

TLD3 ENTERTAINMENT GROUP, INC.
Comparative Balance Sheet
For the Periods Ended June 30, 2020 & December 31, 2020
Unaudited

	June 30, <u>2020</u>	Dec. 31, <u>2019</u>
ASSETS		
Current Assets		
Cash on hand, in bank	4,237	5,410
Inventory	-	-
Total current assets	4,237	5,410
Property, plant & Equipment		
Buildings and improvements	-	-
Less: accumulated depreciation	-	-
Furniture and equipment	-	-
Total Property, Plant & Equipment	-	-
Other Assets		
Intangible assets - Streambeatz	2,700,000	2,700,000
Less: accumulated amortization	(675,000)	(540,000)
Goodwill	300,000	300,000
Intangible assets - Streaming Ent.	1,800,000	-
Less: accumulated amortization	-	-
Intangible assets - Heritage Music	300,000	-
Less: accumulated amortization	-	-
Intangible assets - Impulze	2,602,750	2,602,750
Less: accumulated amortization	(325,345)	(245,207)
Total Other Assets	6,702,405	4,817,543
Total assets	\$ 6,706,642	\$ 4,822,953

See accountants' report and notes to financial statements

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Comparative Balance Sheet
For the Periods Ended June 30, 2020 & December 31, 2020
Unaudited

	June 30, <u>2020</u>	Dec. 31, <u>2019</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable	10,258	5,218
Total current liabilities	10,258	5,218
Long-term Liabilities		
Loan from Director	-	-
Convertible debt	44,000	44,000
Accrued interest	5,198	3,706
Debenture	-	-
Total long-term liabilities	49,198	47,706
Total liabilities	59,456	52,924
STOCKHOLDERS' EQUITY		
Common stock, \$.001 par value, 1,000,000,000 authorized; issued and outstanding: 171,245,649 at 12/31/19 and 328,370,213 at 6/30/20	328,370	171,246
Preferred stock, Series B, \$.01 par value, 150,000,000 authorized, 105,288 issued and outstanding at 12/31/19 & 6/30/20	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 & 6/30/20	992	992
Additional paid in capital	6,352,136	2,356,146
Accumulated deficit	2,240,592	2,694,152
Current earnings	(2,275,957)	(453,560)
Total Stockholders' equity	6,647,186	4,770,029
Total Liabilities and Stockholders' Equity	\$ 6,706,642	\$ 4,822,953

See accountants' report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
Statement of Income and
Retained Earnings (Deficit)
For the Six Months Ended
June 30, 2020 & June 30, 2019
Unaudited

	June 30, <u>2020</u>	June 30, <u>2019</u>
Revenue	\$ 16,598	\$ 10,000
Cost of Goods Sold	<u>95</u>	<u>-</u>
Net Revenue	<u>16,503</u>	<u>-</u>
Operating Expenses		
Advertising & promotion	-	-
Auto expense	-	-
Bank fees	476	-
Licenes & permits	-	-
Computer & internet	-	-
Interest expense	1,492	19,446
Travel & entertainment	62	-
Office expense	785	20,616
Management compensaton	125,000	60,000
Contract labor	5,100	-
Securities expense	500	-
Professional fees	1,943,234	-
Rent	183	-
Repairs & maintenance	-	-
Software & web expense	490	-
Depreciation/amortization	215,138	-
Research & Development	-	-
Utilities	-	-
Total Expenses	<u>2,292,460</u>	<u>100,062</u>
Net Operating loss	<u>\$ (2,275,957)</u>	<u>\$ (90,062)</u>
Net Income (Loss)	<u>(2,275,957)</u>	<u>(90,062)</u>
Retained earnings (Deficit);		
Beginning of period	<u>2,240,592</u>	<u>2,694,152</u>
End of Period	<u>\$ (35,365)</u>	<u>\$ 204,090</u>

See accountants report and notes to financials

TLD3 ENTERTAINMENT GROUP, INC.
Statement of Cash Flows
For the Six Months Ended
June 30, 2020 & June 30, 2019
Unaudited

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES		
Net Income (Loss)	\$ (2,275,957)	\$ (90,062)
Adjustments to reconcile net Income (Loss) to net cash provided by operations		
Depreciation/amortization	215,138	-
Decrease (increase) in accounts payable	5,040	(6,288)
Decrease (increase) in accrued liabilities	-	76,544
Decrease (increase) accrued interest	1,492	-
	<u>221,670</u>	<u>70,256</u>
Net cash provided by operating activities	<u>(2,054,287)</u>	<u>(19,806)</u>
Investing Activities		
Intangible assets	-	2,500
Property plant & equipment	(2,100,000)	-
Net cash provided by investment activity	<u>(2,100,000)</u>	<u>2,500</u>
Financing Activities		
Decrease (increase) Director loan	-	-
Decrease (increase) in conv. Debt	-	-
Decrease (increase) in debentures	-	-
Stock issuances	4,153,114	20,000
Dividends paid	-	-
Paid in capital	-	-
Net cash from financing activity	<u>4,153,114</u>	<u>20,000</u>
Net cash increase for period	(1,173)	2,694
Cash at beginning of period	<u>5,410</u>	<u>(185)</u>
Cash at end of period	<u><u>4,237</u></u>	<u><u>2,509</u></u>

See accountants report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
Statement of Stockholders' Equity
June 30, 2020
Unaudited

	Common Stock	Preferred Stock	Paid-in	Accum.	Total
	Shares	Shares	Capital	Earnings	Stockholders'
	Amount	Amount	Amount	Amount	Equity
December 31, 2017	220,795,001	11,025,288	\$(3,502,483)	\$ 3,218,316	(61,227)
Reverse split - 1/19/17	(219,690,905)	(219,690)	219,690		
Investment - 2/17/17	7,956,250				7,956
Mgmt. comp. - 3/22/18	40,000,000				40,000
Investment - 3/22/18	10,000,000				10,000
Consultant - 3/22/18	5,000,000				5,000
Acquisition - 3/22/18	7,000,000		623,000		630,000
Investment - 3/22/18	155,000				155
Investment - 3/28/18	500,000				500
Investment - 4/3/18	500,000				500
Consultant - 4/3/18	6,000,000				6,000
Acquisition - 7/25/18	23,030,303		1,884,089		1,907,119
Mgmt. comp. - 10/3/18	10,000,000				10,000
Conversion - 10/3/18	23,500,000	(1,000,000)	2,561,600		2,585,000
Investment - 10/3/18	3,000,000				3,000
Net income (loss) - FYE 12/31/18			(524,164)	(524,164)	
December 31, 2018	137,745,649	10,025,288	1,785,896	2,694,152	4,619,839
Investment - 1/8/19	3,250,000				3,250
Acquisition - 1/8/19	30,250,000		570,250		600,500
Net income(loss) - FYE 12/31/19			(453,560)	(453,560)	
December 31, 2019	171,245,649	10,025,288	2,356,146	2,240,592	4,770,029
Net income (loss) - 6/30/20			(2,275,957)	(2,275,957)	
June 30, 2020	171,245,649	10,025,288	2,356,146	(35,365)	2,494,072

See accountants report and notes to financial statements

TLD3 ENTERTAINMENT GROUP, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
June 30, 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 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 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 June 30, 2020 had 328,370,213 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 June 30, 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 June 30, 2020, had 9,920,000 shares issued and outstanding.