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January 22, 2020

To: the Shareholders and Board of Directors of
TLD3 Entertainment, Inc.

I have compiled the Balance Sheet, Income Statement, Statement of Cash Flows, Statement of Stockholders' Equity and accompanying Notes To Financial Statements for TLD3 Entertainment, Inc., for the year ended December 31, 2018, in the accompanying prescribed form. I have not audited or reviewed these financial statements and, accordingly, do not express an opinion or provide any assurance about whether they are presented in accordance with accounting principles generally accepted in the United States of America.

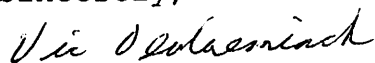
Management is responsible for the preparation and fair presentation of the financial statements included in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of OTC Markets Group, Inc., Pink Basic Disclosure Guidelines, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

These financial statements are intended for the use of the Board of Directors and shareholders of TLD3 Entertainment, Inc., and OTC Markets Group, Inc., and, accordingly, are not designed for those who are not informed about such matters.

Sincerely,



Vic Devlaeminck

VD/wp

TLD3 ENTERTAINMENT GROUP, INC.
Comparative Balance Sheet
For the Periods Ended December 31, 2018 & December 31, 2017
Unaudited

	<u>Dec. 31</u> <u>2018</u>	<u>Dec. 31,</u> <u>2017</u>
ASSETS		
Current Assets		
Cash on hand, in bank	3,978	1,819
Inventory	-	30,950
Total current assets	-	32,769
Property, plant & Equipment		
Buildings and improvements	-	520,626
Less: accumulated depreciation		(495,964)
Furniture and equipment	0	40,442
Total Property, Plant & Equipment	-	65,104
Other Assets		
Intangible assets - Streambeatz	2,700,000	-
Less: accumulated amortization	(270,000)	-
Goodwill	300,000	
Intangible assets - Impulze	2,000,000	
Less: accumulated amortization	(100,000)	-
Total Other Assets	4,630,000	-
Total assets	\$ 4,633,978	\$ 97,873

See accountants' report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
Comparative Balance Sheet
For the Periods Ended December 31, 2018 & December 31, 2017
Unaudited

	Dec. 31 <u>2018</u>	Dec. 31, <u>2017</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable	-	4,000
Total current liabilities	<u>-</u>	<u>4,000</u>
Long-term Liabilities		
Loan from Director	-	31,500
Convertible debt	14,000	-
Accrued interest	139	-
Debenture	-	123,600
Total long-term liabilities	<u>14,139</u>	<u>155,100</u>
Total liabilities	14,139	159,100
STOCKHOLDERS' EQUITY		
Common stock, \$.001 par value, 1,000,000,000 authorized; issued and outstanding 220,795,001 at 12/31/17 and 137,745,649 at 12/31/18	137,746	220,795
Preferred stock, Series B, \$.01 par value, 150,000,000 authorized, 105,288 issued and outstanding at 12/31/17 & 12/31/18	1,053	1,053
Preferred stock, Series C, \$.0001 par value, 149,420,000 authorized, issued and outstanding: 10,920,000 at 12/31/17 & 9,920,000 at 12/31/18	992	1,092
Additional paid in capital	1,785,896	(3,502,483)
Accumulated deficit	3,218,316	3,190,239
Current earnings	(524,164)	28,077
Total Stockholders' equity	<u>4,619,839</u>	<u>(61,227)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 4,633,978</u>	<u>\$ 97,873</u>

See accountants' report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
Statement of Income and
Retained Earnings (Deficit)
For the Twelve Months Ended
December 31, 2018 & December 31, 2017
Unaudited

	Dec. 31, <u>2018</u>	Dec. 31, <u>2017</u>
Revenue	\$ 94,140	\$ 161,816
Cost of Goods Sold	<u>14,563</u>	<u>10,728</u>
Net Revenue	<u>79,577</u>	<u>151,088</u>
Operating Expenses		
Advertising & promotion	5,151	1,616
Auto expense	186	743
Bank fees	2,158	8,930
Licenes & permits	4,142	749
Insurance		425
Travel & entertainment	1,805	2,600
Office expense	3,028	5,739
Management compensaton	50,000	
Contract labor	1,263	35,428
Payroll expenses	29,823	1,045
Professional fees	16,407	6,748
Rent	11,668	47,900
Repairs & maintenance	681	2,452
Software & web expense	2,773	1,107
Depreciation/amortization	370,000	-
Research & Development	3,969	-
Utilities	4,633	7,529
Total Expenses	<u>507,687</u>	<u>123,011</u>
Net Operating loss	<u>\$ (428,110)</u>	<u>\$ 28,077</u>
Extraordinary loss on sale of Real estate & fixtures	<u>(96,054)</u>	<u>-</u>
Net Income	(524,164)	28,077
Retained earnings (Deficit);		
Beginning of period	<u>3,218,316</u>	<u>3,190,239</u>
End of Period	<u>\$ <u>2,694,152</u></u>	<u>\$ <u>3,218,316</u></u>

See accountants report and notes to financials

TLD3 ENTERTAINMENT GROUP, INC.
Statement of Cash Flows
For the Twelve Months Ended
December 31, 2018 & December 31, 2017
Unaudited

