SYCAMORE ENTERTAINMENT GROUP, INC.

FINANCIAL STATEMENTS

For the Years Ended
December 31, 2021 and December 31, 2020

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TABLE OF CONTENTS

SYCAMORE ENTERTAINMENT GROUP, INC.
BALANCE SHEETS

	December 31, 2021	December 31, 2020
ASSETS		
Current assets		
Cash	$ -	$ 355,187
Restricted cash	30,000	-
Prepaid marketing costs	-	1,503,500
Total current assets	30,000	1,858,687
Intangible assets - net	408,433	194,542
Total assets	$ 438,433	$ 2,053,229
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 6,648,948	$ 5,894,458
Notes payable	6,697,914	3,218,914
Convertible notes payable	168,642	480,935
Derivative liability on convertible notes payable	8,353,232	232,987,000
Note payable - related party	394,824	377,224
Total current liabilities	22,263,560	242,958,531
Total liabilities	22,263,560	242,958,531
Stockholders' deficit		
Common stock (Par value $0.001, 2,500,000,000 shares authorized; 2,462,630,816 and 1,957,417,066 shares issued and outstanding as of December 31, 2021 and 2020)	2,462,631	1,957,417
Additional paid-in capital	2,311,654	-
Accumulated deficit	(26,599,412)	(242,862,719)
Total stockholders' deficit	(21,825,127)	(240,905,302)
Total liabilities and stockholders' deficit	$ 438,433	$ 2,053,229

See accompanying notes to financial statements

SYCAMORE ENTERTAINMENT GROUP, INC.
STATEMENTS OF OPERATIONS

	For the Years Ended December 31,	
	2021	**2020**
VOD revenue	$ -	$ -
Cost of revenues	10,935	9,608
Gross loss	(10,935)	(9,608)
Operating expenses		
General and administrative	6,086,719	517,463
Total operating expenses	6,086,719	517,463
Operating loss	(6,097,654)	(527,071)
Other income (expense)		
Merchandise sales	1,476	-
Gain (loss) on derivative liability	224,633,768	(230,441,000)
Loss on extinguishment of debt	(1,985,003)	(474,063)
Loss on impairment of distribution rights	-	(206,150)
Interest expense	(289,280)	(72,486)
Total other income (expense)	222,360,961	(231,193,699)
Income (loss) before provision for income taxes	216,263,307	(231,720,770)
Provision for income taxes	-	-
Net income (loss)	$ 216,263,307	$ (231,720,770)
Net income (loss) per share of common stock:		
Basic	$ 0.11	$ (0.12)
Fully diluted	$ 0.09	$ (0.02)
Weighted average number of shares outstanding		
Basic	1,958,801,213	1,957,417,066
Fully diluted	2,513,100,276	13,587,251,250

See accompanying notes to financial statements

SYCAMORE ENTERTAINMENT GROUP, INC.
STATEMENTS OF STOCKHOLDERS' DEFICIT

	Common Stock		Additional Paid-in	Accumulated Deficit	Total
	Shares	Amount	Capital		
Balance, December 31, 2019	1,957,417,066	$ 1,957,417	$ -	$ (11,141,949)	$ (9,184,532)
Net loss, year ended December 31, 2020	-	-		(231,720,770)	(231,720,770)
Balance, December 31, 2020	1,957,417,066	$ 1,957,417	$ -	$ (242,862,719)	$ (240,905,302)
Common stock issued for conversion or extinguishment of notes payable	505,213,750	505,214	2,311,654	-	2,816,868
Net income, year ended December 31, 2021	-	-		216,263,307	216,263,307
Balance, December 31, 2021	2,462,630,816	$ 2,462,631	$ 2,311,654	$ (26,599,412)	$ (21,825,127)

