

## **Music Licensing, Inc.**

382 NE 191st St PMB 278599, Miami, FL, 33179

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(833) 227-7683

[www.promusicrights.com](http://www.promusicrights.com)

[investors@promusicrights.com](mailto:investors@promusicrights.com)

# **Annual Report**

**For the period ending December 31, 2024 (the “Reporting Period”)**

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

30,005,989 as of 12/31/24 (Current Reporting Period Date or More Recent Date)

30,005,989 as of 12/31/24 (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 Control<sup>5</sup> of the company has occurred during this reporting period:

Yes: ☐ No: ☒

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<sup>5</sup> “Change in Control” shall mean any events resulting in:

- (i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

## 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.

Music Licensing, Inc. (the "Company") was originally incorporated as Hyperbaric Oxygenation Corporation in the State of Nevada on November 17, 1997. The Company subsequently changed its name to Building Turbines, Inc. on January 1, 2011 in connection with the Company's December 1, 2010 acquisition of Building Turbines, Inc which was in the development of wind turbines for office buildings. Prior to the acquisition of Building Turbines, Inc, the Company had been engaged in the business of Hyperbaric care centers in Canada.

- On February 26, 2016, an exchange agreement was entered into by and among certain shareholders and debt holders of the Company, representing the majority of the outstanding shares of the Company and FutureWorld, Corp., a Delaware Corporation which was the owner of the partially owned subsidiary, NUVUS GRO. On March 10, 2016, Building Turbines, Inc. changed its name to HempTech Corp. There was a change of control in connection with the name change. As HempTech Corp, the Company was a provider of advanced controlled environment agriculture with sophisticated automation and analytical tools for the cultivators of legal industrial hemp and cannabis. On March 13, 2018 the Company changed its name to Nuvus Gro Corp. On November 21, 2022, the Company changed its name to Music Licensing Inc.

Current State and Date of Incorporation or Registration: Nevada

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:

On May 20, 2024, the Company effected a 1:500,000 reverse stock split.

Address of the issuer's principal executive office:

382 NE 191st St PMB 278599, Miami, FL, 33179

Address of the issuer's principal place of business:

☒ *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: Transfer Online, Inc.

Phone: (503) 227-2950

Email: info@transferonline.com

Address: 512 SE Salmon St., Portland, OR 97214

**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: SONG  
Exact title and class of securities outstanding: Common Stock  
  
CUSIP: 67075W405  
Par or stated value: 0.000000000001  
Total shares authorized: 14,500,000.000 as of date: 12/31/24  
Total shares outstanding: 30,005,989 as of date: 12/31/24  
Total number of shareholders of record: 14 as of date: 12/31/24

*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 J Class  
Par or stated value: 0.001  
Total shares authorized: 1 as of date: 12/31/24  
Total shares outstanding: 1 as of date: 12/31/24  
Total number of shareholders of record: 1 as of date: 12/31/24

*Please provide the above-referenced information for all other classes of 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.

Our common stock is entitled to one vote per share on all matters submitted to a vote of the stockholders, including the election of directors. Except as otherwise required by law or provided in any resolution adopted by our board of directors with respect to any series of preferred stock, the holders of our common stock will possess all voting power. Generally, all matters to be voted on by stockholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes entitled to be cast by all shares of our common stock that are present in person or represented by proxy, subject to any voting rights granted to holders of any preferred stock. Holders of our common stock representing fifty percent (50%) of our capital stock issued, outstanding and entitled to vote, represented in person or by proxy, are necessary to constitute a quorum at any meeting of our stockholders. A vote by the holders of a majority of our outstanding shares is required to effectuate certain fundamental corporate changes such as liquidation, merger or an amendment to our Articles of Incorporation. Our Articles of Incorporation do not provide for cumulative voting in the election of directors.

Subject to any preferential rights of any outstanding series of preferred stock created by our board of directors from time to time, the holders of shares of our common stock will be entitled to such cash dividends as may be declared from time to time by our board of directors from funds available therefore.

Subject to any preferential rights of any outstanding series of preferred stock created from time to time by our board of directors, upon liquidation, dissolution or winding up, the holders of shares of our common stock will be entitled to receive pro rata all assets available for distribution to such holders.

In the event of any merger or consolidation with or into another company in connection with which shares of our common stock are converted into or exchangeable for shares of stock, other securities or property (including cash), all holders of our common stock will be entitled to receive the same kind and amount of shares of stock and other securities and property (including cash). Holders of our common stock have no pre-emptive rights, no conversion rights and there are no redemption provisions applicable to our common stock.

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

Each share of the Preferred J Class is entitled to vote on all matters that common stock is entitled to vote on. The Preferred J Class is exclusively intended to be held by Jake P. Noch or his affiliated entities. The Preferred J Class represents 80% of the total voting power across all classes of shares of the Company.

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

See above.

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>1/1/23</u> Common: <u>802,635,215</u> <u>(1,605 post 1:500,000 reverse split effective May 20, 2024)</u> Preferred: <u>0</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 at the time of issuance? (Yes/No)	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.

<u>11/7/23</u>	<u>Cancellation</u>	<u>1,066,945</u> <u>,290 (3</u> <u>post-</u> <u>reverse</u> <u>split)</u>	<u>Common</u>						
<u>11/27/23</u>	<u>NI</u>	<u>1</u>	<u>Preferred J Class</u>	<u>\$0.001</u>	<u>N/A</u>	<u>JAKE P NOCH</u> <u>FAMILY</u> <u>OFFICE, LLC</u> <u>(Jake P. Noch</u> <u>control</u> <u>person)</u>	<u>Cancellation</u> <u>of Common</u> <u>shares.</u>	<u>Restricted</u>	<u>506(b)</u>
<u>12/5/23</u>	<u>NI</u>	<u>1,197,364</u> <u>,785</u> <u>(2,395</u> <u>post</u> <u>reverse</u> <u>split)</u>	<u>Common</u>	<u>\$6.875</u>	<u>No</u>	<u>Music</u> <u>Licensing Inc</u> <u>Reserve FBO</u> <u>Jake P Noch</u> <u>(Jake P. Noch</u> <u>control</u> <u>person)</u>	<u>Reimburse</u> <u>ment for</u> <u>capital</u> <u>contributed</u> <u>and</u> <u>conversion of</u> <u>salary owed.</u>	<u>Restricted</u>	<u>3(a)(10)</u>
<u>1/22/24</u>	<u>NI</u>	<u>12,500,00</u> <u>0,000</u> <u>(25,000</u> <u>post</u> <u>reverse</u> <u>split)</u>	<u>Common</u>	<u>\$0.875</u>	<u>No</u>	<u>Music</u> <u>Licensing Inc</u> <u>Reserve FBO</u> <u>Jake P Noch</u> <u>(Jake P. Noch</u> <u>control</u> <u>person)</u>	<u>Reimburse</u> <u>ment for</u> <u>capital</u> <u>contributed</u> <u>and</u> <u>conversion of</u> <u>salary owed.</u>	<u>Restricted</u>	<u>3(a)(10)</u>
<u>5/22/24</u>	<u>NI</u>	<u>2,499,977</u> <u>,015</u>	<u>Common</u>	<u>\$50,00</u> <u>0</u>	<u>No</u>	<u>Music</u> <u>Licensing Inc</u> <u>Reserve FBO</u> <u>Jake P Noch</u> <u>(Jake P. Noch</u> <u>control</u> <u>person)</u>	<u>Reimburse</u> <u>ment for</u> <u>capital</u> <u>contributed</u> <u>and</u> <u>conversion of</u> <u>salary owed.</u>	<u>Restricted</u>	<u>3(a)(10)</u>
<u>5/23/24</u>	<u>Cancellation</u>	<u>5</u>	<u>Common</u>						
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date <u>12/31/24</u> Common: <u>30,005,989</u> Preferred: <u>1</u>									

