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

FORM 10-Q

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

For the quarterly period ended March 31, 2022

OR

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

For the transition period from to

Commission file number: 000-30653

Galaxy Gaming, Inc.
(Exact name of small business issuer as specified in its charter)

Nevada	**20-8143439**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**

6480 Cameron Street Ste. 305 – Las Vegas, NV 89118
(Address of principal executive offices)

(702) 939-3254
(Issuer's telephone number)

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

Title of each class	Trading symbol	Name of exchange on which registered
Common stock	GLXZ	OTCQB marketplace

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the issuer has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☐		

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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 standard provided pursuant to Section 13(a) of the Exchange Act. ☐

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 23,779,599 common shares as of May 10, 2022.

GALAXY GAMING, INC.
QUARTERLY REPORT ON FORM 10-Q FOR THE THREE MONTHS ENDED MARCH 31, 2022
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PART I

ITEM 1. FINANCIAL STATEMENTS

Our financial statements included in this Form 10-Q are as follows:

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GALAXY GAMING, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

ASSETS	March 31, 2022	December 31, 2021
Current assets:		
Cash and cash equivalents	$ 17,242,102	$ 16,058,714
Accounts receivable, net of allowance of $332,864 and $348,695, respectively	4,332,696	4,377,165
Inventory	752,699	770,248
Income tax receivable	765,160	1,536,682
Prepaid expenses	949,634	1,125,777
Other current assets	162,690	21,536
Total current assets	24,204,981	23,890,122
Property and equipment, net	91,518	98,594
Operating lease right-of-use assets	1,110,721	1,167,903
Assets deployed at client locations, net	432,322	360,735
Goodwill	1,091,000	1,091,000
Other intangible assets, net	13,082,297	13,677,264
Other assets	139,217	167,087
Total assets	$ 40,152,056	$ 40,452,705
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 488,235	$ 374,323
Accrued expenses	1,904,179	2,666,073
Revenue contract liability	106,250	37,500
Current portion of operating lease liabilities	223,842	222,806
Current portion of long-term debt	934,433	1,100,369
Total current liabilities	3,656,939	4,401,071
Long-term operating lease liabilities	961,905	1,019,029
Long-term debt and liabilities, net	52,363,551	52,143,810
Deferred tax liabilities, net	6,537	175,218
Total liabilities	56,988,932	57,739,128
Commitments and Contingencies (See Note 8)		
Stockholders' deficit		
Preferred stock, 10,000,000 shares authorized, $0.001 par value; 0 shares issued and outstanding	—	—
Common stock, 65,000,000 shares authorized; $0.001 par value; 23,762,933 and 23,523,969 shares issued and outstanding, respectively	23,763	23,524
Additional paid-in capital	16,885,816	16,380,597
Accumulated deficit	(33,557,313)	(33,543,351)
Accumulated other comprehensive loss	(189,142)	(147,193)
Total stockholders' deficit	(16,836,876)	(17,286,423)
Total liabilities and stockholders' deficit	$ 40,152,056	$ 40,452,705

The accompanying notes are an integral part of the condensed consolidated financial statements.

GALAXY GAMING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Revenue:		
Licensing fees	$ 5,918,599	$ 4,282,901
Total revenue	$ 5,918,599	$ 4,282,901
Costs and expenses:		
Cost of ancillary products and assembled components	52,590	14,304
Selling, general and administrative	3,043,359	2,711,052
Research and development	199,070	118,701
Depreciation and amortization	724,462	717,254
Share-based compensation	310,002	316,640
Total costs and expenses	4,329,483	3,877,951
Income from operations	1,589,116	404,950
Other income (expense):		
Interest income	2,233	382
Interest expense	(1,687,022)	(180,910)
Share redemption consideration	—	(195,482)
Foreign currency exchange loss	(60,263)	(8,975)
Change in fair value of interest rate swap liability	—	49,822
Total other expense, net	(1,745,052)	(335,163)
(Loss) income before benefit for income taxes	(155,936)	69,787
Benefit for income taxes	141,974	18,950
Net (loss) income	(13,962)	88,737
Foreign currency translation adjustment	(41,949)	(79,207)
Comprehensive (loss) income	$ (55,911)	$ 9,530
Net (loss) income per share:		
Basic	$ 0.00	$ 0.00
Diluted	$ 0.00	$ 0.00
Weighted-average shares outstanding:		
Basic	24,405,278	18,838,221
Diluted	24,405,278	20,173,443

The accompanying notes are an integral part of the condensed consolidated financial statements.