See accompanying notes to financial statements

SYCAMORE ENTERTAINMENT GROUP, INC.
STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,	
	2021	2020
Cash flows from operating activities		
Net income (loss)	$ 216,263,307	$ (231,720,770)
Adjustments to reconcile net income to net cash provided by operating activities:		
(Gain) loss on derivative fair value	(224,633,768)	230,441,000
Loss on impairment of distribution rights	-	206,150
Expenses paid on behalf of the company - related party	122,650	63,150
Amortization expense	107,528	8,458
Loss on extinguishment of debt	1,985,003	474,063
Changes in operating assets and liabilities:		
Prepaid marketing costs	1,503,500	
Accrued liabilities	661,412	
Accounts payable and accrued expenses	173,650	491,136
Net cash used in operating activities	(3,816,718)	(36,813)
Cash flows from investing activities		
Investment in intellectual property	(321,419)	(203,000)
Net cash used in investing activities	(321,419)	(203,000)
Cash flows from financing activities		
Proceeds from notes payable	4,144,000	750,000
Paydown of notes payable	(226,000)	(100,000)
Proceeds from notes payable related party	34,600	22,500
Paydown of notes payable related party	(139,650)	(77,500)
Net cash provided by financing activities	3,812,950	595,000
Net change in cash and cash equivalents	(325,187)	355,187
Cash and cash equivalents at the beginning of period	355,187	-
Cash and cash equivalents at the end of period	$ 30,000	$ 355,187
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ -	$ -
Non-cash investing and financing activities		
Notes payable issued in exchange for prepaid marketing costs	$ -	$ 1,500,000
Common stock issued for conversion or extinguishment of notes payable	$ 7,527,685	$ -

See accompanying notes to financial statements

Note 1 – Organization and Nature of Business

Incorporation

Effective May 14, 2010 (the "Effective Date"), ImaRx Therapeutics, Inc. ("ImaRx" or "Company") entered into an Agreement for the Purchase and Sale of Stock with Sycamore Films, Inc. and its shareholders ("Sycamore Films") (the "Stock Purchase Agreement") and an Agreement and Plan of Merger with Sycamore Films, Sweet Spot, and Sweet Spot's shareholders and principals (the "Merger Agreement"). Pursuant to the Merger Agreement, Sweet Spot merged with and into Sycamore Films and the shareholders of Sweet Spot became shareholders of Sycamore Films. Immediately following the closing of the Merger Agreement, the purchase and sale of stock between ImaRx and Sycamore Films and its shareholders was consummated.

Under the terms of the Stock Purchase Agreement, between ImaRx and Sycamore Films, ImaRx issued approximately 79,376,735 shares of its common stock to the Sycamore Films shareholders including the former shareholders of Sweet Spot. As a result, Sycamore Films became a wholly-owned subsidiary of ImaRx and the former shareholders of Sycamore Films held, in the aggregate, approximately eighty-six percent (86%) of ImaRx's outstanding shares of commons stock on a fully diluted basis. Former Sweet Spot shareholders held (5%).

The Merger Agreement between Sycamore Films and ImaRx was accounted for as a reverse acquisition in accordance with Accounting Standards Codification ("ASC") 805 Business Combinations. The Company determined for accounting and reporting purposes that Sycamore Films was the acquirer because of the significant holdings and influence of the control group of ImaRx Therapeutics and Sweet Spot after the acquisition.

On July 21, 2010, ImaRx merged with Sycamore Entertainment Group, Inc., a Nevada corporation. Sycamore Entertainment Group, Inc. is the surviving corporation. Unless the context otherwise requires, "Sycamore," "we," "us," "our," and the "Company" refers to Sycamore Entertainment Group, Inc.

Note 2 – Liquidity and Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

The Company had cash and cash equivalents of $30,000, a working capital deficiency of $21,997,560 and an accumulated deficit of $26,363,412 as of December 31, 2021. The Company has historically incurred annual losses and has never generated significant revenue. Since inception, the Company's operations have been financed primarily through the sale of equity and debt securities. The Company has incurred losses from operations and negative cash flows from operating activities since inception and expects to continue to incur substantial losses as it continues to fully ramp up its operating activities. While we expect to continue incurring losses in the foreseeable future, we raised $4,144,000 in debt financing with no specific repayment terms, in 2021.

In addition to the foregoing, the Company cannot predict the long-term impact on its development timelines, revenue levels and its liquidity due to the worldwide spread of COVID-19 and its continued outbreaks around the world. Based upon the Company's current assessment, it does not expect the impact of the COVID-19 pandemic to materially impact the Company's operations. However, the Company is continuing to assess the impact the spread of COVID-19 may have on its operations.

These financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) assuming the Company will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. However, substantial doubt about the Company's ability to continue as a going concern exists.

As discussed in "Note 10 Commitments and Contingencies" the Company has entered into binding contracts to provide sponsorship of the Chip Ganassi racing team. The contracts call for payments in excess of $18,000,000 in the 12 months after the date of this report. The Company will require additional liquidity and renewed financing to continue its operations and fulfill this obligation.

