

IV. RISK FACTORS

INVESTING IN THE SERIES C SHARES INVOLVES A HIGH DEGREE OF RISK AND MAY RESULT IN THE LOSS OF YOUR ENTIRE INVESTMENT. BEFORE MAKING AN INVESTMENT DECISION WITH RESPECT TO THE SERIES C SHARES, YOU SHOULD CAREFULLY CONSIDER EACH OF THE RISK FACTORS DESCRIBED BELOW, AS WELL AS ALL OTHER INFORMATION CONTAINED IN THIS MEMORANDUM. THE RISKS DESCRIBED BELOW ARE NOT EXHAUSTIVE. IN ADDITION TO THE RISKS SPECIFIED BELOW, THE COMPANY IS SUBJECT TO THE SAME RISKS THAT ALL COMPANIES IN ITS BUSINESS, AND ALL COMPANIES IN THE ECONOMY, ARE EXPOSED TO, INCLUDING RISKS RELATING TO ECONOMIC DOWNTURNS, POLITICAL AND ECONOMIC EVENTS, AND TECHNOLOGICAL DEVELOPMENTS. ADDITIONAL RISKS AND UNCERTAINTIES NOT PRESENTLY KNOWN TO THE COMPANY, OR WHICH THE COMPANY CURRENTLY CONSIDERS IMMATERIAL, MAY ALSO HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY'S BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS, AND PROSPECTS AND MAY RESULT IN THE TOTAL LOSS OF YOUR INVESTMENT. THE SERIES C SHARES SHOULD ONLY BE PURCHASED BY PERSONS WHO CAN AFFORD TO LOSE ALL OF THEIR INVESTMENT AND WHO HAVE NO NEED FOR LIQUIDITY WITH RESPECT TO THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, AND FINANCIAL ADVISORS PRIOR TO MAKING AN INVESTMENT DECISION.

A. RISKS RELATING TO OUR BUSINESS AND OPERATIONS

We Have a Limited Operating History as a Consolidated Entity and Our Prospects Must Be Considered in Light of the Risks Encountered by Early-Stage Companies.

The Company was incorporated in September 2023 and has a limited operating history as a consolidated legal entity. While certain of the Company's festival operations and brands have operated since 2019 through predecessor or related entities, the Company as currently constituted has not demonstrated sustained profitability. The Company is still in an early phase of implementing its business plan and there can be no assurance that it will ever operate profitably. The likelihood of the Company's success should be considered in light of the problems, expenses, difficulties, complications, and delays usually encountered by early-stage companies, including challenges in scaling operations, building organizational infrastructure, attracting and retaining talent, and executing in multiple international markets simultaneously. The Company reported negative EBITDA of (US\$3.2M) in 2024 (actual) and (US\$5.0M) in 2025 (actual), and projects negative EBITDA of approximately (US\$0.9M) in 2026 before reaching EBITDA profitability in 2027. There can be no assurance that the Company will achieve profitability on the timeline projected or at all. Failure to achieve or sustain profitability could impair the Company's ability to raise additional capital, service its obligations, and continue as a going concern. Notwithstanding the forgoing, there is a trend of reduction in negative EBITDA and management believes the costs savings already implemented and to be implemented will assist in meeting the profitability targets forecast.

Our Revenue Is Highly Concentrated in a Single Flagship Event.

Afro Nation Portugal represents the substantial majority of the Company's total revenue. The Company's 2025 (actual) revenue of US\$27.7M was driven primarily by a single annual festival held over a three-day period at one location. Any cancellation, postponement, material reduction in attendance, adverse weather event, force majeure, permit revocation, or regulatory action affecting Afro Nation Portugal would have a material adverse effect on the Company's revenue, financial condition, and results of operations for the affected year. Comparable companies in the live entertainment sector, including SFX Entertainment and Eventbrite, have disclosed similar revenue concentration risks, and several have experienced material financial distress as a result of event-level disruptions. The Company's diversification strategy – through licensed festivals, TMG Talent, and commercial partnerships – is at an early stage and may not generate sufficient revenue to offset the loss of Afro Nation Portugal revenues in any given year. Notwithstanding the following, since substantively launching the licensing model in late 2025, the business is in negotiations in two jurisdictions in respect of long form agreements (with heads of terms already signed) and heads of terms being negotiated in a third jurisdiction. Management expects all of these licensing deals to have terms of three years or more with either a fixed fee payable year on year or an incrementally increasing fee.

Our Business Depends on the Continuation of Exclusive Venue Rights at Portimão, Portugal.

The Company holds exclusive long-term venue rights to the Portimão beach site in the Algarve, Portugal through its subsidiary Malachite PRT Lda. These rights underpin the flagship Afro Nation Portugal festival and represent a critical operational asset. The loss of, or failure to renew, these venue rights – whether as a result of regulatory action, municipal or national government policy change, environmental restrictions, coastal management legislation, force majeure, or contractual default – would materially impair the Company's ability to operate its flagship festival at its current location. Relocation of Afro Nation Portugal to an alternative venue would require significant capital expenditure and operational disruption and could result in reduced attendance and commercial partnership value. There can be no assurance that the Company's exclusive venue rights will be renewed on commercially acceptable terms or at all. In order to mitigate these risks, the TMG Group is in discussions with the relevant local authorities (via local counsel engaged in Portugal) regarding an even longer term and more secure venue deal than that which is already in place.

