

**TLD3 ENTERTAINMENT GROUP, INC.**  
**Comparative Balance Sheet**  
**For the Periods Ended March 31, 2020 & December 31, 2019**  
**Unaudited**

	<u>Mar. 31,</u> <u>2020</u>	<u>Dec. 31,</u> <u>2019</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash on hand, in bank	5,944	5,410
Inventory	-	-
<b>Total current assets</b>	5,944	5,410
<b>Property, plant &amp; Equipment</b>		
Buildings and improvements	-	-
<b>Less: accumulated depreciation</b>	-	-
Furniture and equipment	-	-
<b>Total Property, Plant &amp; Equipment</b>	-	-
<b>Other Assets</b>		
Intangible assets - Streambeatz	2,700,000	2,700,000
Less: accumulated amortization	(607,500)	(540,000)
Goodwill	300,000	300,000
Intangible assets - Impulze	2,602,750	2,602,750
Less: accumulated amortization	(285,276)	(245,207)
<b>Total Other Assets</b>	4,709,974	4,817,543
<b>Total assets</b>	\$ 4,715,918	\$ 4,822,953

**See accountants' report and notes to financial statements**

**TLD3 ENTERTAINMENT GROUP, INC.**  
**Comparative Balance Sheet**  
**For the Periods Ended March 31, 2020 & December 31, 2019**  
**Unaudited**

	Mar. 31, <u>2020</u>	Dec. 31, <u>2019</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	10,258	5,218
<b>Total current liabilities</b>	<b>10,258</b>	<b>5,218</b>
<b>Long-term Liabilities</b>		
Loan from Director	-	-
Convertible debt	44,000	44,000
Accrued interest	4,452	3,706
Debenture	-	-
<b>Total long-term liabilities</b>	<b>48,452</b>	<b>47,706</b>
<b>Total liabilities</b>	<b>58,710</b>	<b>52,924</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, \$.001 par value, 1,000,000,000 authorized; issued and outstanding: 171,245,649 at 12/31/19 and at 3/31/20	171,246	171,246
Preferred stock, Series B, \$.01 par value, 150,000,000 authorized, 105,288 issued and outstanding at 12/31/19 & 3/31/20	1,053	1,053
Preferred stock, Series C, \$.0001 par value, 149,420,000 authorized, issued and outstanding: 9,920,000 at 12/31/19 & 3/31/20	992	992
Additional paid in capital	2,356,146	2,356,146
Accumulated deficit	2,240,592	2,694,152
Current earnings	(112,821)	(453,560)
<b>Total Stockholders' equity</b>	<b>4,657,208</b>	<b>4,770,029</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 4,715,918</b>	<b>\$ 4,822,953</b>

**See accountants' report and notes to financial statements**

**TLD3 ENTERTAINMENT GROUP, INC.**  
**Statement of Income and**  
**Retained Earnings (Deficit)**  
**For the Three Months Ended**  
**March 31, 2020 and March 31, 2019**  
**Unaudited**

	Mar. 31, <u>2020</u>	Mar. 31, <u>2019</u>
<b>Revenue</b>	\$ 3,248	\$ -
Cost of Goods Sold	<u>-</u>	<u>-</u>
<b>Net Revenue</b>	<u>3,248</u>	<u>-</u>
<b>Operating Expenses</b>		
Advertising & promotion	-	324
Auto expense	-	-
Bank fees	232	395
Licenes & permits	-	89
Computer & internet	-	-
Interest expense	746	406
Travel & entertainment	62	1,541
Office expense	150	997
Management compensaton	-	1,830
Contract labor	2,300	1,450
Securities expense	500	-
Professional fees	4,115	2,500
Rent	167	-
Repairs & maintenance	-	-
Software & web expense	228	165
Depreciation/amortization	107,569	92,500
Research & Development	-	918
Utilities	-	-
<b>Total Expenses</b>	<u>116,069</u>	<u>103,115</u>
<b>Net Operating loss</b>	<u>\$ (112,821)</u>	<u>\$ (103,115)</u>
<b>Net Income (Loss)</b>	<u>(112,821)</u>	<u>(103,115)</u>
<b>Retained earnings (Deficit);</b>		
Beginning of period	<u>2,240,592</u>	<u>2,694,152</u>
End of Period	<u>\$ 2,127,771</u>	<u>\$ 2,591,037</u>

