \$6.00 or (C) with respect to the third Earn-Out Target, less than \$5.00, then Sellers shall be entitled to receive an additional number of additional Preferred Units (the “True-up Units” and together with the additional Preferred Units, the “Total Additional Preferred Units”) such that the Total Additional Preferred Units multiplied by the Earn-Out VWAP equals (x) \$15 million for the first Earn-Out Target, (y) \$12 million for the second Earn-Out Target and (z) \$10 million for the third Earn-Out Target; provided that in no event shall more than 4.5 million True-up Units be issued for the first Earn-Out Target, in no event shall more than 4.0 million True-up Units be issued for the Second Earn-Out Target and in no event shall more than 3.0 million True-up Units be issued for the Third Earn-Out Target.

In accordance with the Purchase Agreement, the Company’s existing operating agreement was amended and restated. The amended and restated operating agreement (the “Operating Agreement”) provides for, among other things, a put right for designated members (the “Preferred Members”). The Preferred Members (who are the Sellers) have a put right to cause Eightco to redeem certain Preferred Units, from time to time on or after the six-month anniversary following the Closing. Upon exercise of the put right, each Initial Base Preferred Unit (as defined in the Purchase Agreement) shall be exchanged for one Eightco share.

The Preferred Members have a put right, on terms and conditions set forth in Section 7.01 of the Operating Agreement, to cause Eightco to redeem the Preferred Units as follows:

(a) starting on the later of (i) six (6) months following the Closing and (ii) the Threshold Date (as defined in the Subordination Agreement), one (1) Eightco Share per Initial Base Preferred Unit being redeemed up to a maximum of 6,281,949 Initial Base Preferred Units;

(b) upon the satisfaction of (i) the receipt of Shareholder Approval on or prior to June 30, 2023, (ii) six (6) months following the Closing and (iii) the occurrence of the Threshold Date, one (1) Eightco Share per Initial Base Preferred Units that could not be converted due to the 6,281,949 unit limit in Section 7.01(a) of the Operating Agreement (such shares being an aggregate of 718,051 Initial Base Preferred Units being defined as the “Extra Initial Base Preferred Units”) being redeemed, and one (1) OCTO Share per Additional Base Preferred Unit being redeemed;

(c) if Shareholder Approval is not obtained on or before June 30, 2023, subject to both (i) six (6) months following the Closing and (ii) the terms of the Subordination Agreement, a cash payment equal to the difference between \$3.07 minus the Additional Base Preferred Unit VWAP (as defined in the Purchase Agreement with it being subject to a \$2.00 floor) (such difference being the “Additional Base Preferred Unit Cash Catch Up Amount”) with the Additional Base Preferred Unit Cash Catch Up Amount being multiplied by each Extra Initial Base Preferred Unit and each Additional Base Preferred Unit being redeemed;

(d) upon the satisfaction of (i) the receipt of Shareholder Approval on or prior to June 30, 2023, (ii) six (6) months following the time a Preferred Unit issued in connection with the first Earn-Out Target is earned under Section 1.04 of the Purchase Agreement and (iii) the occurrence of the Threshold Date, one (1) OCTO Share per Earnout One Unit being redeemed;

(e) if Shareholder Approval has not been obtained on or before June 30 2023, subject to both (i) six (6) months following the time an Earnout One Unit is earned under Section 1.04 of Purchase Agreement and (ii) the terms of the Subordination Agreement, a cash payment equal to the amount of \$15,000,000 divided by the number of Earnout One Units (the “Earnout One Unit Redemption Amount”) with such Earnout One Unit Redemption Amount then being multiplied by each Earnout One Unit being redeemed;

(f) upon the satisfaction of (i) the receipt of Shareholder Approval on or prior to June 30, 2023, (ii) six (6) months following the time a Preferred Unit issued in connection with the second Earn-Out Target is earned under Section 1.04 of the Purchase Agreement and (iii) the occurrence of the Threshold Date, one (1) OCTO Share per Earnout Two Unit being redeemed;

(g) if Shareholder Approval has not been obtained on or before June 30 2023, subject to both (i) six (6) months following the time an Earnout Two Unit is earned under Section 1.04 of the Purchase Agreement and (ii) the terms of the Subordination Agreement, a cash payment equal to the amount of \$12,000,000 divided by the number of Earnout Two Units (the “Earnout Two Unit Redemption Amount”) with such Earnout Two Unit Redemption Amount then being multiplied by each Earnout Two Unit being redeemed;

(h) upon the satisfaction of (i) the receipt of Shareholder Approval on or prior to June 30, 2023, (ii) six (6) months following the time a Preferred Unit issued in connection with the third Earn-Out Target is earned under Section 1.04 of the Purchase Agreement and (iii) the occurrence of the Threshold Date, one (1) OCTO Share per Earnout Three Unit being redeemed;

(i) if Shareholder Approval has not been obtained on or before June 30 2023, subject to both (i) six (6) months following the time an Earnout Three Unit is earned under Section 1.04 of the Purchase Agreement and (ii) the terms of the Subordination Agreement, a cash payment equal to the amount of \$10,000,000 divided by the number of Earnout Three Units (the “Earnout Three Unit Redemption Amount”) with such Earnout Three Unit Redemption Amount then being multiplied by each Earnout Three Unit being redeemed.

Pursuant to the Operating Agreement, Eightco unconditionally guaranteed the payment, when due, of obligations pursuant to the put right. Eightco shall satisfy these obligations to the Preferred Members either in cash or, if Shareholder Approval has been obtained, through the issuance and delivery to each Preferred Member of one OCTO Share per Preferred Unit held by each Preferred Member.

Upon the Closing, Eightco issued the Promissory Notes. The Promissory Notes bear interest at the rate per annum equal to (i) ten (10%) for the first twelve (12) months of the Promissory Notes and (ii) twelve percent (12%) thereafter until the maturity date of the Promissory Notes (the “Note Maturity Date”). The Note Maturity Date is the date that is the later of (i) 91 days after the Maturity Date (as defined in the Investor Note (as defined below)) of the Senior Secured Convertible Note issued by Eightco in favor of the Investor on May 5, 2022 (the “Investor Note”) and (ii) three years following the Closing. Subject to the terms of the Subordination Agreement, the Promissory Notes may be prepaid in full or in part at any time without premium or penalty, provided, however, that Eightco agrees that, subject to the terms of the Subordination Agreement which specifically permit such prepayments in accordance therewith, it will make prepayments on the Promissory Notes and all other Seller Notes (as defined in the Promissory Notes) in amounts equal to the pro rata amount of the outstanding principal amount of the Seller Notes as a whole, as follows: (i) after Section 4(d) of the Amendment Agreement is satisfied such that excess cash may be removed from the Control Account, 50% of the cash proceeds of warrants exercised for common stock of the Eightco until an aggregate amount of \$10 million in prepayments is made on the Seller Notes from such warrant exercises, (ii) 25% of all gross proceeds received by Eightco in any and all debt and equity capital raises by the Eightco (excluding warrant exercises) from and after the date of the Purchase Agreement and (iii) at least an aggregate of \$11.5 million (including any prepayments made pursuant to clauses (i-ii) above) within the first twelve (12) months of the issuance of the Promissory Notes.

So long as the Eightco has received Shareholder Approval and the Threshold Date has been reached, at any time commencing after the 12-month anniversary of the date of the Promissory Notes, the holder of the Promissory Notes may, in its sole and absolute discretion, convert all or part of the Promissory Notes into shares of common stock of the Eightco (the “Conversion Shares”) at a per share conversion price equal to the VWAP of a OCTO Share for the ten trading days immediately preceding the conversion notice being provided to the Eightco by the holder of the Promissory Notes (the “Conversion Price”), with the Conversion Price being subject to a conversion price floor of \$2.00 per share of common stock. If the VWAP is less than \$2.00 and the holder converts all or part of the Note at \$2.00 per share, then the holder shall be entitled to receive an additional Promissory Note with the same economic terms as the original Promissory Note in a principal amount equal to (A) \$2.00 minus the VWAP multiplied by (B) the number of Conversion Shares issued upon the conversion.

During fiscal year 2024, the Company entered into a series of amendments with the Sellers to restructure obligations related to the Promissory Notes issued in connection with the Forever 8 acquisition.

On March 17, 2024, the Company entered into an initial amendment pursuant to which:

- Approximately \$3.0 million in accrued interest was forgiven with no additional consideration,
- An additional \$1.1 million in accrued interest was converted into 1.4 million shares of common stock, and
- All remaining payments under the Promissory Notes were deferred to October 30, 2024.

On March 27, 2024, the Company issued 120,974 shares of common stock which retired a portion of the Promissory Notes.

On June 14, 2024, the Company executed further amendments to accomplish the following:

- The Company recorded a gain of \$6.1 million related to the full release of contingent consideration, originally recognized at the time of acquisition. This was recorded as other income in the consolidated statement of operations.
- The Sellers also forgave \$5.4 million of principal outstanding under the related-party Promissory Notes. Due to the related-party nature of the transaction, the forgiveness was recorded as a non-cash gain directly to additional paid-in capital (APIC) in accordance with ASC 470-50 and ASC 850-10.
- In a concurrent amendment to the Purchase Agreement, the Sellers waived their contractual right to receive 215,000 Preferred Units, eliminating a significant future equity obligation.

On December 19, 2024, the Company entered into a final amendment, under which:

- Approximately \$1.6 million in accrued interest was converted into 485,381 shares of common stock, and
- The payment deferral period under the Promissory Notes was extended through October 30, 2025.

In total, these amendments resulted in the forgiveness or conversion of approximately \$5.7 million in accrued interest. The related-party forgiveness and equity conversions generated a combined non-cash gain of \$3.86 million, which was recorded directly to APIC as a capital transaction. In addition, the forgiveness of \$5.4 million was recorded directly to APIC as a capital transaction.

### **Series A Preferred Stock Designation and Dividend**

On January 17, 2023, the board of directors of the Company declared a dividend of one one-thousandth of a share of Series A Preferred Stock, par value \$0.001 per share, for each outstanding share of the Company's common stock, par value \$0.001 per share to stockholders of record at 5:00 p.m. Eastern Time on January 27, 2023 (the "Record Date").

On January 19, 2023, the Company filed a Certificate of Designation with the Delaware Secretary of State for its Series A Preferred Stock. The number of shares designated is three hundred thousand (300,000). All shares of Series A Preferred Stock issued have been since redeemed.

### **Critical Accounting Policies and Significant Judgments and Estimates**

Our management's discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements as well as the reported expenses during the reporting periods. The accounting estimates that require our most significant, difficult and subjective judgments have an impact on revenue recognition, the determination of share-based compensation and financial instruments. We evaluate our estimates and judgments on an ongoing basis. Actual results may differ materially from these estimates under different assumptions or conditions.

Our significant accounting policies are more fully described in Note 2 to our consolidated financial statements included elsewhere in this Annual Report.

## Principles of Consolidation

The consolidated financial statements include the accounts of Eightco Holdings Inc. and its wholly-owned or majority owned subsidiaries and consolidated variable interest entities.

## Use of Estimates

Preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, together with amounts disclosed in the related notes to the financial statements.

The Company's significant estimates used in these financial statements include, but are not limited to, accounts receivable reserves, the valuation allowance related to the Company's deferred tax assets, the recoverability and useful lives of long-lived assets, debt conversion features, stock-based compensation, certain assumptions related to the valuation of the reserved shares and the assets acquired and liabilities assumed related to the Company's acquisitions. Certain of the Company's estimates could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company's estimates and could cause actual results to differ from those estimates.

## Long-Lived Assets

We record intangible assets based on their fair value on the date of acquisition. Intangible assets include the cost of developed technology, customer relationships, trademarks and identifiable media and influencer platforms. Intangible assets are amortized utilizing the straight-line method over their remaining economic useful lives. A significant percentage of the Company's long term assets are intangibles assets and therefore, estimates regarding the fair value of these assets have a material impact on our financial statements.

## Goodwill

Goodwill is recorded for the difference between the fair value of the purchase consideration over the fair value of the net identifiable tangible and intangible assets acquired. We perform an impairment assessment of goodwill on an annual basis, or whenever impairment indicators exist. In the absence of any impairment indicators, goodwill is assessed for impairment during the fourth quarter of each fiscal year. Judgments regarding the existence of impairment indicators are based on market conditions and operational performance of the business.

We may assess our goodwill for impairment initially using a qualitative approach to determine whether it is more likely than not that the fair value of these assets is greater than their carrying value. When performing a qualitative test, we assess various factors including industry and market conditions, macroeconomic conditions and performance of our businesses. If the results of the qualitative assessment indicate that it is more likely than not that our goodwill and other indefinite-lived intangible assets are impaired, a quantitative impairment analysis would be performed to determine if impairment is required. We may also elect to perform a quantitative analysis of goodwill initially rather than using a qualitative approach.

The impairment testing for goodwill is performed at the reporting unit level. The valuation methods used in the quantitative fair value assessment, discounted cash flow and market multiples method, requires our management to make certain assumptions and estimates regarding certain industry trends and future profitability of our reporting units. If the fair value of a reporting unit exceeds the related carrying value, the reporting unit's goodwill is considered not to be impaired and no further testing is performed. If the carrying value of a reporting unit exceeds its fair value, an impairment loss is recorded for the difference. The valuation of goodwill is affected by, among other things, our business plan for the future and estimated results of future operations. Future events could cause us to conclude that impairment indicators exist, and, therefore, that goodwill may be impaired. Goodwill is a significant percentage of the Company's long term assets and therefore, estimates regarding the fair value of our goodwill have a material impact on our financial statements.

## Warrant Accounting

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC Topic 815, "Derivatives and Hedging".

The Company classifies a warrant to purchase shares of its common stock as equity on its consolidated balance sheets as this warrant is a free-standing financial instrument that is indexed to the Company's own stock and meets the criteria for equity classification. Each warrant is initially recorded within equity at the date of grant, net of issuance costs, and is not subsequently re-measured. Changes in the fair value of the warrant are not recognized after the initial measurement. The warrants will remain classified in equity until they are exercised or expire.

## **Key Components of our Results of Operations**

### ***Revenues***

We generate the majority of our revenues from inventory financing through our wholly owned subsidiary, Forever 8. Additionally, we generate revenues from the sale of corrugated custom packaging to a wide array of customers. In 2022, the Company generated revenues from the sale of Bitcoin mining equipment through CW Machines, LLC. The Company no longer expects to generate revenue from this business line.

### ***Cost of Revenues***

Our cost of revenues includes inventory costs, materials and supplies costs, internal labor costs and related benefits, subcontractor costs, depreciation, overhead and shipping and handling costs. In 2022, we incurred costs related to the purchase and resale of Bitcoin mining equipment through CW Machines, LLC. We no longer anticipate purchasing and reselling Bitcoin mining equipment.

### ***Selling, General and Administrative Expenses***

Selling, general and administrative expenses consist of selling, marketing, advertising, payroll, administrative, finance and professional expenses.

### ***Restructuring and Severance Expenses***

Restructuring and severance expenses include costs related to workforce reductions, facility closures, and strategic realignments intended to improve operational efficiency and reduce future costs. These expenses may fluctuate based on the scope and timing of restructuring initiatives.

### ***Interest Expense and Income, Net***

Interest expense includes the cost of our borrowings under our debt arrangements. Interest income includes the interest earned under our notes receivable.

### ***Other Income***

Other income includes the gain on disposal of the building located in Washington, New Jersey.

## **Results of Operations**

### **Year Ended December 31, 2024 versus the Year Ended December 31, 2023**

#### **Continuing Operations**

The following table sets forth information comparing the components of net (loss) income from continuing operations for the years ended December 31, 2024 and 2023:

	<b>Year Ended December 31,</b>		<b>Period over Period Change</b>	
	<b>2024</b>	<b>2023</b>	<b>\$</b>	<b>%</b>
<b>Revenues, net:</b>				
Inventory Management Solutions.....	\$ 39,621,272	\$ 67,568,353	\$ (27,947,081)	-41.36%
<b>Cost of revenues:</b>				
Inventory Management Solutions.....	33,639,274	61,308,561	(27,669,287)	-45.13%
<b>Gross profit:</b>				
Inventory Management Solutions.....	5,981,998	6,259,792	(277,794)	-4.44%
<b>Operating expenses:</b>				
Selling, general and administrative.....	12,759,719	14,805,627	(2,045,908)	-13.82%
Restructuring and severance .....	1,414,838	2,133,982	(719,144)	-33.70%
Operating loss.....	(8,192,559)	(10,679,817)	2,487,258	-23.29%
<b>Other (expense) income:</b>				
Interest expense .....	(5,287,920)	(11,553,477)	6,265,557	-54.23%
Gain on forgiveness of earnout .....	6,100,000	-	6,100,000	100.00%
Gain on extinguishment of liabilities.....	7,427,193	-	7,427,193	100.00%
Loss on issuance of warrants .....	-	(46,928,815)	46,928,815	-100.00%
Other income .....	107,760	104,994	2,766	2.63%
Total other (expense) income, net .....	8,347,033	(58,377,298)	66,724,331	-114.30%
(Loss) income before income taxes.....	154,474	(69,057,115)	69,211,589	-100.22%
Income tax benefit.....	(135,337)	-	(135,337)	-100.00%
<b>Net income (loss) from continuing operations.....</b>	<b>\$ 289,811</b>	<b>\$ (69,057,115)</b>	<b>\$ 69,346,926</b>	<b>-100.42%</b>

#### ***Revenue***

For the year ended December 31, 2024, revenues decreased by \$27,947,081 or 41.36%, as compared to the year ended December 31, 2023. The decrease was primarily the result of decreased revenues due to less capital utilized to purchase inventory for our customers to allow for repayment of debt. In addition, the Company had revenues of \$0 and \$0 for the years ended December 31, 2024 and 2023, respectively, related to its BTC Mining Equipment Business. The Company no longer generates revenues related to CW Machines.

#### ***Cost of Revenues***

For the year ended December 31, 2024, cost of revenues decreased by \$27,669,287 or 45.13%, as compared to the year ended December 31, 2023. The decrease was largely attributable to the decrease in revenues. In addition, the Company had cost of revenues of \$0 and \$0 for the years ended December 31, 2024 and 2023, respectively, related to its BTC Mining Equipment Business. The Company no longer generates revenues related to CW Machines.

#### ***Gross Profit***

For the year ended December 31, 2024, gross profit decreased by \$277,794, or 4.44%, as compared to the year ended December 31, 2023. The decrease was largely attributable to the decrease in revenues. In addition, the Company had gross profit of \$0 and \$0 for the years ended December 31, 2024 and 2023, respectively, related to its BTC Mining Equipment Business. The Company no longer generates revenues related to CW Machines.

### ***Operating Expenses***

Selling, general and administrative expenses were \$12,759,719 and \$14,805,627 for the years ended December 31, 2024 and 2023, respectively, representing a decrease of \$2,045,908, or 13.82%. The decrease was largely attributable to the decrease in salaries and professional fees offset by an increase in fees for investor relations.

Restructuring and severance expenses were \$1,414,838 and \$2,133,982 for the years ended December 31, 2024 and 2023, respectively, representing a decrease of \$719,144, or 33.70%. The decrease was largely attributable to the completion of the restructuring plan.

### ***Interest Expense***

Interest expense was \$5,287,920 for the year ended December 31, 2024, versus \$11,553,477 for the year ended December 31, 2023. The decrease in interest expense was largely attributable to the full amortization of debt issuance costs related to borrowings under the convertible notes payable.

### ***Total other (expense) income***

Total other (expense) income was \$8,347,033 for the year ended December 31, 2024 versus (\$58,377,298) for the year ended December 31, 2023. The increase in total other income (expense) was largely attributable to no further charges for the loss on issuance of warrants and amortized interest expense under the convertible notes payable.

### ***Income tax benefit***

Income tax benefit was \$(135,337) for the year ended December 31, 2024, versus an income tax expense benefit of \$0 for the year ended December 31, 2023, respectively. The increase in income tax benefit for the year ended December 31, 2024 was a result of recovery for foreign taxes related to Forever 8 EU for the year ended December 31, 2024.

### ***Net income (loss) from continuing operations***

Net income (loss) from continuing operations was \$289,811 for the year ended December 31, 2024, versus a net loss of (\$69,057,115) for the year ended December 31, 2023. The improvement in net income (loss) was largely attributable to no further charges for the loss on issuance of warrants and amortized interest expense under the convertible notes payable.

### **Discontinued Operations**

On November 22, 2024, the Company entered into an Asset Purchase Agreement to sell substantially all of the assets of Ferguson Containers, Inc., the Company's Corrugated Packaging Business. As a result of this agreement, Ferguson Containers has been classified as a discontinued operation for all periods presented in the consolidated financial statements.

Revenue and operating results from Ferguson Containers are excluded from continuing operations and presented as a single line item in the consolidated statements of operations. Ferguson Containers generated revenues of \$6.8 million and \$7.7 million and operating income of \$0.4 million and \$0.7 million for the years ended December 31, 2024 and 2023, respectively.

The Company expects the sale to close in the second quarter of 2025, subject to customary closing conditions.