Our Revenue Is Highly Seasonal, Creating Significant Cash Flow Volatility.

Substantially all of the Company's owned festival revenue is generated during a narrow seasonal window, principally the summer months. This seasonality creates significant cash flow volatility and requires the Company to incur substantial advance expenditure on artist bookings, production, venue infrastructure, marketing, and staffing many months before revenue is received. The Company has, in the last financial year, relied on a Receivables Purchase Agreement (the "RPA") facilities to bridge the gap between advance expenditure and ticket sale proceeds, and had outstanding RPA liabilities of approximately US\$7.1M as of year-end 2025. The seasonal nature of our business means that a single adverse event in any year – including an

event cancellation, a pandemic-related restriction, or a force majeure event – could eliminate substantially all of the Company’s revenue for that year while contractual obligations to artists, venues, and production companies remain payable. In order to mitigate these risks, historically, the business has also curated festivals in winter months in alternative territories, including South Africa and Ghana. In addition, the licensing model is intended to relieve the business of much of the up-front expenditure referred to above. Finally, the business has a policy of insuring any of its curated events and, whilst this does not guarantee coverage in certain circumstances, there are a number of force majeure events which could be covered by insurance.

Our Business Depends on the Sustained Global Popularity of Afrobeats, Amapiano, and Related African Music Genres.

The commercial viability of our live experience portfolio depends on the sustained global cultural relevance and commercial growth of Afrobeats, Amapiano, and related African music genres. Consumer tastes in music are inherently unpredictable and subject to rapid change. While these genres have experienced significant growth in global streaming and live event audiences over the past decade, there can be no assurance that this growth will continue. A decline in mainstream global interest in these genres, the emergence of competing musical movements, a reduction in the commercial profile of key African artists, or a shift in the demographics of our core audience could materially reduce fan demand, ticket sales, artist booking fees, and commercial partnership revenues.

We Face Intense Competition From Significantly Larger and Better-Capitalized Companies.

The global live entertainment industry is highly competitive. We compete for artist talent, venue rights, sponsorship budgets, and audience attention against companies with substantially greater financial resources, operational scale, global infrastructure, and brand recognition, including Live Nation Entertainment, AEG Presents, and their affiliated promoters and venues. In the ticketing market, we face competition from Ticketmaster, AXS, and other established platforms with significantly greater technology investment and distribution reach. In the talent representation market, we compete against UTA, WME, CAA, and Wasserman, each of which has global platforms and existing African artist relationships. As disclosed in the S-1 filings of Endeavor Group Holdings, Madison Square Garden Entertainment, and TKO Group Holdings, consolidation among major live entertainment and sports entertainment companies has accelerated in recent years, potentially disadvantaging smaller independent operators. There can be no assurance that the Company will be able to compete effectively against these larger operators.

Our Ability to Attract and Retain Top-Tier Artists Is Critical and Subject to Numerous Uncertainties.

The commercial success of our live events and talent representation business depends on our ability to attract and retain in-demand African and global artists as headliners and roster clients. Artist availability is subject to competing engagements, exclusive arrangements with other promoters, personal circumstances including health, contractual obligations to record labels and

managers, and market-driven fee escalation driven by competition from better-capitalized promoters. The loss of one or more headline artists – particularly for Afro Nation Portugal – could result in materially reduced ticket sales, sponsor withdrawal, and significant financial loss. As we develop our TMG Talent representation roster, artists may choose to be represented by larger, more established agencies with greater global reach and resources. There can be no assurance that artists we seek to book or represent will enter into, or renew, arrangements with us on commercially acceptable terms. Notwithstanding the forgoing, the business has, historically, navigated the loss of headline artists without significant brand damage or loss of consumer confidence. The business benefits from having as its Founder someone who has tangible and significant links and connections within the world of global African Artists.

We Are Implementing New Lines of Business That Are Subject to Significant Execution Risk.

As a company with an evolving business model, we are actively developing and launching new business lines, including TMG Talent and adjacent genre festival brands). There are substantial risks and uncertainties associated with these efforts, particularly where markets are not fully developed or where we have limited operating history. Initial timetables for the introduction and development of new business lines may not be achieved, and revenue and profitability targets may not prove feasible. We may invest significant time and resources in developing new products, services, or market expansions that do not achieve anticipated commercial acceptance or returns. As a result, our business, financial condition, or results of operations may be adversely affected. To counter these risks, the business intends to take a measured approach to expansion across territories and business lines. The most significant area of anticipated expansion is within the licensing model, which is designed to reduce local risk exposure to the business, as licensed events are generally funded by the licensee, although the terms of individual licensing arrangements may vary.

Our Ability to Secure and Retain Top-Tier Artists Is Critical and Artist Booking Costs Have Increased Significantly.

Artist fees for top-tier global and African artists have increased significantly in recent years, driven by competition among major promoters, the growing global profile of African music artists, and the post-pandemic recovery of live entertainment. As disclosed by Live Nation, Endeavor, and TKO Group Holdings in their public filings, artist compensation represents the single largest cost item for live event promoters. Continued escalation in artist booking fees could compress our festival profit margins, reduce the financial viability of certain events, and require us to increase ticket prices, which may reduce demand.