The Company has implemented measures to address any liquidity shortfalls including but not limited to procurement of debt financing on favorable terms. However, there can be no assurance that the Company will be able to obtain sufficient additional financing to fulfill its financial obligations.

The financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Company were unable to continue as a going concern.

Note 3 - Summary of Significant Accounting Policies and Basis of Presentation

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications do not have a material impact on the previously reported financial position or results of operations.

Use of Estimates

The preparation of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates. The significant estimates and assumptions include allocating the fair value of purchase consideration to assets acquired and liabilities assumed in business acquisitions, useful lives of property and equipment and intangible assets, recoverability of goodwill, long-lived assets, and investments, accruals for contingent liabilities, valuations of derivative liabilities, equity instruments issued in share-based payment arrangements and accounting for income taxes, including the valuation allowance on deferred tax assets.

Segment and Reporting Unit Information

Operating segments are defined as components of an entity for which discrete financial information is available that is regularly reviewed by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company's chief executive officer has been determined to be the CODM. The CODM reviews financial information and makes resource allocation decisions. As such, the Company has one operating segment, SEGI.tv (which operates as a division of Sycamore), for the audit periods ended December 31, 2021 and December 31, 2020.

Cash and Cash Equivalents

The Company considers all highly liquid investments with remaining maturities at the date of purchase of three months or less to be cash equivalents, including balances held in the Company's money market account. The Company also classifies amounts in transit from payment processors for customer credit card and debit card transactions as cash equivalents. The following table provides a reconciliation of cash, cash equivalents and restricted cash within the balance sheet that sum to the total of the same on the statement of cash flows:

	December 31,	
	2021	**2020**
Cash and cash equivalents	$ 30,000	$ 355,187

Certain Risks and Concentrations

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of demand deposits. The Company maintains cash deposits with financial institutions that at times exceed applicable insurance limits.

Fair Value Estimates and Fair Value of Financial Instruments

The carrying amounts of the Company's financial assets and liabilities, such as cash, other assets, accounts payable and accrued payroll, approximate their fair values because of the short maturity of these instruments. The carrying amounts of notes payable and long-term borrowings approximate their fair values.

The Company accounts for financial instruments under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements. This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — observable inputs other than Level 1, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model-derived prices whose inputs are observable or whose significant value drivers are observable; and

Level 3 — assets and liabilities whose significant value drivers are unobservable.

Accounts Receivable, net

The Company records accounts receivable at the invoiced amount less an allowance for any potentially uncollectable accounts. The Company's accounts receivable balance consists of amounts due from the sale of advertisements and subscription revenue. In evaluating our ability to collect outstanding receivable balances, we consider many factors, including the age of the balance, collection history, and current economic trends. Bad debts are written off after all collection efforts have ceased.

Impairment Testing of Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that their net book value may not be recoverable. When such factors and circumstances exist, the Company compares the projected undiscounted future cash flows associated with the related asset or group of assets over their estimated useful lives against their respective carrying amount. Impairment, if any, is based on the excess of the carrying amount over the fair value, based on market value when available, or discounted expected cash flows, of those assets and is recorded in the period in which the determination is made. The Company recorded impairment expense of $0 and $206,150 for the years ended December 31, 2021 and December 31, 2020, respectively.

Intangible Assets

At December 31, 2021 and 2020, definite-lived intangible assets primarily consist of film distribution rights and content licensing arrangements which are being amortized over their estimated useful lives ranging from 2-25 years. The Company's intangible assets represent content, which are being amortized under the "individual-film-forecast" method for films and the straight-line method for SEGI.tv licensing rights.

Eye of The Storm film distribution rights	25 years
Judy Garland rights	3 years
Molton films rights	3 years
Kim film rights	3 years

We periodically evaluate the reasonableness of the useful lives of these assets. Once these assets are fully amortized, they are removed from the accounts. These assets are reviewed for impairment or obsolescence when events or changes in circumstances indicate that the carrying amount may not be recoverable. If impaired, intangible assets are written down to fair value based on discounted cash flows or other valuation techniques. We have no intangibles with indefinite lives.

For long-lived assets, impairment losses are only recorded if the asset's carrying amount is not recoverable through its undiscounted, probability-weighted future cash flows. We measure the impairment loss based on the difference between the carrying amount and the estimated fair value. When an impairment exists, the related assets are written down to fair value.

