

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

The Movie Studio, Inc.

110 Tower 110 S.E. 6th Street Suite #1700 Ft. Lauderdale, FL 33301

954-336-6000

www.themoviestudio.com

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Quarterly Report

For the period ending December 31, 2022 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

214,872,013 as of September 6, 2023

214,872,013 as of June 30, 2022

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

1) Name and address(es) of the issuer and its predecessors (if any)

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Current name of Issuer: The Movie Studio, Inc.
Formerly Destination Television, Inc. until 6 2014
Formerly Magic Media Networks, Inc. until 2-07 Formerly Magicinc.com until 4-02
Formerly Magic Fingers, Inc. until 7-99

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Incorporated in Delaware on 7/28/1961. The Company is an active Delaware Corporation.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

The address(es) of the issuer's principal executive office:

110 Tower 110 S.E. 6th Street Suite #1700 Ft. Lauderdale, FL 33301

The address(es) of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer Company
Address: 6725 Via Austin Pkwy, Suite 300 Las Vegas, NV 89119
Phone: 800-785-7782
Email: info@pacificstocktransfer.com

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>MVES</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>62459P</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	5,500,000,000	as of date: May 2, 2023
Total shares outstanding:	214,872,013	as of date: May 2, 2023
Total number of shareholders of record:	191	as of date: May 2, 2023

All additional class(es) of publicly quoted or traded securities (if any): None

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Preferred Series A	
CUSIP (if applicable):	<u> </u>	
Par or stated value:	.001	
Total shares authorized:	100,000,000	as of date: May 2, 2023
Total shares outstanding (if applicable):	94,250,000	as of date: May 2, 2023
Total number of shareholders of record:	1	as of date: May 2, 2023

Exact title and class of the security:	Preferred Series B	
CUSIP (if applicable):	<u> </u>	
Par or stated value:	.001	
Total shares authorized:	100,000,000	as of date: May 2, 2023
Total shares outstanding (if applicable):	100,000,000	as of date: May 2, 2023
Total number of shareholders of record:	2	as of date: May 2, 2023

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Each share has the right to one vote.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

No dividends, four to one (4:1) super voting rights, conversion one to one (1:1), no liquidation rights.

3. Describe any other material rights of common or preferred stockholders.

None.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years ☒

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>June 30, 2020</u> Common: <u>94,012,513</u> Preferred: <u>194,249,424</u>	*Right-click the rows below and select "Insert" to add rows as needed.
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Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting/ investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration on Type?
7/13/2020	New	300,000	Common	0.01	No	American Eagle Funding / Robert Hanson	Cash	Restricted	4(a)(2)
7/13/2020	New	1,000,000	Common	0.01	No	Daniel Fortunado	Cash	Restricted	4(a)(2)
7/13/2020	New	1,000,000	Common	0.01	No	Fran Kirley	Cash	Restricted	4(a)(2)
7/13/2020	New	250,000	Common	0.01	No	John Clark	Cash	Restricted	4(a)(2)
7/13/2020	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
7/13/2020	New	500,000	Common	0.01	No	Robert Brogo	Cash	Restricted	4(a)(2)
7/13/2020	New	500,000	Common	0.01	No	Stephanie Pearson	Cash	Restricted	4(a)(2)
7/13/2020	New	1,000,000	Common	0.01	No	William Curran	Services-RP	Restricted	4(a)(2)