We Depend on Third-Party Suppliers, Contractors, and Service Providers Whose Performance We Cannot Fully Control.

Our ability to deliver high-quality live events depends on a network of third-party suppliers, production contractors, logistics providers, local promoters, venue operators, and other service providers. Our ability to meet our obligations to attendees, commercial partners, and artists may be adversely affected if these third parties do not perform their contracted obligations in a timely,

cost-effective, and quality-assured manner. Suppliers and contractors may be subject to financial difficulties, natural disasters, regulatory constraints, or other events beyond their control that impair their ability to perform. In certain markets, particularly across Africa, the availability of qualified local service providers with the operational standards required by the business may be limited. Disruptions in our supply chain or the failure of a key contractor could result in event quality issues, cancellations, cost overruns, and reputational damage. To counter these risks, the business seeks to build strong local relationships in each territory in which it operates. In Portugal, for example, the business has developed longstanding supplier relationships that it maintains on an ongoing basis. More generally, when operating in a new location for the first time, the business endeavors to leverage existing contacts and connections in that location, and where practicable, prioritizes locations in which such relationships are already established.

Our Brand Licensing Business Depends on Third-Party Licensees Who We Cannot Fully Control.

A portion of our revenues are derived from licensing the Afro Nation brand and other proprietary IP to third-party promoters in markets including Detroit, Ghana, and South Africa. These licensees are contractually obligated to pay minimum guaranteed fees, comply with TMG's brand standards, and operate events in accordance with TMG's creative direction. However, we have limited ability to control the day-to-day operations of our licensees, and any failure by a licensee to meet brand standards, fulfill financial obligations, or operate events to the quality required by TMG could result in non-payment of fees, reputational damage to the Afro Nation brand, litigation, and loss of future licensing opportunities. The insolvency or financial distress of a licensee could result in the loss of contracted revenues with limited recourse. To mitigate these risks, the business will in many cases, as part of a licensing arrangement, offer curation services to the licensee to help maintain brand standards. In addition, the business may require that funds be placed into escrow by the Licensee prior to the event, providing a degree of protection with respect to both fee payment and the availability of resources necessary to deliver the event.

We Are Dependent on a Small Number of Key Personnel and Do Not Have Key Person Insurance on All Such Individuals.

Our success depends critically on the continued service of a small number of key individuals, including our Founder Obi Asika, our Chief Executive Officer Natasha Manley and our Director of Marketing & Partnerships, Clemence Blum. The loss of any of these individuals – whether through resignation, incapacity, death, competing employment, or breach of contractual obligations – could have a material adverse effect on our artist relationships, commercial partnerships, investor relationships, and strategic direction. The Company intends to maintain key person insurance for certain individuals; however, it does not currently have key person insurance in place for all key personnel, and any insurance maintained may not fully compensate for the loss of their contributions. Competition for experienced talent in the live entertainment, talent representation, and cultural marketing industries is intense, and we may be unable to attract qualified replacements on commercially acceptable terms or at all.

Damage to Our Reputation or Brand Could Materially and Adversely Affect Our Business.

Our reputation and the strength of the Afro Nation and other event brands are critical to our business. Any incident that erodes consumer loyalty for our brands – including an event safety incident, an artist controversy, a customer service failure, a data breach, or any other adverse public event – could significantly reduce the value of our brands and damage our business. Negative publicity, regardless of its accuracy, may harm our performance and prospects. The rapid dissemination of information through social media platforms means that adverse information may spread rapidly and broadly, causing immediate and potentially severe harm to our reputation without affording us an opportunity for timely redress or correction. The harm caused by reputational damage in the live entertainment sector may be particularly acute given the premium positioning of our brands and the high level of audience engagement and expectation associated with our events. That said, as with other operators in this sector, the business has encountered certain of these circumstances and believes it has successfully navigated them with limited brand or reputational impact, due in part to its customer service personnel and the support of its PR and legal advisors.

Our Proprietary Ticketing Platform and Digital Infrastructure Are Subject to Operational, Cybersecurity, and Data Protection Risks.

We operate a proprietary white-label ticketing platform through which we retain a 14% booking fee on all ticket sales and collect first-party customer data from our 1.5M+ registered fans. Any system failure, prolonged outage, cybersecurity incident, data breach, ransomware attack, fraudulent activity, or denial-of-service attack affecting our platform could result in loss of booking fee revenue, inability to process ticket sales, loss or corruption of customer data, reputational damage, and regulatory penalties. Our systems may contain defects or vulnerabilities not currently identified, and sophisticated attackers may be able to penetrate our network security and misappropriate confidential customer or commercial information. The security and privacy requirements imposed by applicable regulation – including the UK GDPR and EU GDPR – are increasingly demanding. Failure to meet these requirements could result in fines of up to 4% of global annual turnover, civil litigation, and reputational harm. Additionally, we rely on certain third-party technology providers for elements of our ticketing and data infrastructure, and any failure or security breach by such providers could adversely affect our operations.

Force Majeure, Public Health, Weather, and Other Uncontrollable Events May Disrupt or Cancel Our Events.