Derivative Liabilities

We account for derivative instruments in accordance with ASC Topic 815, "*Derivatives and Hedging*" and all derivative instruments are reflected as either assets or liabilities at fair value in the balance sheet. We use estimates of fair value to value our derivative instruments. Fair value is defined as the price to sell an asset or transfer a liability in an orderly transaction between willing and able market participants. In general, our policy in estimating fair values is to first look at observable market prices for identical assets and liabilities in active markets, where available. When these are not available, other inputs are used to model fair value such as prices of similar instruments, yield curves, volatilities, prepayment speeds, default rates and credit spreads, relying first on observable data from active markets. Depending on the availability of observable inputs and prices, different valuation models could produce materially different fair value estimates. The values presented may not represent future fair values and may not be realizable. We categorize our fair value estimates in accordance with ASC 820 based on the hierarchical framework associated with the three levels of price transparency utilized in measuring financial instruments at fair value as discussed above. As of December 31, 2021 and 2020, we had a derivative liability of $8,353,232 and $232,987,000 respectively.

Sequencing Policy

Under ASC 815-40-35, we have adopted a sequencing policy whereby, in the event that reclassification of contracts from equity to assets or liabilities is necessary pursuant to ASC 815 due to our inability to demonstrate we have sufficient authorized shares as a result of certain securities with a potentially indeterminable number of shares, shares will be allocated on the basis of the earliest issuance date of potentially dilutive instruments, with the earliest grants receiving the first allocation of shares. Pursuant to ASC 815, issuance of securities to our employees or directors are not subject to the sequencing policy.

Leases

Effective January 1, 2019, the Company accounts for its leases under ASC 842, Leases. Under this guidance, arrangements meeting the definition of a lease are classified as operating or financing leases and are recorded on the balance sheets as both a right-of-use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right-of-use asset result in straight-line rent expense over the lease term.

In calculating the right-of-use asset and lease liability, the Company elects to combine lease and non-lease components. The Company excludes short-term leases having initial terms of 12 months or less, if any, from the new guidance as an accounting policy election, and recognizes rent expense on a straight-line basis over the lease term. Currently, the company has only a month-to-month lease in Seattle, Washington.

Revenue from Contracts with Customers

The Company recognizes revenue from contracts with customers under ASC 606, *Revenue from Contracts with Customers* (the "revenue standard"). The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. The following five steps are applied to achieve that core principle:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when the company satisfies a performance obligation

In 2021, the Company generates revenue from the following sources:

1. Advertisements – The Company executes agreements with advertisers that want to display ads ("impressions") within the streamed content. The Company enters into individual insertion orders ("IOs") with advertisers, which specify the term of each ad campaign, the number of impressions to be delivered and the applicable rate to be charged. The Company utilizes digital service providers "DSPs" to bring in advertisers, calculates actual impressions actually delivered during the period and then automatically collects and deposits the funds on our behalf. Each executed IO provides the terms and conditions agreed to in respect of each party's obligations. The Company recognizes revenue at a point in time when it satisfies a performance obligation by transferring control of the promised services to the advertiser, which generally is when the advertisement has been displayed.

2. Video On Demand revenue – The Company has an agreement with a content aggregator. The content aggregator provides video content for movies and tv shows. When a customer streams and pays for content, we collect the retail cost paid by the customer and pay a wholesale price to the content aggregator. The Company recognizes revenue at a point in time when it satisfies a performance obligation by transferring control of the promised services to the customer, which is generally when the content is streamed.

Sales and Marketing

Marketing expenses consist primarily of sponsorship of the Chip Ganassi Racing Team. All sales and marketing costs are expensed as they are incurred. Marketing expense totaled $5,408,051 and $0 for the years ended December 31, 2021 and 2020, respectively.

Income Taxes

The Company accounts for income taxes under the asset and liability method, in which 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 operating loss and tax credit carry forwards. 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. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. A valuation allowance is required to the extent any deferred tax assets may not be realizable.

ASC Topic 740, Income Taxes, ("ASC 740"), also clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition. Based on the Company's evaluation, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements. The Company believes that its income tax positions and deductions would be sustained on audit and does not anticipate any adjustments that would result in material changes to its financial position.

Treasury Stock

The Company accounts for the treasury stock using the cost method, which treats it as a reduction in stockholders' equity.

Net (Loss)Income Per Share

Basic net loss per share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period. The weighted average shares outstanding as of December 31, 2021 and December 31, 2020 was 1,958,801,213 and 1,957,417,066.