GALAXY GAMING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
Beginning balance, December 31, 2021	23,523,969	$ 23,524	$ 16,380,597	$ (33,543,351)	$ (147,193)	$ (17,286,423)
Net loss	—	—	—	(13,962)	—	(13,962)
Foreign currency translation loss	—	—	—	—	(41,949)	(41,949)
Stock options exercised	219,999	220	195,236	—	—	195,456
Share-based compensation	18,965	19	309,983	—	—	310,002
Balance, March 31, 2022	23,762,933	$ 23,763	$ 16,885,816	$ (33,557,313)	$ (189,142)	$ (16,836,876)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
Beginning balance, December 31, 2020	21,970,638	$ 21,971	$ 10,798,536	$ (35,655,163)	$ 37,691	$ (24,796,965)
Net income	—	—	—	88,737	—	88,737
Foreign currency translation loss	—	—	—	—	(79,207)	(79,207)
Stock options exercised	50,000	50	10,949	—	—	10,999
Share-based compensation	55,000	55	316,585	—	—	316,640
Balance, March 31, 2021	22,075,638	$ 22,076	$ 11,126,070	$ (35,566,426)	$ (41,516)	$ (24,459,796)

The accompanying notes are an integral part of the condensed consolidated financial statements.

GALAXY GAMING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Cash flows from operating activities:		
Net (loss) income	$ (13,962)	$ 88,737
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	724,462	717,254
Amortization of right-of-use assets	57,182	56,472
Amortization of debt issuance costs and debt discount	369,741	12,243
Bad debt (recovery) expense	(15,831)	76,160
Change in fair value of interest rate swap liability	—	(49,822)
Deferred income tax	(168,681)	-
Share-based compensation	310,002	316,640
Foreign currency exchange loss (gain)	60,263	(3,573)
Changes in operating assets and liabilities:		
Accounts receivable	14,836	(1,139,395)
Inventory	(110,710)	(70,010)
Income tax receivable/payable	793,522	(42,816)
Prepaid expenses and other current assets	34,989	138,788
Other assets	27,870	(144,072)
Accounts payable	114,236	(66,044)
Accrued expenses	(784,082)	834,001
Revenue contract liability	68,750	77,083
Operating lease liabilities	(56,088)	(33,817)
Net cash provided by operating activities	1,426,499	767,829
Cash flows from investing activities:		
Investment in intangible assets	(59,616)	(49,900)
Acquisition of property and equipment	(6,131)	(31,892)
Net cash used in investing activities	(65,747)	(81,792)
Cash flows from financing activities:		
Proceeds from stock option exercises	195,456	10,999
Principal payments on long-term debt	(315,936)	(568,638)
Net cash used in financing activities	(120,480)	(557,639)
Effect of exchange rate changes on cash	(56,884)	(40,366)
Net increase in cash and cash equivalents	1,183,388	88,032
Cash and cash equivalents – beginning of period	16,058,714	5,993,388
Cash and cash equivalents – end of period	$ 17,242,102	$ 6,081,420
Supplemental cash flow information:		
Cash paid for interest	$ 1,358,531	$ 112,487
Cash paid for income taxes	$ —	$ 500
Supplemental schedule of non-cash activities:		
Debt modification fee payable	$ —	$ 50,185
Inventory transferred to assets deployed at client locations	$ 128,259	$ 29,849

The accompanying notes are an integral part of the condensed consolidated financial statements.

NOTE 1. NATURE OF OPERATIONS

Unless the context indicates otherwise, references to “Galaxy Gaming, Inc.,” “we,” “us,” “our,” or the “Company,” refer to Galaxy Gaming, Inc., a Nevada corporation (“Galaxy Gaming”).

We are an established global gaming company specializing in the design, development, acquisition, assembly, marketing and licensing of proprietary casino table games and associated technology, platforms and systems for the casino gaming industry. Casinos use our proprietary products and services to enhance their gaming operations and improve their profitability and productivity, as well as to offer popular cutting-edge gaming entertainment content and technology to their players. We market our products and services to online casinos worldwide and to land-based casino gaming companies in North America, the Caribbean, Central America, the United Kingdom, Europe and Africa as well as to cruise ship companies. We license our products and services for use solely in legalized gaming markets. We also license our content and distribute content from other companies to iGaming operators throughout the world.

Disruptions due to the COVID-19 crisis continue to impact our results of operations. Most of the Company’s land-based customers have resumed normal operations. However, some of our customers rely on international travelers from countries that are still enforcing COVID-19 lockdowns or are affected by the war in Ukraine.

We rely on third-party suppliers and manufacturers in China. Many of these suppliers were affected by COVID-19 and the worldwide supply chain disruptions that ensued and, in many cases, are continuing. These disruptions of our suppliers and their contract manufacturers may impact our sales and operating results going forward.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation. The accompanying condensed financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) and the rules of the SEC. In the opinion of management, the accompanying unaudited interim condensed financial statements contain all necessary adjustments (including all those of a recurring nature and those necessary in order for the financial statements to be not misleading) and all disclosures to present fairly our financial position and the results of our operations and cash flows for the periods presented.