Our live events are susceptible to cancellation, postponement, or material disruption from events beyond our control, including extreme weather events, natural disasters, pandemics or epidemic disease outbreaks, terrorism or civil unrest, power failures, governmental restrictions on mass gatherings, and other force majeure events. As demonstrated during the COVID-19 pandemic, government-mandated restrictions on public gatherings can result in the cancellation of substantially all live events across entire seasons with devastating financial consequences for event promoters. Event cancellation can simultaneously trigger refund obligations to ticketholders while rendering non-refundable artist fees, production deposits, venue costs, and marketing expenditures unrecoverable. We may be unable to obtain event cancellation insurance on commercially reasonable terms, and any insurance obtained may not fully cover our losses or

may be subject to exclusions applicable to the specific cause of cancellation. That said, the business maintains a policy of carrying insurance coverage for its events, which is intended to cover, at a minimum, event costs and ticket refunds. While such coverage does not extend to every force majeure event, the business seeks to obtain insurance for all insurable risks.

Our International Operations Expose Us to Significant Political, Regulatory, Currency, and Logistical Risks.

We operate and license events across multiple international jurisdictions, including the United Kingdom, Portugal, the United States, Ghana, South Africa, and the Dominican Republic, and plan to expand into additional markets. International operations expose us to: foreign currency fluctuations; changes in local laws, tax regimes, and regulatory requirements; political instability and civil unrest; import and export restrictions affecting equipment, personnel, and intellectual property; difficulties enforcing contracts in foreign jurisdictions; and local permitting risks that may vary significantly from market to market. Operations in African markets are subject to elevated political and regulatory risks, currency controls, and logistical challenges that may impair our ability to execute licensed festivals and develop TMG Talent operations on the continent. Our Portuguese subsidiary is subject to Portuguese law and EU regulatory requirements, including environmental and coastal management regulations that may affect our Portimão venue rights.

We Are Subject to Risks Associated With Expansion Into New Markets.

Our growth strategy depends in part on expanding our festival brands and licensing operations into new geographic markets in Africa, the Middle East, Asia, and additional markets in Europe and the Americas. Expansion into new markets involves significant risks, including unfamiliarity with local regulatory environments, cultural sensitivities, competition from established local promoters, difficulties in identifying and contracting reliable local partners, and the risk that new market events will not achieve sufficient attendance or commercial partnership support to be financially viable. There can be no assurance that our existing brands will resonate with audiences in new markets or that new market events will generate sufficient returns to justify the associated investment. The business considers carefully the markets into which it expands and generally does so only where there is data supporting the commercial case for expansion, or on a licensing basis where the financial exposure to the business is expected to be limited.

Our Intellectual Property May Be Difficult to Protect and May Be Subject to Infringement.

Our business depends significantly on our owned and licensed intellectual property, including the Afro Nation, Piano People, Afrotronic, and LIT Everywhere brand names, trademarks, and associated creative IP which are all held within the TMG Group. The unauthorized use, infringement, or misappropriation of our intellectual property by third parties – including the operation of unauthorized events using our brand names, the unauthorized sale of merchandise, or the digital reproduction of our event content – could dilute the value of our brands, divert revenue, and require costly enforcement action. Trademark and IP protection across multiple international jurisdictions, particularly in markets where IP enforcement may be limited, presents significant ongoing challenges. In order to protect or enforce our IP rights, we may be required to

initiate litigation against third parties, which could be expensive, time-consuming, and divert management attention from our core business. There can be no assurance that our IP registrations will provide adequate protection or that we will prevail in any enforcement action. To mitigate these risks, the business maintains a policy of registering its trademarks across multiple jurisdictions. The business also seeks to respond promptly to any perceived infringement of its intellectual property rights. In its licensing arrangements, the business restricts the use of its intellectual property to the licensed event itself and does not permit licensees to use any TMG Group intellectual property for any other purpose.

The Live Entertainment Industry Is Subject to Significant Crowd Safety and Liability Risks.

The operation of large-scale live events creates inherent risks of personal injury, property damage, and death arising from crowd crushing, stage failures, security incidents, and other hazards. High-profile crowd safety incidents at music festivals globally have led to increased regulatory scrutiny, enhanced permitting requirements, and significant litigation liability for event promoters. Any major crowd safety incident at one of our events could result in liability claims exceeding our insurance coverage, reputational damage that impairs future ticket sales and commercial partnerships, and regulatory requirements that materially increase our operating costs. The health and safety of event attendees is a primary operational priority of the business, and the business seeks advice from local experts to advise on site capacity, applicable safety requirements, and relevant recommendations.

The Entertainment Industry Is Subject to Rapid Technological Change and Disruption.

The live entertainment and music industry is subject to rapid technological change, including the growth of streaming platforms, virtual and augmented reality live experiences, and direct-to-fan engagement tools. As disclosed in the S-1 filings of Endeavor Group Holdings and TKO Group Holdings, the convergence of live entertainment, digital media, and technology continues to reshape how audiences discover and consume entertainment. While we believe live in-person experiences are differentiated from digital alternatives, there can be no assurance that technological developments will not reduce demand for our events or enable competitors to reach our target audience more effectively and at lower cost.

