SYCAMORE ENTERTAINMENT GROUP, INC.

FINANCIAL STATEMENTS AND FOOTNOTES
(unaudited)
For the Three and Six Months Ended
30-Jun-21

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TABLE OF CONTENTS

Balance Sheet	F-1
Statement of Operations	F-2
Statement of Stockholders' Equity	F-3
Statement of Cash Flows	F-4
Notes to Financial Statements	F-5

SYCAMORE ENTERTAINMENT GROUP, INC.
BALANCE SHEET
(UNAUDITED)

	June 30, 2021	December 31, 2020
ASSETS		
Current assets		
Cash	$ 36	$ 355,187
Restricted cash	30,000	-
Total current assets	30,036	355,187
Intangible asset - content licenses	246,750	163,000
Intangible asset - app	16,189	-
Intangible asset - documentary film	76,275	-
Deferred tax asset	3,061,599	3,061,599
Total assets	$ 3,430,849	$ 3,579,786
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 5,313,444	$ 4,619,567
Due to investors	6,618,000	2,665,000
Current portion of long-term notes payable	636,349	719,935
Derivative liability on convertible notes	2,530,830	232,987,000
Total current liabilities	15,098,623	240,991,502
Other liabilities		
Long-term notes payable, related parties	269,524	377,224
Total other liabilities	269,524	377,224
Total liabilities	15,368,147	241,368,726
Stockholders' deficit		
Common stock (Par value $0.001, 2,500,000,000 shares authorized; 1,957,417,066 issued and outstanding as of June 30, 2021)	1,957,417	1,957,417
Stock subscription payable	413,500	413,500
Accumulated deficit	(14,308,215)	(240,159,857)
Total stockholders' deficit	(11,937,298)	(237,788,940)
Total liabilities and stockholders' deficit	$ 3,430,849	$ 3,579,786

See accompanying notes to financial statements

SYCAMORE ENTERTAINMENT GROUP, INC.
STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Revenues				
VOD and advertising revenue	$ -	$ -	$ -	$ -
Total revenues	-	$ -	-	$ -
Cost of sales				
Cost of services	849	-	10,935	-
Total cost of sales	849	-	10,935	-
Gross (loss) profit	(849)	-	(10,935)	-
Operating expenses				
Sales and marketing	2,613	-	3,902,613	-
General and administrative	121,466	96,250	193,415	192,500
Total operating expenses	124,079	96,250	4,096,028	192,500
Operating loss	(124,928)	(96,250)	(4,106,963)	(192,500)
Other income (expense)				
Merchandise sales	-	-	1,477	-
Gain on derivative liability	549,574,170	-	230,456,170	-
Interest expense	(491,754)	(6,877)	(499,042)	(13,754)
Total other income (expense)	549,082,416	(6,877)	229,958,605	(13,754)
Income/(Loss) before provision for income taxes	548,957,488	(103,127)	225,851,642	(206,254)
Provision (benefit) for income taxes	-	-	-	-
Net income (loss)	$ 548,957,488	$ (103,127)	$ 225,851,642	$ (206,254)
Net loss per share of common stock:				
Basic	$ 0.28	$ (0.00)	$ 0.12	$ (0.00)
Weighted average number of shares outstanding				
Basic	1,957,417,066	1,957,417,066	1,957,417,066	1,957,417,066

See accompanying notes to consolidated financial statements

SYCAMORE ENTERTAINMENT GROUP, INC.
STATEMENT OF STOCKHOLDERS' DEFICIT

	Common Stock				
	Shares	Amount	Accumulated Deficit	Subscription Payable	Total
Balance, December 31, 2019	1,957,417,066	$ 1,957,417	$ (7,801,847)	$ 413,500	$ (5,430,930)
Net loss, year ended December 31, 2020			(232,358,010)		(232,358,010)
Balance, December 31, 2020	1,957,417,066	$ 1,957,417	$ (240,159,857)	$ 413,500	$ (237,788,940)
Net income, six months ended June 30, 2021			225,851,642		225,851,642
Balance, June 30, 2021	1,957,417,066	$ 1,957,417	$ (14,308,215)	$ 413,500	$ (11,937,298)

See accompanying notes to financial statements

SYCAMORE ENTERTAINMENT GROUP, INC.
STATEMENT OF CASH FLOWS
(UNAUDITED)