Recently Adopted Accounting Pronouncements

In August 2018, the FASB issued ASU No. 2018-13, *"Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13*"). The amendments in ASU 2018-13 modify the disclosure requirements on fair value measurements based on the concepts in the Concepts Statement, including the consideration of costs and benefits. The amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. All other amendments should be applied retrospectively to all periods presented upon their effective date. The amendments are effective for all entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted, including adoption in an interim period. The Company adopted this standard on January 1, 2020 and the adoption did not have a material impact on the financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, "*Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes ("ASU 2019-12")*, which is intended to simplify various aspects related to accounting for income taxes.

ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted. The Company adopted this standard on January 1, 2020 and the adoption did not have a material impact on the financial statements and related disclosures.

In July 2017, the FASB has issued a two-part ASU No. 2017-11, (i) *Accounting for Certain Financial Instruments with Down Round Features* and (ii) *Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception* which simplifies the accounting for certain financial instruments with down round features, a provision in an equity-linked financial instrument (or embedded feature) that provides a downward adjustment of the current exercise price based on the price of future equity offerings. It is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Early adoption is permitted. The Company adopted this standard on its financial statements and disclosures as of January 1, 2019. The adoption of ASU 2017-11 did not have a material impact on its financial statements.

<u>Recently Issued Accounting Standards</u>

In June 2016, the FASB issued ASU 2016-13, *"Financial Instruments – Credit Losses"*. The ASU sets forth a "current expected credit loss" ("CECL") model which requires the Company to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable supportable forecasts. This replaces the existing incurred loss model and is applicable to the measurement of credit losses on financial assets measured at amortized cost and applies to some off-balance sheet credit exposures. This ASU was effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, with early adoption permitted. Recently, the FASB issued the final ASU to delay adoption for smaller reporting companies to calendar year 2023. The adoption of this ASU will not have a material impact on the financial statements and related disclosures.

In August 2020, the FASB issued ASU No. 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. The ASU removes certain settlement conditions that are required for equity contracts to qualify for the derivative scope exception, and it also simplifies the diluted earnings per share calculation in certain areas. This ASU is effective for annual reporting periods beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020. This update permits the use of either the modified retrospective or fully retrospective method of transition. The Company is currently evaluating the impact this ASU will have on its financial statements and related disclosures.

Note 4 – Intangible Assets

<u>Intangible Assets</u>

The table below summarizes the Company's intangible assets at December 31, 2021 and 2020:

			December 31, 2021			
	Useful Lives (Years)	**Weighted Average Remaining Life (Years)**	**Intangible Assets**	**Intangible Asset Impairment**	**Accumulated Amortization**	**Net Balance**
Eye of the Storm film rights	25	16	$ 250,000	$ (206,150)	$ (43,850)	$ -
Judy Garland film rights	3	2	85,000	-	(46,042)	38,958
Molton rights	2	1	63,000	-	(34,125)	28,875
Kim rights	2	1	55,000	-	(29,792)	25,208
SEGI App	-	-	16,190	-	-	16,190
Kim rights 2	3	2	21,700	-	(6,028)	15,672
Documentary property	-	-	249,779	-	-	249,780

Vubiquity content rights	-	-	30,000	-	-	30,000
Caracol content	-	-	3,750	-	-	3,750
Total			$ 774,419	$ (206,150)	$ (159,836)	$ 408,433

	Useful Lives (Years)	Weighted Average Remaining Life (Years)	December 31, 2020 Intangible Assets	Intangible Asset Impairment	Accumulated Amortization	Net Balance
Eye of the Storm film rights	25	17	$ 250,000	$ (206,150)	$ (43,850)	$ -
Judy Garland film rights	3	-	85,000	-	(3,542)	81,458
Molton rights	2	-	63,000		(2,625)	60,375
Kim rights	2	-	55,000		(2,291)	52,708
Total			$ 453,000	$ (206,150)	$ (52,308)	$ 194,542

The intangible assets are being amortized over their respective original useful lives, which range from 2 to 25 years. The Company recorded amortization expense related to the above intangible assets of approximately $107,528 and $8,458 for the years ended December 31, 2021 and 20, respectively. As noted above, the Company recorded an impairment charge of $0 and $206,150 during the years ended December 31, 2021 and 2020, respectively.

