
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 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): April 1, 2021

Motorsport Games Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39868
(Commission
File Number)

86-1791356
(I.R.S. Employer
Identification No.)

5972 NE 4th Avenue
Miami, FL
(Address of principal executive offices)

33137
(Zip Code)

Registrant's telephone number, including area code: **(305) 507-8799**

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

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:

- 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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A common stock, \$0.0001 par value per share	MSGM	The Nasdaq Stock Market LLC (The Nasdaq Capital Market)

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 1.01 Entry into a Material Definitive Agreement.

- A. On April 1, 2021, Motorsport Games Inc., a Delaware corporation (the “Company”), entered into an amendment (“PlayFast Amendment”) to the share exchange agreement (the “PlayFast Exchange Agreement”) with PlayFast Games, LLC, a North Carolina limited liability (“PlayFast”).

Pursuant to the PlayFast Amendment, the Company and PlayFast, a minority stockholder in 704Games Company, a Delaware corporation (“704Games”), agreed that the closing of the transactions contemplated by the PlayFast Exchange Agreement will be delayed to such date when all third party consents have been obtained in order to structure the transaction as a merger of 704Games with and into a newly-formed Delaware limited liability company wholly-owned by the Company (“Newco”), with Newco being the surviving entity in such merger, and with the merger consideration to be issued to PlayFast with respect to each share of common stock of 704Games they surrender in such merger to be equal to the per share consideration set forth in the PlayFast Exchange Agreement. The PlayFast Amendment provides that, if such third-party consents have not been obtained by April 19, 2021, then the parties will close on April 19, 2021 the transactions contemplated by the PlayFast Exchange Agreement as a share exchange as previously contemplated in the PlayFast Exchange Agreement.

The restricted shares of Company Class A common stock are issuable to PlayFast at closing of the transaction under the Exchange Agreement, as amended by the PlayFast Amendment, under an exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), in reliance upon the exemption from securities registration afforded by Rule 506(b) of Regulation D as promulgated by the United States Securities and Exchange Commission (the “SEC”) under the Securities Act.

The foregoing description of the PlayFast Amendment does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the PlayFast Amendment, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

- B. On April 1, 2021, the Company entered into an amendment (“Ascend Amendment”) to the share exchange agreement (the “Ascend Exchange Agreement”) with Ascend FS, Inc., a British Columbia corporation (“Ascend”).

Pursuant to the Ascend Amendment, the Company and Ascend, a minority stockholder in 704Games, agreed that the closing of the transactions contemplated by the Ascend Exchange Agreement will be delayed to such date when all third party consents have been obtained in order to structure the transaction as a merger of 704Games with and into Newco, with Newco being the surviving entity in such merger, and with the merger consideration to be issued to Ascend with respect to each share of common stock of 704Games they surrender in such merger to be equal to the per share consideration set forth in the Ascend Exchange Agreement. The Ascend Amendment provides that, if such third-party consents have not been obtained by April 19, 2021, then the parties will close on April 19, 2021 the transactions contemplated by the Ascend Exchange Agreement as a share exchange as previously contemplated in the Ascend Exchange Agreement.

The restricted shares of Company Class A common stock are issuable to Ascend at closing of the transaction under the Ascend Exchange Agreement, as amended by the Ascend Amendment, under an exemption from the registration requirements of the Securities Act in reliance upon the exemption from securities registration afforded by Rule 506(b) of Regulation D as promulgated by the SEC under the Securities Act.

The foregoing description of the Ascend Amendment does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Ascend Amendment, a copy of which is attached hereto as Exhibit 10.2 and incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The disclosures provided the third paragraph of Part A and the disclosures provided in the third paragraph of Part B of Item 1.01 of this Report are each hereby incorporated by reference into this Item 3.02.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 10.1 [Amendment, dated as of April 1, 2021, to Share Exchange Agreement among Motorsport Games Inc., 704Games Company and PlayFast Games, LLC](#)
- 10.2 [Amendment, dated as of April 1, 2021, to Share Exchange Agreement between Motorsport Games Inc., 704Games Company and Ascend FS, Inc.](#)