The following table sets forth information comparing the components of net (loss) income from discontinued operations for the years ended December 31, 2024 and 2023:

	<b>Year Ended December 31,</b>		<b>Period over Period Change</b>	
	<b>2024</b>	<b>2023</b>	<b>\$</b>	<b>%</b>
<b>Revenues, net:</b>				
Corrugated .....	6,823,277	7,729,131	(905,854)	-11.72%
<b>Cost of revenues:</b>				
Corrugated .....	<u>4,980,338</u>	<u>5,496,462</u>	<u>(516,124)</u>	<u>-9.39%</u>
<b>Gross profit:</b>				
Corrugated .....	1,842,939	2,232,669	(389,730)	-17.46%
<b>Operating expenses:</b>				
Selling, general and administrative.....	1,439,964	1,530,024	(90,060)	-5.89%
Restructuring and severance .....	-	-	-	0.00%
Operating loss.....	<u>402,975</u>	<u>702,645</u>	<u>(299,670)</u>	<u>-42.65%</u>
<b>Other income:</b>				
Interest expense .....	-	(112)	112	-100.00%
Loss on issuance of warrants .....	-	-	-	0.00%
Other income .....	<u>6,613</u>	<u>34,168</u>	<u>(27,555)</u>	<u>-80.65%</u>
Total other (expense) income, net .....	<u>6,613</u>	<u>34,056</u>	<u>(27,443)</u>	<u>-80.58%</u>
Income before income taxes.....	<u>409,588</u>	<u>736,701</u>	<u>(327,113)</u>	<u>-44.40%</u>
Income tax expense (benefit) .....	<u>(9,128)</u>	<u>-</u>	<u>(9,128)</u>	<u>-100.00%</u>
<b>Net income from discontinued operations .....</b>	<b>\$ 418,716</b>	<b>\$ 736,701</b>	<b>\$ (317,985)</b>	<b>-43.16%</b>

### **Revenue**

For the year ended December 31, 2024, revenues from Corrugated Packaging decreased by \$905,854 or 11.72%, as compared to the year ended December 31, 2023. The decrease was primarily attributable to a reduction in revenue resulting from decreased orders from a key customer.

### **Cost of Revenues**

For the year ended December 31, 2024, cost of revenues from Corrugated Packaging decreased by \$516,124 or 9.39%, as compared to the year ended December 31, 2023. The decrease was largely attributable to the decrease in revenues.

### **Gross Profit**

For the year ended December 31, 2024, gross profit from Corrugated Packaging decreased by \$389,730, or 17.46%, as compared to the year ended December 31, 2023. The decrease was largely attributable to the decrease in revenues.

### **Operating Expenses**

Selling, general and administrative expenses were \$1,439,964 and \$1,530,024 for the years ended December 31, 2024 and 2023, respectively, representing a decrease of \$90,060, or 5.89%. The decrease was largely attributable to a decrease in salaries.

### **Interest Expense**

Interest expense was \$0 for the year ended December 31, 2024, versus \$112 for the year ended December 31, 2023.

### **Total other income**

Total other income was 6,613 for the year ended December 31, 2024 versus 34,056 for the year ended December 31, 2023. The decrease in total other income (expense) was largely attributable to insurance reimbursements.

### ***Income tax benefit***

Income tax benefit was \$(9,128) for the year ended December 31, 2024, versus an income tax expense benefit of \$0 for the year ended December 31, 2023, respectively.

### ***Net income from discontinued operations***

Net income from discontinued operations was \$418,716 for the year ended December 31, 2024, versus net income of \$736,701 for the year ended December 31, 2023. The decrease in net income was largely attributable to the loss on of revenues related to the decrease in orders from one customer.

### **Liquidity and Capital Resources**

Eightco Holdings Inc. funds its operations primarily through borrowings under lines of credit and the sale of securities, either through private placements or its At-The-Market (“ATM”) offering program. As of March 31, 2025, the Company has approximately \$9.7 million of outstanding debt obligations related to lines of credit.

As of April 14, 2025, the Company had approximately \$0.2 million in cash. Management expects that additional capital will be required to support ongoing operations and to scale revenues beyond current levels. The Company intends to continue accessing capital through a combination of debt financing and equity offerings, as needed.

In November 2024, the Company entered into an agreement to sell substantially all of the assets of its Corrugated Packaging Business, Ferguson Containers, for a total purchase price of approximately \$3.1 million, consisting of \$557,835 in cash, a \$2.5 million seller note, and up to \$500,000 in earnout payments contingent on future performance. The buyer will also assume certain liabilities related to the Corrugated Packaging Business.

The Company expects the transaction to close in the second quarter of 2025. Upon closing, the Company expects to realize increased liquidity from the cash proceeds, with future cash flow impacts dependent on collection of the seller note and potential earnout realization. The sale aligns with the Company’s strategic decision to focus resources on scaling Forever 8, the Company’s inventory funding platform.

### **Cash Flows for the Years Ended December 31, 2024 and 2023**

Since inception, Eightco Holdings Inc. and its subsidiaries have primarily used its available cash to fund its operations. The following table sets forth a summary of cash flows for the periods presented:

	<b>For the Years Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Cash (used in) provided by:		
Operating Activities.....	\$ (6,637,101)	\$ (6,399,079)
Investing Activities.....	(70,098)	(295,150)
Financing Activities.....	1,698,550	6,361,634
Net increase in cash and restricted cash.....	<u>\$ (5,008,649)</u>	<u>\$ (332,595)</u>

### ***Operating Activities***

Net cash (used in) operating activities was (\$6,637,101) during the year ended December 31, 2024, which consisted primarily of a net income from continuing operations of \$289,811 and net income from discontinued operations of \$418,716 offset by non-cash depreciation expense of \$2,454,661, amortization of debt issuance costs of \$1,337,750, share based compensation of \$573,788 and changes in assets and liabilities of \$1,815,366 offset by gain on extinguishment of liabilities of \$7,427,193 and gain on forgiveness of earnout of \$6,100,000. Net cash (used in) operating activities was (\$6,399,079) during the year ended December 31, 2023, which consisted primarily of a net loss of \$68,320,414 offset by non-cash depreciation expense of \$3,044,531, amortization of debt issuance costs of \$8,109,078, impairment charges of \$292,748, share-based compensation of (\$358,937), loss on issuance of warrants of \$46,928,815 and changes in assets and liabilities of \$3,899,203.

### *Investing Activities*

Net cash provided by (used in) investing activities was (\$70,098) during the year ended December 31, 2024 compared to (\$295,150) for the year ended December 31, 2023. The decrease was primarily due to lower purchases of property and equipment.

### *Financing Activities*

Net cash provided by financing activities was \$1,698,550 during the year ended December 31, 2024 compared to \$2,989,800 for the year ended December 31, 2023. This decrease was largely attributable to repayments of \$4,915,000 under convertible notes payable, offset by proceeds from the issuance of common stock of \$3,064,067 and borrowings under lines of credit of \$3,750,000 as compared to the year ended December 31, 2023.

Eightco Holdings Inc. has required funding from the Former Parent to launch operations. Ferguson Containers has historically had positive cash flows from operations. Since inception, Ferguson Containers Inc.'s operations have been funded principally through its operations.

### *Going Concern*

The financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred a loss since inception resulting in an accumulated deficit of \$112,570,049 as of December 31, 2024 and further losses are anticipated in the development of its business. Further, the Company has current liabilities in excess of current assets and has a stockholders' deficit at December 31, 2024. These factors raise substantial doubt about the Company's ability to continue as a going concern for a period of one year from the issuance of these financial statements.

As of December 31, 2024, the Company had approximately \$0.2 million in cash and cash equivalents as compared to \$5.2 million at December 31, 2023. The Company expects that its current cash and cash equivalents, approximately \$0.2 million as of the date of this annual report, will not be sufficient to support its projected operating requirements for at least the next 12 months from this date.

The Company expects to need additional capital in order to increase revenues above current levels. Any additional equity financing, if available, may not be on favorable terms and would likely be significantly dilutive to the Company's current stockholders, and debt financing, if available, may involve restrictive covenants. The Company's ability to access capital when needed is not assured and, if not achieved on a timely basis, will likely have a materially adverse effect on our business, financial condition and results of operations. In 2023, the Company began reducing headcount to reduce the corporate overhead. The Company raised capital in 2024 and intends to continue reducing costs in 2025 while raising additional capital as needed.

### **Off-Balance Sheet Arrangements**

We did not have, during the periods presented, and we do not currently have, any relationships with any organizations or financial partnerships, such as structured finance or special purpose entities, that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

### **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

As a smaller reporting company, we are not required to provide this information.

**ITEM 8. FINANCIAL STATEMENTS**

**INDEX TO FINANCIAL STATEMENTS**

Report of Independent Registered Public Accounting Firm – Stephano Slack LLC (PCAOB ID Number 03523).....	F-1
Report of Independent Registered Public Accounting Firm– Morison Cogen LLP (PCAOB ID Number 00536).....	F-2
Consolidated Balance Sheets as of December 31, 2024 and 2023.....	F-3
Consolidated Statements of Operations for the years ended December 31, 2024 and 2023 .....	F-4
Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2024 and 2023 .....	F-5
Consolidated Statements of Changes in Stockholders’ Equity (Deficit) for the years ended December 31, 2024 and 2023 .....	F-6
Consolidated Statements of Cash Flows for the years ended December 31, 2024 and 2023 .....	F-7
Notes to the Consolidated Financial Statements.....	F-8

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and Board of Directors of  
Eightco Holdings Inc.

### *Opinion on the Financial Statements*

We have audited the accompanying consolidated balance sheet of Eightco Holdings Inc. (the “Company”) as of December 31, 2024, the related consolidated statement of operations, comprehensive income, changes in stockholders’ deficit and cash flows for the year ended December 31, 2024 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 as of December 31, 2024, and the results of their operations and their cash flows for the year ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

### *Substantial Doubt About its Ability to Continue as a Going Concern*

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has experienced negative cash flows from operations for the years ended December 31, 2024, which raises substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

*/s/ Stephano Slack LLC*

We have served as the Company’s auditor since 2024.

Wayne, Pennsylvania  
April 15, 2025

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and Board of Directors of  
Eightco Holdings Inc.

### *Opinion on the Financial Statements*

We have audited the accompanying consolidated balance sheet of Eightco Holdings Inc. (the “Company”) as of December 31, 2023, the related consolidated statements of comprehensive loss, changes in stockholders’ deficit and cash flows for the year ended December 31, 2023 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 as of December 31, 2023, and the results of their operations and their cash flows for the year ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

### *Going Concern*

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has experienced a net loss and negative cash flows from operations for the year ended December 31, 2023, which raises substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

*/s/ Morison Cogen LLP*

We served as the Company’s auditor from 2022 to 2024.

Blue Bell, Pennsylvania  
April 1, 2024

**EIGHTCO HOLDINGS INC.  
CONSOLIDATED BALANCE SHEETS**

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents .....	\$ 239,187	\$ 5,247,836
Accounts receivable, net.....	1,592,049	1,248,657
Inventories, net .....	7,834,351	5,965,607
Prepaid expenses and other current assets .....	1,002,023	678,015
Current assets of discontinued operations held for sale.....	1,798,239	1,608,823
Total current assets.....	<u>12,465,849</u>	<u>14,748,938</u>
Property and equipment, net .....	5,452	5,222
Intangible assets, net .....	13,828,214	16,108,443
Goodwill.....	22,324,588	22,324,588
Loan held-for-investment.....	2,224,252	2,224,252
Total assets .....	<u>\$ 50,848,355</u>	<u>\$ 55,411,443</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Current liabilities:		
Accounts payable.....	\$ 2,061,265	\$ 2,134,654
Accounts payable – related parties .....	300,000	381,828
Accrued expenses and other current liabilities .....	2,936,580	714,984
Accrued expenses and other current liabilities – related parties.....	2,050,684	6,438,900
Current portion of convertible notes payable, net of debt discount of \$0 and \$277,750.	-	4,637,250
Convertible notes payable – related parties, net .....	11,500,000	11,500,000
Line of credit .....	6,850,000	3,200,000
Line of credit – related parties .....	3,525,000	3,425,000
Due to Former Parent.....	480,000	6,977,193
Current liabilities of discontinued operations held for sale .....	107,731	115,837
Total current liabilities.....	<u>29,811,260</u>	<u>39,525,646</u>
Convertible notes payable, net of debt discount of \$0 and \$0, respectively .....	-	-
Convertible notes payable – related parties, net of debt discount of \$750,000 and \$1,750,000, respectively .....	9,521,155	14,133,700
Deferred tax liabilities.....	-	-
Contingent consideration .....	-	6,100,000
Total liabilities.....	<u>\$ 39,332,415</u>	<u>\$ 59,759,346</u>
Stockholders' equity (deficit):		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized and 0 shares outstanding at December 31, 2024 and December 31, 2023, respectively .....	-	-
Common stock, \$0.001 par value, 500,000,000 shares authorized and 2,479,363 and 941,284 shares outstanding at December 31, 2024 and December 31, 2023, respectively..	\$ 2,479	\$ 941
Additional paid-in capital.....	124,129,543	108,620,943
Accumulated deficit .....	(112,570,049)	(113,278,588)
Foreign currency translation .....	368,481	723,303
Total stockholders' (deficit) attributable to Eightco Holdings Inc. ....	<u>11,930,454</u>	<u>(3,933,401)</u>
Non-controlling interest.....	(414,514)	(414,502)
Total stockholders' equity (deficit).....	<u>11,515,940</u>	<u>(4,347,903)</u>
Total liabilities and stockholders' equity (deficit).....	<u>\$ 50,848,355</u>	<u>\$ 55,411,443</u>

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

**EIGHTCO HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*For the Years ended December 31, 2024 and 2023*

	<u>2024</u>	<u>2023</u>
Revenues, net .....	\$ 39,621,272	\$ 67,568,353
Cost of revenues.....	<u>33,639,274</u>	<u>61,308,561</u>
Gross profit.....	5,981,998	6,259,792
<b>Operating expenses:</b>		
Selling, general and administrative expenses.....	12,759,719	14,805,627
Restructuring and severance .....	<u>1,414,838</u>	<u>2,133,982</u>
Total operating expenses.....	<u>14,174,557</u>	<u>16,939,609</u>
Operating loss .....	<u>(8,192,559)</u>	<u>(10,679,817)</u>
<b>Non-operating income (expense):</b>		
Interest expense .....	(5,287,920)	(11,553,477)
Loss on issuance of warrants .....	-	(46,928,815)
Gain on forgiveness of earnout.....	6,100,000	-
Gain on extinguishment of liabilities.....	7,427,193	-
Other income .....	<u>107,760</u>	<u>104,994</u>
Total non-operating income (expense).....	<u>8,347,033</u>	<u>(58,377,298)</u>
Net income (loss) before income tax expense (benefit) .....	154,474	(69,057,115)
Income tax expense (benefit) .....	<u>(135,337)</u>	<u>-</u>
<b>Net income (loss) from continuing operations .....</b>	289,811	(69,057,115)
<b>Net income from discontinued operations, net of tax.....</b>	<u>418,716</u>	<u>736,701</u>
<b>Net income (loss).....</b>	708,527	(68,320,414)
<b>Net loss attributable to non-controlling interest.....</b>	<u>(12)</u>	<u>(25)</u>
<b>Net income (loss) attributable to Eightco Holdings Inc. ....</b>	\$ 708,539	\$ (68,320,389)
<b>Net income (loss) per share:</b>		
<b>Net income (loss) per share – basic .....</b>	\$ 0.40	\$ (23.63)
<b>Net income (loss) per share – diluted.....</b>	<u>\$ 0.36</u>	<u>\$ (23.63)</u>
Weight average number of common shares outstanding – basic .....	<u>1,751,132</u>	<u>2,891,144</u>
Weight average number of common shares outstanding – diluted.....	<u>1,981,359</u>	<u>2,891,144</u>

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

**EIGHTCO HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	<b>For the Years Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Net income (loss) .....	\$ 708,527	\$ (68,320,414)
Foreign currency translation – unrealized gain (loss) .....	(354,822)	255,635
Comprehensive income (loss) .....	\$ 353,705	\$ (68,064,779)

**EIGHTCO HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)**  
*For the Years ended December 31, 2024 and 2023*

	<u>Common Stock</u>		<u>Additional</u>	<u>Non</u>	<u>Retained</u>	<u>Accumulated</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Paid in</u>	<u>controlling</u>	<u>Earnings</u>	<u>Other</u>	<u>Total</u>
			<u>Capital</u>	<u>Interest</u>	<u>(Accumulated</u>	<u>Income</u>	
					<u>Deficit)</u>		
<b>Balances, January 1, 2024</b> .....	941,284	\$ 941	\$108,620,943	\$ (414,502)	\$ (113,278,588)	\$ 723,303	\$ (4,347,903)
Issuance of common stock to note holders .....	294,633	295	1,207,705	-	-	-	1,208,000
Issuance of common stock to investors .....	864,236	864	2,988,936	-	-	-	2,989,800
Issuance of common stock to board of directors and former employees .....	110,802	111	371,345	-	-	-	371,456
Issuance of common stock to consultants .....	193,779	194	620,099	-	-	-	620,293
Issuance of common stock – conversions .....	24,195	24	99,174	-	-	-	99,198
Issuance of common stock – settlement of cash warrants .....	50,434	50	206,728	-	-	-	206,778
Share-based compensation .....	-	-	39,937	-	-	-	39,937
Shares reserved for future issuance of common stock to debt holders for interest .....	-	-	713,511	-	-	-	713,511
Forgiveness of principal and interest – related parties .....	-	-	9,261,165	-	-	-	9,261,165
Foreign currency translation .....	-	-	-	-	-	(354,822)	(354,822)
Net income .....	-	-	-	(12)	708,539	-	708,527
<b>Balances, December 31, 2024</b> .....	<u>2,479,363</u>	<u>\$ 2,479</u>	<u>\$124,129,543</u>	<u>\$ (414,514)</u>	<u>\$ (112,570,049)</u>	<u>\$ 368,481</u>	<u>\$ 11,515,940</u>
<b>Balances, January 1, 2023</b> .....	126,673	\$ 127	\$ 50,618,137	\$ (316,509)	\$ (44,958,199)	\$ 467,668	\$ 5,811,224
Issuance of common stock to note holders .....	154,867	155	7,743,178	-	-	-	7,743,333
Issuance of common stock to investors .....	19,060	19	(19)	-	-	-	-
Exercise of warrants .....	508,893	508	14,292	-	-	-	14,800
Issuance of warrants .....	-	-	51,264,424	-	-	-	51,264,424
Repurchase of warrants from noteholder ..	-	-	(660,000)	-	-	-	(660,000)
Forfeiture of equity awards .....	-	-	(854,000)	-	-	-	(854,000)
Share-based compensation .....	131,791	132	494,931	-	-	-	495,063
Distributions to non-controlling interest ...	-	-	-	(97,968)	-	-	(97,968)
Foreign currency translation .....	-	-	-	-	-	255,635	255,635
Net loss .....	-	-	-	(25)	(68,320,389)	-	(68,320,414)
<b>Balances, December 31, 2023</b> .....	<u>941,284</u>	<u>\$ 941</u>	<u>\$108,620,943</u>	<u>\$ (414,502)</u>	<u>\$ (113,278,588)</u>	<u>\$ 723,303</u>	<u>\$ (4,347,903)</u>

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

**EIGHTCO HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*For the Years ended December 31, 2024 and 2023*

	<b>2024</b>	<b>2023</b>
Cash flows from operating activities:		
Net income (loss) .....	\$ 708,527	\$ (68,320,414)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization .....	2,454,661	3,044,531
Amortization of debt issuance costs .....	1,337,750	8,109,078
Amortization of prepaid share-based compensation .....	533,851	-
Impairments of long-lived assets .....	-	292,748
Loss on issuance of warrants .....	-	46,928,815
Share-based compensation .....	39,937	(358,937)
Provision for bad debts .....	-	-
Gain on disposal .....	-	5,897
Gain on extinguishment of liabilities .....	(7,427,193)	-
Gain on forgiveness of earnout .....	(6,100,000)	-
Changes in assets and liabilities, net of acquisition:		
Accounts receivable .....	(343,392)	(825,672)
Inventories .....	(2,223,566)	(1,311,617)
Prepaid expenses and other current assets .....	(277,105)	1,001,494
Accounts payable .....	130,476	360,689
Accrued expenses and other current liabilities .....	4,831,039	4,564,399
Deferred taxes .....	(82,104)	-
Discontinued operations .....	(219,982)	109,910
Net cash used in operating activities .....	(6,637,101)	(6,399,079)
Cash flows from investing activities:		
Purchases of property and equipment – continuing operations .....	(826)	(3,076)
Purchase of license agreement .....	-	(358,763)
Purchases of property and equipment – discontinued operations .....	(69,272)	(114,311)
Proceeds from sale of assets .....	-	181,000
Net cash used in investing activities .....	(70,098)	(295,150)
Cash flows from financing activities:		
Net proceeds from issuance of common stock .....	2,989,800	14,798
Net borrowings under lines of credit .....	3,750,000	4,775,000
Net borrowings under convertible notes .....	-	3,360,000
Net repayments under notes payable – related parties .....	-	(249,507)
Fees paid for financing costs .....	-	(664,389)
Repayments under notes payable – related parties .....	-	(116,300)
Repayments under convertible notes payable – related parties .....	(126,250)	-
Repayments under convertible notes payable .....	(4,915,000)	-
Repurchase of warrants from noteholders .....	-	(660,000)
Distributions .....	-	(97,968)
Net cash provided by financing activities .....	1,698,550	6,361,634
<b>Net increase in cash and cash equivalents and restricted cash .....</b>	<b>(5,008,649)</b>	<b>(332,595)</b>
<b>Cash and cash equivalents and restricted cash, beginning of the year .....</b>	<b>5,247,836</b>	<b>5,580,431</b>
<b>Cash and cash equivalents and restricted cash, end of the year .....</b>	<b>\$ 239,187</b>	<b>\$ 5,247,836</b>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for interest .....	\$ 1,179,351	\$ 444,781
Cash paid for income taxes .....	\$ -	\$ -
Convertible shares under notes payable .....	\$ -	\$ 7,743,333
Issuance of warrants to noteholders and placement agent .....	\$ -	\$ 4,335,611
Original issue discount .....	\$ -	\$ 555,000
Accrued placement agent fees for equity placement .....	\$ -	\$ -
Convertible shares under notes payable – related party .....	\$ 99,199	\$ -
Issuance of common stock to line of credit holders .....	\$ 60,000	\$ -
Issuance of common stock to vendors for future services .....	\$ 480,250	\$ -
Issuance of common stock to employees and directors for settlement of liabilities .....	\$ 318,205	\$ -
Issuance of common stock to vendors for settlement of liabilities .....	\$ 105,693	\$ -
Issuance of common stock to noteholders for settlement of accrued interest .....	\$ 1,148,000	\$ -
Issuance of common stock to noteholders for settlement of cash warrant liabilities .....	\$ 206,779	\$ -
Shares reserved for future issuance of common stock to debt holders for interest 8 .....	\$ 713,510	\$ -
Forgiveness of interest – related parties .....	\$ 3,861,165	\$ -
Forgiveness of debt – related parties .....	\$ 5,400,000	\$ -

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

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION**

As used herein, “Eightco” and the “Company” refer to Eightco Holdings Inc., a Delaware corporation originally incorporated on September 21, 2021 (date of inception) under the laws of the State of Nevada, and subsidiaries. On March 9, 2022, the Company converted to a Delaware corporation pursuant to a plan of conversion entered into with its former parent, Vinco Ventures, Inc. (“Vinco” or “Former Parent”). The Company operates in two main businesses: Forever 8 Inventory Cash Flow Solution and Corrugated Packaging Business. Forever 8 Fund LLC (“Forever 8”), which focuses on purchasing inventory for e-commerce retailers, was acquired by the Company on October 1, 2022, and is part of its Inventory Solution Business. The Company previously sold BTC mining equipment and developed an NFT character set under its Web3 Business but has no intention of continuing this business at this time. The Corrugated Packaging Business manufactures and sells custom packaging for a wide variety of products and helps customers generate brand awareness and promote brand image through packaging. Prior to the Separation (as defined below), the Company was 100% owned by Vinco.

