

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

FORM 8-K

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**  
**Date of Report (date of earliest event reported): July 15, 2021**

**Elys Game Technology, Corp.**  
(Exact name of Registrant as specified in its charter)

(Former name or former address, if changed since last report)

**Delaware**  
(State or other jurisdiction of Incorporation or organization)

**001-39170**  
(Commission File Number)

**33-0823179**  
(I.R.S. Employer Identification No.)

**130 Adelaide Street West, Suite 701**  
**Toronto, Ontario M5H 2K4, Canada**  
(Address of Principal Executive Offices)

**1-628-258-5148**  
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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	ELYS	The Nasdaq Capital Market

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- 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.

**Item 2.01 Completion of Acquisition or Disposition of Assets**

On July 15, 2021, pursuant to a Membership Purchase Agreement (the "Purchase Agreement"), dated July 5, 2021, by and between Elys Game Technology, Corp. ("Elys" or the "Company"), Bookmakers Company US LLC ("USB") and the members of Bookmakers Company US LLC, the Company acquired 100% of USB, from its members (the "Sellers") and USB became a wholly owned subsidiary of the Company.

Founded in 2016, USB is a provider of sports wagering services such as design and consulting, turn-key sports wagering solutions, and risk management. USB's management team includes legendary sports book operator Victor Salerno, President, with over 40 years of experience in the Nevada sports book business managing risk for over 100 properties and who was inducted into the American Gaming Association's Gaming Hall of Fame in 2015 and SBC's Hall of Fame in 2020; Bob Kocienski, CEO, with over 40 years of experience in the gaming industry including oversight on the sports books at several high profile casinos; Robert Walker, Director of Bookmaking, with over 30 years of experience in managing sports books at several casinos including the Stardust, Mirage, and the MGM; and John Salerno, Director of Operations and Compliance with over 20 years of experience in the sports wagering industry under the tutelage of his father, Victor Salerno.

Pursuant to the terms of the Purchase Agreement, the consideration paid for all of the equity of USB was \$6 million in cash plus the issuance of 1,265,823 shares of the Company's common stock at a price of \$4.74 per share based on the volume weighted average closing price of the stock for the 90 trading days preceding the closing date (the "Stock Consideration").

The Sellers will have an opportunity to receive up to an additional \$38 million plus a potential premium of 10% (or \$3.8 million) based upon achievement of stated adjusted cumulative EBITDA milestones during the next four years, payable 50% in cash and 50% in Elys stock at a price equal to volume weighted average price of Elys common stock for the 90 consecutive trading days preceding January 1 of each subsequent fiscal year for the duration of the earnout period ending December 31, 2025, subject to obtaining shareholder approval, and with a cap of 5,065,000 on the aggregate number of shares to be issued. Any excess not approved by shareholders or exceeding the cap will be paid in cash. The annual earnout payments are based on the achievement of the following adjusted cumulative EBITDA milestones:

Fiscal Year Ended	Adjusted Cumulative EBITDA	Maximum Potential Earnout
2021	(\$213,850)	-
2022	\$643,950	\$ 7,600,000
2023	\$4,365,127	\$ 9,500,000
2024	\$10,620,825	\$ 11,400,000
2025	\$19,441,483	\$ 9,500,000

The Purchase Agreement contains customary representations, warranties and covenants of Elys and the Sellers. Subject to certain customary limitations, the Sellers have agreed to indemnify Elys and its officers and directors against certain losses related to, among other things, breaches of the Sellers' representations and warranties, certain specified liabilities and the failure to perform covenants or obligations under the Purchase Agreement.

The foregoing summary of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement that is filed herewith as Exhibit 10.1.

The representations, warranties and covenants contained in the Purchase Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to the Purchase Agreement and may be subject to limitations agreed upon by the contracting parties. Accordingly, the Purchase Agreement is incorporated herein by reference only to provide investors with information regarding the terms of the Purchase Agreement, and not to provide investors with any other factual information regarding Elys, USB or either of their businesses, and should be read in conjunction with the disclosures in the Company's periodic reports and other filings with the Securities and Exchange Commission.

**Item 2.03. Creation of a Direct Financial obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The disclosure set forth in Item 2.01 of this Current Report on Form 8-K is incorporated into this Item 2.03 by reference.

**Item 3.02. Unregistered Sales of Equity Securities.**

The information regarding the securities of the Company set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference in this Item 3.02 in its entirety. The Stock Consideration was offered and sold to the Sellers in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on Section 4(a)(2) thereof and Rule 506 of Regulation D thereunder. Each of the Sellers represented that he, she or it was an "accredited investor," as defined in Regulation D, and was acquiring the Stock Consideration for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof. Accordingly, the Stock Consideration has not been registered under the Securities Act and the Stock Consideration may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On July 15, 2021, Michele Ciavarella, Executive Chairman of the Company, was appointed as the interim Chief Executive Officer and President of the Company, effective July 15, 2021. The effective date of Mr. Ciavarella's appointment coincides with the resignation of Matteo Monteverdi as the Company's CEO and President to become the Company's Head of Special Projects, as previously announced by the Company on July 16, 2021. Mr. Ciavarella will serve as the Company's Executive Chairman and interim Chief Executive Officer at the pleasure of the Company's board of directors until his earlier resignation or removal from office.