Cautionary Note Regarding Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any statements contained in this communication that are not statements of historical fact may be deemed forward-looking statements. Words such as “continue,” “will,” “may,” “could,” “should,” “expect,” “expected,” “plans,” “intend,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” and similar expressions are intended to identify such forward-looking statements. All forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, many of which are generally outside the control of the Company and are difficult to predict. Examples of such risks and uncertainties include, but are not limited to, whether to the Company will be able to close the transactions contemplated in the PlayFast Exchange Agreement and/or the Ascend Exchange Agreement, each as amended, whether all conditions precedent in such agreement will be satisfied, whether the closing of the transactions contemplated in the PlayFast Exchange Agreement and/or the Ascend Exchange Agreement, each as amended, will occur and whether the Company will achieve its goals. Additional examples of such risks and uncertainties include, but are not limited to (i) the Company’s ability (or inability) to maintain existing, and secure additional, licenses and contracts with the sports series; (ii) the Company’s ability to successfully manage and integrate any joint ventures, acquisitions of businesses, solutions or technologies; (iii) unanticipated operating costs, transaction costs and actual or contingent liabilities; (iv) the ability to attract and retain qualified employees and key personnel; (v) adverse effects of increased competition on the Company’s business; (vi) the risk that changes in consumer behavior could adversely affect the Company’s business; (vii) the Company’s ability to protect its intellectual property; and (viii) local, industry and general business and economic conditions. Additional factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements can be found in the most recent registration statement on Form S-1 and current reports on Form 8-K filed by the Company with the Securities and Exchange Commission. The Company anticipates that subsequent events and developments may cause its plans, intentions and expectations to change. The Company assumes no obligation, and it specifically disclaims any intention or obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law. Forward-looking statements speak only as of the date they are made and should not be relied upon as representing the Company’s plans and expectations as of any subsequent date.

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.

Motorsport Games Inc.

Date: April 2, 2021

By: /s/ Dmitry Kozko

Dmitry Kozko
Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
10.1	Amendment, dated as of April 1, 2021, to Share Exchange Agreement among Motorsport Games Inc., 704Games Company and PlayFast Games, LLC
10.2	Amendment, dated as of April 1, 2021, to Share Exchange Agreement between Motorsport Games Inc., 704Games Company and Ascend FS, Inc.

AMENDMENT TO SHARE EXCHANGE AGREEMENT

This Amendment to the Share Exchange Agreement (this "Amendment") is effective as of April 1, 2021.

WHEREAS, PlayFast Games, LLC, a North Carolina limited liability company ("Seller"), Motorsport Games Inc., a Delaware corporation ("Buyer"), and 704Games Company, a Delaware corporation (the "Company"), are parties to that certain Share Exchange Agreement, dated as of March 11, 2021 (the "Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Agreement.

WHEREAS, Section 15 of the Agreement permits the Agreement to be amended by amendment in writing signed by each party to the Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, Buyer, Seller and the Company, as all of the parties to the Agreement, hereby agree that the Agreement shall be amended as follows:

1. **Recitals.** All of the recitals contained herein are true and correct and are incorporated herein by this reference.

2. **Amendments.**

(a) Section 1(c) of the Agreement is hereby amended by adding the following sentence to immediately follow the last sentence in such Section 1(c):

"The parties further agree that such business combination or reorganization, if so allowed and if all required third party set forth on Schedule A attached hereto (the "**Third Party Consents**") and respective board of directors and stockholders' or member's, as applicable, consents required to approve and authorize the Merger, are obtained, will be a merger of the Company with and into a newly-formed Delaware limited liability company wholly-owned by Buyer ("**Newco**"), with such Newco being the surviving entity in such merger, and with the merger consideration to be issued to Seller and Ascend with respect to each share of common stock of the Company they surrender in such merger to be equal to the Per Share Consideration (the "**Merger**"). Buyer and the Company shall use their reasonable commercial efforts to obtain the Third Party Consents prior to the End Date (as defined in Section 24(b) of this Agreement).

Neither Seller nor its affiliates shall directly or indirectly take any action or fail to take any action that would reasonably be expected to adversely affect (i) the Merger from qualifying as a reorganization within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code or (ii) this Agreement from constituting a "plan of reorganization" within the meaning of U.S. Treasury Regulations Sections 1.368-2(g) and 1.368-3(a). Neither Seller nor its affiliates relies on Buyer or any of its representatives with respect to any tax issues or tax treatment of the Merger or the other transactions contemplated in this Agreement.

Seller and its affiliates shall cooperate in the preparation, execution and filing of all tax returns, questionnaires, applications or other documents regarding any real property transfer or gains, sales, use, transfer, value-added, stock transfer and stamp taxes, and transfer, recording, registration and other fees and similar taxes which become payable in connection with the Merger that are required or permitted to be filed on or before the Merger effective time. Seller shall pay, without reimbursement from the Company or Buyer, any such taxes or fees imposed on it by any governmental entity or authority (or for which Seller's stockholders are primarily liable), which are due for any period prior to the effective time of the Merger and/or which becomes payable in connection with the Merger and Seller shall indemnify and hold harmless Buyer and the Company with respect to any such taxes."

Section 1(e): (b) Section 1(e) of the Agreement is hereby amended by adding the following sentence to immediately follow the last sentence in such

“Notwithstanding the foregoing restrictions, but subject to applicable securities laws, (i) Seller will be entitled to enter into one or more block trades on customary terms pursuant to which Seller disposes of not less than 25% of the MSGM Shares originally issued to a single holder in a single transaction or series of related transactions; and (ii) Buyer will use its commercially reasonable efforts to facilitate such block trades, including removal of any restrictive legends subject to compliance with Rule 144.”