The estimated future amortization expense associated with intangible assets is as follows:

	Future Amortization
2022	$ 82,417
2023	100,878
2024 and thereafter	225,138
Total	**$ 408,433**

Note 5 –Accounts Payable and Accrued Expenses

Accounts Payable and Accrued expenses are presented below:

	December 31, 2021	December 31, 2020
Accounts payable	181,150	7,500
Judgments on litigation	1,279,694	1,279,694
Accrued interest	854,685	596,627
Accrued compensation and taxes	4,078,419	3,705,637
Other	255,000	305,000
Total	$ 6,648,948	$ 5,894,458

Note 6 – Income Taxes

The benefit of income taxes for the years ended December 31, 2021 and 2020 consist of the following:

	For the Years Ended December 31, 2021	For the Years Ended December 31, 2020
U.S. Federal		
Current	$ -	$ -
Deferred	3,423,996	1,823,909
State and local		
Current	-	-
Deferred	1,227,239	607,969
Valuation allowance	(4,651,235)	(2,431,878)
Income tax benefit	$ -	$ -

The components of our deferred tax assets are as follows:

	December 31, 2021	December 31, 2020
Deferred tax assets:		
Net operating losses	$ **4,651,235**	$ **2,431,878**
Other	-	-
Total deferred tax assets	**4,651,235**	**2,431,878**
Less: Valuation allowance	(4,651,235)	(2,431,878
Net deferred tax assets	**$ -**	**$ -**
Deferred tax liabilities:		
Intangible assets	$ -	$ -
Other	-	-
Total deferred tax liabilities	**$ -**	**$ -**
Net deferred tax liabilities	**$ -**	**$ -**

The Company regularly evaluates the realizability of its deferred tax assets and establishes a valuation allowance if it is more likely than not that some or all the deferred tax assets will not be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, loss carryback and tax-planning strategies. Generally, more weight is given to objectively verifiable evidence, such as the cumulative loss in recent years, as a significant piece of negative evidence to overcome. At December 31, 2021 and 2020, the Company continued to maintain that the realization of its deferred tax assets has not achieved a more likely than not threshold therefore, the net deferred tax assets have been offset by a valuation allowance.

On March 27, 2020 the U.S. enacted the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). On December 21, 2020, The U.S. Congress passed the Consolidation Appropriations Act, 2021 (the CAA Act). We have evaluated the provisions of the CARES Act and CCA Act and determined that it did not result in a significant impact on our tax provision.

As of December 31, 2020, the Company had estimated federal net operating loss carryforwards of $17,531,982. The federal net operating loss carryforwards generated before January 1, 2018 will begin to expire in 2033, and the remainder will carryforward indefinitely but are subject to the 80% taxable income limitation.

Utilization of the NOL carryforwards may be subject to a substantial annual limitation due to ownership change limitations that may have occurred or that could occur in the future, as required by the Internal Revenue Code, as well as similar state provisions. In general, an "ownership change" as defined by Code Sections 382 and 383, results from a transaction or series of transactions over a three-year period resulting in an ownership change of more than 50 percentage points of the outstanding stock of a company by certain stockholders or public groups. Since the Company's formation, the Company has raised capital through the issuance of capital stock on several occasions which, combined with the purchasing stockholders' subsequent disposition of those shares have resulted in such an ownership change and could result in an ownership change in the future upon subsequent disposition.

The Company follows the provisions of FASB Accounting Standards Codification (ASC 740-10), Accounting for Uncertainty in Income Taxes. ASC 740-10 prescribes a comprehensive model for the recognition, measurement, presentation and disclosure in financial statements of uncertain tax positions that have been taken or expected to be taken on an income tax return. No liability related to uncertain tax positions was required to be recorded in the financial statements as of December 31, 2021 and 2020.

The Company's policy is to recognize interest and penalties accrued on uncertain income tax positions in income tax expense in the Company's statements of operations. The Company had not incurred any material tax interest or penalties as of December 31, 2021. The Company does not anticipate any significant change within 12 months of this reporting date of its uncertain tax positions.

The Company is subject to taxation in the United States and various state jurisdictions. The Company had been delinquent in filings since December 31, 2010. There are no ongoing examinations by taxing authorities at this time. The Company's tax years 2010 through 2021 will remain open for examination by the federal and state authorities for three years from the date of utilization of any net operating loss credits.

Note 7 - Related Parties

Company director, Edward Sylvan, has periodically lent funds to the Company from inception to the current balance sheet date. The balance due has no specific repayment terms and the Company may repay this note at any time, in whole or in part, without penalty or additional interest. The balance as of December 31, 2021, and December 31, 2020 was $394,824 and $377,224, respectively.