**Example:** A company with a fiscal year end of December 31<sup>st</sup> 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.

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

## B. Convertible Debt

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	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
7/19/24	12,000,000	36,000,000	N/A	Dollar-denominated obligation Refer to footnotes below	21,197,341,800	360,000,000.00	Jake P. Noch Family Office, LLC. (Controlled by Jake P. Noch)	Reimbursement for capital contributed and conversion of salary owed under court approved 3(a)(10) arrangement
Total Outstanding Balance: \$36,000,000					Total Shares: 21,197,341,800			

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

Music Licensing, Inc. has implemented a court-approved Section 3(a)(10) settlement and related convertible note arrangement with Jake P. Noch and the Jake P. Noch Family Office, LLC that is expressly and exclusively based on the dollar amount realized through the sale of Company shares on the open market, rather than any predetermined number of shares or fixed conversion ratio. Under this structure, compensation and reimbursements are satisfied solely by the proceeds actually received from market sales of issued shares, and the Company measures and settles obligations strictly by reference to cumulative U.S. dollar amounts realized. No interest accrues under this arrangement, and the operative metric is the cash value realized from sales, not the volume of shares issued or sold.

### **Dollar-denominated obligation**

The agreement provides an annual compensation and reimbursement entitlement of \$12,000,000 USD to Jake P. Noch and his affiliated entity, determined and fulfilled exclusively by the actual dollar proceeds realized from open-market sales of issued shares, net of applicable costs and approved reimbursements. The entitlement is not tied to a fixed number of shares and adjusts to market conditions because the only performance measure is the cash consideration received from sales, not share count or price levels at issuance. The arrangement remains outstanding until the total relevant dollar amount for the applicable period is fully realized through sales, at which point issuance ceases and any residual shares are reconciled as described below.

### **Issuance mechanics aligned to cash realized**

Shares are issued incrementally to facilitate open-market sales, and each issuance is intended to support realization of the exact dollar amounts owed, including the \$12,000,000 annual compensation and any approved expense reimbursements, rather than to deliver a fixed tranche of stock. If market prices decline, additional shares may be issued so that the aggregate sales proceeds still match the required dollar obligation; conversely, if prices rise, fewer shares may be necessary to achieve the same dollar target. The Company tracks only the dollar value realized from sales to determine satisfaction of obligations, and does not track or target a specific number of shares sold for settlement purposes.

### **Expense reimbursement within dollar target**

The instrument permits reimbursement to Jake P. Noch and the Jake P. Noch Family Office, LLC for reasonable and documented business expenses advanced on behalf of the Company, all of which are settled through the same dollar-realization mechanism from open-market sales. Covered items include commissions, custody and administrative fees, margin-support obligations consistent with the governing agreements, and other bona fide Company expenses, with the realized sale proceeds used to satisfy these reimbursements as part of the overall dollar-denominated obligation.

### **Return and cancellation of excess shares**

Once the required dollar amount for compensation and reimbursements has been fully realized from open-market sales, any excess shares previously issued but not needed to achieve the cash target must be returned to the transfer agent for cancellation, ensuring that over-issuance is eliminated and that share issuance never exceeds the amount necessary to realize the required cash proceeds. This reconciliation mechanism preserves alignment between shares issued and dollars realized, and reinforces the design principle that value—not volume—governs settlement under the arrangement.

### **Legal status of issued shares**

Pursuant to the Florida court's fairness hearing and orders under Section 3(a)(10), shares issued to satisfy the dollar-denominated obligations are unrestricted and freely tradable, without reliance on Rule 144 and without affiliate resale limitations, because judicial approval substitutes for registration for these bona fide claim settlements. The legal opinion in the record confirms that recipients are not deemed underwriters under the Securities Act for these court-approved settlements, further supporting the unrestricted, market-sale realization of dollar amounts owed.

### **Current balance context**

Consistent with the cash-realization framework, the outstanding balance reflects only the net USD amounts remaining to be realized from future open-market sales to satisfy compensation and reimbursable expenses accrued under the arrangement. As previously noted in the supporting materials, the approximate outstanding balance as of August 25, 2025, is \$36,000,000 USD, which will be reduced solely by actual cash proceeds realized from subsequent sales of issued shares on the open market in accordance with the agreement and court orders

### **References**

For the full settlement agreement, judicial orders, supporting legal opinions, and further details regarding compliance, please refer to the following SEC filings:

- [https://www.sec.gov/Archives/edgar/data/1671132/000121390025017626/ea023235101ex-co\\_music.htm](https://www.sec.gov/Archives/edgar/data/1671132/000121390025017626/ea023235101ex-co_music.htm)

## **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](http://www.OTCMarkets.com).

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

**Music Licensing, Inc. (OTC: SONG), also known as Pro Music Rights,** is a diversified holding company and the fifth public performance rights organization (PRO) established in the United States, recognized under the federal registry of the U.S. government. Through our subsidiary, Pro Music Rights, Inc., we issue public performance licenses for an estimated 2.5 million musical works, collecting fees from prominent platforms (including TikTok, iHeartMedia, Triller, Napster, 7Digital, and Vevo) and distributing these to affiliated songwriters, composers, and publishers.

Our catalog covers a wide range of high-profile artists—A\$AP Rocky, Wiz Khalifa, Pharrell, Nipsey Hussle, 2 Chainz, Migos, Gucci Mane, and many others, including AI-generated works—and we hold a 7.4% market share of the U.S. public performance rights sector. We further hold royalty interests in Listerine "Mouthwash" Antiseptic and maintain a broad portfolio linked to star performers such as The Weeknd, Justin Bieber, Kanye West, Elton John, Lil Nas X, Miley Cyrus, Lil Wayne, XXXTentacion, Rihanna, among many others.