(c) Pursuant to Section 3(a) of the Agreement, Buyer and Seller agree that the Closing will be delayed to such date when all Third Party Consents have been obtained; provided, however, that, if such Third Party Consents have not been obtain by the End Date (as defined in Section 24(b) of this Agreement), then the Buyer and Seller shall close on April 19, 2021 the transactions contemplated by this Agreement as a share exchange described in Section 1(b) of this Agreement.

Section 5(a): (d) Section 5(a) of the Agreement is hereby amended by adding the following sentence to immediately follow the last sentence in such

“As of the date hereof, the authorized share capital of Buyer consists of (A) 100,000,000 shares of Class A common stock, of which, 10,780,633 shares are issued and outstanding, (B) 7,000,000 shares of Class B common stock, of which, 7,000,000 shares are issued and outstanding and (C) 1,000,000 preferred shares, of which no shares are issued and outstanding.”

Section 5(g): (e) Section 5(g) of the Agreement is hereby amended by adding the following sentence to immediately before the first sentence in such

Buyer (i) has sufficient knowledge and experience with and information about the Shares (including the Shares fair market value) and the Company in order to be fully familiar with the Company and its current business, operations, assets, finances, financial results, financial condition and prospects and so as to be able to evaluate the risks and merits of consummating the transactions contemplated by this Agreement, (ii) has been provided the opportunity to have full access to all books and records of the Company and all of its contracts, agreements and documents and (iii) has had an opportunity to ask questions of, and receive answers from, representatives of the Company regarding the Shares, the Company and the Company’s business, operations, assets, financing, operating results, financial condition and prospects in order to make an informed decision to acquire the Shares from Seller.

3. **Limited Effect.** Except as expressly amended and modified by this Amendment, the Agreement shall continue to be, and shall remain, in full force and effect in accordance with its terms.

4. **Governing Law.** This Amendment and the rights and obligations of the parties hereto shall be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

5. **Counterparts.** This Amendment may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Amendment.

[Signatures are on next page.]

IN WITNESS WHEREOF, the parties to this Amendment have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the date first set forth above.

PLAYFAST GAMES, LLC

By /s/ Paul Brooks

Name: Paul Brooks

Title: Managing Member

MOTORSPORT GAMES INC.

By /s/ Dmitry Kozko

Name: Dmitry Kozko

Title: CEO

704GAMES COMPANY

By /s/ Dmitry Kozko

Name: Dmitry Kozko

Title: CEO

AMENDMENT TO SHARE EXCHANGE AGREEMENT

This Amendment to the Share Exchange Agreement (this "Amendment") is effective as of April 1, 2021.

WHEREAS, Ascend FS, Inc. a British Columbia corporation (f/k/a Gaming Nation Inc., an Ontario corporation), located at 1 Yonge St, Toronto, ON M5E 1W7 Canada ("Seller"), Motorsport Games Inc., a Delaware corporation ("Buyer"), and 704Games Company, a Delaware corporation (the "Company"), are parties to that certain Share Exchange Agreement, dated as of March 14, 2021 (the "Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Agreement.

WHEREAS, Section 15 of the Agreement permits the Agreement to be amended by amendment in writing signed by each party to the Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, Buyer, Seller and the Company, as all of the parties to the Agreement, hereby agree that the Agreement shall be amended as follows:

1. Amendments.

(a) Section 1(d) of the Agreement is hereby amended by adding the following sentences to immediately follow the last sentence in such Section 1(d):

"The parties further agree that such business combination or reorganization, if so allowed and if all required third party and other consents, are obtained, will be a merger of the Company with and into a newly-formed Delaware limited liability company wholly-owned by Buyer ("**Newco**"), with such Newco being the surviving entity in such merger, and with the merger consideration to be issued to Seller with respect to each share of common stock of the Company it surrenders in such merger to be equal to the Per Share Consideration (the "**Merger**").

Neither Seller nor its affiliates shall directly or indirectly take any action that would reasonably be expected to prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code."

(b) Pursuant to Section 3(a) of the Agreement, Buyer and Seller agree that the Closing will be delayed to such date when all consents and approvals for the Merger have been obtained; provided, however, that, if such consents and approvals have not been obtained by the End Date (as defined in Section 24(b) of this Agreement), then the Buyer and Seller shall close on April 19, 2021 the transactions contemplated by this Agreement as a shares exchanged described in Section 1(b) of this Agreement.

2. Limited Effect. Except as expressly amended and modified by this Amendment, the Agreement shall continue to be, and shall remain, in full force and effect in accordance with its terms.

3. Governing Law. This Amendment and the rights and obligations of the parties hereto shall be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

4. Counterparts. This Amendment may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Amendment.

[Signatures are on next page.]

IN WITNESS WHEREOF, the parties to this Amendment have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the date first set forth above.

ASCEND FS, INC

By /s/ Daniel Lewis

Name: Daniel Lewis

Title: 4/01/2021

MOTORSPORT GAMES INC.

By /s/ Dmitry Kozko

Name: Dmitry Kozko

Title: CEO

704GAMES COMPANY

By /s/ Dmitry Kozko

Name: Dmitry Kozko

Title: CEO