	For the Six Months Ended June 30,	
	2021	**2020**
Cash flows from operating activities		
Net income (loss)	$ 225,851,642	$ (206,254)
Adjustments to reconcile net income to net cash provided by operating activities:		
(Gain) loss on derivative fair value	(230,456,170)	-
Accrued interest expense	499,041	13,754
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses	96,250	192,500
Net cash used in operating activities	(4,009,237)	-
Cash flows from investing activities		
Investment in intangible assets	(176,214)	-
Net cash used in investing activities	(176,214)	-
Cash flows from financing activities		
Net borrowings from investor loans - no specific repayment terms	3,968,000	-
Net (repayment) loan related party	(107,700)	-
Net cash provided by financing activities	3,860,300	-
Net change in cash and cash equivalents	(325,151)	-
Cash and cash equivalents at the beginning of period	355,187	-
Cash and cash equivalents at the end of period	$ 30,036	$ -
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ -	$ -

See accompanying notes to financial statements

NOTE 1 – BASIS OF PRESENTATION

The accompanying interim financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows as of and for the three and six month periods ended June 30, 2021, and for all periods presented herein, have been made.

It is suggested that these financial statements be read in conjunction with the annual financial statements and notes thereto included in the Company's December 31, 2020 annual report filing. The results of operations for the three and six month periods ended, June 30, 2021 are not necessarily indicative of the operating results for the full year.

Use of Estimates

The preparation of financial statements requires us to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ materially from these estimates. On an ongoing basis, we evaluate our estimates, including those related to the accounts receivable and sales allowances, fair values of financial instruments, useful lives of intangible assets and property and equipment, inventory valuations, income taxes, and contingent liabilities, among others. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2020.

There have been no changes in the Company's significant accounting policies for the three and six month periods ended June 30, 2021 as compared to those disclosed in the Company's financial statement for the year ended December 31, 2020.

The Company's derivative financial instruments consist of embedded derivatives related to the issuance of convertible notes. These embedded derivatives include a conversion feature. As of the inception date of the agreement the debt was not considered conventional as defined Accounting Standards Codification ("ASC") No. 815, "Derivatives and Hedging". The accounting treatment of derivative financial instruments require that the Company record the conversion feature at their fair values then record them at fair value as of each subsequent balance sheet date. Any change in fair value is to be recorded as non-operating, non-cash income or expense at each reporting date.

NOTE 3 – COMMITMENTS AND CONTINGENCIES

Contingencies

The Company may, from time to time, be involved in legal proceedings and disputes that arise in the normal course of business. These matters include product liability actions, patent infringement actions, contract disputes, domestic and international federal, state and local tax reviews and audits, and other matters. The Company also may be subject to litigation and/or adverse rulings or judgments as a result of certain contractual indemnification obligations. The Company records a provision for a liability when management believes that it is both probable that a liability has been incurred and it can reasonably estimate the amount of the loss. The Company believes it has adequate provisions for any such matters. The Company reviews these provisions at least quarterly and adjusts these

NOTE 3 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

provisions to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case.

The Company currently disputes a note payable with a noteholder since Management believes the counterparty has breached the agreement with the Company. As the liability is not probable and reasonably estimable, no accrual for the liability has been recorded in the financial statements.

Several of the Company's notes payable are in default and call for the Company to pay legal fees for any recovery. No noteholder has claimed any legal fees and any claims are not probable and reasonably estimable, therefore no accrual has been recorded in the financial statements.

Bank Accounts

From time-to-time the Company may carry balances in its corporate bank accounts above the federally insured limit of $250,000.

N0TE 4- STOCK AND DEBT ISSUANCES

The Company did not enter into any new debt or equity issuances during the three and six months ended June 30, 2021.

Note Settlements

In April of 2021, the Company entered into an amendment with the noteholder with a principal balance of $150,000 plus accrued interest. The noteholder agreed to settle for $500,000 in cash and a maximum conversion of 30,000,000 common shares.

In April of 2021, the Company entered into an amendment with the noteholder with a principal balance of $173,643. The noteholder agreed to cap his combined conversion rights on these notes to 100,000,000 common shares.

In April of 2021, the Company entered into an amendment with the noteholder with a principal balance of $8,000. The noteholder agreed to retire the note for 1,000,000 common shares.

The Company recorded a gain on these note settlements of $419,898,118 which is reflected in gain on derivative liability in the accompanying financial statements.

NOTE 5 – SUBSEQUENT EVENTS

The company reviewed transactions from June 30, 2021 until the date of this report for any material subsequent events. None were noted.