7/14/2020	New	2,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
7/14/2020	New	250,000	Common	0.01	No	Christine Curran	Services-RP	Restricted	4(a)(2)
7/14/2020	New	250,000	Common	0.01	No	Denise Casale	Services-RP	Restricted	4(a)(2)
7/14/2020	New	250,000	Common	0.01	No	Jeffrey Hines	Services-RP	Restricted	4(a)(2)
8/3/2020	New	9,000,000	Common	0.01	No	Tribridge Ventures/ Joselyn Clairborne	Debt Conversion	Unrestricted	
8/27/2020	New	2,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Unrestricted	4(a)(2)
8/27/2020	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
8/27/2020	New	500,000	Common	0.01	No	Leonard Giampaolo	Cash	Restricted	4(a)(2)
8/27/2020	New	500,000	Common	0.01	No	Rina Gordon	Cash	Restricted	4(a)(2)
8/20/2020	New	2,000,000	Common	0.01	No	Robert Gordon	Cash	Restricted	4(a)(2)
8/27/2020	New	2,809,500	Common	0.01	No	Global Capital Group / Norman Gross	Debt Conversion	Restricted	4(a)(2)
8/27/2020	New	250,000	Common	0.01	No	Brian Friedenthal	Services	Restricted	4(a)(2)
8/27/2020	New	250,000	Common	0.01	No	Esposito Intellectual Properties/ Brian Esposito	Services	Restricted	4(a)(2)
9/3/2020	New	500,000	Common	0.01	No	Jonathan Hanson	Cash	Restricted	4(a)(2)
9/4/2020	New	500,000	Common	0.01	No	Mark Hernandez	Cash	Restricted	4(a)(2)
9/23/2020	New	500,000	Common	0.01	No	Bazuji Publishing (Dr. Fettig)	Cash	Restricted	4(a)(2)
10/9/2020	New	1,000,000	Common	0.01	No	Dr. Fortunato	Cash	Restricted	4(a)(2)
10/13/2020	New	500,000	Common	0.01	No	Menar Messar	Cash	Restricted	4(a)(2)
10/15/2020	New	2,500,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
10/15/2020	New	500,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
10/16/2020	New	500,000	Common	0.01	No	Menar Messar	Cash	Restricted	4(a)(2)
10/20/2020	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
10/27/2020	New	500,000	Common	0.01	No	Edward Newett	Cash	Restricted	4(a)(2)
10/28/2020	New	1,500,000	Common	0.01	No	Francis Kirley	Cash	Restricted	4(a)(2)
11/2/2020	New	500,000	Common	0.01	No	Mario Litman	Cash	Restricted	4(a)(2)
11/5/2020	New	500,000	Common	0.01	No	John C. Boesch	Cash	Restricted	4(a)(2)
11/5/2020	New	500,000	Common	0.01	No	Edward Dyke	Cash	Restricted	4(a)(2)
11/10/2020	New	500,000	Common	0.01	No	Ben Bialik	Cash	Restricted	4(a)(2)
11/16/2020	New	500,000	Common	0.01	No	Robert Hanson	Cash	Restricted	4(a)(2)
11/16/2020	New	500,000	Common	0.01	No	Hernandez	Cash	Restricted	4(a)(2)
11/30/2020	New	2,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)

11/30/2020	New	500,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
12/11/2020	New	300,000	Common	0.01	No	David Hanson	Cash	Restricted	4(a)(2)
12/15/2020	New	1,000,000	Common	0.01	No	Michael DiGiordano	Cash	Restricted	4(a)(2)
12/21/2020	New	700,000	Common	0.01	No	Robert Hanson	Cash	Restricted	4(a)(2)
12/23/2020	New	500,000	Common	0.01	No	Gordon Venters	Cash	Restricted	4(a)(2)
12/31/2020	New	250,000	Common	0.01	No	Brian Esposito	Services	Restricted	4(a)(2)
12/31/2020	New	250,000	Common	0.01	No	Brian Friedenthal	Services	Restricted	4(a)(2)
12/31/2020	New	1,000,000	Common	0.01	No	Denise Casale	Services-RP	Restricted	4(a)(2)
12/31/2020	New	250,000	Common	0.01	No	Francesca Thompson	Services-RP	Restricted	4(a)(2)
12/31/2020	New	2,000,000	Common	0.01	No	Jeffrey Hines	Services-RP	Restricted	4(a)(2)
1/8/2021	New	500,000	Common	0.01	No	Mario Litman	Cash	Restricted	4(a)(2)
1/8/2021	New	500,000	Common	0.01	No	Steve Brooks	Cash	Restricted	4(a)(2)
1/12/2021	New	1,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
1/26/2021	New	2,000,000	Common	0.01	No	Francis R Kirley	Cash	Restricted	4(a)(2)
2/4/2021	New	500,000	Common	0.01	No	Howard Smith	Cash	Restricted	4(a)(2)
2/4/2021	New	1,000,000	Common	0.01	No	Mike DeGirolama	Cash	Restricted	4(a)(2)
2/4/2021	New	500,000	Common	0.01	No	Robert Hanson	Cash	Restricted	4(a)(2)
2/9/2021	New	1,000,000	Common	0.01	No	Jeffrey White	Cash	Restricted	4(a)(2)
2/9/2021	New	500,000	Common	0.01	No	Jeffrey White	Cash	Restricted	4(a)(2)
2/11/2021	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
2/11/2021	New	500,000	Common	0.01	No	Leonard Giampaola	Cash	Restricted	4(a)(2)
2/12/2021	New	500,000	Common	0.01	No	Edward Dyke	Cash	Restricted	4(a)(2)
2/17/2021	New	500,000	Common	0.01	No	Mario Litman	Cash	Restricted	4(a)(2)
2/18/2021	New	500,000	Common	0.01	No	Greg Giordano	Cash	Restricted	4(a)(2)
2/18/2021	New	500,000	Common	0.01	No	Mirtho Mayard – Paul Mavard	Cash	Restricted	4(a)(2)
2/24/2021	New	1,000,000	Common	0.01	No	Lauren and Ann Kieve	Cash	Restricted	4(a)(2)
2/25/2021	New	9,000,000	Common	0.01	No	TriBridge	Debt Conversion	Restricted	4(a)(2)
2/26/2021	New	1,000,000	Common	0.01	No	Jaimin Anandjiwala	Cash	Restricted	4(a)(2)
2/26/2021	New	500,000	Common	0.01	No	Jubilee Legacy Trust	Cash	Restricted	4(a)(2)
3/3/2021	New	500,000	Common	0.01	No	Dawn McDonald	Cash	Restricted	4(a)(2)
3/12/2021	New	9,000,000	Common	0.01	No	TriBridge	Debt Conversion	Restricted	4(a)(2)
3/15/2021	New	500,000	Common	0.01	No	Howard S. Nunn, Jr.	Cash	Restricted	4(a)(2)