Additionally, in 2021 and 2020, the chief executive and an LLC owned by the chief executive paid $122,650 and $63,150, respectively, to vendors on behalf of the Company. These expenses are recorded in general and administrative expenses in the accompanying financial statements.

Note 8 - Fair Value Measurements

The Company's convertible notes were classified as liabilities and measured at fair value on the issuance date, with changes in fair value recognized as other income (expense) in the statements of operations.

The following table classifies the Company's assets and liabilities measured at fair value on a recurring basis into the fair value hierarchy as of December 31, 2021 and December 31, 2020:

	Fair valued measured at December 31, 2020			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial liabilities at fair value:				
Derivative liability - convertible notes	$ -	$ -	$ 232,987,000	$ 232,987,000
Total financial liabilities at fair value	$ -	$ -	$ **232,987,000**	$ **232,987,000**

	Fair valued measured at December 31, 2021			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial liabilities at fair value:				
Derivative liability - convertible notes	$ -	$ -	$ 8,353,232	$ 8,353,232
Total financial liabilities at fair value	**$ -**	**$ -**	**$ 8,353,232**	**$ 8,353,232**

Model used: Monte Carlo Simulator for variable rate conversion debt instruments. Black-Scholes for_fixed rate conversion debt instruments

	Expected volatility	Risk-free interest rate	Expected dividend yield	Expected life (in years)
At December 31, 2021	147.00%	0.06%	0%	0.25
At December 31, 2020	562.72%	0.09%	0%	0.25

Derivative Financial Instruments

The following table presents changes in Level 3 liabilities measured at fair value for the year ended December 31, 2021 and 2020. Unobservable inputs were used to determine the fair value of positions that the Company has classified within the Level 3 category.

	Derivative - Convertible Notes
Fair value at December 31, 2019	**$ 2,546,000**
Change in fair value	230,543,000
Additions	-
Redemption	(102,000)
Fair value at December 31, 2020	**232,987,000**
Change in fair value	7,663,815
Additions	-
Redemption	(232,297,583)
Fair value at December 31, 2021	**$ 8,353,232**

Note 9 - Convertible Notes Payable

As of December 31, 2021, the carrying amounts of the convertible notes including the remaining principal balance plus the fair value of the derivative liabilities associated with the variable share settlement feature and unamortized discounts is as follows:

Note	Maturity	Principal and Interest at December 31, 2021	Stock Price December 31, 2021	Conversion Price	Fair Value of Option at December 31, 2021
Conv Note 1	Past Due	$ 19,716	$ 0.0149	50% of lowest trade prior 20 trading days	$ 32,000
Conv Note 2	Past Due	68,103	0.0149	50% of lowest trade prior 40 trading days	$ 133,000
Conv Note 3	Past Due	0	0.0149	50% of lowest trade prior 40 trading days	converted
Conv Note 4	Past Due	13,638	0.0149	50% of lowest trade prior 20 trading days, or 50% of bid, or $.000025	8,117,232
Conv Note 5	Past Due	37,487*	0.0149	45% of lowest trade prior 20 trading days	71,000
Conv Note 6	Past Due	0	0.0149	Fixed at $.00003	converted
Conv Note 7	Past Due	0	0.0149	Fixed at $.00003	converted
Conv Note 8	Past Due	0	0.0149	Fixed at $.000025	converted
		$ 138,944			$ 8,353,232

*Convertible Note 5 was retired in full in 2022 with a payment of principal and interest of $37,487.

Note	Maturity	Principal and Interest at December 31, 2020	Stock Price December 31, 2020	Conversion Price	Fair Value of Option at December 31, 2020
Conv Note 1	Past Due	$ 19,712	$ 0.0200	50% of lowest trade prior 20 trading days	$ 80,000
Conv Note 2	Past Due	65,596	0.0200	50% of lowest trade prior 20 trading days	424,000
Conv Note 3	Past Due	92,806	0.0200	50% of lowest trade prior 20 trading days	612,000
Conv Note 4	Past Due	23,946	0.0200	50% of lowest trade prior 20 trading days, or 50% of bid, or $.000025	80,000
Conv Note 5	Past due	35,187	0.0200	45% of lowest trade prior 20 trading days	-
Conv Note 6	Past Due	164,959	0.0200	Fixed at $.00003	109,808,000
Conv Note 7	Past Due	173,643	0.0200	Fixed at $.00003	115,589,000
Conv Note 8	Past Due	8,000	0.0200	Fixed at $.000025	6,394,000
		$ 583,849			$ 232,987,000

Note 10 – Commitments and Contingencies

Commitments:

Leases

The company has only a month-to-month operating lease, and no current leases longer than 12 months. Therefore rent expense is expensed as it is incurred.

