

SPORTS QUEST (OTC:SPQS) MANAGEMENT DISCUSSIONS

West Palm Beach Florida Nov 26 2021

Company current business model:

We are in the smart energy savings devices B2B business sector. This means purchasing raw products from one of nation's largest suppliers such as Magnum Innovations who carry the enOcean proprietary switches and devices. We retool them altering and creating sas may be required by the contractor or the end user.

Covid and supply chain:

The covid pandemic has especially been hard on the industry and suppliers such as Magnum Innovations were not immune to this pandemic and business trauma or disruption. As they are one of the largest Distributors of enOcean product lines.

Opportunity:

Magnum innovations is the beneficiary of over 20 million dollars in private Equity Funds including a bank loan of approximately \$500,000; and majority shareholders cash and sweat and investments of several million dollars. We entered discussions with Magnum Innovations to acquire this company for the fraction of its real value. In other words, pennies on the dollar.

The management estimates that there is approximately \$800,000 of value in existing inventory and supplies. There is approximately \$400,000 + in accounts receivable and approximately another \$750,000 in purchase orders at various stages of satisfaction.

We have entered into a complex financial agreement with the secured creditor or the bank which will allow us to purchase the inventory secured by the bank at a wholesale price to satisfy the accounts receivable and existing purchase orders. Under the loan settlement agreement we would collect these accounts receivables and those funds would go towards the reduction of the outstanding debt. SPQS would be saved harmless from any future liabilities or claims of the bank.

We intend to do this as an overlay or a white label solution under the brand name Magnum first inc with the domain name Magnumfirst.com. Timeframe of approximately 8 to 12 months for the entire Magnum Innovations to migrate over to Magnum first company, a division of Sports Quest (Spqs)

Our plans are to have Magnum first take over Magnum Innovations 100% within the next several Q and continue to carry the enOcean proprietary switches and devices thus making SPQS the largest Usa distributor

Other hyper opportunities

Picking up on the covid pandemic and business disruptions we have identified this as a possible purchasing opportunity of other businesses and expanding our business model.

SPORTS TEAM(S)

Minor league sports teams have been severely impacted by the covid and this created an opportunity for us to acquire the USA based baseball or a rugby team. Our thoughts are as the attendance improves and covid departs this will have a positive impact on the revenue stream. We have not abandoned these aspirations and we continue our research in both North America and Europe.

We are focused on acquiring already existing businesses with Revenue generating an asset type Enterprises which will not require us to disturb our current share structure.

PROJECTS UNDER DEVELOPMENT

We see the new and emerging metaverse space as one with great potential and humongous hyper-growth opportunity.

For example smallcryptohub.com is a portal that displays our node option purchases in the crypto and block chain space.

SPQS solution will be CeDeFi solution provider

CeDeFi, or centralized decentralized finance, combines traditional centralized financial services with decentralized applications, merging conventional regulatory policies with modern financial tools.

CORPORATE DATA CENTRE:

Our data center is being finalized (construction) in NY State. The building and enclosure units ready to go. The pictures will be released via separate filings. There are 10 enclosure – 6 generators for a USA government body / entity were built in the last 6 months.

CORPORATE NAME CHANGE

As per our previous filing and supplementary info Sports Quest intends to do a name change to Sparx Corporation. This new name change will better reflect our new business model our aspirations and our corporate vision.