Mr. Ciavarella (age 59) served as the Company's Chief Executive Officer since June 2011, serves as a member of the Company's Board since June 2011 and has served as the Company's Executive Chairman since January 2021 and Chairman of the Board since June 26, 2019. In addition, Mr. Ciavarella has served the Company in various roles and executive capacities since 2004 including President, Chief Executive Officer and Director of Operations. From 2004 to 2011, Mr. Ciavarella was engaged in senior executive and director roles for a variety of private and publicly listed companies including Kerr Mines Ltd. (formerly known as Armistice Resources Corp.), Firestar Capital Management Corporation, Mitron Sports Enterprises, Process Grind Rubber and Dagmar Insurance Services. He also served as the Business Development Officer for Forte Fixtures and Millwork, Inc., a family owned business in the commercial retail fixture manufacturing industry from January 2007 until October 2013. From 1990 until 2004, Mr. Ciavarella served as a senior executive, financial planner, life insurance underwriter and financial advisor for Manulife Financial and Sun Life Financial. Mr. Ciavarella received his Bachelor of Science degree from Laurentian University in Sudbury, Ontario.

**Item 8.01 Other Events**

On July 19, 2021, Elys issued a press release announcing the closing of the transactions contemplated by the Purchase Agreement. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits**

(a) Financial Statements of Business Acquired.

As permitted by Item 9.01(a)(3) of Form 8-K, the financial statements required by Item 9.01(a) of Form 8-K will be filed by the Company by an amendment to this Current Report on Form 8-K not later than 71 days after the date upon which this Current Report on Form 8-K was required to be filed.

(b) Pro Forma Financial Information.

As permitted by Item 9.01(b)(2) of Form 8-K, the pro forma financial information required by Item 9.01(b) of Form 8-K will be filed by the Company by an amendment to this Current Report on Form 8-K not later than 71 days after the date upon which this Current Report on Form 8-K was required to be filed.

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">10.1</a>	<a href="#">Membership Purchase Agreement, dated July 5, 2021, by and Elys Game Technology, Corp., Bookmakers Company US LLC and the members of Bookmakers Company US LLC (Incorporated by reference to the Form 8-K filed with the Securities and Exchange Commission on July 7, 2021 (File No. 001-39170))</a>
<a href="#">99.1</a>	<a href="#">Press release, dated July 19, 2021</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 19, 2021

**ELYS GAME TECHNOLOGY, CORP.**

By: /s/ Michele Ciavarella

Name: Michele Ciavarella

Title: Executive Chairman

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**Elys Game Technology, Corp.**  
Suite 120, 611 Gateway Blvd., San Francisco, CA 94080  
Suite 701, 130 Adelaide St. W., Toronto, Ontario M5H 2K4  
(Nasdaq|ELYS) (NEO|ELYS)

## **Elys Game Technology Closes US Bookmaking Acquisition**

*Acquisition could provide a significant boost to client base and revenue when fully integrated*

New York, NY – July 19, 2021 - Elys Game Technology, Corp. (“Elys” or the “Company”) (Nasdaq:ELYS)(NEO:ELYS), an interactive gaming and sports betting technology company, is pleased to announce that it has completed the acquisition of Bookmakers Company US LLC, a Nevada limited liability company doing business as USBookmaking (“USB”).

USB will become an integral part of Elys’ U.S. facing brand and will continue to operate as a wholly owned business unit maintaining its well-established brand, employees, management, and bookmaking team. The acquisition of USB provides Elys with an operational footprint in 4 states (New Mexico, Colorado, Michigan and North Dakota) with 2 additional states (Washington, D.C. and Iowa) in progress and provide a significant boost to client base and revenue when fully integrated. The transaction represents a fundamental strategic partnership that completes an important pillar of the Company’s business plan to build out in the U.S. and Canadian sports betting markets.

“USB realized that to increase our client base we needed a sportsbook platform that was built for the United States market,” stated Vic Salerno, President of USB. “We spent the last three years vetting virtually every sports betting technology in existence and determined that the Elys platform was superior to all the other platforms. The combination of USB’s highly experienced bookmaking team and a technologically advanced and cutting-edge software platform, we expect, will be a formidable parlay in the sports wagering market and we are eager to present these strengths to our pipeline of potential clients.”