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

Pro Music Rights, Inc. is our subsidiary.  
We are controlled by Jake P. Noch Family Office LLC

- C. Describe the issuers' principal products or services.

See above.

## 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.

None.

## 6) All Officers, Directors, and 5% Beneficial Owners 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)
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Jake P. Noch	CEO, President, CFO, Secretary, Director, Chairman	Miami, FL	4,997,368	Common	16.65%
Jake P. Noch Family Office, LLC (Controlled by Jake P. Noch)	>5% beneficial owner	Miami, FL	9,001,800 1	Common Preferred J Class	30% 100%
Paul Ring	Director	Miami, FL	2	Common	<1%
Vito M. Roppo	Director	Miami, FL	24	Common	<1%
Rodrigo Di Federico	CTO and Director	Miami, FL	17	Common	<1%
James R. Chillemi	Director	Miami, FL	2	Common	<1%

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://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;

N/A

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.

The Company has initiated chargeback claims against INVESTORSHUB CO due to disputed transactions. These transactions pertain to charges for cryptocurrency purchases that were neither agreed upon nor authorized by the Company as part of its service contract. The Company strictly does not engage in cryptocurrency-related activities. The transactions in question arose after INVESTORSHUB CO required the purchase of proprietary cryptocurrency instead of invoicing for agreed-upon press release services.

Furthermore, the Company has formally demanded the removal of personal information, including the CEO's home address, from INVESTORSHUB CO's website. Despite repeated legal notices, the information remains publicly accessible. The Company is exploring legal remedies to resolve this matter. As of the reporting date, no provisions for potential losses or recoveries have been recognized in the financial statements. Management will continue to monitor the situation and update disclosures as necessary. U.S. GAAP (ASC 450).

## **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](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile.

### Securities Counsel

Name: Business Legal Advisors, LLC  
Address 1: 14888 Auburn Sky Drive  
Address 2: Draper, UT 84020  
Phone: (801) 634-1984  
Email: brian@businesslegaladvisor.com

### Accountant or Auditor

Name:  
Firm: CF Audits LLC  
Address 1: 159 Main St., Suite 100  
Address 2: Nashua, NH 03060  
Phone: (603) 607-7600  
Email: cpa@cfaudits.com

### Investor Relations

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

*All other means of Investor Communication:*

X (Twitter): @OTC\_SONG, @ProMusicRights  
Discord:  
LinkedIn https://www.linkedin.com/company/promusicrights  
Facebook:  
[Other ]

#### 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: Brian Higley, Esq.  
Title: Attorney  
Relationship to Issuer: Outside Securities Counsel

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: Mark Russell  
Title: Book Keeper  
Relationship to Issuer: Outside Accountant

Describe the qualifications of the person or persons who prepared the financial statements:<sup>7</sup>

Mr. Russell has owned Frihet Bookkeeping LLC for nearly three 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.

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<sup>7</sup> 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.

- 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.

## 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, Jake P. Noch certify that:

1. I have reviewed this Disclosure Statement for Music Licensing, 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.

9/8/25 [Date]

/s/ Jake P. Noch [CEO's Signature]

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

### *Principal Financial Officer:*

I, Jake P. Noch certify that:

1. I have reviewed this Disclosure Statement for Music Licensing, 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.

9/8/25 [Date]

/s/ Jake P. Noch [CFO's Signature]

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

# **MUSIC LICENSING, INC.**

## **Financial Statements**

For the years ended as of  
December 31, 2023 and 2024

**Music Licensing, Inc.**

Financial Statements

As of December 31, 2023 and 2024

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February 26, 2025

## **INDEPENDENT AUDITORS' REPORT**

Board of Directors and Members of

**Music Licensing, Inc.**

3811 Airport-Pulling Rd.

Naples, FL 34105

## **REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying balance sheet of Music Licensing, Inc. as of December 31, 2023 and 2024 and the related statements of operations, changes in owner's equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management.

## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with generally accepted auditing standards as accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Music Licensing, Inc. as of December 31, 2023 and 2024 and the results of operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Amjad Abu Khamis*  
*Feb 26, 2025*

**Amjad N. I. Abu Khamis**

Certified Public Accountant, NH 08224

AAK CPA LLC

30 N Gould ST STE R

Sheridan, WY 82801

646-689-4725

[amjad@aak-cpa.com](mailto:amjad@aak-cpa.com)

## Music Licensing, Inc.

### Balance Sheet

As of December 31, 2023 and 2024

<b>ASSETS</b>	<b>2023</b>	<b>2024</b>
<b>Current Assets</b>		
Cash at Bank	415	1,182
Accounts Receivable	1,052,175,309	86,955,541
Allowance for Doubtful Account	(993,632,492)	(70,944,151)
<b>Total Current Assets</b>	<b>58,543,232</b>	<b>16,012,572</b>
<b>Non-Current Assets</b>		
Copy Rights and Domain Names	205,135	355,329
Goodwill	3,550,601	3,550,601
<b>Total Non-Current Assets</b>	<b>3,755,737</b>	<b>3,905,930</b>
<b>TOTAL ASSETS</b>	<b>62,298,968</b>	<b>19,918,503</b>
 <b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts Payables	405,769	477,426
Sales Tax Payable	4,535	4,535
<b>Total Current Liabilities</b>	<b>410,304</b>	<b>481,961</b>
<b>Non-Current Liabilities</b>		
Convertible Notes Payable	12,308,525	23,240,141
<b>Total Non-Current Liabilities</b>	<b>12,308,525</b>	<b>23,240,141</b>
<b>TOTAL LIABILITIES</b>	<b>12,718,829</b>	<b>23,722,102</b>
<b>Equity</b>		
Common Shares	802,635	-
Preferred Shares	-	-
Additional Paid-In Capital	17,095,119	18,932,596
Retained Earnings (Deficit)	31,682,385	(22,736,195)
<b>TOTAL EQUITY</b>	<b>49,580,139</b>	<b>(3,803,600)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>62,298,968</b>	<b>19,918,503</b>

The accompanying notes are an integral part of these financial statements

**Music Licensing, Inc.****Income Statement**

As of December 31, 2023 and 2024

	2023	2024
Revenues		
Sales	1,052,274,588	128,874,114
<b>Total Revenues</b>	<b>1,052,274,588</b>	<b>128,874,114</b>
<b>Operating and Administrative Expenses</b>		
Accounting and Legal Fees	542,778	425,476
Wages and Salaries	12,000,000	12,000,000
Professional Fees	12,965	42,368
Advertising and Promotion	4,281	30,904
Dues and Subscriptions	688	41,527
Office and Utilities Expenses	32,999	17,860
Board of Directors Fees	15,000	72,456
Bad Debt Expense	993,632,492	170,404,894
Taxes and Licenses Expense	-	26,691
<b>Total Operating and Administrative Expenses</b>	<b>1,006,241,204</b>	<b>183,062,176</b>
Non-Operating Income	4	6,361
Non-Operating Losses	-	236,878
<b>Net Non-Operating Income (Loss)</b>	<b>4</b>	<b>(230,517)</b>
<b>NET INCOME (LOSS)</b>	<b>46,033,387</b>	<b>(54,418,580)</b>