Marketing Agreements

In December of 2020, the Company signed a binding sponsorship agreement with Chip Ganassi Racing that required payments of $17,400,000 in payments through 2023. In March of 2021 the Company signed a separate agreement that required an additional $10,270,000 of payments through 2023. The Company is currently in default on the agreement for $17,400,000 but has provided a comfort letter that has been accepted by the counterparty.

Contingencies:

The Company may be involved in certain legal proceedings that arise from time to time in the ordinary course of its business. When the Company determines that a loss is both probable and reasonably estimable, a liability is recorded and disclosed if the amount is material to the financial statements taken as a whole. When a material loss contingency is only reasonably possible, the Company does not record a liability, but instead discloses the nature and the amount of the claim, and an estimate of the loss or range of loss, if such an estimate can reasonably be made. Legal expenses associated with any contingency are expensed as incurred.

As of December 31, 2021, the Company had $6,144,000 of third-party debt and $394,824 of related party debt with no repayment terms. Additionally, there is $4,078,419 of accrued compensation relating to current officers and directors. It is unlikely the company will be able to obtain financing to retire these liabilities with cash. If the Company seeks financing on a national stock exchange, it will likely have to retire these liabilities by issuing common stock which will be a significant non-cash expense to the Company and will dilute the equity ownership percent of the existing shareholders.

Legal Proceedings

In the 3rd quarter of 2012, the Company received an adverse arbitration ruling in the amount of $816,145. The Company wrote this investment down to zero in the third quarter of 2012. Since the judgment, the Company has applied it revenue earned to the outstanding balance of the judgment. The balance of the corresponding liability was $729,694 and $729,964 for the years ended December 31, 2021 and December 31, 2020, respectively.

On January 5, 2018, the Company received an adverse ruling on a breach of contract and a judgment was entered against the Company in the amount of $550,000.

The Company is and may in the future be involved in various legal proceedings arising from the normal course of business activities. Although the results of litigation and claims cannot be predicted with certainty, currently, the Company believes that the likelihood of any material adverse impact on the Company's results of operations, cash flows or our financial position for any such litigation or claims is remote. Regardless of the outcome, litigation can have an adverse impact on the Company because of the costs to defend lawsuits, diversion of management resources and other factors.

The Company currently has a business dispute regarding the veracity of a note with one convertible noteholder. As the potential liability is not probable and reasonably estimable, no accrual for the liability has been recorded in the financial statements.

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

Note 11 – Equity Issuances

Non-convertible debt extinguishment

One investor retired $474,000 of debt for 79,000,000 shares at a cost basis of $.006/share

One investor retired $12,803 of debt for 15,000,000 shares at a cost basis $.00085353/share

One investor retired $6,401 of debt for 7,000,000 shares at a cost basis $.00091443/share

The Company realized a loss of $1,985,003 on the extinguishment of this debt.

Convertible note conversions

One convertible note with a principal of $71,000 and accrued interest of $26,368 was converted, per the terms of the note, into 15,213,750 shares of common stock at a conversion price of $.0064 per share. This note was retired in its entirety as of December 31, 2021.

$7,700 of principal of one convertible note was converted, per the terms of the note, into 308,000,000 shares of common stock at a conversion price of $.000025 per share. $13,368 of interest and principal remain on this note as of December 31, 2021.

One convertible note with a principal of $7,500 was converted, per the amended terms of the note, into 1,000,000 shares of common stock at a conversion price of $.0075 per share. This note was retired in its entirety as of December 31, 2021.

One convertible note with a principal of $150,000 was converted, per the amended terms of the note, into 30,000,000 shares of common stock at a conversion price of $.005 per share. This note no longer has any conversion features as of December 31, 2021.

$76,073 of principal of one convertible note was converted, per the amended terms of the note, into 50,000,000 shares of common stock at a conversion price of $.00152186 per share. This note no longer has any conversion features as of December 31, 2021.

Note 12 – Subsequent Events

In 2022, the Company incurred significant liabilities by engaging in a license agreement for content. One agreement with a sports service company obligated the company to $2,500,000 in licensing fees.