**See accountants report and notes to financials**

**TLD3 ENTERTAINMENT GROUP, INC.**  
**Statement of Cash Flows**  
**For the Three Months Enddd**  
**March 31, 20120 & March 31, 2019**  
**Unaudited**

	<u>2020</u>	<u>2019</u>
<b>OPERATING ACTIVITIES</b>		
<b>Net Income (Loss)</b>	\$ (112,821)	\$ (103,115)
Adjustments to reconcile net Income (Loss) to net cash provided by operations		
Depreciation/amortization	107,569	92,500
Decrease (increase) in accounts payable	5,040	231
Decrease (increase) in inventory	-	-
Decrease (increase) accrued interest	746	406
	<u>113,355</u>	<u>93,137</u>
<b>Net cash provided by operating activities</b>	<u>534</u>	<u>(9,978)</u>
<b>Investing Activities</b>		
Intangible assets	-	602,750
Property plant & equipment	-	-
<b>Net cash provided by investment activity</b>	<u>-</u>	<u>602,750</u>
<b>Financing Activities</b>		
Decrease (increase) Director loan	-	-
Decrease (increase) in conv. Debt	-	5,000
Decrease (increase) in debentures	-	-
Stock issuiances	-	33,500
Dividends paid	-	-
Paid in capital	-	570,250
<b>Net cash from financing activity</b>	<u>-</u>	<u>608,750</u>
<b>Net cash increase for period</b>	534	(3,978)
<b>Cash at beginning of period</b>	<u>5,410</u>	<u>3,978</u>
<b>Cash at end of period</b>	<u><u>5,944</u></u>	<u><u>-</u></u>

**See accountants report and notes to financial statements**

**TLD3 ENTERTAINMENT GROUP, INC.**  
**Statement of Stockholders' Equity**  
**March 31 2020**  
**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>Amount</u>	<u>Amount</u>	<u>Amount</u>
December 31, 2017	220,795,001	\$ 220,795	11,025,288	2,145	(61,227)
Reverse split - 1/19/17	(219,690,905)	(219,690)	\$(3,502,483)	\$ 3,218,316	(61,227)
Investment - 2/17/17	7,956,250	7,956	219,690		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	(100)	2,561,600	2,585,000
Investment - 10/3/18	3,000,000	3,000			3,000
<b>Net income (loss) - FYE 12/31/18</b>			<b>(524,164)</b>	<b>(524,164)</b>	<b>(524,164)</b>
December 31, 2018	<u>137,745,649</u>	<u>137,746</u>	<u>10,025,288</u>	<u>2,045</u>	<u>4,619,839</u>
Investment - 1/8/19	3,250,000	3,250			3,250
Acquisition - 1/8/19	30,250,000	30,250	570,250		600,500
<b>Net income(loss) - FYE 12/31/19</b>			<b>(453,560)</b>	<b>(453,560)</b>	<b>(453,560)</b>
December 31, 2019	<u>171,245,649</u>	<u>171,246</u>	<u>10,025,288</u>	<u>2,045</u>	<u>4,770,029</u>
<b>Net income (loss) - 3/31/20</b>			<b>(112,821)</b>	<b>(112,821)</b>	<b>(112,821)</b>
March 31, 2020	<u>171,245,649</u>	<u>171,246</u>	<u>10,025,288</u>	<u>2,045</u>	<u>4,657,208</u>

**See accountants report and notes to financial statements**

**TLD3 ENTERTAINMENT GROUP, INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
March 31, 2020

**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.

In January, 2019, the Company made significant software and engineering improvements 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 as modified to include the income tax basis of accounting..

**Fiscal Year**

The Company operates on a December 31<sup>st</sup> 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 plus an additional \$602,750 for additional software and engineering costs. Goodwill was valued at \$300,000 and may 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, \$4,000, \$5,000, \$10,000, \$7,500 and \$7,500, 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 March 31, 2020 had 171,245,649 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 March 31, 2020, 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 March 31, 2020, had 9,920,000 shares issued and outstanding.