As of December 31, 2024, Eightco had three wholly-owned subsidiaries: Forever 8, Ferguson Containers, Inc. (“Ferguson Containers” or “Corrugated Packaging Business”) and BlockHiro, LLC. Ferguson Containers owns 100% of 8co Holdings Shared Services, LLC. Eightco owns 51% of CW Machines, LLC which is consolidated under the voting interest entity model. Under the voting interest entity model, control is presumed by the holder of a majority voting interest unless noncontrolling shareholders have substantive participating rights. Forever 8 owns 100% of Forever 8 UK, Ltd and Forever 8 Fund EU Holdings BV.

During 2021, the Former Parent announced it plans to spin-off (the “Separation”) certain of its businesses. The Former Parent has included Ferguson Containers as well as other subsidiaries of the Former Parent (the “Eightco Businesses”) as part of the spin-off. In anticipation of the Separation, the Former Parent contributed its assets and legal entities comprising the Eightco Businesses to facilitate the Separation. As a result of the Separation, the Company became an independent, publicly traded company comprised of the Eightco Businesses on June 30, 2022.

On March 29, 2022, Ferguson Containers ownership was assigned by the Former Parent to the Company. This transaction between entities under common control resulted in a change in reporting entity and required retrospective combination of the entities for all periods presented, as if the combination had been in effect since the inception of common control. Accordingly, the consolidated financial statements of the Company reflect the accounting of the combined acquired subsidiaries at historical carrying values, except that equity reflects the equity of Eightco.

*Basis of Presentation.*

The accompanying audited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). All significant intercompany transactions and balances have been eliminated in consolidation.

The Company is an emerging growth company as the term is used in The Jumpstart Our Business Startups Act, enacted on April 5, 2021 and has elected to comply with certain reduced public company reporting requirements.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Reverse Stock Split:* On April 3, 2023, the Company filed a Certificate of Amendment to the Company’s Certificate of Incorporation (the “Certificate of Incorporation”) with the Secretary of State of Delaware (1) to effect a 1-for-50 reverse stock split of the shares of the Company’s common stock, par value \$0.001 per share (the “Common Stock”), either issued and outstanding or held by the Company as treasury stock (the “2023 Reverse Stock Split”) and (2) to change the name of the Company from “Cryptyde, Inc.” to “Eightco Holdings Inc.” (the “Name Change”). On August 8, 2024, the Company filed another amendment to its Certificate of Incorporation with the Secretary of State of the State of Delaware to effectuate a 1-for-5 reverse stock split if its Common Stock (the “2024 Reverse Stock Split” and together with the 2023 Reverse Stock Split, the “Reverse Stock Splits”). All share, equity award, and per share amounts contained in the consolidated financial statements have been adjusted to reflect the Reverse Stock Splits for all prior periods presented.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. The Company's significant estimates used in these consolidated financial statements include, but are not limited to, revenue recognition and the determination of the economic useful life of depreciable property and equipment. Certain of the Company's estimates could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company's estimates and could cause actual results to differ from those estimates.

*Business Combinations.* For business combinations that meet the accounting definition of a business, the Company determines and allocates the purchase price of an acquired company to the tangible and intangible assets acquired, the liabilities assumed, and noncontrolling interest, if applicable, as of the date of acquisition at fair value. Fair value may be estimated using comparable market data, a discounted cash flow method, or a combination of the two. In the discounted cash flow method, estimated future cash flows are based on management's expectations for the future. Revenues and costs of the acquired companies are included in the Company's operating results from the date of acquisition. The Company uses its best estimates and assumptions as part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, and these estimates and assumptions are inherently uncertain and subject to refinement during the measurement period not to exceed one year from the acquisition date. As a result, any adjustment identified subsequent to the measurement period is included in operating results in the period in which the amount is determined (See Note 3 – Acquisitions).

*Discontinued Operations.* A component of an entity that is disposed of by sale or abandonment is reported as discontinued operations if the transaction represents a strategic shift that will have a major effect on an entity's operations and financial results. The results of discontinued operations are aggregated and presented separately in the Consolidated Statement of Operations. Assets and liabilities of the discontinued operations are aggregated and reported separately as assets and liabilities of discontinued operations in the Consolidated Balance Sheet, including the comparative prior year period. The Company's cash flows are reflected as cash flows from discontinued operations within the Company's Consolidated Statements of Cash Flows for each period presented.

*Cash and Cash Equivalents.* The Company considers all highly liquid, short-term investments with original maturities of three months or less when purchased to be cash equivalents.

*Accounts Receivable.* Accounts receivable are carried at their contractual amounts, less an estimated allowance for credit losses. Management estimates the allowance for credit losses using a loss-rate approach based on historical loss information, adjusted for management's expectations about current and future economic conditions, as the basis to determine expected credit losses. Management exercises significant judgment in determining expected credit losses. Key inputs include macroeconomic factors, industry trends, the creditworthiness of counterparties, historical experience, the financial conditions of the customers, and the amount and age of past due accounts. Management believes that the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the client base has not changed significantly. Receivables are considered past due if full payment is not received by the contractual due date. Past due accounts are generally written off against the allowance for credit losses only after all collection attempts have been exhausted. The allowance for credit losses was \$60,000 and \$67,350 as of December 31, 2024 and 2023, respectively. There were two customers who represented 30% and 18% of total accounts receivable as of December 31, 2024, respectively.

*Inventories.* Inventory is recorded at the lower of cost or net realizable value on a first-in, first-out basis. The Company reduces the carrying value of inventories for those items that are potentially excess, obsolete, or slow moving based on a review of recent sales trends and expected future demand.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Property and Equipment.* Property and equipment are stated at cost, net of accumulated depreciation and amortization, which is recorded commencing at the in-service date using the straight-line method over the estimated useful lives of the assets, as follows: 3 to 5 years for office equipment, 5 to 7 years for furniture and fixtures, 6 to 10 years for machinery and equipment, 10 to 15 years for building improvements, 5 years for software, 5 years for molds, 5 to 7 years for vehicles and 40 years for buildings. When fixed assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statements of comprehensive loss for the respective period. Minor additions and repairs are expensed in the period incurred. Major additions and repairs which extend the useful life of existing assets are capitalized and depreciated using the straight-line method over their remaining estimated useful lives.

*Intangible Assets and Long-lived Assets.* The Company reviews long-lived assets, including definite-lived intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The Company assesses the recoverability of its long-lived assets using undiscounted cash flows. If an asset is found to be impaired, the amount recognized for impairment is equal to the difference between the carrying value and the asset's fair value. During the years ended December 31, 2024 and 2023, the Company recorded impairment charges to long lived assets in the amounts of \$0 and \$292,748, respectively. The impaired asset was fully written off in 2023. The Company records intangible assets based on their fair value on the date of acquisition. Intangible assets include the cost of developed technology, customer relationships, trademarks and tradenames. Intangible assets are amortized utilizing the straight-line method over their remaining economic useful lives, as follows: 10 years for developed technology, 7 years for customer relationships and 7 years for trademarks and tradenames. The Company reviews long-lived assets and intangible assets for potential impairment annually and when events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. In the event the expected undiscounted future cash flows resulting from the use of the asset is less than the carrying amount of the asset, an impairment loss is recorded equal to the excess of the asset's carrying value over its fair value. If an asset is determined to be impaired, the loss is measured based on quoted market prices in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including a discounted value of estimated future cash flows. In the event that management decides to no longer allocate resources to an asset, an impairment loss equal to the remaining carrying value of the asset is recorded. The Company did not record any impairment charges related to intangibles assets during the years ended December 31, 2024 and 2023, respectively.

*Goodwill.* Goodwill is recorded for the difference between the fair value of the purchase consideration over the fair value of the net identifiable tangible and intangible assets acquired. We perform an impairment assessment of goodwill on an annual basis as of December 31st, or whenever impairment indicators exist. In the absence of any impairment indicators, goodwill is assessed for impairment during the fourth quarter of each fiscal year. Judgments regarding the existence of impairment indicators are based on market conditions and operational performance of the business. We may assess our goodwill for impairment initially using a qualitative approach to determine whether it is more likely than not that the fair value of these assets is greater than their carrying value. When performing a qualitative test, we assess various factors including industry and market conditions, macroeconomic conditions and performance of our businesses. If the results of the qualitative assessment indicate that it is more likely than not that our goodwill and other indefinite-lived intangible assets are impaired, a quantitative impairment analysis would be performed to determine if impairment is required. We may also elect to perform a quantitative analysis of goodwill initially rather than using a qualitative approach. The impairment testing for goodwill is performed at the reporting unit level. The valuation methods used in the quantitative fair value assessment, discounted cash flow and market multiples method, requires our management to make certain assumptions and estimates regarding certain industry trends and future profitability of our reporting units. If the fair value of a reporting unit exceeds the related carrying value, the reporting unit's goodwill is considered not to be impaired and no further testing is performed. If the carrying value of a reporting unit exceeds its fair value, an impairment loss is recorded for the difference. The valuation of goodwill is affected by, among other things, the Company's business plan for the future and estimated results of future operations. Future events could cause the Company to conclude that impairment indicators exist, and, therefore, that goodwill may be impaired.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Contingent Liabilities.* The Company, from time to time, may be involved in certain legal proceedings. Based upon consultation with outside counsel handling its defense in these matters and the Company's analysis of potential outcomes, if the Company determines that a loss arising from such matters is probable and can be reasonably estimated, an estimate of the contingent liability is recorded in its consolidated financial statements. If only a range of estimated loss can be determined, an amount within the range that, based on estimates, assumptions and judgments, reflects the most likely outcome, is recorded as a contingent liability in the consolidated financial statements. In situations where none of the estimates within the estimated range is a better estimate of probable loss than any other amount, the Company records the low end of the range. Any such accrual would be charged to expense in the appropriate period. Litigation expenses for these types of contingencies are recognized in the period in which the litigation services were provided.

*Warrants.* The Company classifies a warrant to purchase shares of its common stock as equity on its consolidated balance sheets as this warrant is a free-standing financial instrument that is indexed to the Company's own stock and meets the criteria for equity classification. Each warrant is initially recorded within equity at the date of grant, net of issuance costs, and is not subsequently re-measured. Changes in the fair value of the warrant are not recognized after the initial measurement. The warrants will remain classified in equity until they are exercised or expire.

*Revenue Recognition.* In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers, the Company recognizes revenue when it satisfies performance obligations, by transferring promised goods or services to customers, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for fulfilling those performance obligations. Revenue for product sales is recognized upon receipt by the customer. There are no contract assets or contract liabilities and therefore no unsatisfied performance obligations. One customer represented 75% of total revenues for the year ended December 31, 2024.

*Disaggregation of Revenue.* The Company's primary revenue streams include the sale of consumer goods through our inventory management solutions business and the sale of corrugated packaging materials. There are no other material operations that were separately disaggregated for segment purposes.

*Cost of Revenues.* Cost of revenues includes freight charges, purchasing and receiving costs, depreciation and inspection costs.

*Comprehensive income.* The Company follows Accounting Standards Codification ("ASC") 220 in reporting comprehensive income. Comprehensive income is a more inclusive financial reporting methodology that includes disclosure of certain financial information that historically has not been recognized in the calculation of net income. Other comprehensive income is limited to foreign currency translation adjustments. Therefore, total comprehensive income includes net income (loss) and foreign currency translation adjustments.

*Foreign Currency Transactions and Translation.* Eightco's functional currency is the United States Dollar ("USD") and the Forever 8 functional currency in which it operates is the Euro ("EUR").

For the purpose of presenting these consolidated financial statements the reporting currency is USD. Forever 8 assets and liabilities are expressed in USDs at the exchange rate on the balance sheet date, equity accounts are translated at historical rates, and income and expense items are translated at the weighted average exchange rate during the period. The resulting translation adjustments are reported under accumulated other comprehensive income in the stockholders' equity section of the balance sheets.

Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at the end of the reporting periods. Exchange differences arising on the settlement of monetary items and on translation of monetary items at period-end are included in statement of comprehensive loss.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Exchange rate used for the translation as follows:

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Spot .....		
USD to EUR.....	\$ 0.9615	\$ 0.9009
USD to GBP.....	\$ 0.8000	\$ 0.7874
	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Average .....		
USD to EUR.....	\$ 0.9259	\$ 0.9224
USD to GBP.....	\$ 0.7874	\$ 0.8016

*Earnings Per Share.* The Company follows ASC 260 when reporting Earnings Per Share (“EPS”) resulting in the presentation of basic and diluted earnings per share. Basic net (loss) income per common share is computed by dividing net (loss) income by the weighted average number of vested common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number vested of common shares, plus the net impact of common shares (computed using the treasury stock method), if dilutive, resulting from the exercise of dilutive securities. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

For the year ended December 31, 2024, the Company had net income and therefore included the dilutive effect of certain securities in its diluted EPS calculation. For the year ended December 31, 2023, the Company incurred a net loss and excluded common stock equivalents from diluted EPS as their effect would have been anti-dilutive.

The following is a reconciliation of the weighted average number of common shares outstanding used in calculating the basic and diluted net loss per share:

	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u>
Weighted average shares outstanding – basic .....	1,751,132	2,891,144
Warrants for noteholders and placement agents .....	44,217	-
Warrants for equity investors .....	145,600	-
Shares to be issued .....	40,410	-
Weighted average shares outstanding – diluted .....	<u>1,981,359</u>	<u>2,891,144</u>

As of December 31, 2024 and 2023, the Company excluded the common stock equivalents summarized below, which entitle the holders thereof to ultimately acquire shares of common stock, from its calculation of earnings per share, as their effect would have been anti-dilutive.

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Convertible shares under notes payable .....	-	489,031
Warrants for noteholders and placement agent .....	-	44,217
Warrants for equity investors and placement agent .....	-	145,600
Shares reserved for issuance for preferred units of Forever 8 Fund, LLC .....	-	43,000
Convertible notes payable issued in acquisition of Forever 8 Fund, LLC .....	43,598	54,767
Shares reserved for contingent consideration for acquisition of Forever 8 Fund, LLC .....	-	74,000
Total common stock equivalents .....	<u>43,598</u>	<u>850,615</u>

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Deferred Financing Costs.* Deferred financing costs include debt discounts and debt issuance costs related to a recognized debt liability and are presented in the balance sheet as a direct deduction from the carrying value of the debt liability. Amortization of deferred financing costs are included as a component of interest expense. Deferred financing costs are amortized using the straight-line method over the term of the recognized debt liability which approximates the effective interest method.

*Income Taxes.* The Company accounts for income taxes under the provisions of the FASB ASC Topic 740 “Income Taxes” (“ASC Topic 740”). The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of items that have been included or excluded in the consolidated financial statements or tax returns. Deferred tax assets and liabilities are determined on the basis of the difference between the tax basis of assets and liabilities and their respective financial reporting amounts (“temporary differences”) at enacted tax rates in effect for the years in which the temporary differences are expected to reverse. The Company utilizes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management has evaluated and concluded that there were no material uncertain tax positions requiring recognition in the Company’s consolidated financial statements as of December 31, 2024 and 2023. The Company does not expect any significant changes in its unrecognized tax benefits within twelve months of the reporting date. The Company’s policy is to classify assessments, if any, for tax related interest as interest expense and penalties as general and administrative expenses in the consolidated statements of comprehensive income. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

*Fair Value Measurements.* The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820 “Fair Value Measurements and Disclosures” (“ASC 820”) which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities

Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 — inputs that are unobservable (for example, cash flow modeling inputs based on assumptions)

The carrying amounts of the Company’s financial instruments, such as cash, accounts receivable, accounts payable and other current liabilities approximate fair values due to the short-term nature of these instruments. The Company’s long-term debt consists of \$21,021,155 at December 31, 2024. The estimated fair value of this debt approximates the carrying value of these instruments, due to the interest rates on this debt approximating current market interest rates.

*Concentration of Credit Risks.* Financial instruments that potentially subject the Company to concentrations of credit risk are cash equivalents and accounts receivable. Cash and cash equivalents are invested in deposits with certain financial institutions and may, at times, exceed federally insured limits. The Company has not experienced any significant losses on its deposits of cash and cash equivalents. In regard to trade receivables, the Company performs ongoing evaluations of its customers’ financial condition as well as general economic conditions and, generally, requires no collateral from its customers.

*Leases.* In February 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-02, *Leases* (Topic 842). This ASU requires a lessee to recognize a right-of-use asset and a lease liability under most operating leases in its balance sheet. The ASU is effective for annual and interim periods beginning after December 15, 2021. Early adoption is permitted. The Company has adopted ASU 2016-02 as of January 1, 2022. The adoption of the standard did not have a material impact on the balance sheet. As of April 26, 2022, the date the Company assumed the lease, the operating lease right of use asset and operating lease liability amounted to \$98,736 with no cumulative-effect adjustment.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Recent Accounting Pronouncements.* In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments, as modified by FASB ASU No. 2019-10 and other subsequently issued related ASUs. The amendments in this Update affect loans, debt securities, trade receivables, and any other financial assets that have the contractual right to receive cash. The ASU requires an entity to recognize expected credit losses rather than incurred losses for financial assets. The amendments in this Update are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company adopted this new guidance effective January 1, 2023 utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Company’s consolidated financial statements, but did change how the allowance for credit losses is determined.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires public entities to disclose significant segment expenses and other segment items on an interim and annual basis and provide in interim periods all disclosures about a reportable segment’s profit or loss and assets that are currently required annually. The ASU does not change how a public entity identifies its operating segments, aggregates them, or applies the quantitative threshold to determine its reportable segments. The new disclosure requirements are also applicable to entities that account and report as a single operating segment entity. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024. The Company adopted the guidance for the annual reporting period ended December 31, 2024. There was no impact on the Company’s reportable segments identified.

*Segment Reporting.* The Company uses “the management approach” in determining reportable operating segments. The management approach considers the internal organization and reporting used by the Company’s chief operating decision maker for making operating decisions and assessing performance as the source for determining the Company’s reportable segments. The Company’s chief operating decision maker is the Chairman and Chief Executive Officer (“CEO”) of the Company, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company’s primary revenue streams include inventory management solutions and the sale of corrugated packaging materials. Based on the CODM’s evaluation and internal reporting, the Company has two reportable segments: Inventory Management Solutions and Corrugated Packaging.