The accompanying notes are an integral part of these financial statements

## Music Licensing, Inc.

### Changes in Equity Statement

As of December 31, 2023 and 2024

	Common Shares		Preferred Shares		APIC*	Retained Earnings	Total
<b>Balance - December 31, 2022</b>	<b>3,566,945,290</b>	<b>3,566,945</b>	-	-	<b>14,284,057</b>	<b>(14,351,002)</b>	<b>3,500,000</b>
Issued Stock During 2023	-	-	1	-	-	-	3,500,000
Retirement for Shares During 2023	2,764,310,075	(2,764,310)	-	-	2,764,310	-	3,500,000
Capital Contributions During 2023	-	-	-	-	46,752	-	3,546,752
Net Income (Loss) - December 31, 2023	-	-	-	-	-	46,033,387	49,580,139
<b>Balance - December 31, 2023</b>	<b>802,635,215</b>	<b>802,635</b>	<b>1</b>	<b>-</b>	<b>17,095,119</b>	<b>31,682,385</b>	<b>49,580,139</b>
Correction of Par Value of Stock	-	(802,635)	-	-	802,635	-	49,580,139
Stock Issued Prior Stock Split	2,194,364,785	-	-	-	810,713	-	50,390,852
Applying Reverse Stock Split (500,000:1)	(2,996,994,006)	-	-	-	-	-	50,390,852
Shares issued after Stock Split 2024	29,999,995	-	-	-	224,129	-	50,614,981
Net Income (Loss) - as of December 31, 2024	-	-	-	-	-	<b>(54,418,580)</b>	<b>(3,803,600)</b>
<b>Balance as of December 31, 2024</b>	<b>30,005,989</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>18,932,596</b>	<b>(22,736,195)</b>	<b>(3,803,600)</b>

\* APIC = Additional Paid-In Capital

The accompanying notes are an integral part of these financial statements

**Music Licensing, Inc.****Cash Flow Statement**

As of December 31, 2023 and 2024

	<b>2023</b>	<b>2024</b>
<b>Cash Flows from Operating Activities</b>		
Net Income	46,033,387	(54,418,580)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>		
Change in Accounts Receivables	(1,052,175,309)	965,219,768
Change in Accounts Payables	12,622,097	71,657
Bad Debt Expense	993,632,492	170,404,894
Accounts Receivables Written-Off	-	(1,093,895,870)
<b>Net Cash Flow from Operating Activities</b>	<b>112,667</b>	<b>(12,618,131)</b>
<b>Cash Flows from Investing Activities</b>		
Investment in Royalties	(160,000)	(150,194)
<b>Net Cash Flows from Investing Activities</b>	<b>(160,000)</b>	<b>(150,194)</b>
<b>Cash Flow by Financing Activities</b>		
Additional Paid-In Capital	52,826	1,837,477
Notes Payables	-	10,931,616
Retirement of Common Shares	(6,074)	-
<b>Net Cash Flow by Financing Activities</b>	<b>46,752</b>	<b>12,769,093</b>
<b>Net Change in Cash</b>	<b>(581)</b>	<b>767</b>
Cash Balance at Beginning of the Year	996	415
<b>CASH BALANCE AT END OF THE YEAR</b>	<b>415</b>	<b>1,182</b>

## **Music Licensing, Inc.**

### **Notes to the Financial Statements**

As of December 31, 2023 and 2024

#### **NOTE 1: DESCRIPTION OF THE BUSINESS**

Music Licensing, Inc. (OTC: SONG) (“Music Licensing” or “the Company”) is a diversified holding company and a music performing rights organization that represents songwriters, composers, and music publishers and issues public performance licenses to businesses for a flat monthly fee. Included in the standardized public performance license is a usage fee that is distributed as royalties to the songwriters, composers & music publishers that the Company represents. This model differs from competitors as the Company does not charge their artists an administration fee or utilize a royalty pool model.

The Company’s customers include television and radio stations, internet/streaming services and mobile technologies, Satellite audio services like XM and Sirius, nightclubs, restaurants, bars and other venues.

#### **History of the Company**

The Company was originally incorporated as Hyperbaric Oxygenation Corporation in the State of Nevada on November 17, 1997. The Company subsequently changed its name to Building Turbines, Inc. on January 1, 2011 in connection with the Company’s December 1, 2010 acquisition of Building Turbines, Inc which was in the development of wind turbines for office buildings. Prior to the acquisition of Building Turbines, Inc, the Company had been engaged in the business of Hyperbaric care centers in Canada.

On February 26, 2016, an exchange agreement was entered into by and among certain shareholders and debt holders of the Company, representing the majority of the outstanding shares of the Company and FutureWorld, Corp., a Delaware Corporation which was the owner of the partially owned subsidiary, NUVUS GRO. On March 10, 2016, Building Turbines, Inc. changed its name to HempTech Corp. There was a change of control in connection with the name change. As HempTech Corp, the Company was a provider of advanced controlled environment agriculture with sophisticated automation and analytical tools for the cultivators of legal industrial hemp and cannabis. On March 13, 2018 the Company changed its name to Nuvus Gro Corp. On November 21, 2022, the Company changed its name to Music Licensing Inc.

On July 19, 2022, Jake P. Noch Family Office LLC acquired control of the Company by purchasing 37,900,000 Shares of Common Stock of the Company from C&S Advisors Inc., which had previously acquired 44,941,214 Shares of common stock from Talari Industries LLC and Harvest Fund LLC. Jake P. Noch paid \$430,000 to Eric Horton for these 37,900,000 Shares of Common Stock. Eric Horton is currently a Shareholder of the Company.

## **Music Licensing, Inc.**

### **Notes to the Financial Statements**

As of December 31, 2023 and 2024

In the transaction whereby Eric Horton acquired 44,941,214 Shares of Common Stock from Talari Industries LLC and Harvest Fund LLC the persons involved were Sam Talari, former CEO of the Company, and Eric Horton. Eric Horton is a Shareholder of the Company. Sam Talari is not affiliated with the Company in any way. Assignment of value to this transaction cannot be determined at this time. The value of this transaction cannot be determined at this time because this transaction was executed under the direction of prior management and such information is not available to the Company's current management.

On August 15, 2022, the company signed an agreement with Pro Music Licensing, Inc. to acquire from the Shareholders its 1,409,500,000 shares of common stock, including 909,500,000 shares of class a common stock and 500,000,000 shares of class b common stock, which represent all of the issued and outstanding shares of common stock of Pro Music Licensing for 3,500,000,000 shares of common stock, \$0.001 par value per share, of Music Licensing Inc.