These unaudited interim condensed financial statements should be read in conjunction with the financial statements and the related notes thereto included in our 2021 10-K.

The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year.

Basis of accounting. The financial statements have been prepared on the accrual basis of accounting in conformity with U.S. GAAP.

Use of estimates and assumptions. We are required to make estimates, judgments and assumptions that we believe are reasonable based on our historical experience, contract terms, observance of known trends in our Company and the industry as a whole, and information available from other outside sources. Our estimates affect reported amounts for assets, liabilities, revenues, expenses and related disclosures. Actual results may differ from initial estimates.

Consolidation. The financial statements are presented on a consolidated basis and include the results of the Company and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Cash and cash equivalents. Our cash and cash equivalents consist of bank deposits. These deposits are in insured banking institutions, which are insured up to $250,000 per account. To date, we have not experienced uninsured losses, and we believe the risk of future loss is negligible.

Accounts receivable and allowance for doubtful accounts. Accounts receivable are stated at face value less an allowance for doubtful accounts. Accounts receivable are non-interest bearing. The Company reviews the accounts receivable on a quarterly basis to determine if any receivables will potentially be uncollectible. The allowance for doubtful accounts is estimated based on specific customer reviews, historical collection trends and current economic and business conditions.

Goodwill. Goodwill (Note 5) is assessed for impairment at least annually or at other times during the year if events or circumstances indicate that it is more-likely-than-not that the fair value of a reporting asset is below the carrying amount. If found to be impaired, the carrying amount will be reduced, and an impairment loss will be recognized.

Other intangible assets, net. The following intangible assets have finite lives and are being amortized using the straight-line method over their estimated economic lives as follows:

Patents	4 - 20 years
Client relationships	9 - 22 years
Trademarks	30 years
Non-compete agreements	9 years
Internally-developed software	3 years

Other intangible assets (Note 5) are analyzed for potential impairment at least annually or whenever events or changes in circumstances indicate the carrying value may not be recoverable and exceeds the fair value, which is the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the intangible assets. No impairment was recorded for the three months ended March 31, 2022.

Fair value of financial instruments. We estimate fair value for financial assets and liabilities in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement* ("ASC 820"). ASC 820 defines fair value, provides guidance for measuring fair value, requires certain disclosures and discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost). ASC 820 utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

The estimated fair values of cash equivalents, accounts receivable and accounts payable approximate their carrying amounts due to their short-term nature. The estimated fair value of our long-term debt approximates its carrying value based upon our expected borrowing rate for debt with similar remaining maturities and comparable risk. The Company currently has no financial instruments measured at estimated fair value on a recurring basis based on valuation reports provided by counterparties.

Leases. We account for lease components (such as rent payments) separately from non-lease components (such as common-area maintenance costs, real estate and sales taxes and insurance costs). Operating and finance leases with terms greater than 12 months are recorded on the condensed consolidated balance sheets as right-of-use assets with corresponding lease liabilities. Lease expense is recognized on a straight-line basis using the discount rate implicit in each lease or our incremental borrowing rate at lease commencement date (Note 6).

Revenue recognition. We account for our revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*. See Note 3.

Foreign currency translation. The functional currency for PGP is the Euro. Gains and losses from settlement of transactions involving foreign currency amounts are included in other income or expense in the consolidated statements of operations. Gains and losses resulting from translating assets and liabilities from the functional currency to U.S. dollars are included in accumulated other comprehensive income or (loss) in the consolidated statements of changes in stockholders' deficit.

Net income per share. Basic net income per share is calculated by dividing net income by the weighted-average number of common shares issued and outstanding during the year. Diluted net income per share is similar to basic, except that the weighted-average number of shares outstanding is increased by the potentially dilutive effect of outstanding stock options and restricted stock, if applicable, during the year.

Segment Information. We define operating segments as components of our enterprise for which separate financial information is reviewed regularly by the chief operating decision-makers to evaluate performance and to make operating decisions. We currently have two operating segments (land-based gaming and online gaming) which are aggregated into one reporting segment.

Other significant accounting policies. Our significant accounting policies are described in our 2021 10-K. There have been no material changes to those policies.

New accounting standards not yet adopted. *Financial Instruments – Credit Losses.* In February 2020, the FASB issued ASU No. 2020-02, *Financial Instruments – Credit Losses (Topic 326).* ASU 2020-02 provides updated guidance on how an entity should measure credit losses on financial instruments and delayed the effective date of Topic 326 for smaller reporting companies until fiscal years beginning after December 15, 2022. Early adoption is permitted. We do not believe the adoption of this guidance will have a material impact on our condensed consolidated financial statements or related disclosures.