*Reclassifications.* Certain prior period amounts have been reclassified to conform to the current period presentation, including amounts related to the Corrugated Packaging Business, which was classified as a discontinued operation as of December 31, 2024. These reclassifications had no impact on previously reported net income or stockholders’ equity.

**3. GOING CONCERN**

The consolidated financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has negative cash flows from operations, incurred a loss since inception resulting in an accumulated deficit of \$112,570,049 as of December 31, 2024 and further losses are anticipated in the development of its business. These factors raise substantial doubts about the Company’s ability to continue as a going concern for a period of 12 months from the date of this annual report.

As of December 31, 2024, the Company had approximately \$0.2 million in cash and cash equivalents as compared to \$5.2 million at December 31, 2023. The Company expects that its current cash and cash equivalents, approximately \$0.5 million as of the date of this annual report, will not be sufficient to support its projected operating requirements for at least the next 12 months from this date.

The Company expects to need additional capital in order to increase revenues above current levels. Any additional equity financing, if available, may not be on favorable terms and would likely be significantly dilutive to the Company’s current stockholders, and debt financing, if available, may involve restrictive covenants. The Company’s ability to access capital when needed is not assured and, if not achieved on a timely basis, will likely have a materially adverse effect on our business, financial condition and results of operations. In 2023, the Company began reducing headcount to reduce the corporate overhead. The Company raised capital in 2024 and will continue to look to reduce costs in 2025 and raise capital as required for its operations.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**4. ACQUISITIONS AND DIVESTITURES**

Effective October 1, 2022, the Company acquired 100% of the issued and outstanding membership interests of Forever 8.

During fiscal year 2024, the Company entered into multiple amendments with the former owners of Forever 8 that significantly altered the original acquisition consideration. These changes included:

- The forgiveness of \$5.4 million in principal on the Promissory Notes,
- The waiver of 215,000 non-voting preferred membership units initially included in the acquisition terms,
- The release of \$6.1 million in contingent consideration, which was recognized as a gain in other income during the year ended December 31, 2024, and
- The forgiveness and conversion of approximately \$5.7 million in accrued interest on the Promissory Notes, resulting in the issuance of approximately 1.9 million shares of the Company’s common stock. The remaining forgiven interest, totaling \$3.86 million, was recorded as a capital contribution to additional paid-in capital (APIC) due to the related-party nature of the transaction.

These modifications resulted in a substantial reduction in the total consideration payable under the original purchase agreement.

*Discontinued Operations*

On November 22, 2024, Eightco Holdings Inc. (the “Company”) entered into an Asset Purchase Agreement (the “APA”) to sell substantially all of the assets of its wholly owned subsidiary, Ferguson Containers, Inc. (the “Corrugated Packaging Business”), to Ferguson Containers, LLC, a New Jersey limited liability company controlled by certain management employees of the Corrugated Packaging Business (the “Buyers”). This sale was completed on April 7, 2025. See Subsequent events Note 22 for more details.

As a result of entering into the APA, the Company has classified the operations of Ferguson Containers as discontinued operations in the consolidated financial statements for all periods presented. Assets and liabilities associated with Ferguson Containers have been classified as “held for sale” as of December 31, 2024.

The following summarizes the components of the assets and liabilities from discontinued operations to be divested for the years ended December 31, 2024 and 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents .....	\$ 168,323	\$ -
Accounts receivable, net .....	788,317	625,293
Inventories .....	101,577	114,300
Prepaid expenses and other current assets .....	105,249	129,893
Property and equipment, net .....	634,773	739,337
Total assets .....	\$ 1,798,239	\$ 1,608,823
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable .....	\$ 2,980	\$ 942
Accrued expenses and other current liabilities .....	31,775	32,790
Income tax payable .....	72,976	-
Deferred tax liabilities .....	-	82,104
Total liabilities .....	\$ 107,731	\$ 115,836

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**4. ACQUISITIONS AND DIVESTITURES (continued)**

The following summarizes the components of net income from discontinued operations for the years ended December 31, 2024 and 2023:

	<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Revenues .....	6,823,277	7,729,131
Cost of revenues .....	4,980,338	5,496,462
Gross profit: .....	1,842,939	2,232,669
<b>Operating expenses:</b>		
Selling, general and administrative .....	1,439,964	1,530,024
Restructuring and severance .....	-	-
Operating income.....	402,975	702,645
<b>Other (expense) income:</b>		
Interest (expense) .....	-	(112)
Other income .....	6,613	34,168
Total other income, net.....	6,613	34,056
Income before income taxes.....	409,588	736,701
Income tax benefit.....	(9,128)	-
<b>Net income from discontinued operations .....</b>	<b>\$ 418,716</b>	<b>\$ 736,701</b>

As a result of this classification, prior period amounts have been reclassified to conform to the current period presentation.

**5. ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following at December 31, 2024 and December 31, 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Trade accounts receivable .....	\$ 2,440,366	\$ 1,941,300
Less: allowance for credit losses.....	(60,000)	(67,350)
Total accounts receivable.....	2,380,366	1,873,950
Less: accounts receivable – discontinued operations .....	(788,317)	(625,293)
Accounts receivable – continuing operations.....	\$ 1,592,049	\$ 1,248,657

**6. INVENTORIES**

Inventories consist of the following at December 31, 2024 and December 31, 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Raw materials.....	\$ -	\$ 22,116
Finished goods .....	8,435,928	6,657,791
Reserve for obsolescence .....	(500,000)	(600,000)
Total inventories.....	7,935,928	6,079,907
Less: inventories – discontinued operations.....	(101,577)	(114,300)
Inventories – continuing operations .....	\$ 7,834,351	\$ 5,965,607

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**7. OTHER CURRENT ASSETS**

Other current assets consist of the following at December 31, 2024 and December 31, 2023:

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Advances for inventory purchases .....	\$ 949,641	\$ 517,228
Prepaid insurance .....	53,601	91,075
Deposits.....	72,744	4,994
Due from customer.....	-	106,846
Other.....	31,286	87,765
Total other current assets .....	<u>1,107,272</u>	<u>807,908</u>
Less: other current assets – discontinued operations .....	<u>(105,249)</u>	<u>(129,893)</u>
Other current assets – continuing operations .....	<u>\$ 1,002,023</u>	<u>\$ 678,015</u>

**8. LOAN HELD-FOR-INVESTMENT, RELATED PARTY**

Loan held-for-investment, related party, represents a senior secured promissory note from Wattum Management Inc., a non-controlling member of CW Machines, LLC, a related party. The note bears interest of 5% per annum and matures on October 12, 2026 with the entire outstanding principal and accrued interest due at maturity date. The note is secured by assets of Wattum Management, Inc. Expected credit losses for loan held for investment are based on management’s assessment of credit risk associated with the loan, including consideration of factors such as the financial condition of the entity, historical payment behavior, and any collateral or guarantees provided. The Company determined it was not necessary to record an allowance for credit losses as of December 31, 2024 and 2023.

At December 31, 2024 and 2023, the principal amount of the loan held for investment was \$2,224,252 and \$2,224,252, respectively.

**9. PROPERTY AND EQUIPMENT, NET**

Property and equipment consist of the following at December 31, 2024 and December 31, 2023:

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Land .....	\$ -	\$ -
Building and building improvements.....	781,985	781,985
Equipment and machinery.....	4,821,936	4,752,663
Furniture and fixtures.....	284,877	284,049
Vehicles.....	585,854	585,854
	<u>6,474,652</u>	<u>6,404,551</u>
Less: accumulated depreciation .....	<u>(5,834,427)</u>	<u>(5,659,992)</u>
Total property and equipment, net .....	640,225	744,559
Less: property and equipment, net – discontinued operations .....	<u>(634,773)</u>	<u>(739,337)</u>
Property and equipment, net – continuing operations.....	<u>\$ 5,452</u>	<u>\$ 5,222</u>

Depreciation and amortization expense was \$174,443 and \$199,282 for the years ended December 31, 2024 and 2023, respectively. The Company recorded an impairment charge of \$0 and \$292,748 for the years ended December 31, 2024 and 2023, respectively.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**10. INTANGIBLE ASSETS, NET**

Intangible assets consist of the following at December 31, 2024 and December 31, 2023:

	<u>Useful Lives</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Customer relationships.....	7 years	\$ 7,100,000	\$ 7,100,000
Developed technology.....	10 years	9,700,000	10,219,775
Trademarks and tradenames.....	7 years	2,200,000	2,200,000
		<u>19,000,000</u>	<u>19,519,775</u>
Less: accumulated amortization.....		(5,171,786)	(3,411,332)
Total intangible assets, net.....		<u>\$ 13,828,214</u>	<u>\$ 16,108,443</u>

Amortization expense was \$2,280,229 and \$2,832,724 for the years ended December 31, 2024 and 2023, respectively.

Amortization expense for the next five years is as follows:

For the years ending December 31,		
2025.....	\$	2,298,571
2026.....		2,298,571
2027.....		2,298,571
2028.....		2,298,571
2029.....		2,298,571
Thereafter.....		2,335,359
	<u>\$</u>	<u>13,828,214</u>

**11. GOODWILL**

The changes in the carrying amount of goodwill for the period from January 1, 2024 through December 31, 2024 consisted of the following:

Balance, January 1, 2024.....	\$	22,324,588
Additions and adjustments.....		-
Balance, December 31, 2024.....	<u>\$</u>	<u>22,324,588</u>

**12. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

Accrued expenses and other current liabilities consist of the following at December 31, 2024 and December 31, 2023:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Payroll and related benefits.....	\$ 3,130,269	\$ 1,831,499
Professional fees.....	187,378	-
Accrued settlement liability for equity holders of Forever 8.....	-	206,779
Accrued interest.....	936,395	3,741,155
Accrued rent.....	120,000	1,050,000
Accrued other taxes.....	215,006	-
Other.....	429,991	357,242
Total accrued expenses and other current liabilities.....	<u>5,019,039</u>	<u>7,186,675</u>
Less: accrued expenses and other current liabilities – discontinued operations.....	(31,775)	(32,791)
Accrued expenses and other current liabilities – continuing operations.....	<u>\$ 4,987,264</u>	<u>\$ 7,153,884</u>

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**13. DUE TO AND FROM FORMER PARENT**

As of December 31, 2024 and 2023, due to Former Parent consists of net amounts due to Vinco related to management fees and borrowings for working capital and financing needs of Eightco Holdings Inc. as well as other operating expenses that were paid for on behalf of one to the other. As of December 31, 2024 and 2023, the net amount due to Former Parent was \$480,000 and \$6,977,193, respectively.

**14. LINES OF CREDIT**

Principal due under the lines of credit was as follows at December 31, 2024 and December 31, 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Lines of credit, 12%-18% .....	\$ 6,850,000	\$ 3,200,000

Interest expense under lines of credit was \$698,030 and \$227,630 for the years ended December 31, 2024 and 2023, respectively.

The lines of credit are collateralized by the inventory of the Company.

**15. LINES OF CREDIT – RELATED PARTIES**

Principal due under the lines of credit – related parties was as follows at December 31, 2024 and December 31, 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Lines of credit, 12%-18% .....	\$ 3,525,000	\$ 3,425,000

Interest expense under lines of credit – related parties was \$495,542 and \$339,987 for the years ended December 31, 2024 and 2023, respectively.

The lines of credit – related parties are collateralized by the inventory of the Company.

**16. CONVERTIBLE NOTE PAYABLE**

Principal due under the convertible note payable was as follows at December 31, 2024 and December 31, 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Note payable, 0% and 0% .....	-	4,637,250
Less: debt discount .....	-	-
Note payable, net .....	\$ -	\$ 4,637,250

Interest expense under convertible notes payable was \$277,750 and \$7,109,078, of which \$277,750 and \$7,109,078 was related to amortization of the debt discount, for the years ended December 31, 2024 and 2023, respectively.

During 2023, the Company had two senior secured convertible notes outstanding with an accredited investor (the “Note Investor”): a note issued in January 2022 with an original principal amount of \$33,333,333 (the “January 2022 Note”) and a note issued in March 2023 with an original principal amount of \$5,555,000 (the “March 2023 Note”). Both notes were issued at an original issue discount and included embedded conversion features and detachable warrants, which resulted in the recognition of significant debt discounts and warrant-related expenses in prior periods.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**16. CONVERTIBLE NOTE PAYABLE (continued)**

On October 23, 2023, the Company entered into a Prepayment and Redemption Agreement with the Note Investor, pursuant to which it agreed to repay in full the outstanding principal of both convertible notes and to redeem all related warrants. The agreement required aggregate payments of \$8,215,000, which were remitted in installments from October 2023 through March 2024. Upon receipt of these payments, all obligations under the January 2022 Note, March 2023 Note, and associated warrants were satisfied in full and the instruments were extinguished during the year ended December 31, 2024.

No convertible notes or related instruments were outstanding as of December 31, 2024 with the Note Investor.

**17. CONVERTIBLE NOTES PAYABLE – RELATED PARTIES**

The convertible notes payable, related party were issued as part of consideration for the acquisition of Forever 8. The discount was calculated based on the fair value of the instrument as of October 1, 2022. Please *see Note 3. Acquisitions* for further information. Principal due under the convertible note payable – related parties was as follows at December 31, 2024 and 2023:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Notes payable, 12% and 10%.....	21,771,155	27,383,700
Less: current portion .....	11,500,000	11,500,000
Notes payable, long-term portion .....	\$ 10,271,155	\$ 15,883,700
Less: debt discount.....	750,000	1,750,000
Notes payable, long-term portion, net.....	9,521,155	14,133,700

Interest expense under convertible notes payable – related parties was \$2,916,597 and \$3,878,696, of which \$1,000,000 and \$1,000,000 was related to amortization of the debt discount, for the years ended December 31, 2024 and 2023, respectively.

**18. INCOME TAXES**

Eightco Holdings Inc. is taxed as a corporation and pays corporate federal, state and local taxes on income.

Forever 8 Fund, LLC, BlockHiro, LLC and Cryptyde Shared Services, LLC are limited liability companies which are disregarded entities for income tax purposes and are owned 100% by Eightco Holdings Inc. and Ferguson Containers, Inc., respectively. The Company pays corporate federal, state and local taxes on income allocated to it from BlockHiro, LLC and 8co Holdings Shared Services, LLC.

CW Machines, LLC is a limited liability company for income tax purposes and is owned 51% by Eightco Holdings Inc. The Company pays corporate federal, state and local taxes on income allocated to it from CW Machines, LLC.

Ferguson Containers is taxed as a corporation and pays corporate federal, state and local taxes on income.

Forever 8 UK Ltd. is taxed as a corporation and pays foreign taxes on income.

F8 Fund EU Holdings BV is taxed as a corporation and pays foreign taxes on income.

Components of income before income taxes were as follows:

	<b>2024</b>	<b>2023</b>
United States .....	\$ 315,844	\$ (67,719,971)
Foreign .....	248,218	(600,443)
Income (loss) before income tax expense .....	\$ 564,062	\$ (68,320,414)
Less: income before income tax expense – discontinued operations .....	(409,588)	(736,701)
Income before income tax expense – continuing operations .....	154,474	(69,057,115)

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**18. INCOME TAXES (continued)**

The tax effects of temporary differences that give rise to deferred tax assets or liabilities are presented below:

	<b>2024</b>	<b>2023</b>
Deferred tax assets:		
Stock-based compensation .....	\$ (8,387)	\$ (8,387)
Goodwill and intangibles .....	487,575	270,574
Leases .....	-	-
Reserves .....	117,600	140,143
Net operating loss carryforwards .....	8,118,656	8,755,550
Less: valuation allowance .....	(8,715,444)	(9,157,880)
Net deferred tax assets .....	\$ -	\$ -
Deferred tax liabilities:		
Right of use assets .....	\$ -	-
Property and equipment .....	\$ -	(82,104)
Net deferred tax liabilities .....	\$ -	\$ (82,104)
Net deferred taxes .....	\$ -	\$ (82,104)

The income tax provision consists of the following:

	<b>2024</b>	<b>2023</b>
Current:		
Federal .....	\$ -	\$ -
State .....	72,976	-
Foreign .....	(135,337)	-
Total current .....	(62,361)	-
Deferred:		
Federal .....	(55,816)	(4,415,124)
State .....	(26,287)	-
Foreign .....	-	(114,084)
Less: change in valuation allowance .....	-	4,529,208
Total deferred .....	(82,103)	-
Total income tax provision (benefit) .....	\$ (144,464)	\$ -
Less: income tax provision (benefit) – discontinued operations .....	(9,127)	-
Total income tax provision (benefit) – continuing operations .....	(135,337)	-

A reconciliation of the statutory federal income tax rate to the Company's effective tax rate is as follows:

	<b>2024</b>	<b>2023</b>
Tax at federal statutory rate .....	21.0%	21.0%
Income from pass-through entities taxable to noncontrolling interests .....	0.0%	0.0%
Warrant valuation .....	0.0%	-14.5%
Nondeductible expenses .....	-1.7%	-0.1%
State and local income taxes .....	12.9%	0.0%
Foreign income not subject to U.S. federal taxes .....	-24.0%	-0.2%
U.S. income taxes subject to valuation allowance .....	0.0%	-6.2%
Change in valuation allowance .....	-33.8%	0.0%
Total income tax provision .....	-25.6%	0.0%
Less: adjustment for discontinued operations .....	-62.0%	0.0%
Income tax provision (benefit) from continuing operations .....	-87.6%	0.0%

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**18. INCOME TAXES (continued)**

The Company recorded an income tax benefit of approximately \$(135,337) and \$0 for the years ended December 31, 2024 and 2023, respectively. This benefit reflects the release of certain foreign tax obligations and changes in deferred tax balances, including adjustments for valuation allowances. The Company recorded a full valuation allowance against its deferred tax assets in both 2024 and 2023 due to cumulative losses and the lack of objectively verifiable positive evidence. A separate tax benefit of approximately \$(9,127) related to the discontinued operations of Ferguson Containers is presented within discontinued operations on the consolidated statements of operations.

The Company's policy is to record interest and penalties associated with unrecognized tax benefits as additional income taxes in the statement of operations. As of January 1, 2024, the Company had \$0 unrecognized tax benefits and \$0 charges during 2024, and accordingly, the Company did not recognize any interest or penalties during 2024 related to unrecognized tax benefits. There is \$0 accrual for uncertain tax positions as of December 31, 2024.

The Company files U.S. income tax returns and a state income tax return. With few exceptions, the U.S. and state income tax returns filed for the tax years ending on December 31, 2021 and thereafter are subject to examination by the relevant taxing authorities.

As of December 31, 2024, the Company had a net operating loss carryforward for federal income tax purposes of approximately \$8,118,656. These carryforwards were generated in 2022 and later, and therefore do not expire, but are subject to annual limitations under Section 382 of the Internal Revenue Code of 1986, as amended, and similar state provisions, and may be utilized to offset up to 80% of taxable income in any future period.

**19. STOCKHOLDERS' EQUITY**

*Common Stock.* Prior to the Separation, the Former Parent owned 100% of the issued and outstanding common stock of the Company. Effective June 29, 2022, the Company separated from the Former Parent, and the distribution of its common stock was completed.

On March 16, 2023, the Company filed a Certificate of Amendment to the Company's Certificate of Incorporation with the Secretary of State of the State of Delaware to increase the number of authorized shares of the Company's common stock from 250,000,000 to 500,000,000 and to make a corresponding change to the number of authorized shares of capital stock, effective as of 4:05 p.m. (New York time) on March 16, 2023.

*ATM Agreement*

On April 25, 2024, the Company entered into an At-The-Market Issuance Sales Agreement (the "ATM Agreement") with Univest Securities, LLC, as the sales agent (the "Agent"), pursuant to which the Company may offer and sell, from time to time through or to the Agent, as sales agent or principal, shares of common stock having an aggregate offering price of up to \$2,000,000. On September 25, 2024, the Company entered into an amendment to this agreement which increased the aggregate offering amount to \$2,750,000.

The Company will pay the Agent a commission of 3% of the aggregate gross sales prices of the shares of common stock under the ATM Agreement. The Company will also reimburse the Agent for fees and disbursements of counsel to the Agent in an amount not to exceed \$37,000 in connection with the signing of the ATM Agreement.

The Company intends to use the net proceeds from the sale of shares of common stock pursuant to the ATM Agreement for working capital and general corporate purposes.

The ATM Agreement may be terminated (i) by the Company at any time in its sole discretion by giving five days' written notice to the Agent or (ii) by the Agent, at any time in its sole discretion by giving written notice to the Company.

As of December 31, 2024, the Company had sold 692,890 shares of common stock for net proceeds of \$2,422,910 under the ATM Agreement.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**19. STOCKHOLDERS' EQUITY (continued)**

*Common stock issuances during the year ended December 31, 2024:*

On January 30, 2024, the Company issued 11,247 shares of common stock fair valued at \$34,866 to satisfy a portion of the outstanding severance due to the former employee.

On February 28, 2024, the Company issued 15,500 shares of common stock fair valued at \$48,050 to satisfy a portion of the outstanding severance due to the former employee.