Pro Music was formed as "Pro Music Rights, LLC," a Florida limited liability company effective as of January 31, 2018, and converted into a Delaware corporation on November 4, 2020 resulting in, among things, a change of the legal name from "Pro Music Rights, LLC" to "Pro Music Rights Inc".

Pro Music which was recognized in U.S. copyright law as a licensor of music was founded in 2018 and is based in Naples, FL. The Company was incorporated in the state of Delaware on November 4, 2020. The Company was created by virtue of the LLC conversion to a corporation under the "Plan of Conversion" from Pro Music Rights, LLC to Pro Music Rights, Inc.

On September 22, 2022, the Company, filed a Certificate of Amendment to Articles of Incorporation of the Company (the "Certificate of Amendment") with the Secretary of State of the State of Nevada, pursuant to which the authorized shares of common stock were increased to 20,000,000,000. On November 21, 2022 the Company filed a Certificate of Amendment to the Articles of Incorporation to change the name of the Company from Nuvus Gro Corp. to Music Licensing Inc.

On December 31, 2022 the company executed a merger agreement in 2022 but are reflecting the accounting for the merger as of December 31, 2022 for simplicity, however exact date calculations may differ but Management does not believe such calculations are or would be material.

On Oct 25, 2023, the company has decided through its board of directors' resolution to lower its authorized shares to 2,000,000,000 shares.

On January 11, 2024, Music Licensing, Inc. (OTC: SONG) passed a board resolution, authorizing the officers of the Company to change Company Purpose. The key points of the resolution are as follows:

- The officers of the Company are authorized to change the Company's Purpose from that of the owner and operator of a US public performance rights organization to that of a diversified holding company.

## **Music Licensing, Inc.**

### **Notes to the Financial Statements**

As of December 31, 2023 and 2024

- The officers of the Company have the authority to take all actions necessary to effectuate this change in purpose.
- The officers of the Company have the authority to engage legal and financial professionals to ensure compliance with applicable laws and regulations.
- The officers of the Company have the authority to make any necessary amendments to the Company's articles of incorporation and bylaws to reflect change in purpose.

This resolution was adopted unanimously by the Board of Directors on January 11, 2024. Thus far, actions in accordance with this resolution include the purchase of publishing royalties from AT&C Investments LLC, royalty interest in Listerine Antiseptic, and two additional collections of published work.

### **NOTE 2 – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

#### Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management evaluates the estimates and assumptions based on historical experience, and believes that those estimates and assumptions are reasonable based upon information available to them.

#### Cash

Cash are stated at cost which approximates fair value. The Company deposits its cash with financial institutions that the management believes are of high credit quality. The Company's cash consists primarily of cash deposited in U.S. dollar denominated investment accounts.

#### Fair Value of Financial Instruments

Pursuant to the accounting guidance for fair value measurements and its subsequent updates, fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability.

## **Music Licensing, Inc.**

### Notes to the Financial Statements

As of December 31, 2023 and 2024

The accounting guidance establishes a three-tier fair value hierarchy that requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. A financial instrument's classification within the fair value hierarchy is based upon the lowest level of any input that is significant to the fair value measurement. Three levels of inputs may be used to measure fair value:

Level 1—Quoted prices in active markets for identical assets or liabilities;

Level 2—Inputs other than the quoted prices in active markets, that are observable either directly or indirectly;

Level 3—Unobservable inputs based on the Company's own assumption.

#### Revenue Recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, control has been transferred, the fee is fixed or determinable, and collectability is reasonably assured. In instances where final acceptance of the product is specified by the customer, revenue is deferred until all acceptance criteria have been met. The Company's primary source of revenue is the monthly licensing subscription fee.

The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its arrangements:

- Identify the contract with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to performance obligations in the contract, and
- Recognize revenue as the performance obligation is satisfied.

#### Breakdown of Income Streams

- License Subscription Fee: This represents the core revenue generated from our standard licensing agreements with clients. It includes the regular fees charged for the use of our copyrighted musical compositions.
- Late Fee Income: This category captures additional revenues earned from late payment fees imposed on clients. The separate reporting of late fee income allows for a clearer assessment of revenue that is contingent on client payment behaviors.
- Usage/Non-Reporting Fee: This category includes fees levied on clients who do not comply with the usage reporting requirements stipulated in their licensing agreements. It is an important revenue component that aligns with our policy enforcement and contractual compliance.

## **Music Licensing, Inc.**

### Notes to the Financial Statements

As of December 31, 2023 and 2024

- **Royalties:** Revenue from shares in the licensed ownership of products, technology, or creative works.

#### Income Taxes

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Because tax laws are complex and subject to different interpretations, significant judgment is required. As a result, the Company makes certain estimates and assumptions in (i) calculating its income tax expense, deferred tax assets and deferred tax liabilities, (ii) determining any valuation allowance recorded against deferred tax assets and (iii) evaluating the amount of unrecognized tax benefits, as well as the interest and penalties related to such uncertain tax positions. The Company's estimates and assumptions may differ significantly from tax benefits ultimately realized.

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740), which amends the existing guidance relating to the accounting for income taxes. ASU 2019-12 is intended to simplify the accounting for income taxes by removing certain exceptions to the general principles of accounting for income taxes and to improve the consistent application of GAAP for other areas of accounting for income taxes by clarifying and amending existing guidance.

#### **NOTE 3: GOODWILL**

ASC 350 defines goodwill as an intangible asset representing the excess of the purchase price of a business over the fair value of its identifiable net assets acquired in a business combination.

As a result of the acquisition of Pro Music Rights, Music Licensing issued 3,500,000,000 shares of common stock, \$0.001 par value per share, which on the execution date and net asset value of the pro music rights was \$(50,601), which resulted in a goodwill valued at \$3,550,601. The Goodwill shall be assessed for impairment regularly, and the management decided that no impairment of the goodwill is required as of December 31, 2023.

#### **NOTE 4 – COPYWRITES, DOMAN NAMES AND ROYALTY STAKES**

The Company is the owner for the exclusive rights to use these copyrights and domain names as intangible assets. As such, these assets do have an indefinite life. The Company reviews the currently held intangible assets on an annual basis for impairment to determine if an adjustment is required. As the current intangible assets are working no impairment adjustment was considered necessary as of December 31, 2024.

## Music Licensing, Inc.

### Notes to the Financial Statements

As of December 31, 2023 and 2024

On November 24, 2023, Music Licensing Inc. entered into a purchase agreement with AT&C Investments LLC, whereby Music Licensing Inc. acquired 100% of the rights, title, and interest in the songwriter/publisher's share of all publishing royalties. The total consideration for this acquisition was U.S. \$160,000.00.