“We are very proud to welcome USB and all their talented team that share the same passion and dedication for our business that our core family of operations in Europe has fostered during the past two decades,” stated Michele Ciavarella, Executive Chairman and Interim CEO of Elys. “We are highly optimistic that the addition of USB to our European expertise could accelerate our growth and product innovation, while solidifying a position at the forefront of our industry servicing large and small casino operators, as well as neighborhood establishments like restaurants and bars across the United States and Canada as regulations permit.”

Mr. Ciavarella continued, “We continue to make measurable progress in our previously stated goals to diversify our business into global operations and remain disciplined and focused as we execute on our plans each year. The combination with USB, which we expect to be transformational, gives Elys Game Technology fully integrated solutions with localized bookmaking expertise in two key regulated sports betting markets, underpinned by one of the newest and most advanced microservices betting technology in the industry.

We have been building Elys from the bottom up to make sure that we have all the tools, skills and capacity in place to handle the potential growth that Elys could generate in the U.S. Elys’ Multigioco subsidiary was recently ranked in the top 11 in sports betting in Italy, one of the largest sports betting markets in Europe. Through public statements, Morgan Stanley estimates that by 2025, 50% of the U.S. will have access to legal sports betting, this potentially makes the U.S. one of the largest regulated sports betting markets in the world, where along with the i-gaming market, is estimated to reach \$7 billion by 2025 and \$30 billion to \$35 billion at total maturity. We plan to leverage the synergies of our rapidly growing team and expected future business partnerships to drive long-term growth and shareholder value.”

### **Transaction Closing:**

On July 15, 2021, Elys closed the transaction to acquire 100% of the membership interests in USB and USB became a wholly owned subsidiary of Elys. The consideration paid for all of the equity of USB was \$12 million paid 50% in cash and 50% in 1,265,823 shares of the Company’s common stock based on the 90-day weighted average closing price prior to the closing. The definitive purchase agreement also provides for potential earnouts of up to \$41.8 million through December 31, 2025.

### **About Elys Game Technology, Corp.**

Elys Game Technology, Corp., is a B2B global gaming technology company operating in multiple countries worldwide, with B2C online and land-based gaming operations in Italy. In Italy, Elys offers its clients a full suite of leisure gaming products and services, such as sports betting, e-sports, virtual sports, online casino, poker, bingo, interactive games and slots.

The Company’s innovative wagering solution services online operators, casinos, retail betting establishments and franchise distribution networks. Additional information is available on our corporate website at [www.elysgame.com](http://www.elysgame.com).

Investors may also find us on Twitter @ELYS\_gaming.

### **Forward-Looking Statements**

This press release contains certain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are identified by the use of the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “may,” “continue,” “predict,” “potential,” “project” and similar expressions that are intended to identify forward-looking statements and include statements regarding the USB acquisition providing significant boost to client base and revenue when fully integrated, the combination of USB’s highly experienced bookmaking team and a technologically advanced and cutting-edge software platform being formidable parlay in the sports wagering market, the addition of USB to the Company’s European expertise accelerating the Company’s growth and product innovation while solidifying its industry position in servicing large and small casino operators, as well as neighborhood establishments, the combination with USB being transformational, leveraging the synergies of the Company’s rapidly growing team and expected future business partnerships to drive long-term growth and shareholder value, and estimates that by 2025, 50% of the U.S. will have access to legal sports betting, potentially making the U.S. one of the largest regulated sports betting markets in the world, where along with the i-gaming market, is estimated to reach \$7 billion by 2025 and \$30 billion to \$35 billion at total maturity. These forward-looking statements are based on management’s expectations and assumptions as of the date of this press release and are subject to a number of risks and uncertainties, many of which are difficult to predict that could cause actual results to differ materially from current expectations and assumptions from those set forth or implied by any forward-looking statements. Important factors that could

cause actual results to differ materially from current expectations include, among others, the Company's ability to boost its client base and revenue when the USB acquisition is fully integrated, the Company's ability to leverage the combination of USB's highly experienced bookmaking team and its software platform in the sports wagering market, the Company's ability to accelerate its growth and product innovation while solidifying its industry position in servicing large and small casino operators, as well as neighborhood establishments, the Company's ability to leverage the synergies of the Group and expected future business partnerships to drive long-term growth and shareholder value, the estimate that by 2025, 50% of the U.S. will have access to legal sports betting, the U.S. becoming one of the largest regulated sports betting markets in the world, and along with i-gaming reaching \$7 billion by 2025 and \$30 billion to \$35 billion at total maturity, the duration and scope of the COVID-19 outbreak worldwide, including the impact to state and local economies, and the risk factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 and its subsequent filings with the U.S. Securities and Exchange Commission, including subsequent periodic reports on Form 10-Q and current reports on Form 8-K. The information in this release is provided only as of the date of this release, and the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events, except as required by law.

**Contact:**

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