B. RISKS RELATING TO OUR FINANCIAL CONDITION AND CAPITAL STRUCTURE

The Amount of Capital We Are Attempting to Raise May Not Be Sufficient to Sustain Our Business Plan and We May Face Difficulty Raising Additional Capital.

In order to achieve our near and long-term goals, we may need to procure funds in addition to the amount raised in this Offering. There is no guarantee that we will be able to raise such funds on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we may not be able to execute our business plan, our continued operations may be in jeopardy, and we may be forced to curtail or cease operations, which could cause investors to lose all or a portion of their investment. We may have difficulty raising needed capital in the future as a result of, among

other factors, our pre-profitability stage, the inherent business risks associated with the live entertainment industry, and present and future market conditions. Additionally, any additional equity financing will result in dilution to existing shareholders including Series C investors, and any additional debt financing may impose restrictive covenants that limit our operational flexibility. That said, the business's current business plan does not project any additional funding requirement beyond the amount to be raised in this Offering.

We Have Incurred Significant Net Losses and Require Additional Capital to Execute Our Business Plan.

The Company has incurred net losses after tax in 2024 and in 2025. The Company's ability to achieve its projected revenue growth and reach EBITDA profitability in 2027 depends on the successful execution of its business plan and the successful deployment of the proceeds of this Offering. If the Company requires additional capital beyond this Offering, there can be no assurance that such financing will be available on commercially acceptable terms or at all.

Our Financial Information Has Not Been Independently Audited and Our Projections Have Not Been Independently Verified.

The forward-looking financial projections contained in this Memorandum are derived exclusively from the Company's internal business plan and have not been audited, reviewed, or verified by any independent accountant, financial adviser, or auditor. The historical financial figures presented for 2024 (actual) and 2025 (actual) are derived from the Company's internal management accounts and have not yet been independently audited. There can be no guarantee that there are no significant deficiencies or material weaknesses in the quality of the Company's financial and disclosure controls and procedures. Investors should not place undue reliance on any financial information contained in this Memorandum and are strongly encouraged to engage their own accountants and financial advisers to conduct independent due diligence prior to making an investment decision.

The Company Is Not Subject to Sarbanes-Oxley or Equivalent Mandatory Public Company Financial Controls.

As a privately held English company that is not subject to U.S. public company reporting requirements, the Company is not required to comply with the Sarbanes-Oxley Act of 2002 or equivalent mandatory internal control requirements applicable to U.S. public companies. The Company may not have the internal control infrastructure that would meet the standards of a public company, and there can be no guarantee that there are no significant deficiencies or material weaknesses in its financial and disclosure controls. If it were necessary to implement such controls – including in connection with a future IPO – the cost of compliance could be substantial and could have a material adverse effect on the Company's results of operations.

Currency Fluctuations May Materially Affect Our Financial Results.

The Company operates across multiple currencies, with revenues generated primarily in EUR and USD, while its cost base includes significant GBP-denominated expenditure. Significant

fluctuations in GBP/EUR, GBP/USD, or EUR/USD exchange rates could materially affect the Company's reported revenues, gross margins, and net assets. The Company does not currently use formal currency hedging instruments, and there can be no assurance that it will implement hedging arrangements in the future or that any such arrangements would be effective.

The Company's Receivables Purchase Agreement Facilities Create Liquidity, Security, and Operational Risks.

Pursuant to a Master Framework and Intercreditor Agreement dated November 2025 with SAPI Group Limited (as security agent and servicer), the Company has arranged three receivables purchase facilities totaling EUR 7,000,000 (Facility A: EUR 3,500,000; Facility B: EUR 2,000,000; Facility C: EUR 1,500,000), each with a Long Stop Date of November 2027. The RPA Facilities operate as a sale of future ticket receivables from specified events – including Afro Nation Portugal 2026, Afro Nation Dominican Republic 2026, and Afro Nation 2027 – rather than a conventional loan. Recovery under this agreement is effected by an aggregate revenue sweep of approximately 18.8% of all ticket sale proceeds (once all three facilities are drawn), directed irrevocably to a collection account held by SAPI. The effective cost escalates materially based on collection speed: applicable factor rates range from 1.16x to 1.22x for Facility A, 1.37x to 1.90x for Facility B, and 1.18x to 1.70x for Facility C – meaning the Company bears significantly higher financing costs if events underperform or are delayed. As of year-end 2025, the outstanding RPA liability was approximately US\$7.1M, with approximately US\$6.1M in scheduled repayments projected in 2026.

The RPA Facilities are secured by a first fixed charge debenture over the Afro Nation intellectual property held through TMG IP Holdings Limited (the “**IP Guarantor**”), which has provided a continuing guarantee of the Company's obligations. Upon an Enforcement Event – which includes failure to pay, breach of any covenant, insolvency of any obligor, or any Transaction Document ceasing to be in force – SAPI (acting on instructions of Majority Creditors holding more than 66⅔% of outstanding advances) may declare all amounts immediately due, appoint a receiver over the IP Guarantor, and sell the Afro Nation intellectual property. Such enforcement would be materially and irreparably adverse to the value of the Series C Shares, as the Afro Nation brand constitutes the Company's primary commercial asset.

