

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

The Movie Studio, Inc.

110 Tower 110 S.E. 6th Street Suite #1700 Ft. Lauderdale, FL 33301

954-336-6000

www.themoviestudio.com

gsv@themoviestudio.com

Quarterly Report

For the period ending December 31, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

214,872,013 as of December 31, 2024 (*Current Reporting Period Date or More Recent Date*)

214,872,013 as of June 30, 2024 (*Most Recent Completed Fiscal Year End*)

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Current name of Issuer: The Movie Studio, Inc.
Formerly Destination Television, Inc. until June 2014,
Formerly Magic Media Networks, Inc. until February
2007, Formerly Magicinc.com until April 2002,
Formerly Magic Fingers, Inc. until July 1999

Current State and Date of Incorporation or Registration: Delaware on 7/28/1961
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any company name change, stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

110 Tower 110 S.E. 6th Street Suite #1700 Ft. Lauderdale, FL 33301

☒ ***Check if principal executive office and principal place of business are the same address:***

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: 800-785-7782
Email: info@pacificstocktransfer.com
Address: 6725 Via Austin Pkwy, Suite 300 Las Vegas, NV 89119

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>MVES</u>
Exact title and class of securities outstanding:	<u>Common</u>
CUSIP:	<u>62459P</u>
Par or stated value:	<u>\$0.0001</u>
Total shares authorized:	5,500,000,00 <u>as of date:</u> December 31, 2024
Total shares outstanding:	214,872,013 <u>as of date:</u> December 31, 2024
Total number of shareholders of record:	191 <u>as of date:</u> December 31, 2024

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Preferred Series A
Par or stated value:	.0001
Total shares authorized:	100,000,000 <u>as of date:</u> December 31, 2024
Total shares outstanding:	94,249,424 <u>as of date:</u> December 31, 2024
Total number of shareholders of record:	2 <u>as of date:</u> December 31, 2024

Exact title and class of the security:	Preferred Series B
Par or stated value:	.0001
Total shares authorized:	100,000,000 <u>as of date:</u> December 31, 2024
Total shares outstanding:	100,000,000 <u>as of date:</u> December 31, 2024
Total number of shareholders of record:	3 <u>as of date:</u> December 31, 2024

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

The company has no other authorized or outstanding equity securities.

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.**

One for one voting rights on all common stock, entitled to dividends as determined by the board of directors. No Preemptive rights.

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

Preferred Series A:

Dividends. The holders of Series A Preferred Stock shall be entitled to share in any dividends, if any, declared and paid upon or set aside for the Common Stock or any series or class of preferred stock of the Corporation, whether now existing or hereafter created or designated, that is pari passu with the Series A Preferred Stock in respect of dividends, pro rata in accordance with the number of shares of Common Stock into which such shares of Series A Preferred Stock are then convertible.

Rights on Liquidation, Dissolution or Winding up _In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation., the holders of shares of Series A Preferred Stock and the holders of any shares of any series or class of preferred stock of the Corporation, whether now existing or hereafter created or designated, ranking by its terms passu with the Series A Preferred Stock in respect of rights on liquidation, dissolution or winding up of the Corporation (Pari Passu Preferred Stock"}, in each case then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders by reason of their ownership thereof; pro- rata in accordance with the number of shares of Common Stock into which such shares of Series A Preferred Stock are then convertible.

Voting: In addition to any other rights provided by law or in the By-laws of the Corporation, each share of Series A Preferred Stock shall entitle the holder thereof to four votes per share. The number of votes per share will be adjusted in accordance with any Changes in the Conversion Ratio pursuant to 4(d) so that that the number of votes the Series A Preferred stockholder shall be entitled to shall equal four times the number of shares of Common Stock meaning 4 to 1 super voting rights at par value of \$0.0001.

Optional Conversion

The holder of any shares of the Series A Preferred Stock shall have the right, at such holder's option, at any time or from time to time to convert any of such shares into such whole number of fully paid and nonassessable shares of Common as last adjusted and then in effect, for the shares of the Series A Preferred Stock being converted, by surrender of the certificates representing the shares of Series A Preferred Stock so to be converted in the manner provided in Section 4(b) hereof. Each share of Series A Preferred Stock shall) be convertible into Common Stock at the Conversion Ratio (the "Conversion Ratio"). The conversion ratio at which shares of Common Stock shall be issuable upon conversion of shares of Series A Preferred Stock shall initially be one share of common Stock for each share of Series A Preferred Stock; provided however, that such Series A Preferred Conversion Ratio shall be subject to adjustment as set forth in Section 4(d) hereof.

Preferred Series B:

Dividends: The holders of Series B Preferred Stock shall be entitled to share in any dividends, if any, declared and paid upon or set aside for the Common Stock or any series or class of preferred stock of the Corporation, whether now existing or hereafter created or designated, that is pari passu with the Series B Preferred Stock in respect of dividends, pro rata in accordance with the number of shares of Common Stock into which such shares of Series B Preferred Stock are then convertible.

Rights on Liquidation, Dissolution or Winding-Up: In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series B Preferred Stock and the holders of any shares of any series or class of preferred stock of the Corporation, whether now existing or hereafter created or designated, ranking by its terms pari passu with the Series B Preferred Stock in respect of rights on liquidation, dissolution or winding up of the Corporation ("Pari Passu Preferred Stock"), in each case then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders by reason of their ownership thereof, pro rata in accordance with the number of shares of Common Stock into which such shares of Series B Preferred Stock are then convertible.

Voting: In addition to any other rights provided by law or in the By-laws of the Corporation, each share of Series B Preferred Stock shall entitle the holder thereof to four votes per share. The number of votes per share will be adjusted in accordance with any changes in the Conversion Ratio pursuant to 4(d) so that the number of votes the Series B Preferred stockholder shall be entitled to shall equal four times the number of shares of Common Stock (rounded down to the nearest whole number based on the aggregate number of shares of Series B Preferred Stock held by such stockholder) into which such share of Series B Preferred Stock is then convertible as provided in Section 4 hereof, in the same manner and with the same effect as such holders of Common Stock, voting together with the holders of Common Stock and any other class or series of preferred stock, whether now existing or hereafter created or designated (except and to the extent otherwise expressly provided in any such series or class of preferred stock), as one class; provided, however, holders of the Series B Preferred Stock shall not be entitled to a separate vote as a class, or as a series thereof, with respect to any amendment, alteration or repeal of the Certificate of Incorporation that may be deemed or that purports to have been effected by way of a merger or consolidation of the Corporation, or otherwise by operation of law.