NOTE 3. REVENUE RECOGNITION

Revenue recognition. We generate revenue primarily from the licensing of our intellectual property. We recognize revenue under recurring fee license contracts monthly as we satisfy our performance obligation, which consists of granting the customer the right to use our intellectual property. Amounts billed are determined based on flat rates or usage rates stipulated in the customer contract.

Disaggregation of revenue

The following table disaggregates our revenue by geographic location for the following periods:

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
North America and Caribbean	$ 2,291,913	$ 2,451,896
Europe, Middle East and Africa	3,626,686	1,831,005
Total revenue	$ 5,918,599	$ 4,282,901

Contract liabilities. Amounts billed and cash received in advance of performance obligations fulfilled are recorded as contract liabilities and recognized as performance obligations are fulfilled.

Contract Assets. The Company's contract assets consist solely of unbilled receivables which are recorded when the Company recognizes revenue in advance of billings. Unbilled receivables totaled $996,258 and $771,293 for the periods ended March 31, 2022 and December 31, 2021, respectively, and are included in the accounts receivable balance in the accompanying condensed consolidated balance sheets.

NOTE 4. INVENTORY

Inventory consisted of the following at:

	March 31, 2022	December 31, 2021
Raw materials and component parts	$ 340,180	$ 413,320
Finished goods	412,519	356,928
Inventory, net	$ 752,699	$ 770,248

NOTE 5. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill. A goodwill balance of $1,091,000 was created as a result of a transaction completed in October 2011 with Prime Table Games, LLC ("PTG").

Other intangible assets, net. Other intangible assets, net consisted of the following at:

	March 31, 2022	December 31, 2021
Patents	$ 13,507,997	$ 13,507,997
Customer relationships	14,040,856	14,040,856
Trademarks	2,880,967	2,880,967
Non-compete agreements	660,000	660,000
Software	342,956	283,340
Other intangible assets, gross	31,432,776	31,373,160
Less: accumulated amortization	(18,350,479)	(17,695,896)
Other intangible assets, net	$ 13,082,297	$ 13,677,264

For the three months ended March 31, 2022 and 2021, amortization expense related to other intangible assets was $653,330 and $649,171, respectively.

NOTE 6. LEASES

Lessee

We have operating leases for our corporate office, two satellite facilities in the state of Washington and for certain equipment. We account for lease components (such as rent payments) separately from the non-lease components (such as common-area maintenance costs, real estate and sales taxes and insurance costs). The discount rate represents the interest rate implicit in each lease or our incremental borrowing rate at lease commencement date.

On September 21, 2021, we executed a third amendment to one of our satellite facilities to amend the lease expiration date from December 31, 2021 to December 31, 2023, with monthly base rents of $1,025 from January 1, 2022 to December 31, 2023. As a result of the amendment, we recorded a $23,293 increase to operating lease right-of-use assets and operating lease liabilities.

As of March 31, 2022, our leases have remaining lease terms ranging from three months to 57 months.

Supplemental balance sheet information related to leases is as follows:

	As of March 31, 2022	
	Amount	**Classification**
Operating leases:		
Operating lease right-of-use lease assets	$ 1,110,721	
Operating lease current liabilities	$ 223,842	Current portion of operating lease liabilities
Operating lease long-term liabilities	961,905	Long-term operating lease liabilities
Total operating lease liabilities	$ 1,185,747	
Weighted-average remaining lease term:		
Operating leases	4.7 years	
Weighted-average discount rate:		
Operating leases	4.2 %	

The components of lease expense are as follows:

	Three Months Ended March 31, 2022	
	Amount	**Classification**
Operating lease cost	$ 70,905	Selling, general and administrative expense

Supplemental cash flow information related to leases is as follows:

	Three Months Ended March 31, 2022	
	Amount	**Classification**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 68,840	Net income
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	$ —	Supplemental cash flow information

As of March 31, 2022, future maturities of our operating lease liabilities are as follows:

Twelve Months Ending March 31,		Amount
2023	$	223,842
2024		235,551
2025		245,204
2026		266,645
2027		214,505
Thereafter		—
Total lease liabilities	$	1,185,747

NOTE 7. LONG-TERM LIABILITIES

Long-term liabilities consisted of the following at:

		March 31, 2022		December 31, 2021
Fortress credit agreement	$	59,850,000	$	60,000,000
Insurance notes payable		334,433		500,369
Long-term liabilities, gross		60,184,433		60,500,369
Less: Unamortized debt issuance costs		(6,886,449)		(7,256,190)
Long-term liabilities, net of debt issuance costs		53,297,984		53,244,179
Less: Current portion		(934,433)		(1,100,369)
Long-term liabilities, net	$	52,363,551	$	52,143,810

For most of 2021, our long-term liabilities consisted of term and revolving notes owed to Nevada State Bank, borrowings under the Main Street Priority Loan Program, and redemption consideration owed to Triangulum Partners LLC. All of those liabilities were paid in full from the proceeds of the Fortress Credit Agreement.