The RPA Facilities impose material ongoing covenants, including: a negative pledge over all Company assets; a prohibition on additional financial indebtedness; an obligation to process not less than 90% of ticket sales through Easol Trading Limited; a prohibition on changing payment services provider without SAPI's consent; and a change of control restriction requiring SAPI's prior written consent to any change in the direct or indirect ownership or control of the Company. The latter covenant may be triggered by any future equity financing.

The Company has, historically relied on RPA facilities to advance ticket sale receivables to fund event production expenditure in advance of events. Whilst there is no expectation that these arrangement will be utilized by the business in the future, if there is such a need, there can be no assurance that RPA facilities will be available on acceptable terms in future periods, or at all, particularly in the event of a material deterioration in the Company's financial performance or the occurrence of an Enforcement Event under any Transaction Document. If RPA facility access is required but is not available this could create a severe liquidity constraint and impair the Company's ability to produce events.

Inflation and Rising Input Costs May Compress Our Margins.

The Company's cost base includes significant elements subject to inflationary pressure, including artist fees, production and logistics costs, venue infrastructure costs, staffing costs, and marketing expenditure. If input costs rise faster than we are able to increase ticket prices or grow commercial partnership revenues, our festival profit margins may be compressed. There can be no assurance that the gross margin expansion projected in the Company's business plan will be achieved.

C. RISKS RELATING TO REGULATION, COMPLIANCE, AND OTHER FACTORS

We Are Subject to Extensive and Evolving Regulation Across Multiple Jurisdictions.

Our operations are subject to extensive laws and regulations in the United Kingdom, Portugal, the United States, Ghana, South Africa, and other jurisdictions where we operate or license events. Applicable regulations include those governing event permitting and public safety; employment and labor; data protection and privacy (including the UK GDPR, EU GDPR, and applicable U.S. state privacy laws); consumer protection; alcohol licensing; environmental compliance; tax; and foreign investment. Compliance with applicable regulations requires significant management attention and financial resources. Failure to comply with any applicable law or regulation could expose the Company to material fines, permit revocations, civil litigation, reputational damage, and potential criminal liability for directors and officers.

Anti-Corruption, Anti-Money Laundering, and Sanctions Compliance Risks.

Our operations in Africa, the Middle East, the Caribbean, and other emerging markets expose us to heightened risks under applicable anti-corruption, AML, and international sanctions laws and regulations, including the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act, EU AML directives, the UK Proceeds of Crime Act 2002, OFAC sanctions regulations, and UN Security Council sanctions. Any finding of non-compliance – including a violation by a licensee or local partner – could result in criminal prosecution, civil penalties, reputational damage, and the loss of access to U.S. dollar clearing and banking services.

Tax Risks Across Multiple Jurisdictions May Affect Our Financial Results.

The Company and its subsidiaries are subject to tax in the United Kingdom, Portugal, the United States, and other jurisdictions. Changes in applicable tax laws or regulations, challenges by tax authorities to the Company's tax positions, transfer pricing arrangements between Group Companies, or the imposition of withholding taxes on cross-border payments could materially increase the Company's tax liabilities.

Global Crises and Geopolitical Events Can Have a Significant Effect on Our Business Operations and Revenue.

A significant outbreak of contagious diseases, geopolitical conflicts, wars, or other global crises could result in widespread disruption to economies, financial markets, travel, and consumer behavior. Such events could adversely affect the economies and financial markets of many countries, including the United Kingdom, the United States, and the European Union – our

primary markets – resulting in reduced demand for live entertainment, restrictions on public gatherings, impaired international travel, and our inability to raise additional capital on acceptable terms, if at all. As demonstrated by the COVID-19 pandemic, such events can have sudden, severe, and prolonged effects on the live entertainment industry with limited notice.

Adverse Macroeconomic Conditions May Reduce Consumer Spending on Live Entertainment.

Demand for live entertainment experiences is sensitive to general macroeconomic conditions. A recession, significant increase in unemployment, decline in consumer confidence, or sustained period of elevated inflation – particularly in the United Kingdom, Europe, and the United States – could reduce discretionary consumer spending on live entertainment and travel. Our destination festival model, in which a significant proportion of attendees travel internationally with an average stay of 5.7 nights, makes our revenue particularly sensitive to travel costs, which are subject to significant fluctuation.

Climate Change and Environmental Regulations May Affect Our Outdoor Events.

Climate change presents risks to our outdoor festival operations, including more frequent and severe weather events, rising temperatures, and coastal erosion or flooding risks that could affect our Portimão beach venue. Increasing regulatory requirements relating to environmental impact assessments, carbon reporting, single-use plastics restrictions, and noise pollution may increase our operating costs and restrict our operations.

D. RISKS RELATING TO THE OFFERING, THE SERIES C SHARES, AND INVESTING IN AN ENGLISH COMPANY

There Is No Public Market for the Series C Shares, the Offering Price Has Been Determined by the Company, and There Is No Guarantee of a Return on Investment.