Optional Conversion: The holder of any shares of the Series B Preferred Stock shall have the right, at such holder's option, at any time or from time to time to convert any of such shares into such whole number of fully paid and nonassessable shares of Common as last adjusted and then in effect, for the shares of the Series B Preferred Stock being converted, by surrender of the certificates representing the shares of Series B Preferred Stock so to be converted in the manner provided in Section 4(6) hereof. Each share of Series B Preferred Stock shall be convertible into Common Stock at the Conversion Ratio (the "Conversion Ratio"). The conversion ratio at which shares of Common Stock shall be issuable upon conversion of shares of Series B Preferred Stock shall initially be one share of common Stock for each share of Series B Preferred Stock; provided, however, that such Series B Preferred Conversion Ratio shall be subject to adjustment as set forth in Section 4(d) hereof.

3. Describe any other material rights of common or preferred stockholders.

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☒ Yes: ☐ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date <u>June 30, 2022</u> Common: <u>214,872,013</u> Preferred: <u>194,249,424</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price?	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding as of Report Date: Date: <u>December 31, 2024</u> Common: <u>214,872,013</u> Preferred: <u>194,249,424</u>									

Example: A company with a fiscal year end of December 31st 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Any additional material details, including footnotes to the table are below:

B. Convertible Notes

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

☐ Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	# Shares Converted to Date	Discounted to the Market Price	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
7/9/2020	\$25,000	\$36,205	7/9/2021		Discounted to the Market Price	Tri-Bridge Ventures Inc./John Forsythe III	Loan
2/8/2021	\$37,500	\$52,110	2/08/2022		Discounted to the Market Price	PJH Holdings/ Paul James	Loan
2/11/2021	\$37,500	\$52,079	2/11/2022		Discounted to the Market Price	PJH Holdings/ Paul James	Loan
7/1/2021	\$50,000	\$67,521	7/01/2022		Discounted to the Market Price	Joseph Bolinsky	Loan
7/15/2021	\$10,000	\$12,773	7/15/2022		Discounted to the Market Price	Tom Catalano	Loan
8/10/2021	\$20,000	\$25,431	8/10/2022		Discounted to the Market Price	Tom Catalano	Loan
9/22/2021	\$75,000	\$136,438	9/22/2022		Discounted to the Market Price	Michael J. Peter	Loan
12/4/2021	\$25,000	\$44,229	12/4/2022		Discounted to the Market Price	Michael J. Peter	Loan
11/26/2022	\$62,500	\$78,168	11/26/2024		Discounted to the Market Price	Michael J. Peter	Loan
6/6/2023	\$12,500	\$14,493	6/6/2024		Discounted to the Market Price	Michael J. Peter	Loan
7/7/2023	\$12,500	\$14,385	7/7/2024		Discounted to the Market Price	Michael J. Peter	Loan
8/18/2023	\$15,000	\$17,088	8/18/2024		Discounted to the Market Price	Michael J. Peter	Loan
10/26/2023	\$25,000	\$32,500	10/26/2024		Discounted to the Market Price	Michael J. Peter	Loan
7/12/2024	\$62,500	\$67,875	7/12/2025		Discounted to the Market Price	Michael J. Peter	Loan

8/7/2024	\$7,500	\$8,048	8/7/2025		Discounted to the Market Price	Michael J. Peter	Loan
11/6/2024	\$28,500	\$29,284	11/6/2025		Discounted to the Market Price	Michael J. Peter	Loan
12/19/2024	\$10,000	\$10,060	12/19/2025		Discounted to the Market Price	Michael J. Peter	Loan
Total	\$516,000	\$698,686					

***Control persons for any entities in the table above must be disclosed in the table or in a footnote here.

Any additional material details, including footnotes to the table are below:

All but two of the convertible notes (dated 11/6/2024 and 12/19/2024) are past their maturity date and are therefore in default. However, only one of the note holders has claimed default.

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Video on Demand, Motion Picture Production and Distribution

B. List any subsidiaries, parent company, or affiliated companies.

The Movie Studio, Inc., a Florida corporation

C. Describe the issuers' principal products or services.

Motion Picture Library - VOD Distribution

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Company leases corporate office space located at 110 Tower 110 S.E. 6th Street Suite #1700 Ft. Lauderdale, FL 33301.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, ≥ 5% beneficial owner)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Gordon Scott Venters	President/CEO	Fort Lauderdale, FL	90,749,424	Preferred Series A	96.29%
Michael J. Peters	Shareholder	Fort Lauderdale, FL	2,019.119	Common	< 1%
Michael J. Peters	Shareholder	Fort Lauderdale, FL	93,615,152	Preferred Series B	93.62%
Gordon Scott Venters	President/CEO	Fort Lauderdale, FL	3,884,848	Preferred Series B	3.88%
Jeff Hines	Director	Fort Lauderdale, FL	3,000.000	Common	1.40%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

N/A

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

N/A

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated.

Yes – see legal below

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a “yes” answer to part 3 above; or

N/A

5. **Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.**

N/A

6. **Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.**

N/A

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.**

Securities and Exchange Commission vs. The Movie Studio, Inc. and Gordon Scott Ventners, Case No. 0:21-CV-61686-DPG, United States District Court, Southern District of Florida, Miami Division.

On August 13th 2021, The Securities and Exchange Commission (Plaintiff) filed a civil complaint against the Company and its Principal Gordon Scott Venters in the United States district court for the southern district of Florida. The SEC alleged that the Company violated the antifraud provisions of Section 17(a) of the Securities Act of 1933 and Section 10(b), Rule 10b-5 and the registration provisions of Sections 5(a) and (c) of the Securities. The Complaint also charges Mr. Ventures with violating the broker-dealer registration provisions of Section 15(a)(1) of the Exchange Act, and with acting as a control person of the Company under Exchange Act section 20(a). On September 17, 2024, an Order affirming and adopting a Report and Recommendation of a Magistrate Judge was filed with the U.S. District Court whereby the Plaintiff's Motion for Summary Judgment was granted as to Count I of the Complaint and Denied as to Counts II-IX of the Complaint. The Company and Mr. Venters deny all of the Plaintiff's allegations and continues to vigorously defend itself against such allegations. Defendant plans to file an appeal to the Order by October 15, 2024 and set the case for trial on August 25, 2025.

Paul James Holding, LLC vs. The Movie Studio, Inc., a Florida Corporation and Gordon Scott Venters, individually ("Defendants"), Case# 2022-013921-CA-01, Circuit Court of the 11th Judicial Circuit, Miami-Dade County, Florida.