On February 21, 2024, the Company completed the purchase of a portion of the royalty interest in Listerine "Mouthwash" Antiseptic for a total consideration of \$79,500. This transaction is part of the Company's strategy to invest in revenue-generating assets, and it has been recorded in the financial statements accordingly.

Effective October 4, 2024, in consideration of \$140,200, Music Licensing Inc. assigned 100% of its rights, title, and interest (equivalent to Jasper Sheff Corp's entire interest), along with a security interest, in the songwriter/publisher's share of all publishing royalties—excluding the songwriter's share of public performance royalties—for a term of 30 years.

As of December 31, 2023 and 2024 The company's intangible assets at the period end are categorized as follows:

	2023	2024
Copyrights	19,010	19,010
Domain Names	26,125	26,125
Royalty Stakes	160,000	310,194
	<b>\$205,135</b>	<b>\$355,329</b>

#### NOTE 5 - ACCOUNTS RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivables are stated at Net Realizable Value (NRV). On a periodic basis, management evaluates its accounts receivable and determines whether to provide an allowance or if any accounts should be written off based on a past history of write offs, collections, and current credit conditions. A receivable is considered past due if the company has not received payments based on agreed-upon terms. The company generally does not require any security or collateral to support its receivables.

The company has identified a prior period item (error) relating to the past periods ending December 31, 2022. There was an omission in booking and sending the sales invoices to the customers. Due to this, the prior year sales were not recorded. These omitted invoices are a part of a signed legal licensing agreement between the company and its customers. As such management has decided to record these invoices as Sales starting 2023.

In accordance with our accounting policies and the applicable financial reporting standards, the Allowance for Doubtful Accounts represents a current period estimation, reflecting our assessment of the credit risk associated with our outstanding accounts receivable. This estimate is based on a

## **Music Licensing, Inc.**

### Notes to the Financial Statements

As of December 31, 2023 and 2024

thorough evaluation of existing conditions, including an analysis of historical collection rates, and current economic trends.

- 0-60 Days Past Due: Apply 5% for allowance
- 61-120 Days Past Due: Apply 15% for allowance
- 121-180 Days Past Due: Apply 35% for allowance
- 181-360 Days Past Due: Apply 75% for allowance
- 361-And Over Days Past Due: Apply 100% for allowance

We have deducted the Allowance for Doubtful Accounts from the total Accounts Receivable balance to arrive at the Net Accounts Receivables. This deduction is made to accurately represent the Net Realizable Value (NRV) of these assets on our balance sheet. The NRV is the estimated amount that we expect to collect from our receivables, considering the likelihood of some amounts being uncollectible.

It is important to note that this allowance is an estimation and may be adjusted in future periods as new information becomes available or as the actual collection experience deviates from our current expectations.

During the second quarter of 2024, the Company undertook a review of its accounts receivable and identified a significant customer account with a balance of approximately \$1.2 billion. This customer, located in a foreign country, has shown prolonged non-payment, and the Company has determined that the likelihood of collection is unrealistic due to the customer's financial instability and geopolitical factors affecting the region.

As a result, the Board of Directors has authorized the removal of this account from the accounts receivable balance. The removal has been reflected in the current financial statements as a charge to bad debt expense, consistent with the Company's accounting policies regarding the allowance for doubtful accounts. The decision to write off this account aligns with the Company's commitment to maintaining accurate and realistic financial reporting.

The Company has signed Business License Agreements with 660 Customers as of December 31, 2024 to license, on a non-exclusive basis, non-dramatic public performances of their copyrighted musical compositions. After signing the agreements, and based on the agreement terms, the company issues invoices to its customers for Minimum and Base License Fees and Per Usage Fees based on number of business locations. The amount invoiced within the quarter ended December 31, 2024, is \$55,699,389.20. Management believes that the contracts with the customers are legally enforceable as the provision and use of the services was provided. The agreements provide a clear obligation to pay a fixed monthly base license fee, plus any utilization fee.

## **Music Licensing, Inc.**

### Notes to the Financial Statements

As of December 31, 2023 and 2024

This adjustment has been made to better reflect the Company's current financial position and to provide investors with a clearer view of the Company's receivables portfolio.

As part of our efforts to manage outstanding accounts receivable, Music Licensing Inc. has engaged Gebeloff Law to initiate legal proceedings against certain customers who have failed to fulfil their payment obligations. This action is intended to improve the collectability of these receivables and reduce the amount of bad debt. The outcome of these legal proceedings is currently uncertain, and they may result in additional legal expenses. The company will closely monitor these proceedings and update the financial impact as more information becomes available."

#### **NOTE 6 – ACCOUNTS PAYABLES**

Trade and other payables primarily represent amounts owed by the company to suppliers and vendors for goods and services received. These payables arise in the ordinary course of business operations and are generally settled within the company's normal credit terms.

The company regularly reviews the carrying amount of trade and other payables to ensure they are stated at their estimated settlement amounts. If there are significant changes in the expected timing of settlement or in the estimated amounts, adjustments are made to the carrying amount and recognized in the statement of profit or loss.

As of December 31, 2024, Music Licensing Inc. has reported an accounts payable balance of \$477,426. which includes charges for legal and professional services. However, it's important to note that a portion of these charges is currently under dispute.

The management of Music Licensing Inc. is actively engaged in discussions with Troutman Pepper Hamilton Sanders LLP to resolve these discrepancies. The outcome of these discussions may lead to adjustments in the reported accounts payable balance. The company is committed to ensuring that all expenses are justified and accurately reflect the services rendered.

Any significant developments or resolutions post the reporting period will be disclosed in subsequent financial statements as per the applicable accounting standards.

#### **NOTE 7 – CONVERTIBLE NOTES PAYABLE**

##### **Employment Agreement with Jake P. Noch**

On June 25, 2023, Music Licensing Inc. entered into an Employment Agreement with Jake P. Noch, appointing him as Chief Executive Officer, Chairman of the Board of Directors, President, Secretary, and Interim Chief Financial Officer. The Agreement outlines various terms of employment, including duties, compensation, and termination provisions.

## **Music Licensing, Inc.**

### Notes to the Financial Statements

As of December 31, 2023 and 2024

Compensation to Mr. Noch is structured in the form of a convertible note, allowing him to receive shares worth twelve million dollars (\$12,000,000.00) upon conversion. The note remains valid until Mr. Noch realizes the full amount, and additional shares may be added to the convertible note as necessary. The timing of payments under this agreement is at the discretion of Mr. Noch and can be received in various increments (monthly, quarterly, or annually). Upon conversion of the note, the beneficiary of the shares may be either Mr. Noch or the Jake P. Noch Family Office LLC.

This employment agreement is perpetual unless terminated according to its terms or voluntarily by either party. It also includes provisions for bonuses, vacation, business expenses, and a car allowance for Mr. Noch. In the event of termination, severance pay and share payments are specified in the Agreement.