	<u>2018</u>	<u>2017</u>
OPERATING ACTIVITIES		
Net Income (Loss)	\$ (524,164)	\$ 28,077
Adjustments to reconcile net Income (Loss) to net cash provided by operations		
Decrease (increase) in accounts payable	(4,000)	4,000
Decrease (increase) in inventory	30,950	(30,950)
Decrease (increase) accrued interest	139	-
	<u>27,089</u>	<u>(26,950)</u>
Net cash provided by operating activities	<u>(497,075)</u>	<u>1,127</u>
Investing Activities		
Intangible assets	(4,630,000)	
Property plant & equipment	65,104	(65,104)
Net cash provided by investment activity	<u>(4,564,896)</u>	<u>(65,104)</u>
Financing Activities		
Decrease (increase) Director loan	(31,500)	31,500
Decrease (increase) in conv. Debt	14,000	
Decrease (increase) in debentures	(123,600)	123,600
Stock issuiances	(83,149)	-
Dividends paid		11,500
Paid in capital	5,288,379	(100,804)
Net cash from financing activity	<u>5,064,130</u>	<u>65,796</u>
Net cash increase for period	2,159	1,819
Cash at beginning of period	<u>1,819</u>	<u>-</u>
Cash at end of period	<u><u>3,978</u></u>	<u><u>1,819</u></u>

See accountants report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
Statement of Stockholders' Equity
December 31, 2018
Unaudited

	<u>Common Stock</u>	<u>Preferred Stock</u>	<u>Paid-in</u>	<u>Accum.</u>	<u>Total</u>
	<u>Shares</u>	<u>Shares</u>	<u>Capital</u>	<u>Earnings</u>	<u>Stockholders' Equity</u>
	<u>Amount</u>	<u>Amount</u>	<u>Capital</u>	<u>Earnings</u>	<u>Equity</u>
December 31, 2017	220,795,001	\$ 220,795	11,025,288	2,145	\$(3,502,483)
Reverse split - 1/19/17	(219,690,905)	(219,690)	219,690	\$ 3,218,316	(61,227)
Investment - 2/17/17	7,956,250	7,956			7,956
Mgmt. comp. - 3/22/18	40,000,000	40,000			40,000
Investment - 3/22/18	10,000,000	10,000			10,000
Consultant - 3/22/18	5,000,000	5,000			5,000
Acquisition - 3/22/18	7,000,000	7,000	623,000		630,000
Investment - 3/22/18	155,000	155			155
Investment - 3/28/18	500,000	500			500
Investment - 4/3/18	500,000	500			500
Consultant - 4/3/18	6,000,000	6,000			6,000
Acquisition - 7/25/18	23,030,303	23,030	1,884,089		1,907,119
Mgmt. comp. - 10/3/18	10,000,000	10,000			10,000
Conversion - 10/3/18	23,500,000	23,500	(1,000,000)		2,585,000
Investment - 10/3/18	3,000,000	3,000	2,561,600		3,000
	<u>137,745,649</u>	<u>137,746</u>	<u>10,025,288</u>	<u>2,045</u>	<u>1,785,896</u>
Net income (loss) - FYE 12/31/18				(524,164)	(524,164)
December 31, 2018			2,694,152		4,619,839

See accountants report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
December 31, 2018

NOTE 1. GENERAL ORGANIZATION AND BUSINESS

The corporation (The Company) was originally organized in the state of Florida on July 31, 1997 as The Up-Tick, Inc., On July 17, 2018 the company's name was changed to TLD3 Entertainment, Group, Inc

In March, 2018 the controlling interest in the company was sold to a group a group that includes current management. With the change of control the company acquired significant hardware, software, engineering product applications.

On July 25, 2018 the Company entered into an acquisition agreement to acquire the rights to the Impulze app.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

Financial Statement Presentation

The balance sheet presentation herein includes all assets and liabilities at historical cost. The Company has on occasion issued shares of its common stock in exchange for certain services from the Company's Officers & Directors, business consultants and vendors. The stock has been issued at the fair-valued-based method. The cost of these services has been expensed in the period when the services were performed. No costs of services that were paid with stock have been capitalized.

Accounting Basis

The statements were prepared following generally accepted accounting principles of the United States of America consistently applied.

Fiscal Year

The Company operates on a December 31st fiscal year end.

Stock Based Compensation

The Company has on occasion issued equity and equity linked instruments to non-employees in lieu of cash to various vendors for the receipt of goods and services and, in certain circumstances the settlement of short-term loan arrangements. The applicable GAAP guidance establishes that share-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable.

Amortization

Per ASC-350-30-50-2, the Company amortizes its intangible assets using a ten (10) year amortization schedule. Amortization is shown as a separate line item because of its materiality necessitating separate disclosure.

Valuation

The acquisition valuation (at historical cost) for the intangible assets is composed of (A) \$2,700,000 for the Streambeatz Player (\$1,700,000 for the hardware and \$1,000,000 for the software. The acquisition valuation (at historical cost) for the Impulze software and social media App is \$2,000,000. Goodwill was valued at \$300,000 and will undergo impairment when full value is assessed.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Guidance

The Company has evaluated the recent accounting pronouncements through ASU 2015-16 The Company believes that none of the other pronouncements will have a material effect on the company's financial statements.

NOTE 3. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of its assets and the liquidation of its liabilities in the normal course of business. Management plans to continue to seek funding from its shareholders and other qualified investors to pursue its business plan.

NOTE 4. LONG-TERM DEBT

Convertible promissory notes were executed in 2018 in the amounts of \$10,000 and \$4,000, respectively. Each note provides for interest accruing at the rate of 10.5% per annum with a term maturity of one (1) year.

NOTE 5. STOCKHOLDERS' EQUITY

Common Stock

The Company is authorized to issue 1,000,000,000 shares of common stock, par value \$0.001 and as of December 31, 2018 had 137,745,649 common shares issued and outstanding.

Preferred Stock

The Company is authorized to issue 150,000,000 shares of preferred series B stock, par value \$.01 and as of December 31, 2018, had 105,288 shares issued and outstanding.

The Company is authorized to issue 149,420,000 shares of preferred series C stock, par value \$.0001 and as of December 31, 2018, had 9,920,000 shares issued and outstanding.