On March 6, 2024, the Company issued 25,779 shares of common stock fair valued at \$105,693 to satisfy outstanding fees for services performed due to the consultant.

On March 19, 2024, the Company issued 60,000 shares of common stock fair valued at the time it was granted of \$171,000 to a consultant for services performed related to investor relations. The Company recorded the fair value as prepaid expenses on balance sheet and will amortize the expense ratably over 6 months. The Company recorded stock-based compensation expense for the year ended December 31, 2024 of \$171,000.

On March 27, 2024, the Company issued 279,999 shares of common stock fair valued at \$1,147,995 to satisfy a portion of the convertible notes payable due to the sellers of Forever 8.

On March 27, 2024, the Company issued 60,000 shares of common stock fair valued at the time it was granted of \$216,000 to a consultant for services performed related to Forever 8. The Company recorded the fair value as prepaid expenses on balance sheet and will amortize the expense ratably over 12 months. The Company recorded stock-based compensation expense for the year ended December 31, 2024 \$108,000, respectively.

On March 27, 2024, the Company issued 51,220 shares of common stock fair valued at \$216,000 to the independent board of directors to satisfy deferred amounts due for services performed.

On March 27, 2024, the Company issued 173,171 shares of common stock fair valued at \$710,000 to investors related to proceeds received in a private investment in a public entity.

On March 27, 2024, the Company issued 50,434 shares of common stock fair valued at \$206,799 to satisfy the cash settlement warrants assumed in the Forever 8 acquisition.

On March 27, 2024, the Company issued 24,195 shares of common stock fair valued at \$99,199 to certain former Forever 8 security holders, pursuant to the settlement agreements by and among the Company and certain former Forever 8 security holders, as consideration for the immediate termination of the Company's obligation to deliver such to the former Forever 8 security holders the consideration provided for in the MIPA. The Company recorded the fair value as a reduction of the convertible notes payable – related parties.

On March 28, 2024, the Company issued 14,634 shares of common stock fair valued at \$60,000 to certain holders of the Series D Loan and Security Agreement. The Company recorded the fair value as interest expense on statement of comprehensive income (loss). The Company recorded interest expense for the year ended December 31, 2024 of \$60,000.

On April 9, 2024, the Company issued a total of 10,000 shares of common stock fair valued at \$40,000 at the time it was granted to a consultant. The Company recorded the fair value as prepaid expenses on balance sheet and will amortize the expense ratably over 4.5 months. The Company recorded stock-based compensation expense for the year ended December 31, 2024 of \$40,000.

On April 9, 2024, the Company issued a total of 15,000 shares of common stock fair valued at \$53,250 at the time it was granted to a consultant. The Company recorded the fair value as prepaid expenses on balance sheet and will amortize the expense ratably over 4 months. The Company recorded stock-based compensation expense for the year ended December 31, 2024.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**19. STOCKHOLDERS' EQUITY (continued)**

On April 10, 2024, the Company issued 17,835 shares of common stock valued at \$55,289 to satisfy a portion of the outstanding severance due to a former employee.

On August 8, 2024, the Company held a special meeting of stockholders to approve a proposal to amend the Company's Certificate of Incorporation to effect the 2024 Reverse Stock Split at a ratio of 1-for-5. The Company reduced its shares by 1,825 shares of common stock due to fractional shares after the Reverse Stock Split.

On August 8, 2024, the Company filed an amendment to its Certificate of Incorporation with the Secretary of State of the State of Delaware to effectuate the 2024 Reverse Stock Split.

On December 19, 2024, the Company entered into a third amendment to the Seller Notes originally issued in connection with the acquisition of Forever 8 (the "December 2024 Seller Notes Amendment"). Pursuant to the terms of this amendment, the holders of the Seller Notes, who are considered related parties, agreed to convert approximately \$1,600,000 of accrued interest into 485,381 shares of the Company's common stock. The shares were valued based on the closing price of the Company's common stock on the date of the agreement. The modification was accounted for as a capital transaction, and the resulting gain was recognized as an increase to additional paid-in capital. As of December 31, 2024, the shares had not yet been issued and are included in the calculation of basic and diluted weighted-average shares outstanding as shares to be issued.

On December 31, 2024, the Company issued a total of 20,000 shares of common stock fair valued at \$34,000 at the time it was granted to consultants. The Company recorded the fair value as prepaid expenses on balance sheet and will record stock-based compensation expense upon the closing of an asset based line of credit.

On December 31, 2024, the Company issued a total of 18,000 shares of common stock fair valued at \$53,600 at the time it was granted to a consultant. The Company recorded stock-based compensation expense for the year ended December 31, 2024 of \$53,600.

*Common stock issuances during the year ended December 31, 2023:*

From January 1, 2023 through December 31, 2023, the Company issued a total of 154,947 shares of common stock to a noteholder for repayment of principal valued at \$7,743,333 based on the conversion price set forth in the Note.

On January 26, 2023, the Company issued a total of 4,110 shares of common stock to employees for services rendered on behalf of the Company valued at \$571,200 and previously expensed as stock-based compensation.

On January 26, 2023, the Company issued a total of 540 shares of common stock to three directors for director compensation valued at \$91,800 and previously expensed as stock-based compensation.

On April 14, 2023, the Company issued 19,022 shares of common stock for broker dealers to investors for partial share ownership due to the Company's 2023 Reverse Stock Split.

On September 22, 2023, the Company issued 30,000 shares to a consultant.

On November 10, 2023, the Company issued 5,000 shares of its common stock to a consultant for services rendered on behalf of the Company.

During the year ended December 31, 2023, the Company issued 508,893 shares of common stock upon the exercise of warrants.

As of December 31, 2024 and 2023, the Company had 2,479,363 and 941,284 issued and outstanding shares of common stock, respectively.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**19. STOCKHOLDERS' EQUITY (continued)**

*Preferred Stock:* On January 17, 2023, the board of directors of the Company declared a dividend of one one-thousandth of a share of Series A Preferred Stock, par value \$0.001 per share ("Series A Preferred Stock"), for each outstanding share of the Company's common stock to stockholders of record at 5:00 p.m. Eastern Time on January 27, 2023.

On January 19, 2023, the Company filed a Certificate of Designation with the Delaware Secretary of State for its Series A Preferred Stock. The number of shares authorized for issuance is 300,000.

**20. COMMITMENTS AND CONTINGENCIES**

*Operating Leases.* The Company leases certain office space from an entity affiliated through common ownership under an operating lease agreement on a month-to-month basis.

On April 26, 2022, the Company entered into an assignment and assumption agreement with the Former Parent whereby the parties agreed to transfer and assign to Eightco Holdings Inc. the lease agreement dated July 16, 2021 by and between Abdi R. Boozer-Jomehri (d/b/a Safety Harbor Centre, Inc.) and Edison Nation, LLC, a 100% owned subsidiary of the Former Parent (the "Safety Harbor Lease"). The Company adopted ASC 842 on January 1, 2022 and recognized a right of use asset and liability of \$98,736 using a discount rate of 4.5%. The Safety Harbor lease was terminated in 2023 and there currently are no other material operating leases. The Company has elected not to recognize right-of-use assets and lease liabilities arising from short-term leases.

On October 19, 2022, the Company entered into a commercial lease agreement with Foxx Trot Tango, LLC to lease approximately 25 acres of land, including approximately 250,000 square feet of warehouse space in Sylvester, Georgia for \$87,500 on a month-to-month basis, effective July 2022. Owners of Foxx Trot, LLC are also shareholders of the Company.

Rent expense for the years ended December 31, 2024 and 2023 was \$255,444 and \$849,575, respectively. Rental payments are expensed in the statements of comprehensive income in the period to which they relate.

*Emmersive Sellers:* On April 17, 2021, the Former Parent entered into (and closed on) a certain Asset Contribution Agreement ("Asset Contribution Agreement") with Emmersive Entertainment, Inc. ("Emmersive"), pursuant to which Emmersive contributed/transferred to the Company the assets used for Emmersive's business, which include digital assets, software and certain physical assets (the "Contributed Assets") in consideration for, among other things, the Former Parent assuming certain obligations of Emmersive, hiring certain employees, and issuing preferred membership units ("Preferred Units") in EVNT Platform, LLC to Emmersive and/or its shareholders ("Preferred Members") pursuant to a First Amended and Restated Operating Agreement for the Former Parent dated as of April 17, 2021 ("Amended Operating Agreement"). Certain put rights are associated with Preferred Units, which if exercised by the Preferred Members, obligates the Former Parent to purchase the Preferred Units in exchange for shares of the Former Parent's common stock ("Put Rights"). In addition, the Preferred Members have the opportunity to earn Conditional Preferred Units if certain conditions are satisfied for earn out targets ("Earn-Out Targets").

On February 25, 2022, the Former Parent and Emmersive entered into a Termination and Release Agreement, terminating certain transaction documents dated April 17, 2021, and a Milestone Agreement for the earnout shares to be earned and any remaining consideration to be paid by Eightco Holdings Inc. with an effective date of the agreements upon the spin-off being declared effective ("Effective Date") Upon the spinoff, the agreements release Emmersive of the opportunity to earn the additional shares of common stock of the Former Parent from the Asset Contribution Agreement. The contingent consideration to be paid by Eightco Holdings Inc. upon the successful completion of the spin-off are described below:

Earned Shares: Issuance of 6,000 shares of common stock of Eightco Holdings Inc. ("Eightco Shares"). The Company recorded \$609,000 of share-based compensation related to the Eightco Shares.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**20. COMMITMENTS AND CONTINGENCIES (continued)**

Milestone 1: In the event that the Company generates a minimum of \$5,500,000 in annualized booked revenues from the operation of the Musician & Artist Platform (“Attributed Revenue”) ending eight (8) months following the Effective Date (“Tranche 1 Milestone Date”), the Emmersive Parties shall receive 2,000 restricted Eightco Shares (“Tranche One”) within thirty (30) after the Tranche 1 Milestone Date. In the event that the Company does not satisfy this milestone for any reason by the Tranche 1 Milestone Date, the Emmersive Parties shall have no rights to the additional Eightco Shares.

Milestone 2: After the Effective Date, in the event the Company generates a minimum of \$26,500,000 in annualized Attributed Revenues in any three-calendar month period ending on or before September 30, 2023, from the Musician & Artist Platform, the Emmersive Parties shall receive an additional 2,000 restricted Eightco Shares (“Tranche Two”). In the event Milestone Two is achieved, then Milestone One shall also be deemed to have been achieved. In the event that the Company does not satisfy Milestone Two for any reason by September 30, 2023, the Emmersive Parties shall have no rights to Tranche Two.

Milestone 3: After the Effective Date in the event that Buyer generates a minimum of \$60,000,000 in annualized Attributed Revenues in any three-calendar-month period ending on or before September 30, 2024, from the Musician & Artist Platform, the Emmersive Parties shall receive an additional 2,000 restricted Eightco Shares (“Tranche Three”). In the event Milestone Three is achieved, then Milestones One and Two shall also be deemed to have been achieved. In the event that the Company does not satisfy Milestone Three for any reason by September 30, 2024, time being of the essence, the Emmersive Parties shall have no rights to Tranche Three. In the event that the Company satisfies Milestone Three in the time prescribed they shall have the right to receive an additional 100,000 restricted shares of Eightco Shares (“Bonus Tranche”). In the event that the Company does not satisfy Milestone Three for any reason, the Emmersive Parties shall have no rights to the Bonus Tranche.

None of the above milestones were met as of December 31, 2024.

**21. SEGMENTING REPORTING**

The Company’s principal operating segments coincide with the types of products to be sold. The products from which revenues are derived are consistent with the reporting structure of the Company’s internal organization. The Company’s two reportable segments for the years ended December 31, 2024 and 2023 were the Inventory Management Solutions segment and the Corrugated Packaging Business. The Company’s chief operating decision maker has been identified as the Chairman and CEO, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company.

Segment information is presented based upon the Company’s management organization structure as of December 31, 2024 and the distinctive nature of each segment. Future changes to this internal financial structure may result in changes to the reportable segments disclosed. There are no inter-segment revenue transactions and, therefore, revenues are only to external customers.

The CODM evaluates segment performance based on net revenues, cost of revenues, gross profit, and selling, general and administrative expenses. These items are reviewed by segment. Depreciation and amortization is also monitored by management and presented below. Certain other costs, such as interest expense, other income (expense), and income taxes, are managed on a consolidated basis and not allocated to segments.

Segment operating profit is determined based upon internal performance measures used by the chief operating decision maker. The Company derives the segment results from its internal management reporting system. The accounting policies the Company uses to derive reportable segment results are the same as those used for external reporting purposes.

Segment operating income excludes certain corporate costs that are not allocated to segments, including corporate-level general and administrative expenses and unallocated shared services. These items are disclosed separately as “Corporate.”

Management measures the performance of each reportable segment based upon several metrics, including net revenues, gross profit and operating loss. Management uses these results to evaluate the performance of, and to assign resources to, each of the reportable segments.

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**21. SEGMENTING REPORTING (continued)**

The Company does not allocate impairment charges, interest expense, income taxes, or other non-operating income or expenses to segments. Segment asset information is disclosed where reviewed by the CODM.

Segment information available with respect to these reportable business segments for the year ended December 31, 2024 and 2023 was as follows:

	<b>For the Years Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Revenues:		
Inventory Management Solutions .....	\$ 39,621,272	\$ 67,568,353
Corrugated Packaging (Discontinued Operations) .....	6,823,277	7,729,131
Total segment and consolidated revenues .....	<u>\$ 46,444,549</u>	<u>\$ 75,297,484</u>
Cost of revenues:		
Inventory Management Solutions .....	\$ 33,639,274	\$ 61,308,561
Corrugated Packaging (Discontinued Operations) .....	4,980,338	5,496,462
Total segment and consolidated cost of revenues .....	<u>\$ 38,619,612</u>	<u>\$ 66,805,023</u>
Gross profit:		
Inventory Management Solutions .....	\$ 5,981,998	\$ 6,259,792
Corrugated Packaging (Discontinued Operations) .....	1,842,939	2,232,669
Total segment and consolidated gross profit .....	<u>\$ 7,824,937</u>	<u>\$ 8,492,461</u>
Income from operations:		
Inventory Management Solutions .....	\$ (2,753,757)	\$ (3,063,241)
Corrugated Packaging (Discontinued Operations) .....	402,975	702,645
Corporate .....	(6,368,802)	(7,116,576)
Total segment and consolidated income from operations .....	<u>\$ (8,719,584)</u>	<u>\$ (9,477,172)</u>
Depreciation and amortization:		
Inventory Management Solutions .....	\$ 2,280,836	\$ 2,830,306
Corrugated Packaging (Discontinued Operations) .....	173,836	214,225
Total segment and consolidated depreciation and amortization .....	<u>\$ 2,454,672</u>	<u>\$ 3,044,531</u>
Revenues by geography:		
North America .....	\$ 13,309,349	\$ 14,634,111
Europe .....	33,135,200	60,663,373
Total geography and consolidated revenues .....	<u>\$ 46,444,549</u>	<u>\$ 75,297,484</u>
Segment capital expenditures:		
Inventory Management Solutions .....	\$ 826	\$ 51,922,852
Corrugated Packaging (Discontinued Operations) .....	69,272	2,967,629
Corporate .....	-	2,409,913
Total segment and consolidated capital expenditures .....	<u>\$ 70,098</u>	<u>\$ 57,300,394</u>
Segment total assets:		
Inventory Management Solutions .....	\$ 46,533,449	\$ 50,023,910
Corrugated Packaging (Discontinued Operations) .....	1,798,239	2,967,629
Corporate .....	2,516,667	2,419,904
Total segment and consolidated assets .....	<u>\$ 50,848,355</u>	<u>\$ 55,411,443</u>

**EIGHTCO HOLDINGS INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
*For the Years ended December 31, 2024 and 2023*

**22. SUBSEQUENT EVENTS**

*Issuance of Common Stock*

On January 21, 2025, the Company issued 485,381 shares of common stock fair valued at \$825,148 to satisfy a portion of accrued interest owed to convertible note holders.

On March 25, 2025, Forever 8 Fund, LLC, a wholly-owned subsidiary of the Company, entered into Amendment No. 1 to the Loan and Security Agreement originally dated May 25, 2023, with certain Series C lenders. The amendment modified the maturity terms for the outstanding note and related advances as follows:

- The maturity date remains February 28, 2025, for the Initial Loan Advance and all subsequent draws.
- The Lenders have the unilateral right to extend the maturity date to June 30, 2025, by providing written notice to the Borrower on or before January 10, 2025.
- If the maturity is extended to June 30, 2025, the Borrower then has the right to further extend the maturity date to September 30, 2025, by providing written notice to the Lenders on or before September 15, 2025.

On April 7, 2025, the Company completed the sale of the Packaging Business to Reichard Corrugated Products LLC and its principals pursuant to the Asset Purchase Agreement dated November 22, 2024. The total consideration includes:

- \$557,835 in cash paid at closing,
- \$2,500,000 million senior secured promissory note issued by the buyer,
- and potential earnout payments of up to \$250,000 for each of 2025 and 2026 based on defined EBITDA thresholds.

The buyer assumed certain liabilities associated with the Corrugated Packaging Business. A side letter agreement established an effective operational date of April 1, 2025, for purposes of accounting and tax allocations.

As disclosed in Note 4 to the consolidated financial statements, the Company classified the Corrugated Packaging Business operated under Ferguson Containers as discontinued operations as of December 31, 2024.

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

None.

### **ITEM 9A. CONTROLS AND PROCEDURES**

#### **Disclosure Controls and Procedures**

The Company's management, with the participation of the Company's Principal Executive Officer and Principal Financial and Accounting Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report. Based on such evaluation, the Company's Principal Executive Officer and Principal Financial and Accounting Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were not effective to provide reasonable assurance that information that it is required to disclose in reports that the Company files with the SEC is recorded, processed, summarized and reported within the time periods specified by the Exchange Act rules and regulations.

As of December 31, 2024, management completed an effective assessment of the Company's internal control over financial reporting based on the 2013 Committee of Sponsoring Organizations (COSO) framework. Management has concluded that as of December 31, 2024, our internal control over financial reporting was not effective to detect the inappropriate application of U.S. GAAP. Management identified the following material weakness set forth below in our internal control over financial reporting.

The Company was unable to provide a timely financial reporting package in connection with the year end audit. This was primarily the result of the Company's limited accounting personnel. This also limits the extent to which the Company can segregate incompatible duties and has a lack of controls in place to ensure that all material transactions and developments impacting the financial statements are reflected. There is a risk under the current circumstances that intentional or unintentional errors could occur and not be detected.

#### **Management's 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.

Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Under the supervision of our Chief Executive Officer and Chief Financial Officer, the Company conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2024 using the criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013 Framework).

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. In our assessment of the effectiveness of internal control over financial reporting as of December 31, 2024, we determined that there were control deficiencies existing that constituted a material weakness.

As a result, our Chief Executive Officer and Chief Financial Officer concluded that the Company did not maintain effective internal control over financial reporting as of December 31, 2024 based on criteria established in Internal Control — Integrated Framework issued by COSO (2013 Framework).

This Annual Report does not include an attestation report of the Company's independent registered public accounting firm regarding internal controls over financial reporting because this is not required of the Company pursuant to Regulation S-K Item 308(b).

#### **Changes in Internal Control over Financial Reporting**

During the year ended December 31, 2024, there were no changes in our internal control over financial reporting that materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

During the quarter ended December 31, 2024, no director or officer adopted or terminated any (i) “Rule 10b5-1 trading arrangement,” as defined in Item 408(a) of Regulation S-K intending to satisfy the affirmative defense conditions of Rule 10b5-1(c) or (ii) “non-Rule 10b5-1 trading arrangement,” as defined in Item 408(a) of Regulation S-K; and (ii) there was no information that was required to be disclosed on a Current Report on Form 8-K during such quarter that was not so disclosed.

**ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not Applicable.

## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth information about our directors and executive officers.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Paul Vassilakos	48	Chief Executive Officer, Chairman
Brett Vroman	44	Chief Financial Officer
Kevin O'Donnell	50	Director
Frank Jennings	55	Director
Louis Foreman	57	Director
Mary Ann Halford	66	Director

#### Executive Officers and Directors

**Paul Vassilakos.** Mr. Vassilakos has served as Chairman and Chief Executive Officer since March 18, 2024. Mr. Vassilakos has also served as a director of Adamas One Corp. (NASDAQ) since October 2021. Mr. Vassilakos co-founded, and since July 2020 has been a partner of Forever 8. Since 2013, Mr. Vassilakos has served and held various Board, CEO and CFO positions on several publicly listed companies. In July 2007, Mr. Vassilakos founded Petrina Advisors, Inc., a privately held advisory firm formed to provide investment banking services for public and privately held companies, and has served as its President since its formation. Mr. Vassilakos also founded and has served as the President of Petrina Properties Ltd., a privately held real estate holding company, since December 2006. Earlier in his career, Mr. Vassilakos was engaged as a consultant to assist several SPACs with business combinations. Mr. Vassilakos started his career as an Analyst at Salomon Smith Barney's New York Investment Banking Division and later as an Associate within the Greek Coverage Group of Citigroup Inc.'s UK Investment Banking Division. While attending university, Mr. Vassilakos was a Registered Securities Representative at Paine Webber CSC - DJS Securities Ltd, during which time he provided securities brokerage services to private clients. Mr. Vassilakos holds a Bachelor of Science in finance from the Leonard N. Stern Undergraduate School of Business and was a licensed Registered Securities Representative (Series 7 and 63) from February 1996 to February 2002. Mr. Vassilakos brings to Eightco significant experience in the e-commerce industry.