The agreement is integral to our executive management structure and is critical in maintaining the leadership necessary for our strategic and operational directives. This Agreement has been approved by the Board of Directors and is in full compliance with our corporate governance policies.

#### **Details of 3(a)(10) Agreement for Executive Compensation and Severance Package**

During the prior period, Music Licensing Inc. entered into a 3(a)(10) agreement, as per the Securities Act of 1933, to facilitate the compensation of our executive, Jake P. Noch. This agreement is notable for its role in addressing both the executive salary and additional financial commitments as follows:

**Executive Salary:** The agreement provisions for an annual salary of \$12 million for Jake P. Noch, with the full amount recognized on January 1st of each fiscal year. This salary arrangement is primarily financed through the issuance of shares under the 3(a)(10) exemption, thereby minimizing cash outflows for the company.

**Additional Executive Expenses:** In addition to the salary, the agreement encompasses any additional expenses incurred by Jake P. Noch in the performance of his executive duties. These expenses are covered in a similar manner to the salary, primarily through the issuance of shares, allowing the company to manage cash resources effectively.

**Severance Package:** A key component of this agreement is an \$18 million cash severance package for Jake P. Noch. This severance is structured to be payable under specific conditions outlined in the executive agreement, ensuring the company's preparedness for potential future financial obligations.

The implementation of this agreement aligns with the company's strategic financial management objectives. It provides a structure that allows for effective cash flow management while ensuring competitive executive compensation. This approach is reflective of our commitment to fiscal responsibility and strategic resource allocation.

## **Music Licensing, Inc.**

### **Notes to the Financial Statements**

As of December 31, 2023 and 2024

The above-mentioned agreement and its terms are in compliance with the relevant securities regulations and have been duly approved by the appropriate legal channels. The financial implications of this agreement have been considered in our financial planning and reporting.

#### **Payments on Convertible Note Funded through a 3(a)(10) Agreement**

During the current reporting period, the Company commenced payments toward a convertible note that was issued under the provisions of a 3(a)(10) exemption agreement. The convertible note was originally issued as part of a strategic initiative to finance the company's ongoing operations and expansion.

The continued management of this liability is crucial for maintaining the Company's financial stability and supporting strategic growth initiatives. Detailed information regarding the terms of the convertible note and its potential impact on our financial position and performance will be further represented in the sections concerning "Debt Obligations", "Equity", and "Cash Flows" of our financial statements.

## **NOTE 8 – SHAREHOLDERS EQUITY**

The company is authorized to issue 14,500,000,000 common stock shares at 0.000000000001 par value and 1 Preferred J stock. The current total of outstanding common stock as of December 31, 2024 is 30,005,989, of which 67 are Restricted.

On June 12, 2024 the Board of Directors of Music Licensing Inc. approved a 500,000-for-1 reverse stock split of its outstanding common shares. This reverse stock split was effective on June 13, 2024. As a result of the reverse stock split, each 500,000 shares of issued and outstanding common stock were automatically combined into one share of common stock. No fractional shares were issued in connection with the reverse stock split. Instead, shareholders who would have otherwise held a fractional share of common stock received a cash payment for the value of the fractional share.

The reverse stock split did not affect the total authorized number of shares of common stock or the par value per share. The reverse stock split was implemented to improve the marketability and liquidity of the Company's common stock.

On November 20, 2023, the Board of Directors of Music Licensing Inc. adopted a resolution to create a new class of shares known as "Preferred J Class" shares. Only one share is authorized to be issued. Class J shares established to enhance strategic decision-making and safeguard the long-term interests of the company. The key characteristics of the Preferred J Class shares are as follows:

**Voting Rights:** Each Preferred J Class share is entitled to vote on all matters that common stock is entitled to vote on.

## **Music Licensing, Inc.**

### **Notes to the Financial Statements**

As of December 31, 2023 and 2024

1. **Control:** The Preferred J Class shares are intended to be exclusively held by Jake P. Noch or his affiliated entities.
2. **Voting Power:** The Preferred J Class shares represent 80% of the total voting power across all classes of shares of the company.
3. **Other Rights and Preferences:** The rights, preferences, privileges, and restrictions granted to or imposed on the Preferred J Class shares are as set forth in the Articles of Amendment to the Articles of Incorporation of the Company, which have been filed with the state of Nevada.

### **NOTE 9 - COMMITMENTS AND CONTINGENCIES**

#### **Board Compensation**

During the quarter ended December 31, 2024, the company paid a bonus of \$18,000 to a member of its board of directors. This bonus was awarded in recognition of exceptional service and contributions made during a critical phase of the company's development. This amount has been included in the line item "Director's Fees" under administrative expenses in our consolidated Income Statement for the period. The board member is not an employee of the company, and this payment is in line with the remuneration policy approved by the shareholders.

#### **3(a)(10) Agreement Obligation**

At the beginning of the quarter ended December 31, 2024, the balance of the 3(a)(10) agreement obligation was \$20,358,422. During the quarter, the obligation increased by \$2,881,719, resulting in an ending balance of \$23,240,141. This increase comprised total additional expenditures of \$3,077,774, offset by payments of \$197,717 towards the obligation.

#### **Severance Package Obligation**

The Company has entered into an employment agreement with its CEO, Jake P. Noch, which includes a severance package clause. According to the terms of this agreement, the Company is obligated to pay a cash severance package of \$18,000,000 in the event of the CEO's departure, regardless of the reason for departure. This obligation is recognized as a contingent liability and will be recognized as an expense in the period in which it becomes probable that the CEO will depart and the amount becomes reasonably estimable.

As of December 31, 2024, the Company has not recorded a liability related to this severance package obligation, as the triggering event for the payment has not occurred and the departure of the CEO is not deemed probable.

Management will continue to evaluate this obligation at each reporting period and recognize the liability and related expense when the conditions for recognition under GAAP are met.

**Music Licensing, Inc.**

## Notes to the Financial Statements

As of December 31, 2023 and 2024

This disclosure is made in accordance with ASC 450, Contingencies, which requires that contingent liabilities be disclosed when there is at least a reasonable possibility that a loss may be incurred.

**Ongoing Legal Proceeding**

The Company has initiated chargeback claims against INVESTORSHUB CO due to disputed transactions. These transactions pertain to charges for cryptocurrency purchases that were neither agreed upon nor authorized by the Company as part of its service contract. The Company strictly does not engage in cryptocurrency-related activities. The transactions in question arose after INVESTORSHUB CO required the purchase of proprietary cryptocurrency instead of invoicing for agreed-upon press release services.

Furthermore, the Company has formally demanded the removal of personal information, including the CEO's home address, from INVESTORSHUB CO's website. Despite repeated legal notices, the information remains publicly accessible. The Company is exploring legal remedies to resolve this matter. As of the reporting date, no provisions for potential losses or recoveries have been recognized in the financial statements. Management will continue to monitor the situation and update disclosures as necessary. U.S. GAAP (ASC 450).