On July 27th, 2022, Paul James Holdings ("PJH") filed a Complaint against The Movie Studio Inc. and Gordon Scott Venters in in the circuit court of the 11th judicial circuit in and for Miami Dade county, Florida for defaulting on payment of two (2) one year maturity convertible notes of \$37,500 each dated February 8th and February 11th, 2021.

On January 9, 2024, PJH was granted a summary judgement against The Movie Studio, Inc. (a Florida corporation) in the sum of \$100,095.20 with interest accruing at the statutory rate pursuant to §55.03(1), Fla. Stat, as adjusted per quarter, from January 9, 2024 until paid.

On March 11, 2024, the Company filed a second amended Answer and Affirmative defenses to the Amended Complaint to have the entire case involuntarily dismissed because Plaintiffs' erred by suing the wrong party. PJH judgement was against The Movie Studio, Inc, a Florida corporation, which is a subsidiary of The Movie Studio, Inc., a Delaware corporation. The convertible note agreements between the parties was with the Delaware corporation; The Movie Studio, Inc. (Florida) issued no notes and was never a party to any of the convertible note agreements with PJH.

On November 5, 2024, PJH received a summary judgement against Gordon Venters, the Company's CEO. The judgement was for \$104,000 plus pretrial interest. On June 19, 2025, Gordon Venters filed an appeal.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: Jonathan Leinwand, Esq.
Address 1: 18305 Biscayne Blvd. Suite 200
Address 2: Aventura, FL 33160
Phone: (954) 903-7856
Email: Jonathan@JDLPA.com

Accountant or Auditor

Name: David Ostrower
Firm: Avail CFO, LLC
Address 1: 4950 NW 54 Street
Address 2: Coconut Creek, FL 33073
Phone: (954) 246-9233
Email: dostrower@availcfo.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: _____
Facebook: The Movie Studio, Inc.
[Other] @TheMovieStudioAPP

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____

Phone: _____
Email: _____

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Gordon Venters
Title: CEO
Relationship to Issuer: President/CEO

B. The following financial statements were prepared in accordance with:

- ☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: David Ostrower
Title: Managing Member, AvailCFO
Relationship to Issuer: Outside Accountant

Describe the qualifications of the person or persons who prepared the financial statements:⁵

Avail's consultants have been preparing financial statements for public companies on the NYSE, AMEX, NASDAQ and OTC Markets for over 22 years.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Gordon Scott Venters certify that:

1. I have reviewed this Disclosure Statement for The Movie Studio, Inc.
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

8/8/2025 [Date]

/s/Gordon Scott Venters [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

1. I have reviewed this Disclosure Statement for The Movie Studio, Inc.
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

8/8/2025 [Date]

/s/Gordon Scott Venters [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

The Movie Studio, Inc.

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The Movie Studio, Inc.
Balance Sheets
(Unaudited)

	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Assets</u>		
Current Assets		
Cash	\$ 1,450	\$ 7,947
Total Current Assets	<u>1,450</u>	<u>7,947</u>
Total Assets	<u><u>\$ 1,450</u></u>	<u><u>\$ 7,947</u></u>
<u>Liabilities and Stockholders' Deficits</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 117,418	\$ 62,989
Accrued salary - related party	65,733	98,428
Accrued interest payable	181,066	146,157
Loans Payable	15,500	65,000
Convertible notes payable - net	444,403	397,192
Derivative liabilities	797,339	1,552,936
Total Current Liabilities	<u>1,621,459</u>	<u>2,322,702</u>
Total Liabilities	<u>1,621,459</u>	<u>2,322,702</u>
Stockholders' Deficit		
Preferred stock, Series A, \$0.0001 par value, 100,000,000 shares authorized 94,249,424 and 94,249,424 shares issued and outstanding, respectively	9,425	9,425
Preferred stock, Series B, \$0.0001 par value, 100,000,000 shares authorized 100,000,000 and 100,000,000 shares issued and outstanding, respectively	10,000	10,000
Common stock, \$0.0001 par value, 5,500,000,000 shares authorized 214,872,013 and 214,872,013 shares issued and outstanding, respectively	21,637	21,637
Common stock issuable, \$0.0001 par value, 11,050,000 shares and 11,050,000, respectively	26,500	26,500
Additional paid-in capital	12,881,915	12,881,915
Accumulated deficit	<u>(14,569,486)</u>	<u>(15,264,232)</u>
Total Stockholders' Deficit	<u>(1,620,009)</u>	<u>(2,314,755)</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 1,450</u></u>	<u><u>\$ 7,947</u></u>

The accompanying notes are an integral part of these unaudited financial statements

The Movie Studio, Inc.
Statements of Operations
(Unaudited)

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2024	2023	2024	2023
Revenues	\$ 5,449	\$ 1,188	\$ 21,981	\$ 1,517
General and administrative expenses	32,115	19,478	105,297	43,493
Loss from operations	(26,666)	(18,290)	(83,316)	(41,976)
Other income (expense)				
Derivative expense	(30,745)	-	(72,174)	(20,868)
Change in fair value of derivative liability	1,282,074	(422,118)	936,271	(283,065)
Amortization of debt discount	(24,043)	(19,814)	(47,211)	(43,374)
Interest expense	(19,619)	(13,285)	(38,824)	(26,341)
Total other income (expense) - net	1,207,667	(455,217)	778,062	(373,648)
Net income (loss)	\$ 1,181,001	\$ (473,507)	\$ 694,746	\$ (415,624)
Gain (loss) per share - basic and diluted	\$ 0.01	\$ (0.00)	\$ 0.00	\$ (0.00)
Weighted average number of shares - basic and diluted	214,872,013	214,872,013	214,872,013	214,872,013

The accompanying notes are an integral part of these unaudited financial statements

The Movie Studio, Inc.
Statements of Changes in Stockholders' Equity (Deficit)
For the Three and Six Months Ended December 31, 2024
(Unaudited)