**Brett Vroman.** Mr. Vroman has served as Chief Financial Officer since October 13, 2021. Mr. Vroman served as Vinco Venture, Inc.'s Chief Financial Officer from June 2019 to November 22, 2021, and previously served as its Controller from May 2018 through May 2019. From October 2014 to May 2018, Mr. Vroman was Director of Financial Reporting at Avantor, Inc., a global manufacturer and distributor of high-quality products, services and solutions to customers and suppliers in the life science, advanced technology, and applied materials industries. From March 2011 to October 2014, Mr. Vroman was employed as an Assurance Senior Manager at BDO USA, LLP, a public accounting, tax, consulting. Mr. Vroman is a certified public accountant (inactive) and holds a Bachelor of Science in Accounting from York College of Pennsylvania.

**Kevin O'Donnell.** Mr. O'Donnell served as Chairman of the board of directors from October 15, 2021 to March 17, 2024, and continues to serve as a member of the board of directors. Mr. O'Donnell founded Poptop Partners, LLC, a boutique operating and investment firm specializing in small to mid-market companies with an emphasis on the retail sector in April 2011 and continues to serve as its Managing Partner. From May 2007 to June 2010, Mr. O'Donnell served as the Founder/President of KOR Capital, LLC, a private equity and consulting firm specializing in turn around management of mid-market companies. Mr. O'Donnell has been an early-stage investor in multiple industries including hospitality, beverage, cannabis, hemp and technology. Mr. O'Donnell has served or continues to serve on numerous private and public boards including but not limited to SRM Entertainment, Vinco Ventures, Inc., Lakeside Alternatives Hospital Foundation, and The University Club. Mr. O'Donnell brings to Eightco close to 25 years of strategic corporate growth, financial structuring, leadership, and business development initiatives to emerging growth companies. On February 22, 2024, the Board appointed Kevin O'Donnell as Interim Chief Executive Officer of the Company, and he later resigned from this position on March 17, 2024.

**Frank Jennings.** Mr. Jennings has served as a member of the board of directors since October 13, 2021. Mr. Jennings is currently the President of Pelago Health, a leading virtual clinic for substance use management. He previously has served as the Chief Sales Officer and Executive Vice President at Castlight Health. From August 2014 to 2019, Mr. Jennings was employed as the Vice President of Sales, North America by Doctor on Demand, Inc., an innovative healthcare telemedicine provider. He currently serves as an advisor at numerous early stage companies. Mr. Jennings is a co-founder of the CMK Foundation, a charitable organization which has been helping people in local communities since 2009. Mr. Jennings brings to Eightco 30 years of experience in business development and management of sales professionals in a variety of technology-adjacent industries. He holds his degree from the Max M. Fisher College of Business at The Ohio State University.

**Louis Foreman.** Louis Foreman has served as a member of the board of directors since October 15, 2021. Mr. Foreman is the founder and Chief Executive of Enventys, an integrated product design and engineering firm. Over the past 38 years Louis has created 10 successful start-ups and has been directly responsible for the creation of over 20 others. In 2013, Mr. Foreman was appointed by the SBA Administrator to serve on the National SBDC Advisory Board until the end of 2022. In 2008, Mr. Foreman was appointed by United States Secretary of Commerce Carlos M. Gutierrez to serve for a three-year term on the nine-person Patent Public Advisory Committee (PPAC) of the United States Patent and Trademark Office. In 2011, he was appointed by Secretary Gary Locke to serve an additional three-year term. In addition to being an inventor, Mr. Foreman was the creator of the Emmy® Award winning PBS TV show, *Everyday Edisons*, and served as the Executive Producer and lead judge. Mr. Foreman currently serves as Chairman of the board of directors of the James Dyson Foundation, the Intellectual Property Owners Association (IPO), New Dominion Bank, The Federal Reserve Bank Industry Roundtable, Beyond Campus Innovations, Vinco Ventures, Inc., and the Intellectual Property Owners Educational Foundation (IPOEF). Mr. Foreman has a Bachelor of Arts degree in Economics from the University of Illinois. Mr. Foreman brings to Eightco significant experience with start-ups and knowledge of intellectual property matters.

**Mary Ann Halford.** Ms. Halford has served as a member of the board of directors since October 13, 2021. She is the Founder and Managing Principal of Halford Media Advisory, which provides strategic, operational and investment advisory services to the media and entertainment industry. From 2021 to 2023, she was a Partner in the Telecommunications, Media, and Technology (“TMT”) strategy consultancy Altman Solon. She was a Senior Advisor to OC&C Strategy Consultants from December 2017 to December 2020. From March 2012 to April 2017, Ms. Halford was both a Managing Director and then a Senior Managing Director in FTI Consulting’s TMT Group working both in NY and London. Ms. Halford built out the digital operations for ITN Networks from 2008 – 2009. In 2002, she co-founded the entity that ultimately became North American Midway Entertainment, which today is largest midway operator in the State and County Fair industry. From 1997 through 2001, Ms. Halford built and established the Fox International Channels Group. She also held senior roles at two independent filmed entertainment production and distribution companies, Solomon International Enterprises and the Samuel Goldwyn Company. She started her career in banking, working both at Chase Manhattan Bank and Bankers Trust Company. Presently, Ms. Halford serves on one other public board, Cineverse. Previously from 2022 to 2024, she served on the board of Verve Group SE, formerly known as Media and Games Invest and from 2020 to 2022, she served on the board of Vinco Ventures and from 2007 through 2014, she served on the board of directors of Triton Digital. Ms. Halford received her Bachelor of Arts degree in Government and Economics from Georgetown University and her Master’s in Business Administration from Harvard University. Ms. Halford brings to Eightco over 30 years of experience as both an operator and consultant to the global media and entertainment industry.

### **Family Relationships**

There are no family relationships among any of our executive officers or directors.

### **Delinquent Section 16(a) Reports**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and officers, and persons who own more than ten percent of our common stock, to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock. To our knowledge, based solely on a review of the copies of such reports furnished to us, during the fiscal year ended December 31, 2024, we believe that all filing requirements applicable to our officers, directors and greater than ten percent stockholders were complied with for the fiscal year ended December 31, 2024.

### **Corporate Governance Overview:**

#### **Director Nominations Process**

Each year the board of directors is expected to nominate a slate of directors for election by stockholders at the annual meeting of stockholders based on the recommendations of the Nominating and Corporate Governance Committee. In identifying prospective director candidates, the Nominating and Corporate Governance Committee may seek referrals from other members of the board of directors, management, stockholders and other sources, including third-party recommendations.

#### **Director and Executive Officer Qualifications**

Under our Corporate Governance Guidelines, our Nominating and Corporate Governance Committee is responsible for reviewing with our board of directors, on an annual basis, the appropriate experience, skills and characteristics for the board of directors as a whole and its individual members. In evaluating the suitability of individuals for board of directors membership,

our Nominating and Corporate Governance Committee, pursuant to our Corporate Governance Guidelines, takes into account many factors, including but not limited to: the individual's qualification as independent, as well as consideration of diversity, skills, age, education and experience and the general needs of the board of directors. Our Nominating and Corporate Governance Committee evaluates each individual in the context of the board of directors as a whole, with the objective of recommending a group of directors that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment, using its diversity of experience. In determining whether to recommend a director for re-election, our Nominating and Corporate Governance Committee considers the director's past attendance at meetings and participation in and contributions to the activities of the board of directors.

The Company's officers and board of directors is composed of a diverse group of leaders in their respective fields. Many of these officers or directors have senior leadership experience at various companies. In these positions, they have also gained experience in core management skills, such as strategic and financial planning, public company financial reporting, compliance, risk management, and leadership development. Many of the Company's officers and directors also have experience serving on boards of directors and/or board committees of other public companies and private companies and have an understanding of corporate governance practices and trends, which provides an understanding of different business processes, challenges, and strategies. Further, these officers and directors have other experience that makes them valuable, such as managing and investing assets or facilitating the consummation of business investments and combinations.

The Company, along with its officers and directors, believe that the above-mentioned attributes, along with the leadership skills and other experiences of the Company's directors and executive officers described above, provide the Company with a diverse range of perspectives and judgment necessary to facilitate the Company's goals of stockholder value appreciation through organic and acquisition growth.

### **Board Structure, Number and Terms of Office of Officers and Directors**

Our board of directors consists of five Directors. In accordance with our Certificate of Incorporation, the minimum number of directors we may have is five and maximum number of Directors is eleven. The number of Directors may be increased or decreased by our board of directors from time to time. In accordance with our Bylaws and Delaware law, our board of directors will oversee the management of the business and affairs of the Company. Our Directors will be elected by our stockholders at our annual stockholders meeting for three-year terms and to serve until their successors are duly elected and qualified or until their earlier death, resignation, or removal. Stockholders will not be entitled to cumulative voting in the election of our directors. Our board of directors is classified, meaning the directors are divided into three classes each consisting of as close to 1/3 of the total Directors as possible.

Our directors are divided among the three classes as follows:

- the Class I director is Paul Vassilakos, and his term expires at the 2026 annual meeting of stockholders;
- the Class II directors are Frank Jennings and Kevin O'Donnell, and their terms will expire at 2027 annual meeting; and
- the Class III directors are Louis Foreman and Mary Ann Halford, and their terms will expire at the 2025 annual meeting of stockholders.

At each annual meeting of the stockholders, one class of Directors will be up for election. Directors will serve three-year terms.

### **Director Independence**

Nasdaq listing standards require that a majority of the Company's board of directors be independent. An "independent director" is defined generally as a person other than an officer or employee of the Company or its subsidiaries or any other individual having a relationship that, in the opinion of the Company's board of directors, would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. The board of directors has determined that Frank Jennings, Louis Foreman, and Mary Ann Halford qualify as independent directors in accordance with the Nasdaq listing rules.

### **Board Leadership Structure**

Our board of directors is not expected to have a formal policy regarding the combination of the roles of Chairman of the board of directors and Chief Executive Officer because the board of directors believes that it is in the best interests of the Company to have the flexibility to determine, from time to time, whether the positions should be held by the same person or by separate persons. The board of directors believes that it is currently in the best interest of our stockholders that the role of Chairman be held by Paul Vassilakos.

The board of directors may reconsider this leadership structure from time to time based on the leadership needs of our board of directors and the Company at any particular time. The Nominating and Corporate Governance Committee is expected to evaluate on an ongoing basis whether the board of directors' leadership structure is appropriate to effectively address the evolving needs of the Company's business and the long-term interests of our stockholders. The committee is expected to then make recommendations to the board of directors concerning the board of directors' leadership structure, including whether the roles of Chairman and Chief Executive Officer should be separated or combined.

### **Lead Independent Director**

Under our Corporate Governance Guidelines, if the Chairman of the board of directors is not an independent director, as determined by the Nominating and Governance Committee and the board of directors, the independent directors will annually appoint one independent director to be the Lead Independent Director in accordance with the Director Nominating Agreement. Given that our Chairman will not be an independent director, our independent directors have appointed Frank Jennings as our Lead Independent Director. The Lead Independent Director's responsibilities are to: (i) preside over executive sessions of the independent directors and at all meetings at which the Chairman of the board of directors is not present; (ii) call meetings of the independent directors as he or she deems necessary; (iii) serve as a liaison between the Chairman of the board of directors and the independent directors; (iv) propose agendas and schedules for board of directors meetings in consultation with the Chairman of the board of directors; and (v) be available for consultation and communication if requested by stockholders.

### **Board's Role in Risk Oversight**

Our management is responsible for identifying risks facing our Company, including strategic, financial, operational, and regulatory risks, implementing risk management policies and procedures and managing our day-to-day risk exposure. The board of directors is expected to have overall responsibility for risk oversight, including, as part of regular board of directors and committee meetings, general oversight of executives' management of risks relevant to the Company. While the full board of directors has overall responsibility for risk oversight and is currently overseeing the Company's business continuity risks, it is expected to be supported in this function by its Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee once the committees have been formed. The committees are expected to be formed prior to the Distribution, and each of the committees is expected to regularly reports to the board of directors.

The Audit Committee will review and discuss with management and the Company's auditors, as appropriate, the risks faced by the Company and the policies, guidelines, and process by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

The Compensation Committee will review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.

The Nominating and Corporate Governance Committee will be responsible for developing and recommending to the board of directors for approval an officer succession plan (the "Succession Plan"), reviewing the Succession Plan periodically with the Chief Executive Officer, evaluating potential candidates for executive positions and recommending to the board of directors any changes to and any candidates for succession under the Succession Plan.

In addition, the board of directors will be presented with information at its regularly scheduled and special meetings regarding risks facing our Company, and management will provide more frequent, informal communications to the board of directors between regularly scheduled meetings which will be designed to give the board of directors regular updates about our business. The board of directors will consider this information and will provide feedback, will make recommendations, and, as appropriate, will authorize or direct management to address particular exposures to risk.

### **Committees of the Board of Directors**

Our board of directors has three standing committees: Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. Frank Jennings, Mary Ann Halford and Louis Foreman, have been appointed to serve on the Company's Audit Committee, with Louis Foreman serving as the chair and qualifying as an audit committee financial expert, as such term is defined in Item 407(d)(5) of Regulation S-K. Frank Jennings, Mary Ann Halford, Louis Foreman have been appointed to serve on the Company's Compensation Committee, with Frank Jennings serving as the chair. Frank Jennings, Mary Ann Halford, Louis Foreman have been appointed to serve on the Company's Nominating and Corporate Governance Committee, with Frank Jennings serving as the chair. Each of the committee charters is available on the Company's website at [www.8co.holdings](http://www.8co.holdings).

### ***Audit Committee***

The Audit Committee's duties, which are specified in its charter include, but are not limited to:

- reviewing and discussing with management and the independent auditor the annual audited financial statements, and recommending to the board of directors whether the audited financial statements should be included in our annual reports;
- discussing with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of our financial statements;
- discussing with management major risk assessment and risk management policies;
- monitoring the independence of the independent auditor;
- verifying the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law;
- reviewing and approving all related-party transactions;
- inquiring and discussing with management our compliance with applicable laws and regulations;
- pre-approving all audit services and permitted non-audit services to be performed by our independent auditor, including the fees and terms of the services to be performed;
- appointing or replacing the independent auditor;
- determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work; and
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or reports which raise material issues regarding our financial statements or accounting policies.

### ***Nominating and Corporate Governance Committee***

The Nominating and Corporate Governance Committee's duties, which are specified in its charter, include, but are not limited to:

- identifying, evaluating, and selecting, or recommending that the board of directors approve, nominees for election to the board of directors;
- evaluating the performance of the board of directors and of individual directors;
- reviewing developments in corporate governance practices;
- evaluating the adequacy of corporate governance practices and reporting;
- reviewing management succession plans; and
- developing and making recommendations to the board of directors regarding corporate governance guidelines and matters.

### ***Compensation Committee***

The Compensation Committee has overall responsibility for determining and approving the compensation of the Company's Chief Executive Officer and reviewing and approving the annual base salaries and annual incentive opportunities of the Company's executive officers. The Company may utilize the services of independent consultants to perform analyses and to make recommendations relative to executive compensation matters. These analyses and recommendations will be conveyed to the Compensation Committee, and the Compensation Committee takes such information into consideration in making its compensation decisions.

### ***Executive Sessions***

Independent directors are expected to regularly meet in executive session at board of directors meetings without any members of management being present. The Lead Independent Director will preside over the executive sessions, and may, as applicable, call executive sessions as appropriate.

## **Board and Board Committee Meetings and Attendance**

Our Corporate Governance Guidelines provide that directors are expected to prepare themselves for and attend all board of directors meetings, the annual meeting of stockholders and the meetings of the board of directors' standing committees on which they serve.

## **Corporate Code of Conduct and Ethics and Whistleblower Policy**

The board of directors adopted a Corporate Code of Conduct and Ethics and Whistleblower Policy that applies to all of the Company's directors, officers, and employees. The Corporate Code of Conduct and Ethics and Whistleblower Policy covers areas such as conflicts of interest, insider trading and compliance with laws and regulations. The Code of Conduct and Ethics is available on our website at [www.8co.holdings](http://www.8co.holdings). We intend to post any amendments to or waivers from our Code of Conduct and Ethics and Whistleblower Policy at this location on our website.

## **Stockholder Communications**

Stockholders who wish to communicate with the board of directors may do so by writing the Company's Office of the Secretary by mail at 101 Larry Holmes Dr., Suite 313, Easton, PA 18042, Attention: Office of the Secretary or by email at [investors@8co.holdings](mailto:investors@8co.holdings). All communications that relate to matters within the scope of the responsibilities of the board of directors and its standing committees will be forwarded to the Chairman of the board of directors. Communications that relate to ordinary business matters that are not within the scope of the responsibilities of the board of directors are to be sent to the appropriate executive officer or employee.

Our "whistleblower" policy prohibits our Company or any of our employees from retaliating or taking any adverse action against anyone for raising a concern. If a stockholder or an employee nonetheless prefers to raise his or her concern in a confidential or anonymous manner, he or she may call our external service provider, toll-free at 866-980-2818.

## **Board Diversity**

It is anticipated that we will seek diversity in experience, viewpoint, education, skill, and other individual qualities and attributes to be represented on our board of directors. We believe directors should have various qualifications, including individual character and integrity; business experience; leadership ability; strategic planning skills, ability, and experience; requisite knowledge of our industry and finance, accounting, and legal matters; communications and interpersonal skills; and the ability and willingness to devote time to our company. We also believe the skill sets, backgrounds, and qualifications of our anticipated directors, taken as a whole, should provide a significant mix of diversity in personal and professional experience, background, viewpoints, perspectives, knowledge, and abilities. Nominees will not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability, or any other basis proscribed by law. It is anticipated that the assessment of prospective directors will be made in the context of the perceived needs of our board of directors from time to time.

We expect that all of our directors will be individuals of high character and integrity, able to work well with others, and committed to devote sufficient time to the business and affairs of our company. In addition to these attributes, the description of each anticipated director's background set forth above indicates the specific qualifications, skills, perspectives, and experience necessary to conclude that each individual should serve as a director of our company.

## **Clawback Policy**

We have adopted a clawback policy effective as of November 6, 2023, that complies with the Nasdaq's new clawback rules promulgated under the SEC's Rule 10D-1. Under this policy, the Compensation Committee must seek payment of incentive-based compensation, such as cash payments under our annual incentive plan or long-term equity-based incentive awards, that was paid to our executive officers based on financial statements that were subsequently restated. The policy provides that if the Compensation Committee determines that there has been a material restatement of publicly issued financial results from those previously issued to the public, the Compensation Committee will review all incentive-based compensation made to executive officers during the three-year period prior to the restatement. If such payments would have been lower had they been calculated based on such restated results, our Compensation Committee will recoup the payments in excess of the amount that would have been received had it been determined based on the restated amounts.

Additionally, the Sarbanes-Oxley Act of 2002 subjects incentive-based compensation and stock sale profits of our CEO and CFO to forfeiture in the event of an accounting restatement resulting from any non-compliance, as a result of their misconduct, with any financial reporting requirement under securities laws.

### Insider Trading Policy

We have an insider trading policy governing the purchase, sale, and other dispositions of our securities that applies to our directors, officers, employees, and consultants. The policy generally prohibits the purchase, sale or trade of our securities with the knowledge of material nonpublic information. The policy also prohibits, among other things, our directors, officers, and employees from engaging in any hedging or monetization transactions with respect to our securities. In addition, the policy prohibits our directors, officers, and employees from engaging in certain short-term or speculative transactions in our securities, such as short-term trading, short sales, and publicly traded options, which could create heightened legal risk and/or the appearance of improper or inappropriate conduct by our directors, officers, and employees. We believe our insider trading policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to our company.

## ITEM 11. EXECUTIVE COMPENSATION

### Summary Compensation Table

The following table presents summary information regarding the total compensation incurred by Eightco Holdings Inc. for the years ended December 31, 2024 and 2023, for the named executive officers of the Company.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Non-Equity	All Other	Total (\$)
					Incentive Plan Compensation (\$)	Compensation (\$)	
<i>Paul Vassilakos*</i> <i>Chief Executive Officer</i>	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
<i>Brian McFadden**</i> <i>Former Chief Executive Officer</i>	2024	-	-	-	-	-	-
	2023	325,000	-	-	-	-	325,000
<i>Brett Vroman***</i> <i>Chief Financial Officer</i>	2024	-	-	-	-	120,000	120,000
	2023	292,000	-	-	-	-	292,000
<i>Kevin O'Donnell****</i> <i>Former Executive Chairman</i>	2024	-	-	-	-	-	-
	2023	292,000	-	-	-	-	292,000

\* Paul Vassilakos was appointed as Chairman and Chief Executive Officer of Eightco on March 17, 2024. Before such date, he was employed by Eightco solely as President of Forever 8.