Fortress Credit Agreement. On November 15, 2021, the Company entered into a senior secured term loan agreement with Fortress Credit Corp. ("Fortress Credit Agreement") in the amount of $60 million.

The Fortress Credit Agreement bears interest at a rate equal to, at the Company's option, either (a) LIBOR (or a successor rate, determined in accordance with the Fortress Credit Agreement) plus 7.75%, subject to a reduction to 7.50% upon the achievement of a net leverage target or (b) a base rate determined by reference to the greatest of (i) the federal funds rate plus 0.50%, (ii) the prime rate as determined by reference to The Wall Street Journal's "Prime Rate" and (iii) the one-month adjusted LIBOR rate plus 1.00%, plus 6.75%, subject to a reduction to 6.50% upon the achievement of a net leverage target. The Fortress Credit Agreement has a final maturity of November 13, 2026. The obligations under the Fortress Credit Agreement are guaranteed by the Company's subsidiaries and are secured by substantially all of the assets of the Company and its subsidiaries. The Fortress Credit agreement requires, among other things, principal payments of $150,000 per quarter and includes an annual sweep of 50% of excess cash flow beginning in 2023. The Fortress Credit Agreement contains affirmative and negative financial covenants (as defined in the Fortress Credit Agreement) and other restrictions customary for borrowings of this nature. The Company was required to maintain a Total Net Leverage Ratio of 8.00x for the quarter ending March 31, 2022, and the Company was in compliance with that covenant. Also, the Fortress Credit Agreement requires that the Company not allow balances in bank accounts that are not covered by an account control agreement to exceed $1 million at any month-end. The bank accounts held by PGP in the Isle of Man are not covered by account control agreements and the balances in those accounts exceeded $1 million at the end of November and December 2021 and January and February 2022. In March 2022, the balances in those accounts were reduced to less than $1 million. The Company informed Fortress of the covenant breach, and a Consent and Waiver Agreement was executed among the Company, Fortress as Agent, and the Lenders party to the Fortress Credit Agreement on March 16, 2022.

In connection with entering into the Fortress Credit Agreement, the Company also issued warrants to purchase a total of up to 778,320 shares of the Company's common stock to certain affiliates of Fortress at a price per share of $0.01 (the "Warrants"). The Warrants are exercisable at any time, subject to certain restrictions.

As of March 31, 2022, future maturities of our long-term liabilities are as follows:

Twelve Months Ending March 31,		Total
2023	$	934,433
2024		600,000
2025		600,000
2026		600,000
2027		57,450,000
Thereafter		—
Long-term liabilities, gross	$	60,184,433

NOTE 8. COMMITMENTS AND CONTINGENCIES

Concentration of risk. We are exposed to risks associated with clients who represent a significant portion of total revenues. For the three months ended March 31, 2022 and 2021, respectively, we had the following client concentrations:

	Location	Three Months Ended March 31, 2022 Revenue	Three Months Ended March 31, 2021 Revenue		Accounts Receivable March 31, 2022		Accounts Receivable December 31, 2021
Client A	Europe	31.0 %	29.7 %	$	514,137	$	-
Client B	North America	8.5 %	11.2 %	$	472,798	$	138,338

Legal proceedings. In the ordinary course of conducting our business, we are, from time to time, involved in various legal proceedings, administrative proceedings, regulatory government investigations and other matters, including those in which we are a plaintiff or defendant, that are complex in nature and have outcomes that are difficult to predict. There are no current or threatened legal proceedings.

Intellectual property agreements. From time to time, the Company purchases intellectual property from third-parties and the Company, in turn, utilizes that intellectual property in certain games sold to clients. In these purchase agreements, the Company may agree to pay the seller of the intellectual property a fee, if and when, the Company receives revenue from games containing the intellectual property.

NOTE 9. INCOME TAXES

Our forecasted annual effective tax rate ("AETR") at March 31, 2022 was 6.66%, as compared to 12.92% at March 31, 2021. This decrease was primarily due to the reduced tax benefits from foreign rate differential, increased benefit for foreign derived intangible income and a change in valuation allowance as a result of changes in estimates of current-year ordinary income considered in determining the forecasted AETR.

For the three months ended March 31, 2022 and 2021, our effective tax rate ("ETR") was 143.35% and (27.15)%, respectively. The increase in the ETR for the three months ended March 31, 2022 is a result of favorable discrete items related to excess tax benefits from stock-based compensation that exceeded pre-tax book loss for the quarter.