	Preferred Stock - Series A		Preferred Stock - Series B		Common Stock		Common Stock Issuable		Additional Paid-in	Accumulated	Total Stockholders'
June 30, 2023	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (14,450,213)	\$ (1,500,736)
Net loss - three months ended September 30, 2023	-	-	-	-	-	-	-	-	-	57,883	57,883
September 30, 2023	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	\$ 21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (14,392,330)	\$ (1,442,853)
Net loss - three months ended December 31, 2023	-	-	-	-	-	-	-	-	-	(473,507)	(473,507)
December 31, 2023	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	\$ 21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (14,865,837)	\$ (1,916,360)
Net loss - three months ended March 31, 2024	-	-	-	-	-	-	-	-	-	(103,519)	(103,519)
March 31, 2024	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	\$ 21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (14,969,356)	\$ (2,019,879)
Net loss - three months ended June 30, 2024	-	-	-	-	-	-	-	-	-	(294,876)	(294,876)
June 30, 2024	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	\$ 21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (15,264,232)	\$ (2,314,755)
Net loss - three months ended September 30, 2024	-	-	-	-	-	-	-	-	-	(486,255)	(486,255)
September 30, 2024	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	\$ 21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (15,750,487)	\$ (2,801,010)
Net loss - three months ended December 31, 2024	-	-	-	-	-	-	-	-	-	1,181,001	1,181,001
December 31, 2024	94,249,424	\$ 9,425	100,000,000	\$ 10,000	214,872,013	\$ 21,637	11,050,000	\$ 26,500	\$ 12,881,915	\$ (14,569,486)	\$ (1,620,009)

The accompanying notes are an integral part of these unaudited financial statements

The Movie Studio, Inc.
Statements of Cash Flows
(Unaudited)

	For the Six Months Ended December 31,	
	2024	2023
Operating activities		
Net loss	\$ 694,746	\$ (415,624)
Adjustments to reconcile net loss to net cash used in operations		
Change in fair value of derivative liability	(936,271)	283,065
Derivative expense	72,174	20,868
Amortization of debt discount	47,211	43,374
Changes in operating assets and liabilities		
Increase (decrease) in		
Accounts payable and accrued expenses	54,429	2,600
Accrued salary - related party	(32,695)	(21,656)
Accrued interest payable	34,909	26,341
Net cash used in operating activities	(65,497)	(61,032)
Investing activities		
Net cash used in investing activities	-	-
Financing activities		
Proceeds from issuance of debt	59,000	52,500
Net cash provided by financing activities	59,000	52,500
Net decrease in cash	(6,497)	(8,532)
Cash - beginning of period	7,947	14,530
Cash - end of period	\$ 1,450	\$ 5,998
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ -	\$ -
Gain on accrued interest in debt settlement	\$ -	\$ -
Supplemental disclosure of non-cash investing and financing activities		
Debt discount recorded in connection with derivative liability	\$ 108,500	\$ 27,500

The accompanying notes are an integral part of these unaudited financial statements

Note 1 - Organization and Nature of Operations

[The Movie Studio, Inc. \(OTC: MVES-\)](#) (the "Company") a vertically integrated motion picture production company focused on acquiring, developing, producing, and distributing independent motion picture content for worldwide consumption. The Company had its own Over the Top ("OTT") Video on Demand Streaming Platform and a "App" via Advertiser Video on Demand and Subscription Video on Demand ("AVOD/SVOD") and utilizes revenue sharing integration of third-party feature films distribution and sales and is viewable on various media devices. The company is currently integrating both its own and aggregated feature films as well as its own projects in development and other media intellectual properties. The Company is a disruptor from traditional media content delivery systems with its digital business model of motion picture distribution, and the company previously utilized a block chain sales licensing platform of its content with geo-fractured territories for worldwide distribution.

The Company operates using a production and growth-by-acquisition strategy that includes:

The ability to upgrade legacy and acquired films and remonetizing with bundling "New" film content on our own OTT platform and Streaming Platform and popular AVOD/SVOD streaming platforms across the internet.

Strategic Partnerships and media content alignment with other OTT platforms and cross-collateralization of leverageable media assets for worldwide distribution.

Producing micro-budget motion picture content with substantial production value utilizing innovative technology and the company's extensive legacy resources and unique production process, thereby significantly reducing capital expenditures while allowing for the potential of significant return on investment ("ROI") with one successful production.

Revenue Sharing of Feature Film/Libraries on AVOD Streaming Platforms.

In 2021 and 2022 the Company completed significant Corporate Actions and established what management believes to be a potentially significant motion picture brand **THEMOVIE STUDIO ®**.

THE BRAND

The Company Received the Registered Trademark Reg. No. 6,524,870 on Oct. 19, 2021.

Int. Cl.: 41 Registered Service Mark consists of the words "THE MOVIE STUDIO" such that the letter "O" in "MOVIE" is a stylized camera aperture. CLASS 41: Provision of non-downloadable films and movies via a video-on-demand service; Providing a website featuring non-downloadable videos in the fields of action adventure, animation, anime, biography, classics, comedy, crime, documentary, drama, faith, family, fantasy, film-noir, history, horror, international, musical, mystery, romance, science fiction, sports, thrillers,

war, and westerns; Production and distribution of television shows and movies; Entertainment services in the nature of development, creation, production, distribution, and post-production of motion picture films, and television shows FIRST USE 12-28-2011; IN COMMERCE 12-28-2011 No claim is made to the exclusive right to use the following apart from the mark as shown: "MOVIE STUDIO" SER. NO. 90-407,065, FILED 12-23-2020.

The Company owns the Movie Studio (Logo ®), an OTT Video Streaming Platform, The Movie Studio and The Movie Studio Apps (which were live in the Google Play and the Apple Apps) and the themoviestudio.com domain, and numerous additional intellectual property URLs, www.themoviestudio.net, www.themoviestudio.ai, www.themoviestudiochannel.com, www.themoviestudio.ca that vertically integrate with the Company's ® trademark brand.

THE APP-OTT PLATFORM

On March 5th 2020, the Company entered into a strategic partnership with Film-Hub, an all-rights film and TV distributor. Subsequently and as a direct result of the SEC's complaint, the Company's "App" initiative with Film-Hub was immediately disrupted, halting the addition of 4,701 movies that were in the process of being loaded onto the platform. On August 18, 2022, Film-Hub cancelled the agreement, sighting the SEC's complaint as their reason for the cancellation.

The company had successfully launched its Streaming Video Platform "The Movie Studio App" on Google Play and the App Store, enabling users to both view the company's aggregated/content and potentially become part of it. The App has been completed and was "Advertiser Enabled." The Company's "App" has a unique "Audition Submission" function, for members leveraging the Company's "Watch Our Movies, Be in Our Movies!" content platform and aligned with our "Everyone's a Star" marketing strategy when initiated, which will be marketed via social media. Using the APP, member subscribers can upload a video audition submission that showcases them. Audition submissions will then be reviewed by producers for possible participation of the auditionee for upcoming feature films. The Company is currently attempting to re-structure and re-institute the APP application pending the ability to re-integrate third party revenue sharing motion picture licensing agreements.