\*\* Brian McFadden was appointed President of Eightco on September 23, 2021, and his title was later expanded to include Chief Executive Officer, which he served until March 17, 2024. Mr. McFadden was not paid any salary for the year ended December 31, 2024.

\*\*\* Brett Vroman was appointed Chief Financial Officer of Eightco on October 13, 2021. Mr. Vroman was not paid any salary or fees for the year ended December 31, 2024. Mr. Vroman deferred fees of \$120,000 until 2025.

\*\*\*\* Kevin O'Donnell served as the Executive Chairman of the Board of Directors from October 15, 2021 to March 17, 2024. Mr. O'Donnell's was not paid any salary or fees for the year ended December 31, 2024.

### Overview

The Company expects to provide total compensation packages that are competitive, tailored to the unique characteristics and needs of the Company within its industry, and adequately reward its executives for their roles in creating value for our stockholders. The Company expects that it will be competitive in its executive compensation with other similarly situated companies in its industry. The compensation decisions regarding the Company's executives are expected to be based on its need to attract individuals with the skills necessary to achieve its business plan, to reward those individuals fairly over time and to retain those individuals who continue to perform at or above the Company's expectations.

The Company's executive compensation program is expected to consist of three primary components: salary, incentive bonus and stock-based awards issued under an equity incentive plan. The Company determines the appropriate level for each compensation component based in part, but not exclusively, on its view of internal equity and consistency, individual performance, the Company's performance, and other information deemed relevant and timely.

## **Employment Agreements**

### *Paul Vassilakos Employment Agreement*

In connection with Mr. Vassilakos' appointment as the Executive Chairman and Chief Executive Officer of the Company, on March 17, 2024, the Company and Mr. Vassilakos entered into an Employment Agreement (the "Vassilakos Employment Agreement"), which supersedes and replaces the Employment Agreement dated October 16, 2022, by and between Mr. Vassilakos, the Company and Forever 8. The Vassilakos Employment Agreement provides for an initial term of two years, unless earlier terminated in accordance therein, and automatic renewals for successive one (1) year terms unless either party provides timely written notice otherwise.

Pursuant to the terms of the Vassilakos Employment Agreement, Mr. Vassilakos will be entitled to a base salary payable at the annualized rate of \$300,000 per year (the "Vassilakos Base Salary"). Mr. Vassilakos is eligible for an annual cash bonus opportunity equal to up to 75% of the Vassilakos Base Salary and awards of restricted stock units up to 100% of the Vassilakos Base Salary, subject to the terms and conditions of the Incentive Plan and the Company's form of restricted stock unit agreement (the "Vassilakos Bonus"), based on certain milestones to be determined in the sole and absolute discretion of the Board. Mr. Vassilakos may also be eligible for additional compensation in the sole and complete discretion of the Board or the Compensation Committee of the Board.

In the event the Company terminates Mr. Vassilakos' employment without cause (as defined in the Vassilakos Employment Agreement), Mr. Vassilakos will receive (i) the Accrued Obligations (as defined in the Vassilakos Employment Agreement) and (ii) severance in the amount of equal to the Vassilakos Base Salary for twelve (12) months, less applicable payroll deductions and tax withholdings. In addition, this termination will cause the vesting of all equity awards subject to the terms of the Incentive Plan held by Mr. Vassilakos and entitle Mr. Vassilakos to reimbursement of premiums associated with the continuation of health insurance benefits provided under the Vassilakos Employment Agreement during the remaining Term of Employment (as defined in the Vassilakos Employment Agreement).

A complete copy of the Vassilakos Employment Agreement is included as an exhibit to this Annual Report.

### *Brian McFadden Employment Agreement*

Brian McFadden was previously employed as the Chief Executive Officer of the Company.

On February 26, 2024, the Company and Mr. McFadden entered into General Release and Severance Agreement (the "McFadden Severance Agreement"), effective as of the eighth day following the McFadden Severance Agreement in connection with Mr. McFadden's resignation as Chief Executive Officer of the Company, effective as of December 31, 2023. Pursuant to the McFadden Severance Agreement, Mr. McFadden was eligible to receive \$146,683 in accrued but unpaid base salary through the separation date in four quarterly payments of \$36,670.75 each, less all applicable tax withholdings, by December 31, 2024.

In consideration of the McFadden Severance Agreement, the release therein and Mr. McFadden's resignation as Chief Executive Officer of the Company, the Company agreed to provide Mr. McFadden severance pay in the gross amount of amount of \$422,500, less all lawful and authorized withholdings and deductions (the "Severance Payment"), which Severance Payment was to be paid in four quarterly installments of \$105,625 per each installment, payable at the Company's option in either cash or Common Stock, with the payment to be made as follows: (i) as of the Effective Date of the separation, on which such date Mr. McFadden shall be granted, in lieu of cash, 128,811 fully-vested restricted shares of the Common Stock at a price of \$0.82 per share, which such shares of Common Stock subject to the terms and conditions of the Company's 2022 Long-Term Incentive Plan (the "Plan"), and as of each of (ii) April 1, 2024, (iii) July 1, 2024, and (iv) October 1, 2024, payable at the Company's option, in either cash or Common Stock. The shares of Common Stock to be issued to Mr. McFadden under installments (ii), (iii) and (iv), if applicable, shall be fully vested and the number of shares to be issued shall be determined based on the volume weighted average trading price of the Common Stock on the principal exchange on which the Common Stock is listed or admitted to trade during the period of 10 trading days immediately prior to the date of such issuance.

Pursuant to the McFadden Severance Agreement, the Company also agreed to reimburse to Mr. McFadden the premiums associated with the continuation of Mr. McFadden's health insurance for the period commencing on the Separation Date through December 31, 2024, pursuant to applicable law, and approved but unpaid business expenses through the Separation Date within 30 days following the Effective Date of the separation.

Pursuant to the terms of the McFadden Severance Agreement, Mr. McFadden was to remain a director of the Company's board from the Separation Date through March 2024, at which time Mr. McFadden would resign from the Board. On March 17, 2024, the Board approved the entry by the Company into the First Amendment to the McFadden Severance Agreement to amend Mr. McFadden's end date of service on the Board to March 17, 2024.

A copy of the complete McFadden Severance Agreement is included as an exhibit to this Annual Report.

#### *Brett Vroman Employment Agreement*

Pursuant to the terms of the Vroman Employment Agreement, Mr. Vroman is employed as the Chief Financial Officer of the Company. Mr. Vroman's employment under the Vroman Employment Agreement was to last until September 27, 2024, unless earlier terminated pursuant to the terms of the agreement.

Pursuant to the terms of Mr. Vroman's employment agreement, Mr. Vroman was to receive, subject to approval by the Board, an annual grant of 180,000 restricted stock units convertible into shares of the Company's common stock, which shall be immediately vested and subject to the terms and conditions of the Company's 2022 Long-Term Incentive Plan. This reflects an increase from the 135,000 shares provided to Mr. Vroman under the March Vroman Agreement. Mr. Vroman will be entitled to a base salary payable at the annualized rate of \$292,000 per year (the "Vroman Base Salary"), which reflects an increase from the \$250,000 provided to Mr. Vroman under the March Vroman Agreement. Mr. Vroman is eligible for an annual cash bonus opportunity equal to 100% of the Vroman Base Salary (the "Vroman Bonus") based on the achievement of performance goals as determined by the Company's audit committee and the Board. The Vroman Bonus reflects a decrease on a percentage basis from the maximum 150% of base salary provided for in the March Vroman Agreement.

In addition, Mr. Vroman shall under some circumstances be entitled to receive additional shares of the Company's common stock contingent upon the satisfaction of certain additional performance goals. Mr. Vroman shall be entitled to receive a maximum total of 990,000 shares upon full satisfaction of certain corporate growth achievements based upon a review of the Company's audited financial statements and subject to the approval of the Board. This reflects an increase over the March Vroman Agreement, which provided that Mr. Vroman would be eligible to receive a maximum of 450,000 shares in connection with revenue growth. Mr. Vroman shall be eligible to receive a one-time bonus of 180,000 shares in the event that the Company achieves a positive cash flow based on a review of the Company's audited financial statements and subject to the review of the Board. The March Vroman Agreement provided for a substantially similar bonus in connection with cash flow. Mr. Vroman shall be eligible to receive a bonus of a maximum aggregate of 1,600,000 shares in the event that certain market capitalization milestones are met based on a review of the Company's audited financial statements and subject to approval by the Board. This reflects an increase above the maximum aggregate of 1,575,000 shares provided for in connection with meeting market capitalization milestones under the March Vroman Agreement. Subsequent to receiving the maximum aggregate 1,600,000 shares provided for under the first three market capitalization milestones, Mr. Vroman will be eligible to receive additional bonuses of 135,000 shares for each doubling in market capitalization of the Company over the market capitalization recorded at the prior bonus threshold, provided such increase is sustained for a period of at least three consecutive trading days. Though specific milestone thresholds and timing requirements vary, the March Vroman Agreement contained a substantially similar provision with respect to a continuing market capitalization bonus. Mr. Vroman may also be eligible for additional compensation in the sole and complete discretion of the Board.

Mr. Vroman will be eligible to participate in all health, medical, dental and life insurance policies offered to employees of the Company, and the Company will pay all applicable premiums. The Company will reimburse Mr. Vroman up to \$10,000 per year as a car allowance, reimburse Mr. Vroman up to \$2,500 for home office expenses and reimburse Mr. Vroman for all reasonable out-of-pocket expenses incurred by him in the conduct of the Company's business. The Vroman Employment Agreement provides Mr. Vroman with four (4) weeks of paid vacation and five (5) days of paid personal time. The Vroman Employment Agreement also provides Mr. Vroman with liability insurance coverage and shall reimburse certain financial planning expenses incurred by Mr. Vroman. All terms provided in this paragraph are substantially similar to those provided in the March Vroman Agreement.

In the event the Company terminates Mr. Vroman's employment without cause (as defined in the Vroman Employment Agreement), Mr. Vroman will receive (i) the Accrued Obligation (as defined in the Vroman Employment Agreement) and (ii) severance in the amount of equal to the Vroman Base Salary for twenty-four (24) months. In addition, this termination will cause the vesting of all Eightco common stock held by Mr. Vroman and entitle Mr. Vroman to reimbursement of premiums associated with the continuation of health insurance benefits provided under the Vroman Employment Agreement during the remaining Term of Employment (as defined in the Vroman Employment Agreement).

On February 26, 2024, the Company and Brett Vroman entered into General Release and Severance Agreement (the “Vroman Severance Agreement”), effective as of the eighth date following the Vroman Severance Agreement in connection with the termination of the amended and restated employment agreement, by and between the Company and Mr. Vroman, effective as of September 27, 2022. Pursuant to the Vroman Severance Agreement, as of the Separation Date, the Vroman Employment Agreement shall terminate, and no party shall have any further obligation or liability thereunder except as related to any obligations that survive employment termination, including but not limited to the obligations set forth under the Employee Confidential Disclosure, Invention Assignment, Non-Competition, Non-Solicitation and Non-Interference Agreement, attached to the Vroman Employment Agreement.

Pursuant to the Vroman Severance Agreement, the Company will provide Mr. Vroman with (i) back pay wages through the Separation Date in the amount of \$151,615.46, less all lawful and authorized withholdings and deductions, to be paid as soon as practicable following the Vroman Effective Date and (ii) severance of 24 months of Mr. Vroman’s base salary, less all lawful and authorized withholdings and deductions, under the Vroman Employment Agreement. Pursuant to the Vroman Severance Agreement, the Company shall also reimburse to Mr. Vroman the premiums associated with the continuation of Mr. Vroman’s health insurance for the period commencing on the Separation Date through December 31, 2024, pursuant to applicable law, expenses in accordance with the Company’s expense reimbursement policy, and the full vesting of any earned shares of Common Stock. The Vroman Severance Agreement also provides for a mutual waiver and release of any claims in connection with Mr. Vroman’s employment, separation and departure from the Company, and for certain customary covenants regarding confidentiality.

Additionally, on February 22, 2024, the Company and CXO Lite, LLC, a limited liability company organized under the laws of Pennsylvania, of which Mr. Vroman is the sole member, entered into a consulting agreement (the “CXO Lite Consulting Agreement”) pursuant to which Mr. Vroman shall be engaged and continue to serve the Company as its Chief Financial Officer.

A copy of the complete Vroman Severance Agreement and CXO Lite Consulting Agreement are included as an exhibits to this Annual Report.

#### *Kevin O’Donnell Employment Agreement and Separation Agreement*

On February 22, 2024, the Board appointed Kevin O’Donnell as Interim Chief Executive Officer of the Company, effective as of the Separation Date, to serve until a successor is chosen and qualified, or until his earlier resignation or removal.

On March 17, 2024, Kevin O’Donnell resigned as Executive Chairman and Interim Chief Executive Officer of the Company, effective immediately. Mr. O’Donnell’s resignation was not the result of any disagreement regarding any matter relating to the Company’s operations, policies, or practices.

In connection with Mr. O’Donnell’s resignation from these positions, on March 17, 2024, the Company and Kevin O’Donnell entered into a General Release and Severance Agreement (the “O’Donnell Severance Agreement”), effective as of March 17, 2024 (the “O’Donnell Effective Date”). The O’Donnell Severance Agreement terminated of the amended and restated employment agreement, by and between the Company and Mr. O’Donnell, effective as of October 21, 2022 (the “O’Donnell Employment Agreement”). Pursuant to the O’Donnell Severance Agreement, as of the O’Donnell Effective Date, the O’Donnell Employment Agreement shall terminate forever, and no party shall have any further obligation or liability thereunder except as related to any obligations that survive employment termination, including but not limited to the obligations set forth under the Employee Confidential Disclosure, Invention Assignment, Non-Competition, Non-Solicitation and Non-Interference Agreement, attached to the O’Donnell Employment Agreement.

Pursuant to the O’Donnell Severance Agreement, the Company will provide Mr. O’Donnell with (i) back pay wages through the Separation Date in the amount of \$138,000, less all lawful and authorized withholdings and deductions, to be paid as soon as practicable following the O’Donnell Effective Date and (ii) severance equal to 24 months of Mr. O’Donnell’s base salary, less all lawful and authorized withholdings and deductions, under the O’Donnell Employment Agreement. Pursuant to the O’Donnell Severance Agreement, the Company shall also provide Mr. O’Donnell with (i) reimbursement of the premiums associated with the continuation of Mr. O’Donnell’s health insurance for the period commencing on the Separation Date through and including September 27, 2024, pursuant to applicable law, (ii) reimbursement of expenses in accordance with the Company’s expense reimbursement policy, and (iii) the full vesting of any earned, outstanding and unvested shares of Common Stock subject to the Plan (as define below). The O’Donnell Severance Agreement also provides for a mutual waiver and release of any claims in connection with Mr. O’Donnell’s employment, separation and departure from the Company, and for certain customary covenants regarding confidentiality.

## Outstanding Equity Awards at Fiscal Year-End

None.

## Retirement Benefits

The Company expects to maintain a tax-qualified defined contribution plan that meets the requirements of Section 401(k) of the Internal Revenue Code (the “Code”), commonly called a 401(k) plan, for substantially all of its employees. The 401(k) plan will be made available on the same basis to all employees, including the named executive officers. Each participant in the 401(k) plan will be able to elect to defer from 0% to 100% of compensation, subject to limitations under the Code and Employee Retirement Income Security Act.

## Director Compensation

The Company’s board of directors’ compensation program is expected to be designed to provide competitive compensation necessary to attract and retain high quality non-employee directors and to encourage ownership of Company stock to further align their interests with those of our stockholders.

The director annual compensation program is expected to provide the following compensation for independent, non-employee directors following the Business Combination:

- A quarterly retainer (the “Quarterly Retainer”) of \$25,000, and 25,000 shares of the Company common stock, a supplemental 5,000 shares of the Company common stock as an annual retainer for each of the Audit Committee Chair, the Compensation Committee Chair, and the Nominating and Governance Committee Chair; and
- Additional compensation for ad hoc services on a case-by-case basis.

The following table presents summary information regarding the director compensation for each non-employee member of our board of directors for the years ended December 31, 2024.

Name	Year	Fees Earned or Paid in		Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
		Cash (\$)	(\$)						
Brian McFadden <sup>(1)</sup> .....	2024	\$ -	\$ -	-	-	-	-	-	-
Kevin O’Donnell <sup>(2)</sup> .....	2024	\$40,000	\$ -	-	-	-	-	-	\$40,000
Frank Jennings <sup>(3)</sup> .....	2024	\$40,000	\$ -	-	-	-	-	-	\$40,000
Louis Foreman <sup>(4)(6)</sup> .....	2024	\$40,000	\$ -	-	-	-	-	-	\$40,000
Mary Ann Halford <sup>(5)(6)</sup> .....	2024	\$40,000	\$ -	-	-	-	-	-	\$40,000

<sup>(1)</sup> Mr. McFadden served as a director from October 13, 2021 to March 17, 2024.

<sup>(2)</sup> Mr. O’Donnell has served as a director since October 15, 2021. He served as the Company’s Executive Chairman until March 17, 2024.

<sup>(3)</sup> Mr. Jennings has served as a director of since October 15, 2021.

<sup>(4)</sup> Mr. Foreman has served as a director of since October 15, 2021.

<sup>(5)</sup> Ms. Halford has served as a director of since October 15, 2021.

<sup>(6)</sup> No cash compensation was paid during the year ended December 31, 2024, but amounts were accrued within the Company’s financials.

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

### Security Ownership of Management and Certain Beneficial Owners

The following table sets forth information regarding the beneficial ownership of our common stock as of March 31, 2025 for:

- each person known by the Company to be a beneficial owner of more than 5% of the common stock of the Company;
- each of the Company's named executive officers and directors; and
- all executive officers and directors of the Company as a group.

The addresses of the executive officers and directors is 101 Larry Holmes Dr., Suite 313, Easton, PA 18042.

Beneficial ownership is determined according to the rules of the Securities and Commission, which generally provide that a person has beneficial ownership of a security if he, she, or it possesses sole or shared voting or investment power over that security, including options and warrants that are currently exercisable or exercisable within 60 days.

The beneficial ownership percentages set forth in the table below are based on 2,964,744 shares of common stock issued and outstanding as of March 31, 2025.

Unless otherwise indicated, the Company believes that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

Name and Address of Beneficial Owner <sup>(1)</sup>	Beneficial Ownership	
	Number of Shares	Percentage
<b>5% Stockholders</b> .....		
BHP Capital NY Inc. <sup>(2)</sup> .....	205,600	6.61%
<b>Named Executive Officers and Directors</b> .....		
Paul Vassilakos <sup>(3)</sup> .....	147,138	4.96%
Brett Vroman <sup>(4)</sup> .....	42,574	1.44%
Kevin O'Donnell <sup>(5)</sup> .....	28,752	0.97%
Frank Jennings <sup>(7)</sup> .....	45,703	1.54%
Louis Foreman <sup>(8)</sup> .....	45,701	1.54%
Mary Ann Halford <sup>(9)</sup> .....	45,736	1.54%
<b>Named Former Executive Officers and Directors</b> .....		
Brian McFadden <sup>(6)</sup> .....	1,227	0.04%
<b>Current Executive Officers and Directors as a group (six persons)</b> .....	355,604	11.99%

\* Less than 1%

(1) Includes 60,000 shares of common stock, 145,600 shares of common stock issuable upon the exercise of warrants and excludes 0 shares of common stock issuable upon the exercise of the warrants. Pursuant to the terms of the warrants, BHP may not exercise the warrants to the extent (but only to the extent) BHP or any of its affiliates would beneficially own upon such conversion or exercise a number of shares of our common stock which would exceed 9.99% of the outstanding shares of common stock of the Company. Bryan Pantofel is the President of BHP and has sole voting and investment power over these securities. BHP's address is 45 SW 9th Street, Suite 1603, Miami, Florida 33130. All shares reported are shares of the Company's common stock.

(2) Includes 130,883 shares of common stock, and 16,255 shares of common stock issuable upon conversion of the Note issued to Mr. Vassilakos in connection with the acquisition of Forever 8.

(3) Includes 568 shares of common stock and 42,006 shares of common stock to be issued pursuant to a stock option to be granted to Mr. Vroman. Excludes 23,147 shares of common stock contractually agreed to be issued to Mr. Vroman for the partial settlement of severance payments which have never been issued to Mr. Vroman.

(4) Represents 8,752 shares of common stock, of which 8,500 shares of restricted common stock remain unissued, and 20,000 shares of common stock to be issued pursuant to a stock option to be granted to Mr. O'Donnell. Excludes 23,147 shares of common stock contractually agreed to be issued to Mr. O'Donnell for the partial settlement of severance payments which have never been issued to Mr. O'Donnell.

(5) Represents 25,703 shares of common stock, of which 8,500 shares of restricted common stock remains unissued, and 20,000 shares of common stock to be issued pursuant to a stock option to be granted to Mr. Jennings.