**Purchase of Royalty Rights**

On November 24, 2023, Music Licensing Inc. entered into a purchase agreement with AT&C Investments LLC, whereby Music Licensing Inc. acquired 100% of the rights, title, and interest in the songwriter/publisher's share of all publishing royalties, excluding the songwriter's share of public performance royalties, for a set of musical compositions as listed in Attachment A of the agreement. This acquisition includes rights under a previous purchase agreement between AT&C Investments LLC and Jasper Sheff Corp dated October 29, 2023. The total consideration for this acquisition was U.S. \$160,000.00. This acquisition reflects the company's strategic initiative to expand its portfolio of royalty-generating assets. The financial impact of this transaction has been reflected in the financial statements for the period ending December 31, 2023.

**ANNEXURE 1: QUARTERLY BALANCE SHEET FOR 2024 (UNAUDITED)**

<b>ASSETS</b>	<b>Q1 2024</b>	<b>Q2 2024</b>	<b>Q3 2024</b>	<b>Q4 2024</b>
Current Assets				
Cash at Bank	1,395	10,375	2,817	1,182
Accounts Receivable	1,158,100,319	71,542,512	79,067,744	86,955,541
Allowance for Doubtful Account	(1,120,237,941)	(56,380,568)	(63,626,594)	(70,944,151)
<b>Total Current Assets</b>	<b>37,863,773</b>	<b>15,172,319</b>	<b>15,443,967</b>	<b>16,012,572</b>
Non-Current Assets				
Copy Rights and Domain Names	284,635	329,635	329,635	355,329
Goodwill	3,550,601	3,550,601	3,550,601	3,550,601
<b>Total Non-Current Assets</b>	<b>3,835,236</b>	<b>3,880,236</b>	<b>3,880,236</b>	<b>3,905,930</b>
<b>TOTAL ASSETS</b>	<b>41,699,009</b>	<b>19,052,555</b>	<b>19,324,203</b>	<b>19,918,503</b>
<b>LIABILITIES AND EQUITY</b>				
Current Liabilities				
Accounts Payables	405,769	499,614	509,910	477,426
Sales Tax Payable	4,535	4,535	4,535	4,535
<b>Total Current Liabilities</b>	<b>410,304</b>	<b>504,149</b>	<b>514,445</b>	<b>481,961</b>
Non-Current Liabilities				
Convertible Notes Payable	14,921,204	17,315,296	20,358,422	23,240,141
<b>Total Non-Current Liabilities</b>	<b>14,921,204</b>	<b>17,315,296</b>	<b>20,358,422</b>	<b>23,240,141</b>
<b>TOTAL LIABILITIES</b>	<b>15,331,508</b>	<b>17,819,444</b>	<b>20,872,866</b>	<b>23,722,102</b>
<b>Equity</b>				
Common Shares	-	-	-	-
Preferred Shares	-	-	-	-
Additional Paid-In Capital	18,708,467	18,708,467	18,759,093	18,929,793
Retained Earnings (Deficit)	7,659,033	(17,475,356)	(20,307,756)	(22,733,392)
<b>TOTAL EQUITY</b>	<b>26,367,501</b>	<b>1,233,111</b>	<b>(1,548,664)</b>	<b>(3,803,600)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>41,699,009</b>	<b>19,052,555</b>	<b>19,324,203</b>	<b>19,918,503</b>

## ANNEXURE 2: QUARTERLY INCOME STATEMENTS FOR 2024 (UNAUDITED)

	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Revenues				
Sales	105,969,348	7,318,842	7,540,838	8,045,086
<b>Total Revenues</b>	<b>105,969,348</b>	<b>7,318,842</b>	<b>7,540,838</b>	<b>8,045,086</b>
<b>Operating and Administrative Expenses</b>				
Accounting and Legal Fees	150,737	215,096	56,843	2,800
Wages and Salaries	3,000,000	3,000,000	3,000,000	3,000,000
Professional Fees	6,127	12,800	-	23,441
Advertising and Promotion	9,734	4,421	3,749	13,000
Dues and Subscriptions	9,144	19,306	12,773	304
Office and Utilities Expenses	1,025	1,385	2,615	12,835
Board of Directors Fees	28,456	10,000	22,000	12,000
Bad Debt Expense	126,719,136	29,124,222	7,243,979	7,317,557
Taxes and Licenses	15,657	794	-	10,240
<b>Total Operating and Admin. Expenses</b>	<b>129,940,015</b>	<b>32,388,024</b>	<b>10,341,958</b>	<b>10,392,177</b>
Non-Operating Income	6,346	-	15	-
Non-Operating Expense	59,030	65,208	31,296	81,344
<b>Net Non-Operating Income (Loss)</b>	<b>(52,684)</b>	<b>(65,208)</b>	<b>(31,281)</b>	<b>(81,344)</b>
<b>NET INCOME (LOSS)</b>	<b>(24,023,352)</b>	<b>(25,134,389)</b>	<b>(2,832,400)</b>	<b>(2,428,436)</b>

**ANNEXURE 3: QUARTERLY CASH FLOW STATEMENTS FOR 2024 (UNAUDITED)**

	<b>Q1 2024</b>	<b>Q2 2024</b>	<b>Q3 2024</b>	<b>Q4 2024</b>
<b>Cash Flows from Operating Activities</b>				
Net Income	(24,023,352)	(25,134,389)	(2,832,400)	(2,428,436)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>				
Change in Accounts Receivables	(105,925,010)	1,086,557,807	(7,525,232)	(7,887,797)
Change in Accounts Payables	2,612,679	2,487,936	3,053,422	2,849,236
Bad Debt Expense	126,605,449	29,124,222	7,246,026	7,317,557
Write-off Accounts Receivables	-	(1,092,932,751)	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>(730,233)</b>	<b>102,825</b>	<b>(58,183)</b>	<b>(149,440)</b>
<b>Cash Flows from Investing Activities</b>				
Investment in Royalties	(79,500)	(93,845)	-	(25,694)
<b>Net Cash Flows from Investing Activities</b>	<b>(79,500)</b>	<b>(93,845)</b>	<b>-</b>	<b>(25,694)</b>
<b>Cash Flow by Financing Activities</b>				
Additional Paid-In Capital	810,713	-	50,626	173,500
<b>Net Cash Flow by Financing Activities</b>	<b>810,713</b>	<b>-</b>	<b>50,626</b>	<b>173,500</b>
<b>Net Change in Cash</b>	<b>980</b>	<b>8,980</b>	<b>(7,558)</b>	<b>(1,635)</b>
Cash Balance at Beginning of the Period	415	1,395	10,375	2,817
<b>CASH BALANCE AT END OF THE PERIOD</b>	<b>1,395</b>	<b>10,375</b>	<b>2,817</b>	<b>1,182</b>