NOTE 10. SUBSEQUENT EVENTS

On April 20, 2022, the Company entered into a Cooperation Agreement (the "Cooperation Agreement") with Tice Brown ("Mr. Brown").

Pursuant to the terms of the Cooperation Agreement, Mr. Brown has agreed to (1) irrevocably withdraw his proposed nomination of himself to the Board of Directors of the Company (the "Board") and his proposal requesting that the Board declassify the Board by electing each director on an annual basis, with respect to the 2022 Annual Meeting of Stockholders (the "2022 Annual Meeting"), (2) immediately cease all solicitation efforts in connection with the 2022 Annual Meeting and (3) cause all voting securities of the Company owned beneficially by Mr. Brown and for which he has the right to direct the vote, to be cast in favor of each of the Company's proposals and for each of the Board's nominees for director at the 2022 Annual Meeting.

In addition, the Company has agreed to form a hiring committee consisting of two current members of the Board and one independent stockholder who has owned shares of the Company's common stock for more than two years (the "Hiring Committee") for the purpose of identifying and unanimously recommending to the Board a qualified candidate (the "Independent Director") to fill the vacancy created by Mr. William Zender, who intends to resign as a member of the Board. The Board has agreed to promptly cause the Independent Director, subject to the satisfaction of certain qualifications and requirements as set forth in the Cooperation Agreement, to be appointed to the Board for a term expiring at the 2024 Annual Meeting of Stockholders.

The Cooperation Agreement also provides for certain "standstill" provisions that restrict Mr. Brown and his affiliates from, among other things, engaging in any solicitation of proxies or written consents with respect to the voting securities of the Company or acquiring any securities of the Company that would result in Mr. Brown having beneficial ownership of more than 9.9% of the Company's voting securities. The standstill provisions expire on the date that is two years after the 2022 Annual Meeting, unless the Cooperation Agreement is earlier terminated in accordance with the terms thereof. The Cooperation Agreement also provides Mr. Brown with certain Board observer rights prior to the appointment of the Independent Director.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The following is a discussion and analysis of our financial condition, results of operations and liquidity and capital resources as of and for the three months ended March 31, 2022 and 2021. This discussion should be read together with our audited consolidated financial statements and related notes included in Item 8 Financial Statements and Supplementary Financial Information included in our 2021 10-K. Some of the information contained in this discussion includes forward-looking statements that involve risks and uncertainties; therefore our "Special Note Regarding Forward-Looking Statements" should be reviewed for a discussion of important factors that could cause actual results to differ materially from the results described in, or implied by, such forward-looking statements.

OVERVIEW

We develop, acquire, assemble and market technology and entertainment-based products and services for the gaming industry for placement on casino floors and on legal internet gaming sites. Our products and services primarily relate to licensed casino operators' table games activities and focus on either increasing their profitability and productivity or expanding their gaming entertainment offerings in the form of proprietary table games, electronically enhanced table game platforms, fully-automated electronic tables and other ancillary equipment. In addition, we license intellectual property to legal internet gaming operators. Our products and services are offered in highly regulated markets throughout the world. Our products are assembled at our headquarters in Las Vegas, Nevada, as well as outsourced for certain sub-assemblies in the United States.

Results of operations for the three months ended March 31, 2022 and 2021. For the three months ended March 31, 2022, we generated revenues of $5,918,599 compared to $4,282,901 for the comparable prior-year period, representing an increase of $1,635,698, or 38.2%. This increase was attributable to the continued recovery of our land-based customers from the effects of the COVID-19 crisis, particularly in the United Kingdom. Also, our online gaming revenues increased due to increased revenue earned by our iGaming clients, reflecting continued growth in their non-US markets and significantly increased revenue in existing or newly-opened US markets.

Selling, general and administrative expenses for the three months ended March 31, 2022 were $3,043,359 compared to $2,711,052 for the comparable prior-year period, representing an increase of $332,307, or 12.3%. This increase was due to higher internal labor and related expenses (base salary, payroll-related taxes, bonus accrual and travel). These increases were offset by a decrease in legal fees related to the Triangulum lawsuit.

Research and development expenses for the three months ended March 31, 2022 were $199,070, compared to $118,701 for the comparable prior-year period, representing an increase of $80,369, or 67.7%. This increase was primarily due to higher internal labor and related expenses (base salary, payroll-related taxes, commissions and bonus accrual).

Share-based compensation expenses for the three months ended March 31, 2022 were $310,002, as compared to $316,640 for the comparable prior-year period, representing a decrease of $6,638, or 2.1%. The decrease was due primarily to a change in the level and the composition of fees paid to members of our Board of Directors in 2022.