The Company maintained hundreds of movies on our App, however, as a result of the SEC Complaint has had to halt operations of the App. Additionally, the Company's OTT Platform and App, and is not monetizing the films on the APP.

The Audition Submission function provides the member subscriber with the ability to disrupt traditional motion picture casting and management, enabling access to potentially participate in The Company's independent motion picture and media content. The Company's unique business model capitalizes on the global demand for film content through the production and distribution of its own films as well as potential third party revenue share licensing while also providing opportunities for direct viewer involvement in its content.

The Company was planning to utilize a marketing campaign to promote "The Movie Studio APP" prior to the current consolidation of operations. The first initiative could have generated market

excitement utilizing a network of social media influencers and the Company's eight (8) complete App ads targeting Facebook, Instagram, Tik-Tok, Hulu and YouTube. The goal was to introduce the App to a cross demographic collective reach with a "FREE" install AVOD/SVOD App. The Company intended to integrate approximately 12 minutes of advertising per hour, eventually including 2 minutes advertising of the Company's App using our App ads.

The Company with sufficient financing, could potentially integrate recognizable stars and/or Social Media Influencers into the productions at substantial value propositions either pre- or post-completion and then integrate talent into a new or re-edited feature film of the intellectual property using the Company's unique "Moviesode" production process. The Company has monetized film assets on Amazon's, Tubi's, Comcast's and Showtime's platforms.

MOTION PICTURE PRODUCTION

THE KING OF THE SPORT OF KINGS, AKA/ "BILLIONAIRE BUSINESSMAN (THE LEGACY OF FRANK STRONACH)" - Status-Completed

On July 13, 2024, the Company reached an agreement with Frank Stronach in association with Stronach International Inc. to complete the Documentary THE KING OF THE SPORT OF KINGS" that was originally filmed at Gulfstream Park on May 26th 2017. The film is now titled "Billionaire Businessman - The Legacy of Frank Stronach." On September 24th 2024, the Company received "Approval" from Frank Stronach and Stronach International Inc. and subsequent title name change of the documentary feature film "Billionaire Businessman - The Legacy of Frank Stronach."

On February 28, 2025, the Company reached an agreement with Frank Stronach in association with Stronach International Inc. to share profits from the film on a 50/50 basis.

On March 25th 2025 the Company though it's aggregator was approved for distribution on AMAZON PRIME streaming platform and is available in approximately 180 million prime users in the United States and 14.6 million in Canada at [Click here](#). On March 7th 2025 the film became available on Plex [Click here](#) with 17 million monthly active users, and on March 25th 2025 it became available to FAWSOME'S million monthly subscribers. [Click here](#).

On March 10th, 2025, the Company entered into a Co-Production Agreement with a legacy shareholder to produce a feature film "My Name is Mohammad". The independent feature film is in the same tone of a "Coming to America" focusing on themes of cultural and economic diversity highlighting the signature theme that in America everyone is different yet the same. The Movie completed principal photography on April 19th 2025 and is currently completing pick up shots for the feature film for assimilation in final edit. the Company anticipates completion of the feature film by the summer of 2025 and subsequently ready for worldwide distribution. the Company currently has not entered into a distribution agreement on the feature film.

On June 9th 2025, the Company entered into a Strategic Partnership Agreement with Flying Stone Filmz LLP. Regarding forward looking mutually beneficial initiatives between the Companies.

The Company's last completed feature film "Retribution" is currently available on major streaming platforms TUBI Owned by FOX) available in over ninety-seven million monthly active users in the U.S. and 7.5 million in Canada. As of March 2023 TUBI was the most watched free ad-supported TV streaming in the U.S.

PEGASUS- Status-Pre-Production

On October 20, 2021, the Company entered into a Deal Memo with Oscar Award Winning writer Ron Bass (RAINMAN) whose movies have grossed over two billion dollars at the Box Office. After this, litigation was brought against the Company by Global Capital Group ("GCG"), who attempted to take control of the project after the SEC complaint.

One December 11, 2022, the Company settled this lawsuit against all defendants. As part of the settlement, defendant Global Capital Group ("GCG") and the parties agreed that certain notes with the Company of \$75,000 and interest of \$9,617 (all totaling \$84,617) would be deemed paid, The Company recorded this as a gain on debt settlement. Defendants also agreed to pay the Company \$75,000 in three (3) equal installments due December 11, 2022, January 31, 2023, and February 28, 2023. All such payments have been made. The Company shall also receive 10% of the gross revenue paid or payable to GCG et. al. (the "Pegasus Defendants") which was made directly or indirectly in connection with any transaction between any of the Pegasus Defendants and Ron Bass in connection to any screenplay or movie relating to Pegasus, including but not limited to a new movie entitled "Pegasus" written by Academy Award Winning Screenplay writer (RAINMAN) Ron Bass and owned by any of the Pegasus Defendants to the suit.

On July 3, 2025, the Company entered into a new 150-day agreement with PEGASUS PRODUCTIONS CORP to assist in packaging and pre-production and is in discussions to reinstitute the motion picture intellectual property that was severely disrupted by the SEC Complaint.

Basis of Presentation

Management acknowledges its responsibility for the preparation of the accompanying unaudited financial statements which reflect all adjustments, consisting of normal recurring adjustments, considered necessary in its opinion for a fair statement of its financial position and results of its operations for the period(s) presented.

The accompanying unaudited financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (the "U.S. GAAP").

Operating results for interim periods are not necessarily indicative of results that may be expected for the fiscal year. Certain information and note disclosure normally included in financial statements prepared in accordance with U.S. GAAP has been condensed or omitted from these statements pursuant to such accounting principles and, accordingly, they do not include all the information and notes necessary for comprehensive financial statements.

Founded in 1961 and formerly known as Destination Television, Inc., the company changed its name to The Movie Studio, Inc. in November 2012. The Movie Studio, Inc. is headquartered in Fort Lauderdale, Florida.

The Company's fiscal year end is June 30.

Liquidity, Going Concern and Management's Plans

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As reflected in the accompanying unaudited financial statements, for the six months ended December 31, 2024, the Company had:

- net income of \$1,180,351; and
- net cash used in operations was \$65,497.

Additionally, at December 31, 2024, the Company had:

- an accumulated deficit of \$14,570,136; and
- a Stockholders' deficit of \$1,620,659; and
- a Working capital deficit of \$1,620,659.