(6) Represents 25,701 shares of common stock, of which 8,500 shares of restricted common stock remains unissued, and 20,000 shares of common stock to be issued pursuant to a stock option to be granted to Mr. Foreman.

(7) Represents 25,736 shares of common stock, of which 8,500 shares of restricted common stock remains unissued, and 20,000 shares of common stock to be issued pursuant to a stock option to be granted to Ms. Halford.

## Equity Compensation Plan Information

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)</u>
Equity compensation plans approved by security holders .....			(1)
Equity compensation plans not approved by security holders .....			
Total .....			

(1) The Company is currently authorized to issue up to an aggregate of 528,873 shares under our 2022 Long-Term Incentive Plan.

## ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

### Policies and Procedures for Related Person Transactions

The Company’s board of directors has adopted a written related person transaction policy that sets forth the following policies and procedures for the review and approval or ratification of related person transactions.

A “Related Party Transaction” is a transaction, arrangement, or relationship in which the Company or any of its subsidiaries was, is or will be a participant, the amount of which involved exceeds \$120,000, and in which any related party had, has or will have a direct or indirect material interest. A “Related Party” means:

- any person who is, or at any time during the applicable period was, one of the Company’s executive officers or a member of or nominee for the board of directors;
- any person (including any entity or group) who is known by the Company to be the beneficial owner of more than five percent (5%) of our voting stock;
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, daughter-in-law, brother-in-law or sister-in-law of a director, officer, or a beneficial owner of more than five percent (5%) of our voting stock, and any person (other than a tenant or employee) sharing the household of such director, executive officer, or beneficial owner of more than five percent (5%) of our voting stock;
- any of the foregoing persons that qualify as such at any time during the fiscal year in which a transaction that would otherwise be subject to this the policy occurs, even if such person has ceased to have such status during such fiscal year; and
- any firm, corporation, or other entity in which any of the foregoing persons is a partner or principal or in a similar position or in which such person has a ten percent (10%) or greater beneficial ownership interest.

In addition, we will have in place policies and procedures designed to minimize potential conflicts of interest arising from any dealings the Company may have with its affiliates and to provide appropriate procedures for the disclosure of any real or potential conflicts of interest that may exist from time to time. Specifically, pursuant to the Audit Committee charter, the Audit Committee will have the responsibility to review related party transactions.

### Related Party Transactions

On February 29, 2024, Forever 8 and Mainspring, LLC, an entity controlled by the Company’s Former Chief Executive Officer, entered into the Series B Loan and Security Agreement whereby Mainspring advanced Forever 8 \$50,000. Forever 8 issued Mainspring, LLC a Promissory Note in the amount of \$50,000 on this same date.

On February 26, 2024, Mainspring, LLC, purchased 60,976 shares of common stock through the Company’s February 2024 private placement.

On February 14, 2024, Forever 8 and Brett Vroman, the Company’s Chief Financial Officer, entered into the Series B Loan and Security Agreement whereby Mr. Vroman advanced Forever 8 \$100,000. Forever 8 issued Mr. Vroman a Promissory Note in the amount of \$100,000 on this same date.

On August 29, 2023, Forever 8 and Frank Jennings, a Company director, entered into the Series A Loan and Security Agreement whereby Mr. Jennings advanced Forever 8 \$100,000. Forever 8 issued Mr. Jennings a Promissory Note in the amount of \$100,000 on this same date.

On August 17, 2023, Forever 8 and Kevin O’Donnell, a Company director, entered into the Series A Loan and Security Agreement whereby Mr. O’Donnell advanced Forever 8 \$100,000. Forever 8 issued Mr. O’Donnell a Promissory Note in the amount of \$100,000 on this same date.

On June 21, 2023, Forever 8 and Brian McFadden, the Company’s Former Chief Executive Officer, entered into the Series A Loan and Security Agreement whereby Mr. McFadden advanced Forever 8 \$100,000. Forever 8 issued Mr. McFadden a Promissory Note in the amount of \$100,000 on this same date.

On May 30, 2023, Forever 8 and TXC Services, LLC, an entity controlled by a Forever 8 member, entered into the Series A Loan and Security Agreement whereby TXC Services, LLC advanced Forever 8 \$225,000. Forever 8 issued TXC Services, LLC a Promissory Note in the amount of \$225,000 on this same date.

On April 1, 2023, Forever 8 and Paul Vassilakos, the Company’s Chief Executive Officer, entered into the Series A Loan and Security Agreement whereby Mr. Vassilakos advanced Forever 8 \$675,000. Forever 8 issued Mr. Vassilakos a Promissory Note in the amount of \$675,000 on this same date.

On April 1, 2023, Forever 8 and TXC Services, LLC, entered into the Series A Loan and Security Agreement whereby TXC Services, LLC advanced Forever 8 \$975,000. Forever 8 issued TXC Services, LLC a Promissory Note in the amount of \$975,000 on this same date.

### Other Related Party Transactions

We have entered into indemnification agreements with each of our directors and executive officers. These agreements require us to indemnify and advance litigation expenses incurred by such individuals by reason of (i) their status as directors and/or officers of the Company, (ii) acts or omissions made in good faith, (iii) their service in any capacity with respect to an employee benefit plan of our company or one or more of our majority owned subsidiaries, or (iv) their service as directors, officers, managers, general partners, trustees, employees, or agents of another entity (including a majority owned subsidiary of our company) at our request while directors and/or officers of our company to the fullest extent permitted by applicable law.

Pursuant to the indemnification agreements, the Company will advance all reasonable expenses to be incurred by the indemnitee related to a proceeding for which the indemnitee is entitled to indemnification. The indemnitee shall repay to the Company any expenses advanced to the indemnitee if it is ultimately determined that the indemnitee is not entitled to be indemnified against such expenses.

### ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following is a summary of the fees billed to the Company by our auditors and tax professionals for professional accounting services rendered for the fiscal years ended December 31, 2024 and 2023.

	<u>Fiscal Year 2024</u>	<u>Fiscal Year 2023</u>
Audit Fees <sup>(1)</sup> .....	\$ 213,766	\$ 148,253
Audit-Related Fees.....	-	85,011
Tax Fees <sup>(2)</sup> .....	-	53,250
Other Fees <sup>(3)</sup> .....	-	10,789
<b>Total</b> .....	<u>\$ 213,766</u>	<u>\$ 297,303</u>

<sup>(1)</sup> Audit fees consist of fees billed for services rendered for the audit of our financial statements and review of our financial statements included in our quarterly reports on Form 10-Q. Other fees consist of comfort letter service fees.

<sup>(2)</sup> Tax fees consist of fees billed for professional services related to the preparation of our U.S. federal and state income tax returns.

<sup>(3)</sup> Other fees consist of fees billed for professional services related to non-recurring fees for the initial public offering and the acquisitions completed during the year.

## PART IV

### ITEM 15. EXHIBITS

<b>Exhibit No.</b>	<b>Description</b>
2.1#	Separation and Distribution Agreement, dated May 5, by and between Vinco Ventures, Inc. and the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 2.1 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
2.2#	Membership Interest Purchase Agreement, dated September 14, 2022, by and among Eightco Holdings Inc., Forever8 Fund, LLC, members of Forever 8, LLC set forth on the signature pages thereto and Paul Vassilakos (previously filed with the Securities and Exchange Commission as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed September 15, 2022)
3.1	Certificate of Incorporation (previously filed with the Securities and Exchange Commission as Exhibit 3.1 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
3.2	Bylaws (previously filed with the Securities and Exchange Commission as Exhibit 3.2 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
3.3	Certificate of Designation of the Series A Preferred Stock of the Company, dated January 19, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 3.1 to the Registrant's Current Report on Form 8-K dated January 20, 2023)
3.4	Certificate of Amendment to the Certificate of Incorporation of Eightco Holdings Inc. (previously filed with the Securities and Exchange Commission as Exhibit 3.1 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
3.5	Certificate of Amendment to the Certificate of Incorporation of Eightco Holdings, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 3.1 to the Registrant's Current Report on Form 8-K dated April 4, 2023)
4.1	Description of Securities (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Annual Report on Form 10-K filed April 2, 2024)
4.2	Form of Senior Indenture (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Registration Statement on Form S-3 filed February 5, 2024)
4.3	Form of Subordinated Indenture (previously filed with the Securities and Exchange Commission as Exhibit 4.2 to the Registrant's Registration Statement on Form S-3 filed February 5, 2024)
10.1	Amended and Restated Tax Matters Agreement, dated June 7, 2022 by and between Vinco Ventures, Inc. and the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Amendment No. 1 to Form S-1 dated June 7, 2022, with a filing date of June 8, 2022)
10.2+	2022 Incentive Compensation Plan (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.3+	Form of Restricted Stock Unit Award Grant Notice and Agreement to the 2022 Incentive Compensation Plan (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.4+	Employment Agreement by and between the Registrant and Brian McFadden (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K dated October 5, 2022)

<b>Exhibit No.</b>	<b>Description</b>
10.5+	Employment Agreement by and between the Registrant and Brett Vroman (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated October 5, 2022)
10.6	Form of Indemnification Agreement entered into between the Registrant and each of its directors and executive officers (previously filed with the Securities and Exchange Commission as Exhibit 10.6 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.7	Form of Amendment Agreement between Eightco Holdings Inc., Vinco Ventures, Inc., and Hudson Bay Master Fund Ltd., dated November 11, 2021 (previously filed with the Securities and Exchange Commission as Exhibit 10.11 to the Registrant's Amendment No. 1 to Form 10 on January 25, 2022)
10.7.1	First Amendment to the Amendment Agreement between Eightco Holdings Inc., Vinco Venture. Inc., and Hudson Bay Master Fund Ltd., dated May 5, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.7.1 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.8	Form of Eightco Holdings Inc. Warrant to Purchase Common Stock (previously filed with the Securities and Exchange Commission as Exhibit 10.12 to the Registrant's Amendment No. 1 to Form 10 on January 25, 2022)
10.9	Form of Registration Rights Agreement between Eightco Holdings Inc. and Hudson Bay Master Fund Ltd., dated November 11, 2021 (previously filed with the Securities and Exchange Commission as Exhibit 10.13 to the Registrant's Amendment No. 1 to Form 10 on January 25, 2022)
10.10#	Note Securities Purchase Agreement, dated January 26, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.10 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.11	First Amendment to Note Securities Purchase Agreement between Hudson Bay Master Fund Ltd., and Eightco Holdings Inc., dated May 5, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.10.1 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.12	Registration Rights Agreement, dated January 26, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.13 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
10.13	Form of Note related to the January 26, 2022 Note Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.14 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
10.14	Form of Warrant related to the January 26, 2022 Note Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.15 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
10.15	Form of Pledge Agreement related to the January 26, 2022 Note Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.16 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
10.16	Amendment Agreement, dated July 28, 2022, by and between Eightco Holdings Inc. and Hudson Bay Master Fund Ltd. (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated July 28, 2022)
10.17#	Form of Securities Purchase Agreement dated January 26, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.17 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
10.18	Amendment to Securities Purchase Agreement, by and among Eightco Holdings Inc. and BHP Capital NY, Inc., dated April 18, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.15.1 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)

<b>Exhibit No.</b>	<b>Description</b>
10.19	Form of Warrant related to the January 26, 2022 Equity Private Placement (previously filed with the Securities and Exchange Commission as Exhibit 10.18 to the Registrant's Amendment No. 2 to Form 10 dated March 18, 2022)
10.20#	Milestone Agreement, entered into in April 2022, between Eightco Holdings Inc., Emmersive Entertainment, Inc., and certain former shareholders of Emmersive Entertainment, Inc. identified therein. (previously filed with the Securities and Exchange Commission as Exhibit 10.17 to the Registrant's Registration Statement on Form S-1 filed May 9, 2022)
10.21	Hudson Bay Master Fund Ltd. Warrants dated May 18, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed May 24, 2022)
10.22	BHP Capital NY, Inc. Warrants dated May 20, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed May 24, 2022)
10.23	Form of Seller Promissory Note issued under the Membership Interest Purchase Agreement, by and among Eightco Holdings Inc., Forever 8 Fund, LLC, members of Forever 8, LLC set forth on the signature pages thereto and Paul Vassilakos (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed September 15, 2022)
10.24#	Form of Operating Agreement by and among Eightco Holdings Inc. Forever 8 Fund, LLC and the members listed on Exhibit B thereto (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed September 15, 2022)
10.25	Form of Subordination Agreement by and among Eightco Holdings Inc., Hudson Bay and the persons listed on Annex A thereto (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed September 15, 2022)
10.26	First Amendment to Amendment Agreement, dated September 14, 2022, by and among Eightco Holdings Inc. and Hudson Bay (previously filed with the Securities and Exchange Commission as Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed September 15, 2022)
10.27	Waiver, dated September 14, 2022, by and among Eightco Holdings Inc. and Hudson Bay (previously filed with the Securities and Exchange Commission as Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed September 15, 2022)
10.28	Registration Rights Agreement, dated October 1, 2022 (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed October 5, 2022)
10.29+	Amended and Restated Employment Agreement, dated October 18, 2022, by and between the Company and Brett Vroman. (previously filed with the Securities and Exchange Commission as Exhibit 10.30 to the Registrant's Registration Statement on Form S-1/A filed November 14, 2022)
10.30+	Amended and Restated Employment Agreement, dated October 18, 2022, by and between the Company and Brian McFadden. (previously filed with the Securities and Exchange Commission as Exhibit 10.31 to the Registrant's Registration Statement on Form S-1/A filed November 14, 2022)
10.31	Form of Second Amendment Agreement, dated January 6, 2023, by and between Eightco Holdings Inc. and the Investor (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed January 6, 2023)
10.32	Waiver Agreement, dated January 6, 2023, by and between Eightco and BHP (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed January 6, 2023)

<b>Exhibit No.</b>	<b>Description</b>
10.33	Waiver Agreement, dated January 19, 2023 by and between Eightco and Palladium Capital Group, LLC (previously filed with the Securities and Exchange Commission as Exhibit 10.34 to the Registrant's Registration Statement on Form S-1/A filed on January 24, 2023)
10.34	Waiver Agreement, dated January 18, 2023, among the members of Forever 8 Fund, LLC set forth on the signature pages to the Membership Interest Purchase Agreement, dated September 14, 2022, by and among Eightco Holdings Inc., Forever 8 Fund, LLC and members of Forever 8 Fund, LLC set forth on the signature pages thereto and Paul Vassilakos (previously filed with the Securities and Exchange Commission as Exhibit 10.35 to the Registrant's Registration Statement on Form S-1 filed January 23, 2023)
10.35	Securities Purchase Agreement, dated March 15, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.36	Form of Warrant related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.37	Form of Note related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.38	Form of Registration Rights Agreement related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.4 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.39	Form of Lock-Up Agreement related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.5 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.40	Form of Pledge and Security Agreement related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.6 to the Current Report on Form 8-K dated March 16, 2023)
10.41	Form of Guarantee Agreement related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.7 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.42	Form of Subordination Agreement Amendment related to the March 15, 2023 Securities Purchase Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.8 to the Registrant's Current Report on Form 8-K dated March 16, 2023)
10.43	Form of Pledge and Security Agreement, dated as of March 16, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed March 16, 2023).
10.44	Form of Lock-Up Agreement, dated as of March 16, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed March 16, 2023)
10.45	Form of Registration Rights Agreement, dated as of March 16, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed March 16, 2023)
10.46	Form of Note, dated as of March 16, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed March 16, 2023)
10.47	Form of Warrant, dated as of March 16, 2023 (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed March 16, 2023)

<b>Exhibit No.</b>	<b>Description</b>
10.48	Securities Purchase Agreement, dated as of March 15, 2023, by and between Cryptyde, Inc. and Buyers (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed March 16, 2023)
10.49	Letter Agreement, dated as of May 8, 2023, by and between Eightco Holdings Inc. and Sellers' Representative (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed May 10, 2023)
10.50	Debt Exchange Agreement, dated as of May 30, 2023, by and between Forever 8 Fund, LLC and TXC Services, LLC (previously filed with the Securities and Exchange Commission as Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed June 5, 2023)
10.51	Debt Exchange Agreement, dated as of May 30, 2023, by and between Forever 8 Fund, LLC and Paul Vassilakos (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed June 5, 2023)
10.52	Form of Promissory Note (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed June 5, 2023)
10.53	Loan and Security Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed June 5, 2023)
10.54	Form of Promissory Note (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed June 27, 2023)
10.55	Loan and Security Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed June 27, 2023)
10.56	Loan and Security Agreement Series C (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed October 24, 2023)
10.57	Lender Joinder Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed October 24, 2023)
10.58	Loan and Security Agreement Series B (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed October 24, 2023)
10.59	Prepayment and Redemption Agreement, dated as of October 23, 2023, by and between Eightco Holdings Inc. and the investor signatory thereto (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed October 24, 2023)
10.60	Loan and Security Agreement and Promissory Note between Forever 8 Fund, LLC and Todd Kuimjian (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed August 25, 2023)
10.61	Loan and Security Agreement and Promissory Note between Forever 8 Fund, LLC and Joseph Johnston (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed August 22, 2023)
10.62	Loan and Security Agreement and Promissory Note between Forever 8 Fund, LLC and Kevin O'Donnell (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed August 22, 2023)
10.63	Subordination Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed December 5, 2023)

<b>Exhibit No.</b>	<b>Description</b>
10.64	Form of Securities Purchase Agreement, dated as of February 26, 2024, by and between Eightco Holdings Inc. and the investors named therein (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed February 26, 2024)
10.65+	General Release and Severance Agreement, dated as of February 26, 2024, by and between Eightco Holdings Inc. and Brian McFadden (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed February 26, 2024)
10.66+	General Release and Severance Agreement, dated as of February 26, 2024, by and between Eightco Holdings Inc. and Brett Vroman (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed February 26, 2024)
10.67+	Consulting Agreement, dated as of February 22, 2024, by and between Eightco Holdings Inc. and CXO Lite, LLC (previously filed with the Securities and Exchange Commission as Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed February 26, 2024)
10.68	Series D Loan and Guaranty Agreement, dated as of March 15, 2024 (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.69	Subordination Agreement, dated as of March 15, 2024 (previously filed with the Securities and Exchange Commission as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.70	Intercreditor Agreement, dated as of March 15, 2024 (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.71	Seller Notes Amendment, dated as of March 17, 2024 (previously filed with the Securities and Exchange Commission as Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.72+	First Amendment to the General Release and Severance Agreement, dated as of March 17, 2024, by and between Eightco Holdings Inc. and Brian McFadden (previously filed with the Securities and Exchange Commission as Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.73+	General Release and Severance Agreement, dated as of March 17, 2024, by and between Eightco Holdings Inc. and Kevin O'Donnell (previously filed with the Securities and Exchange Commission as Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.74+	Employment Agreement, dated as of March 17, 2024, by and between Eightco Holdings Inc. and Paul Vassilakos (previously filed with the Securities and Exchange Commission as Exhibit 10.7 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.75+	Indemnification Agreement, dated as of March 17, 2024, by and between Eightco Holdings Inc. and Paul Vassilakos (previously filed with the Securities and Exchange Commission as Exhibit 10.8 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
10.76	Form of Non-Qualified Stock Option Agreement (previously filed with the Securities and Exchange Commission as Exhibit 10.9 to the Registrant's Current Report on Form 8-K filed March 18, 2024)
19.1	Insider trading policy
21.1	Subsidiaries of the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 21.1 to the Registrant's Annual Report on Form 10-K filed April 17, 2023)
23.2*	Consent of Morison Cogen LLP
31.1*	Certification of the Chief Executive Officer of the Company, pursuant to the Section 302 of the Sarbanes-Oxley Act of 2002.

<b>Exhibit No.</b>	<b>Description</b>
31.2*	Certification of the Chief Financial Officer of the Company, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer and Chief Financial Officer of the Company, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97.1	Clawback Policy (previously filed with the Securities and Exchange Commission as Exhibit 97.1 to the Registrant's Annual Report on Form 10-K filed April 2, 2024)
101.INS*	Inline XBRL Instance Document – the XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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.

\*\* To be filed by amendment or as an exhibit to a report pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act.

+ Management contract or compensatory plan or arrangement.

# Schedules and/or exhibits have been omitted from this filing pursuant to Item 601(a)(5) of Regulation S-K. We agree to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

#### **ITEM 16. FORM 10-K SUMMARY**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 15, 2025

### EIGHTCO HOLDINGS, INC.

By: /s/ Paul Vassilakos

Paul Vassilakos  
Chief Executive Officer and President  
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Paul Vassilakos</u> Paul Vassilakos	Chief Executive Officer and Executive Chairman (principal executive officer)	April 15, 2025
<u>/s/ Brett Vroman</u> Brett Vroman	Chief Financial Officer (principal financial and principal accounting officer)	April 15, 2025
<u>/s/ Kevin O'Donnell</u> Kevin O'Donnell	Director	April 15, 2025
<u>/s/ Frank Jennings</u> Frank Jennings	Director	April 15, 2025
<u>/s/ Louis Foreman</u> Louis Foreman	Director	April 15, 2025
<u>/s/ Mary Ann Halford</u> Mary Ann Halford	Director	April 15, 2025