As a result of the changes described above, income from operations increased $1,184,166 or 292.4% to $1,589,116 for the three months ended March 31, 2022, compared to income from operations of $404,950 for the comparable prior-year period.

Total interest expense increased $1,506,112, or 832.5%, to $1,687,022 for the three months ended March 31, 2022, compared to $180,910 for the comparable prior-year period. The increase was attributable to 1) a larger balance of debt outstanding in the current period as compared to the prior year, and 2) higher rates of interest on the current borrowings.

Share redemption consideration was $0 in the three months ended March 31,2022, compared to $195,482 in the comparable prior-year period. The reduction is due to the payment in full of the Triangulum Redemption Consideration Obligation in November 2021.

Income tax benefit was ($141,974) for the three months ended March 31, 2022, compared to income tax benefit of ($18,950) for the comparable prior-year period. The increase in benefit is primarily the result of increased favorable discrete items related to excess tax benefits from stock-based compensation.

Adjusted EBITDA. Adjusted EBITDA includes adjustments to net income to exclude interest, income taxes, depreciation, amortization, share-based compensation, foreign currency exchange loss (gain), change in fair value of interest rate swap liability and severance and other expenses related to litigation. Adjusted EBITDA is not a measure of performance defined in accordance with U.S. GAAP. However, Adjusted EBITDA is used by management to evaluate our operating performance. Management believes that disclosure of the Adjusted EBITDA metric offers investors, regulators and other stakeholders a view of our operations in the same manner management evaluates our performance. When combined with U.S. GAAP results, management believes Adjusted EBITDA provides a comprehensive understanding of our financial results. Adjusted EBITDA should not be considered as an alternative to net income or to net cash provided by operating activities as a measure of operating results or of liquidity. It may not be comparable to similarly titled measures used by other companies, and it excludes financial information that some may consider important in evaluating our performance. A reconciliation of U.S. GAAP net income to Adjusted EBITDA is as follows:

	Three Months Ended March 31,	
Adjusted EBITDA Reconciliation:	**2022**	**2021**
Net (loss) income	$ (13,962)	$ 88,737
Interest expense	1,687,022	180,910
Share redemption consideration	—	195,482
Interest income	(2,233)	(382)
Depreciation and amortization	724,462	717,254
Share-based compensation	310,002	316,640
Foreign currency exchange loss/(gain)	60,263	8,975
Change in fair value of interest rate swap liability	—	(49,822)
(Benefit) provision for income taxes	(141,974)	(18,950)
Severance expense	21,727	3,750
Special project expense	28,124	249,436
Adjusted EBITDA	$ 2,673,431	$ 1,692,030

Liquidity and capital resources. We have generally been able to fund our continuing operations, our investments, and the interest expense and principal amortization under our existing borrowings through cash flow from operations. We may require additional capital to undertake acquisitions or to repay in full our indebtedness. Our ability to access capital for these activities will depend on conditions in the capital markets and investors' perceptions of our business prospects and such conditions and perceptions may not always favor us.

As of March 31, 2022, we had total current assets of $24,204,981 and total assets of $40,152,056. This compares to $23,890,122 and $40,452,705, respectively, as of December 31, 2021. The increase in total current assets at March 31, 2022 was due primarily to higher revenues in the 2022 period. The decrease in total assets was primarily due to amortization of other intangibles.

Our total current liabilities as of March 31, 2022 decreased to $3,656,939 from $4,401,071 as of December 31, 2021, primarily due to the payment of accrued bonuses in March 2022.

Our business was profitable and cash-flow positive from operations in Q1 2022. Based on our current forecast of operations, we believe we will have sufficient liquidity to fund our operations and to meet the obligations under our financing arrangements as they come due.

We continue to file applications for new or enhanced licenses in several jurisdictions, which may result in significant future legal and regulatory expenses. A significant increase in such expenses may require us to postpone growth initiatives or investments in personnel, inventory and research and development of our products. It is our intention to continue such initiatives and investments. However, to the extent we are not able to achieve our growth objectives or raise additional capital, we will need to evaluate the reduction of operating expenses.

Our operating activities provided cash of $1,426,499 for the three months ended March 31, 2022, compared to $767,829 for the comparable prior period. The increase in operating cash flow was primarily due to higher income from operations, partially offset by higher interest expense.

Investing activities used cash of ($65,747) for the three months ended March 31, 2022, compared to cash used of ($81,792) for the comparable prior period. This decrease was primarily due to the acquisition of certain software tools in the 2021 period which did not recur in the 2022 period.

Cash used in financing activities during the three months ended March 31, 2022 was ($120,480). This compares to ($557,639) cash used by financing activities for the comparable prior period. The decreased was due to lower amortization of principal on our borrowings in the 2022 period and to higher proceeds from stock option exercises.
Critical accounting policies. Our significant accounting policies are described in our 2021 10-K. There have been no material changes to those policies.