The Company had cash on hand of \$1,450 at December 31, 2024. Although the Company intends to raise additional debt, the Company expects to continue to incur significant losses from operations and have negative cash flows from operating activities in the near term. These losses could be significant as revenues ramp up along with continuing expenses related to compensation, professional fees, development and regulatory are incurred.

The Company has incurred significant losses since its inception and has not demonstrated an ability to generate sufficient revenues from the sales of its products and services to achieve profitable operations. There can be no assurance that profitable operations will ever be achieved, or if achieved, could be sustained on a continuing basis. In making this assessment management performed an analysis of our current circumstances including the Company's financial position, cash flows and cash usage forecasts, as well as our current capital structure including equity-based instruments and our obligations and debts.

During the three and six months ended December 31, 2024, the Company has satisfied its obligations from operating cash flows as well as the issuance of convertible notes payable for \$108,500 (see Notes 3); however, there is no assurance that such successful efforts will continue during the twelve months subsequent to the date these financial statements are issued.

If the Company does not obtain additional capital, the Company will be required to reduce the scope of its business development activities or cease operations. The Company continues to explore obtaining additional capital financing and the Company is closely monitoring its cash balances, cash needs, and operating expense levels.

These factors create substantial doubt about the Company's ability to continue as a going concern within the twelve-month period subsequent to the date that these financial statements are issued. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. Accordingly, the financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Management's strategic plans include the following:

- Pursuing additional capital raising opportunities,
- Continuing to explore and execute prospective partnering or distribution opportunities; and
- Identifying unique market opportunities that represent potential positive short-term cash flow.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

Preparing financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates, and those estimates may be material.

Customers in the United States accounted for 100% of our revenues. We do not have any property or equipment outside of the United States.

Fair Value of Financial Instruments

The Company accounts for financial instruments under Financial Accounting Standards Board ("FASB") ASC 820, *Fair Value Measurements*. ASC 820 provides a framework for measuring fair value and requires disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, based on the Company's principal or, in absence of a principal, most advantageous market for the specific asset or liability.

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs, when determining fair value.

The three tiers are defined as follows:

- Level 1—Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets
- Level 2—Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3—Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

See Note 3 for level 3 disclosure related to derivative liabilities.

The determination of fair value and the assessment of a measurement's placement within the hierarchy requires judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various cost, market, or income valuation methodologies applied to unobservable management estimates and assumptions. Management's assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. The Company may also engage external advisors to assist us in determining fair value, as appropriate.

Although the Company believes that the recorded fair value of our financial instruments is appropriate, these fair values may not be indicative of net realizable value or reflective of future fair values.

The Company's financial instruments, including cash, accounts payable and accrued expenses, accrued salary – related party and convertible note payable, are carried at historical cost. At December 31, 2024, the carrying amounts of these instruments approximated their fair values because of their short-term nature.

ASC 825-10 *"Financial Instruments"* allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value ("fair value option"). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. The Company did not elect to apply the fair value option to any outstanding financial instruments.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers all highly liquid instruments with a maturity of three months or less at the purchase date and money market accounts to be cash equivalents.

At December 31, 2024, the Company had no cash equivalents.

Derivative Liabilities

The Company analyzes all financial instruments with features of both liabilities and equity under FASB ASC Topic No. 480, (“ASC 480”), “*Distinguishing Liabilities from Equity*” and FASB ASC Topic No. 815, (“ASC 815”) “*Derivatives and Hedging*.” Derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives. The Company uses a binomial model to determine fair value.

Upon conversion, exercise or repayment, the respective derivative liability is marked to fair value at the conversion, repayment, or exercise date and then the related fair value amount is reclassified to other income or expense as part of gain or loss on debt extinguishment recognized in the Company’s Consolidated Statements of Operations.

The Company has adopted ASU 2017-11, “*Earnings per share (Topic 260)*”, provided that when determining whether certain financial instruments should be classified as liability or equity instruments, a down round feature no longer precludes equity classification when assessing whether the instrument is indexed to an entity’s own stock. If a down round feature on the conversion option embedded in the note is triggered, the Company will evaluate whether a beneficial conversion feature exists, the Company will record the amount as a debt discount and will amortize it over the remaining term of the debt.

If the down-round feature in the warrants that are classified as equity is triggered, the Company will recognize the effect of the down-round as a deemed dividend, which will reduce the income available to common stockholders.

Debt Discount

Debt discount is amortized to interest expense in the consolidated statements of operations, over the life of the underlying debt instrument.

Revenue Recognition

Pursuant to ASC 606, we recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration or payment the Company expects to be entitled to receive in exchange for those goods or services. Our revenue is recognized by applying the following five steps: 1) identify the contracts with a customer; 2) identify the

performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to the performance obligations; and 5) recognize revenue when (or as) we satisfy a performance obligation.

The Company recognizes revenues from the sale of month-to-month and annual subscription plans for access to its movie and film library. The customer can switch plans or cancel anytime. The Company's revenues for the three and six months ended December 31, 2024 and 2023 were insignificant.

We apply judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit or financial information pertaining to the customer. If a contract includes multiple promised goods or services, we apply judgment to determine whether the promised goods or services are capable of being distinct and are distinct within the context of the contract. If these criteria are not met, the promised goods or services are accounted for as a combined performance obligation. We determine the transaction price based on the consideration which we will be entitled to receive in exchange for transferring goods or services to our customer. We recognize revenue at the time that the related performance obligation is satisfied by transferring the promised goods or services to our customer.

Income Taxes

The Company accounts for income tax using the asset and liability method prescribed by ASC 740, *"Income Taxes."* Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the year in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the date of the enactment.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 *"Income Taxes."* Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. As of June 30, 2023 and 2022, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Company recognizes interest and penalties related to uncertain income tax positions in other expenses. No interest and penalties related to uncertain income tax positions were recorded for the three and six months ended December 31, 2024 and 2023, respectively.

For the three and six months ended December 31, 2024 and 2023, the Company had a net operating loss “NOL” carryforward to offset net income in futures years. There can be no certainty, however, that the Company will be able to use its NOL carryforward.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs are included as a component of general and administrative expenses in the consolidated statements of operations.

During the three and six months ended December 31, 2024 and 2023, respectively the Company incurred advertising and marketing expenses of \$81, \$81, \$0 and \$0, respectively.