The Series C Shares are privately placed restricted securities and are not listed or traded on any stock exchange, alternative trading system, or other organized trading platform. No public market for the Series C Shares exists or is expected to develop, and the offering price has been established by the Company with reference to the Pre-Money Valuation rather than by reference to any established market price. The offering price should not be considered an indication of the actual value of the Series C Shares and is not based on an independent valuation. There is no assurance that investors will realize a return on their investment or that they will not lose their entire investment. Investors may be unable to liquidate their investment for an indefinite period and the only liquidity mechanisms available are a negotiated private sale – subject to significant transfer restrictions – or an exit or IPO at a time and on terms in HSEH’s sole discretion. Additionally, Investors will only have a beneficial interest in the Series C Shares, not legal ownership, which may make their resale more difficult as it will require coordination with the Custodian.

The Custodian shall serve as the legal title holder of the Securities. Investors will only obtain a beneficial ownership in the Securities.

The Issuer and the Investor shall appoint and authorize the qualified third-party Custodian for the benefit of the Investor, to hold the Series C Shares in registered form in the Custodian's name or the name of the Custodian's nominees for the benefit of the Investor and the Investor's permitted assigns. The Custodian may take direction from any proxy, who will act on behalf of the Investors, and the Custodian may be permitted to rely on such proxy's instructions related to the Series C Shares. Investors may never become an equity holder, merely a beneficial owner of an equity interest.

Nominee.

The title holder of the Series C Shares will be a trust established by and maintained by Nominee for the purposes of safeguarding the Series C Shares and providing for efficiencies with respect to tax reporting, distributions and estate planning purposes related to the Securities. Pursuant to the terms of the Omnibus Nominee Trust Agreement (attached as **Exhibit C**), Investors are engaging Nominee as its limited agent to safeguard and provide certain limited services with respect to the Series C Shares held in trust. Investors are appointing Nominee to act as nominee for the Investors, to serve in such capacity until the appointment and authority conferred is revoked, for the limited purpose of causing to be held, and holding, in the name of Nominee alone, title to the Series C Shares beneficially owned by the Investors and acquired by Nominee for the benefit of Investors or otherwise conveyed to Nominee in accordance with the directions of the Investors, with power and authority limited to registering and holding the Securities in Nominee's name, and otherwise acting with respect to the Series C Shares in accordance with the instructions of the Investors, as provided in the Omnibus Nominee Trust Agreement or as may be given by the Investors from time to time. The Nominee will have no right or authority to act with respect to the Series C Shares, except upon the instructions of the Investors. An Investor may, at any time, in its absolute discretion, terminate the Omnibus Nominee Trust Agreement in whole or in part; provided, however, that no such termination will be effective with respect to any Series C Shares the transfer of which is restricted by contract, law, edict or otherwise unless consented to by the Issuer thereof (including by blanket consent). Nominee's sole function during the term of the Omnibus Nominee Trust Agreement will be to hold nominal legal title to the Series C Shares for the benefit of the Investors under and subject to the Investor's instructions. If a transfer, resale, assignment or distribution of the Security should occur or, if the Series C Shares are still held by the original purchaser directly, the transferee, purchaser, assignee or distributee, as relevant, will be required to sign an Omnibus Nominee Trust Agreement (as defined in the Security).

The Series C Shares Are Subject to Significant Transfer Restrictions Under Both U.S. Securities Laws and English Law.

The Series C Shares are restricted securities under the Securities Act and may not be resold or transferred in the United States absent registration or an available exemption. Rule 144 imposes a minimum one-year holding period for non-reporting issuers. In addition, transfers are subject to pre-emption rights in favor of all other shareholders; HSEH consent for transfers to non-shareholders; and compliance with AML and KYC requirements. These overlapping

restrictions substantially impair investors' ability to transfer the Series C Shares and may make it practically impossible to find a willing buyer at an acceptable price.

Investors May Experience Substantial Dilution From Future Issuances.

The Company may issue additional equity securities in the future, including pursuant to the MIP Allocation (representing at least 5% of fully diluted share capital post-Investment); future financing rounds; the conversion of Existing Preference Shares; and the exercise of any future warrants or options. While Series C investors have pre-emption rights on new issuances under the Articles, these rights are subject to exceptions. Any future issuances will dilute Series C investors' percentage ownership and could adversely affect the value of their investment. Each round of financing is typically intended to provide the Company with enough capital to reach the next major milestone, and if funds are insufficient, the Company may have to raise additional capital at prices unfavorable to existing investors.

The Liquidation Preference Structure May Result in Series C Investors Receiving Less Than Expected in an Exit or Liquidation.

On a liquidation, winding-up, return of capital, or change of control transaction, the Series C Shares carry a 1x non-participating liquidation preference ranking senior to the Existing Preference Shares and all ordinary shares. The non-participating nature of the liquidation preference means that Series C investors will not participate in upside above their liquidation preference amount unless they convert to ordinary shares. Any future issuance of shares with a more senior liquidation preference would rank ahead of the Series C Shares.

The Offering Is Being Conducted on a Best-Efforts Basis With No Minimum Closing Condition.

This Offering is being conducted on a best-efforts basis and there is no minimum aggregate subscription amount that must be received as a condition to any closing. If the Company raises significantly less than the Maximum Offering Amount of US\$5,000,000, the proceeds available to fund the Company's business plan will be reduced, which may impair the Company's ability to achieve its projected financial results.

Management Has Broad Discretion Over the Use of Proceeds and Investors Have Limited Ability to Influence How Proceeds Are Deployed.