Off-balance sheet arrangements. As of March 31, 2022, there were no off-balance sheet arrangements.

Recently issued accounting pronouncements. We do not expect the adoption of recently issued accounting pronouncements to have a significant impact on our results of operations, financial position or cash flow.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

A smaller reporting company is not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure controls and procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed submitted under the Exchange Act is accumulated and communicated to management including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Quarterly Report. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2022, our disclosure controls and procedures were effective.

No change in our internal control over financial reporting occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the effectiveness of internal controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving our objectives, and our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective at that reasonable assurance level. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We have been named in and have brought lawsuits in the normal course of business. See Note 8 above and Note 11 to our audited financial statements included in Item 8 “Financial Statements and Supplementary Financial Information” in our 2021 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On March 31, 2022, 18,965 restricted shares of our common stock valued at $87,808 were issued to members of our Board of Directors in partial consideration for their service in Q1 2022. These shares were fully vested upon issuance. These securities were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, (the “Securities Act”) and rules and regulations promulgated thereunder.

Our reliance upon Section 4(a)(2) of the Securities Act in granting the aforementioned options to purchase shares of our common stock was based in part upon the following factors: (a) each of the issuances of the securities was in connection with an isolated private transaction which did not involve any public offering; (b) there were a limited number of offerees; (c) there were no subsequent or contemporaneous public offerings of the securities by us; and (d) the negotiations for the issuance of the securities took place directly between the offeree and us.

ITEM 6. EXHIBITS

Exhibit Number	Description	Form	File No.	Exhibit	Filing Date	Filed Herewith
10.1	Amended and Restated Credit Agreement dated March 29, 2021 with Zions Bancorporation, N.A. dba Nevada State Bank	8-K	000-30653	10.1	March 31, 2021	
10.2	Forbearance to Amended and Restated Credit Agreement dated March 29, 2021 with Zions Bancorporation, N.A. dba Nevada State Bank	8-K	000-30653	10.1	May 17, 2021	
10.3	Settlement Agreement with former Chairman and Chief Executive Officer, Robert Saucier and Triangulum Partners LLC dated October 7, 2021	8-K	000-30653	10.1	October 8, 2021	
10.4	Credit Agreement dated November 15, 2021, with Fortress Credit Corp.	8-K	000-30653	10.1	November 17, 2021	
10.5	Consent and Waiver to Term Loan Credit Agreement, dated November 15, 2021, by among Galaxy Gaming, Inc., a Nevada corporation, the lenders from time to time party and Fortress Credit Corp., as administrative agent and Collateral agent	8-K	000-30653	10.1	March 22, 2022	
10.6	Cooperation Agreement, dated April 20, 2022, by and between the Company and Tice Brown	8-K	000-30653	10.1	April 25, 2022	
31.1	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	Inline XBRL Instance Document – the instance does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document					
101.SCH	Inline XBRL Taxonomy Extension Schema Document					
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					
104	Cover Page Interactive Data File (embedded within the Inline XBRL document					

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 thereunto duly authorized.

Galaxy Gaming, Inc.

Date: May 16, 2022

By: /s/ TODD P. CRAVENS
Todd P. Cravens
President and Chief Executive Officer
(Principal Executive Officer)

Galaxy Gaming, Inc.

Date: May 16, 2022

By: /s/ HARRY C. HAGERTY
Harry C. Hagerty
Chief Financial Officer
(Principal Accounting Officer)

Exhibit 31.1

CERTIFICATIONS

I, Todd P. Cravens, certify that;

1.I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2022, of Galaxy Gaming, Inc. (the "registrant");

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a.Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b.Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c.Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d.Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a.All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b.Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 16, 2022

/s/ TODD P. CRAVENS
By: Todd P. Cravens
Title: Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Harry C. Hagerty, certify that;

1.I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2022, of Galaxy Gaming, Inc. (the “registrant”);

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a.Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b.Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c.Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d.Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5.The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a.All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b.Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 16, 2022

/s/ HARRY C. HAGERTY
By: Harry C. Hagerty
Title: Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly Report of Galaxy Gaming, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2022 filed with the Securities and Exchange Commission (the "Report"), I, Todd P. Cravens, Chief Executive Officer of the Company, and I, Harry C. Hagerty, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1.The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2.The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and the consolidated result of operations of the Company for the periods presented.

By:	/s/ TODD P. CRAVENS
Name:	Todd P. Cravens
Title:	Principal Executive Officer and Director
Date:	May 16, 2022

By:	/s/ HARRY C. HAGERTY
Name:	Harry C. Hagerty
Title:	Principal Financial Officer and Director
Date:	May 16, 2022

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.