Stock-Based Compensation

We account for our stock-based compensation under ASC 718 *“Compensation – Stock Compensation”* using the fair value-based method. Under this method, compensation cost is measured at the grant date based on the value of the award and is recognized over the service period, which is usually the vesting period. This guidance establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity’s equity instruments or that may be settled by the issuance of those equity instruments.

We use the fair value method for equity instruments granted to non-employees and use the Black-Scholes model for measuring the fair value of options. The stock-based fair value compensation is determined as of the date of the grant or the date at which the performance of the services is completed (measurement date) and is recognized over the vesting periods.

When determining fair value, the Company considers the following assumptions in the Black-Scholes model:

- Exercise price,
- Expected dividends,
- Expected volatility,
- Risk-free interest rate; and
- Expected life of option

In June 2018, the FASB issued ASU No. 2018-07, *“Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting.”* ASU No 2018-07 expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from non-employees. The guidance also specifies that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor’s own operations by issuing share-based payment awards. This guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years.

Early adoption is permitted, but no earlier than an entity's adoption date of Topic 606. This guidance is applicable to the Company's fiscal year beginning July 1, 2018. The company's adoption of this implementation did not have a material effect on its financial statements.

Common Stock Awards

The Company may grant common stock awards in exchange for services provided. The Company measures the fair value of these awards using the fair value of the services provided or the fair value of the awards granted, whichever is more reliably measurable. The fair value measurement date of these awards is generally the date the performance of services is complete. The fair value of the awards is recognized on a straight-line basis as services are rendered. The share-based payments related to common stock awards for the settlement of services provided by non-employees is recorded in accordance with ASU 2018-07 (June 2018) on the statement of operations in the same manner and charged to the same account as if such settlements had been made in cash.

Basic and Diluted Earnings (Loss) per Share

Pursuant to ASC 260-10-45, basic loss per common share is computed by dividing net loss by the weighted average number of shares of common stock outstanding for the periods presented. Diluted loss per share is computed by dividing net loss by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period. Potentially dilutive common shares may consist of common stock issuable for stock options and warrants (using the treasury stock method), convertible notes and common stock issuable. These common stock equivalents may be dilutive in the future.

The following potentially dilutive equity securities outstanding as of the three and six months ended December 31, 2024 and 2023, respectively, were not included in the computation of diluted loss per common share because the effect would have been anti-dilutive:

	December 31, 2024	June 30, 2024
Convertible note and accrued interest (exercise price \$0.0004 - \$0.0006/share)	1,295,604,867	1,051,912,714
Total common stock equivalents	1,295,604,867	1,051,912,714

The Company's convertible notes contain an exercise price that has a discount to market (See Note 3). As a result, the amount computed for common stock equivalents could change given the quoted closing trading price at each reporting period.

Based on the common stock equivalents noted above, the Company has sufficient authorized shares of common stock (5,500,000,000) to settle any potential conversions of its common stock equivalents.

Related Parties

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Recent Accounting Standards

There were no new accounting standards adopted that had an impact on the Company's financial statements during the three and six months ended December 31, 2024.

Note 3 - Convertible Notes Payable and Derivative Liabilities

Issuance of Convertible Note

At December 31, 2024 and June 30, 2024, the Company had 17 and 13 outstanding convertible notes, respectively.

During the three and six months ended December 31, 2024 the Company recorded interest expense of \$19,619 and \$38,824, respectively. During the three and six months ended December 31, 2023 the Company recorded interest expense of \$13,285 and \$38,824,26,341, respectively.

Derivative Liability

All of the Company's convertible notes contain an embedded conversion option with a conversion price that could result in issuing an undeterminable amount of future common stock to settle the host contract. Accordingly, the embedded conversion option is required to be bifurcated from the host instrument (convertible note) and treated as a liability, which is calculated at fair value, and marked to market at each reporting period.

The Company used the binomial pricing model to estimate the fair value of its embedded conversion option liabilities.

A reconciliation of the beginning and ending balances for the derivative liability measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows for the six months ended December 31, 2024 and 2023:

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each

reporting period. This determination requires significant judgments to be made. Liabilities measured at fair value on a recurring basis consisted of the following at December 31, 2024 and June 30, 2024, respectively:

<u>Convertible Note Date</u>		<u>Total</u>	
Derivative liability - June 30, 2024		\$1,570,934	
Derivative liability - December 31, 2024		\$797,337	

	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
June 30, 2024	\$ -	\$ -	\$ 802,970
December 31, 2024	\$ -	\$ -	\$ 2,010,166

Changes in fair value of derivative liabilities are included in other income (expense) on the Statement of Operations.

Note 4 – Legal Proceedings

SEC vs. The Movie Studio, Inc. and Gordon Scott Venters- Status-Litigation

On August 13th 2021, The Securities and Exchange Commission filed a civil complaint against the Company and its Principal Gordon Scott Venters. [Click here](#) to see a copy of the complaint and all other related court filings.

The Company and Mr. Venters deny all the plaintiff's allegations and is confident it can physically prove that the Complaint is riddled with inaccuracies and inconsistencies. The Company has used best efforts unsuccessfully to remedy the allegations in the best interest of Shareholders equity and residual value as the Complaint has currently consolidated the Company's revenue launch initiative of multiple potential revenue streams and business operations.

The Company and its principal answered the Complaint on April 11, 2022, and filed a Motion to Dismiss, which exceeded forty pages in length. The Company was later notified that it must change the response to forty pages or less and therefore asked the court to allow the Company to exceed the page limit imposed under local rule 7.1(c)(2). On April 3, 2023, the court denied the Company's motion and instructed the Company and its principal to file a joint amended motion to dismiss or alternatively a motion for a more definite statement or a motion to strike the SEC's complaint.

A trial date of August 24, 2025 has been set.

The Company has lost significant headway and revenue potential because of the SEC's complaint, but management has remained intact because the Company received overwhelming written majority shareholder support statements/affidavits for current management to remain.

Paul James Holdings, LLC ("PJH") vs. The Movie Studio, Inc. and Gordon Scott Venters-Status - Litigation

As a result of the SEC Complaint, the Company has been unable to secure Counsel to issue an opinion letter regarding PJH's convertible notes, which were issued under SEC provision 4-A-2. Therefore, on February 7th, 2022, PJH notified the Company of its intent to not convert their two Convertible Notes (dated February 8th and February 11th 2021) totaling \$75,000.

The Company subsequently received a Demand Notice from PJH on March 15th 2022 notifying the Company of request for repayment and non-conversion of the note provision.