The Company's management will have considerable discretion over the use of proceeds from the Offering. While this Memorandum describes the Company's current intentions regarding the use of proceeds, management may alter the allocation of proceeds based on changed circumstances, unforeseen events, or strategic priorities. Investors may not have the opportunity, as part of their investment decision, to assess whether the proceeds are being used appropriately, and there can be no assurance that the proceeds will be deployed in a manner that maximizes investor returns.

This Offering Is Conducted Pursuant to Rule 506(c) and Neither the Offering Nor the Securities Have Been Reviewed or Approved by the SEC or Any Other Governmental Authority.

This Offering is being made in reliance on Rule 506(c) of Regulation D. The SEC has not reviewed this Memorandum or any document or literature related to this Offering, and has not passed upon the merits or accuracy of this Memorandum or the terms of the Offering. Neither the Offering nor the Series C Shares have been registered under federal or state securities laws, and investors will not receive certain benefits available in registered offerings, including access to quarterly and annual financial statements audited by an independent accounting firm. Investors must assess the adequacy of disclosure and the fairness of the terms of this Offering based solely on the information provided in this Memorandum and the accompanying documents. If any investor provides false or misleading information regarding its accredited investor status, or if the Company's verification procedures are subsequently determined by the SEC to be inadequate, the Rule 506(c) exemption could be lost, potentially giving investors a right of rescission that could have a material adverse effect on the Company's financial condition.

The Company Is Not Subject to U.S. Public Company Reporting Requirements and Investors Have Limited Ongoing Information Rights.

As a private company conducting a Regulation D offering, the Company is not subject to the periodic reporting requirements of the Securities Exchange Act of 1934, including requirements to file annual reports on Form 10-K, quarterly reports on Form 10-Q, or current reports on Form 8-K. Investors will not be entitled to inspect the books and records of the Company or to receive financial or other information beyond what is provided under the information rights provisions of the SHA and as required by applicable law. This lack of information could put investors at a disadvantage relative to certain other security holders who may have enhanced contractual information rights. The absence of mandatory public reporting obligations means that investors may have limited ongoing visibility into the Company's financial condition and results of operations.

HSEH Exercises Dominant Control Over the Company and Its Strategic Direction.

HSEH currently holds approximately 71.2% of the Company's preference share capital, has the right to appoint up to four of the seven Board directors, and holds comprehensive Investor Consent and Investor Direction rights over a broad range of material decisions under the SHA. HSEH has the exclusive right to control the timing, manner, and structure of any exit or liquidity event. HSEH's interests as the controlling shareholder may not always align with the interests of Series C investors, and HSEH may make decisions that benefit itself at the expense of other shareholders. Series C investors will have limited ability to influence the management or strategic direction of the Company.

Conflicts of Interest Among the Company's Directors and Shareholders May Adversely Affect Investors.

The SHA expressly provides that HSEH, its affiliates, and each Investor Director have the right to engage in businesses that compete with the Group and have no duty to present corporate opportunities to the Company. The Founder retains the right to be employed by another talent agency in a similar role to that previously held, which may create conflicts between his obligations to the Company and his outside activities.

The Founder's Non-Compete Obligations May Not Be Fully Enforceable.

The SHA contains 24-month post-cessation non-compete and non-solicitation provisions applicable to all Managers, including the Founder. Their enforceability under English law is subject to judicial assessment of reasonableness of scope, duration, and geographic extent. A court finding that any such provision is unenforceable could leave the Company without adequate protection against a key individual establishing or participating in a competing business.

The Company Is Incorporated in England and Wales; U.S. Investors Face Significant Jurisdictional, Enforcement, and Legal Risks.

The Company is incorporated in England and Wales and its operations, governance, and key agreements are governed by English law. U.S. investors may face significant practical and legal difficulties in enforcing rights against the Company or its directors, and judgments of U.S. courts may not be directly enforceable in England and Wales without fresh proceedings. English company law differs materially from U.S. state corporation law in a number of respects that may be less favorable to investors, including with respect to minority shareholder protections, director duties, and shareholder remedies. The rights attaching to the Series C Shares – including the liquidation preference, conversion rights, voting rights, and pre-emption rights – are governed by English law and set out in the Company's Articles of Association, and may be varied by a special resolution of the relevant class of shareholders in accordance with the Companies Act 2006 and the Articles. Investors should obtain independent English law advice before investing.

IN ADDITION TO THE RISKS LISTED ABOVE, RISKS AND UNCERTAINTIES NOT PRESENTLY KNOWN TO THE COMPANY, OR WHICH THE COMPANY CURRENTLY CONSIDERS IMMATERIAL AS OF THE DATE OF THIS MEMORANDUM, MAY ALSO HAVE AN ADVERSE EFFECT ON THE COMPANY'S BUSINESS AND RESULT IN THE TOTAL LOSS OF YOUR INVESTMENT. EACH PROSPECTIVE INVESTOR SHOULD READ THIS MEMORANDUM AND ALL EXHIBITS CAREFULLY AND SHOULD CONSULT WITH THEIR OWN ATTORNEY, ACCOUNTANT, AND FINANCIAL ADVISOR PRIOR TO MAKING ANY INVESTMENT DECISION.