The Movie Studio (the Florida corporation) and its principal received service of a Complaint Case Number 2022-013921-CA-01 on August 30th 2022 and an extension to answer the Complaint until October 15th 2022. [Click Here](#) to see a copy of the complaint and all other related court filings.

On February 21, 2023, the court granted the Company's previously filed motion to dismiss and gave PJH 30 days to amend the complaint. PJH did not amend the complaint but rather filed a motion to vacate the order to dismiss the complaint; the court granted PJH's motion.

On March 23, 2023, the court granted PJH's order to extend time to refile the complaint, giving PJP Holdings until April 22, 2023.

On August 29, 2023 PJH amended their complaint against the company and its principle, and the Company has filed a request for an extension to file its answer.

On September 9, 2023, the Company answered its Affirmative Defenses with Plaintiff, and the Plaintiff then requested to set a hearing in November for their clients Motion to Strike the Company's affirmative defenses and our motion for summary judgment.

On January 9, 2024, PJH received a summary judgement and a writ against The Movie Studio, Inc. (a Florida corporation) in the sum of \$100,095.20 with interest accruing at the statutory rate pursuant to §55.03(1), Fla. Stat, as adjusted per quarter, from January 9, 2024 until paid.

On March 11, 2024, the Company filed a second amended answer and affirmative defenses (to their amended complaint) to have the entire case involuntarily dismissed due to plaintiff's error in suing the wrong party. PJH had sued and was given a judgement against The Movie Studio,

Inc (a Florida corporation), a subsidiary of the parent company The Movie Studio, Inc. (a Delaware corporation.) The note agreement between the parties was with the Delaware corporation; the Movie Studio (Florida) issued no notes and was never a party to any agreement(s) with PJH.

On November 5, 2024, PJH received a summary judgement against Gordon Venters, the Company's CEO. The judgement was for \$104,000 plus pretrial interest. On June 19, 2025, Gordon Venters filed an appeal.

Note 5 – Commitments

Employment Agreements

Gordon Scott Venter's is employed as the Company's president and chief executive officer pursuant to an employment agreement since inception November 1st, 2004. The employment agreement, which has been extended to date, provides for an annual salary of \$133,000 with annual increases of a minimum of 5% per year, and participation in incentive or bonus plans at the discretion of the board of directors. To date Mr. Venters has not received any annual increases of 5%. The agreement additionally provides for certain confidentiality and non-competition provisions and a minimum payment of 18 months in the event of a change of control or termination without cause, or if the employee terminates for good reason.

However, for the three and six months ended December 31, 2024, Mr. Venter's elected to not accrue his salary in the amount of \$33,250 per quarter but did draw \$15,950 and \$32,695 for the three and six months ended December 31, 2024 and \$11,656 and \$21,656 for the three and six months ended December 31, 2023, respectively, against his previously accrued salary. As of December 31, 2024, the accumulated balance due to Mr. Venter's is \$65,733.

Note 6 – Stockholders' Deficit

The Company has three (3) classes of stock:

Series A Preferred Stock

- 100,000,000 shares authorized
- Par value - \$0.0001
- Voting at 4 vote per share
- Eligible for dividends if declared by the Board of Directors

Series B Preferred Stock

- 100,000,000 shares authorized
- Par value - \$0.0001
- Voting at 4 votes per share
- Convertible into common stock on a 1 for 1 basis

Common Stock

- 5,500,000,000 shares authorized
- Par value - \$0.0001
- Voting at 1 vote per share
- The Company has sufficient unissued authorized shares in the event of conversion of Series B, preferred stock.

Equity Transactions During the three and six months ended December 31, 2024

On July 12, 2024, the Company entered into a convertible note with Michael J. Peter for \$62,500, with a maturity date of July 12, 2025, bearing interest at 18% per annum, convertible into common shares of the Company's stock at 50% of the average of the lowest three (3) closing bid prices for the ten (10) days prior to but not including the conversion date.

On August 7, 2024, the Company entered into a convertible note agreement with Michael J. Peter for \$7,500, with a maturity date of August 7, 2025, bearing interest at 18% per annum, convertible into common shares of the Company's stock at 50% of the average of the lowest three (3) closing bid prices for the ten (10) days prior to but not including the conversion date.

On November 6, 2024, the Company entered into a convertible note agreement with Michael J. Peter for \$28,500, with a maturity date of November 6, 2025, bearing interest at 18% per annum, convertible into common shares of the Company's stock at 50% of the average of the lowest three (3) closing bid prices for the ten (10) days prior to but not including the conversion date.

On December 19, 2024, the Company entered into a convertible note agreement with Michael J. Peter for \$10,000, with a maturity date of December 19, 2025, bearing interest at 18% per annum, convertible into common shares of the Company's stock at 50% of the average of the lowest three (3) closing bid prices for the ten (10) days prior to but not including the conversion date.

Note 7 – Subsequent Events

On July 13th 2024 the Company reached an agreement with Frank Stronach in association with Stronach International Inc. to complete the Documentary THE KING OF THE SPORT OF KINGS that was originally filmed at Gulfstream Park on May 26th 2017 and now is being completed "The Legacy of Frank Stronach" with the integration of additional information and footage into the legacy unreleased documentary asset owned by the Company initiated May 26th 2017. The Company received approval on the Documentary on September 25th 2024 and released the film for distribution on March 3rd 2025.

On July 24, 2024 US Magistrate Judge Jared M. Strauss denied eight (8) of the nine (9) counts of the SEC's motion for summary judgement on 65 of the 66 alleged charges against the Company and its founder, Gordon Venters all relating to 10-b5 and 17a of the Securities Act of 1933 prohibiting fraud in the sale or purchase of securities and levying one (1) count/charge, relating to section 5(a) and 5(c) of the Securities Act of 1933 regarding prevention of any form of an offer to sell a security before a registration statement was filed.

The Company maintains the position that the securities offered were “Exempt from Registration” and had previously issued shares under Rule 506, 144 - 4(a)(2) The Company also had a SEC qualified Reg 1-A+ Tier #1 Exemption from Registration Statement on December 10th 2019 disclosing all the sales of securities.

The Company cannot appeal the one count regarding 5a and 5c as it is a preliminary injunction and or entered as a final judgement and might be subject to further proceedings before a final judgement is issued after trial and final disposition(s) regarding the other eight (8) counts as final judgement(s) and currently retains it’s appellate rights.

A trial date of August 24, 2025 has been set.

Michael J. Peter has loaned the company \$35,000. A note in this amount will be issued by the Company in the first quarter of FYE June 30, 2026.