3/15/2021	New	2,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
3/17/2021	New	1,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
3/18/2021	New	1,000,000	Common	0.01	No	Jubilee Legacy Trust	Cash	Restricted	4(a)(2)
3/23/2021	New	500,000	Common	0.01	No	Mario Litman	Cash	Restricted	4(a)(2)
3/23/2021	New	500,000	Common	0.01	No	Mark Hernandez	Cash	Restricted	4(a)(2)
3/23/2021	New	9,000,000	Common	0.01	No	TriBridge Capital	Debt Conversion	Restricted	4(a)(2)
3/24/2021	New	1,000,000	Common	0.01	No	Robert Englund	Cash	Restricted	4(a)(2)
3/25/2021	New	500,000	Common	0.01	No	Michael Suslak	Cash	Restricted	4(a)(2)
3/29/2021	New	500,000	Common	0.01	No	Daniel Dacey	Cash	Restricted	4(a)(2)
3/31/2021	New	250,000	Common	0.01	No	Brian Esposito	Cash	Restricted	4(a)(2)
3/31/2021	New	250,000	Common	0.01	No	Brian Friedenthal	Cash	Restricted	4(a)(2)
3/31/2021	New	750,000	Common	0.01	No	Christine Curran	Services-RP	Restricted	4(a)(2)
3/31/2021	New	250,000	Common	0.01	No	Denise Casale	Services-RP	Restricted	4(a)(2)
3/31/2021	New	750,000	Common	0.01	No	Gordon Venters	Services-RP	Restricted	4(a)(2)
3/31/2021	New	250,000	Common	0.01	No	Jeffrey Hines	Services-RP	Restricted	4(a)(2)
4/2/2021	New	250,000	Common	0.01	No	Brian Espisito	Services	Restricted	4(a)(2)
4/2/2021	New	750,000	Common	0.01	No	Christine Curran	Services-RP	Restricted	4(a)(2)
4/2/2021	New	750,000	Common	0.01	No	Denise Casale	Services-RP	Restricted	4(a)(2)
4/2/2021	New	100,000	Common	0.01	No	Dion Nunez	Services	Restricted	4(a)(2)
4/2/2021	New	750,000	Common	0.01	No	Francesca Thompson	Services-RP	Restricted	4(a)(2)
4/2/2021	New	750,000	Common	0.01	No	Jeff Hines	Services-RP	Restricted	4(a)(2)
4/2/2021	New	500,000	Common	0.01	No	Ross Gregg	Cash	Restricted	4(a)(2)
4/2/2021	New	100,000	Common	0.01	No	Rui Dias	Services	Restricted	4(a)(2)
4/5/2021	New	500,000	Common	0.01	No	Dawn McDonald	Cash	Restricted	4(a)(2)
4/5/2021	New	2,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
4/5/2021	New	500,000	Common	0.01	No	Mario Littman	Cash	Restricted	4(a)(2)
4/5/2021	New	500,000	Common	0.01	No	Mark Hernandez	Cash	Restricted	4(a)(2)
4/5/2021	New	500,000	Common	0.01	No	Michael Suslak	Cash	Restricted	4(a)(2)
4/5/2021	New	1,000,000	Common	0.01	No	Robert Englund	Cash	Restricted	4(a)(2)
4/5/2021	New	2,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
4/11/2021	New	2,000,000	Common	0.01	No	Thomas Catalano	Cash	Restricted	4(a)(2)
4/16/2021	New	500,000	Common	0.01	No	Jarvis Cormier	Cash	Restricted	4(a)(2)
4/29/2021	New	500,000	Common	0.01	No	E Newett	Cash	Restricted	4(a)(2)

4/29/2021	New	550,000	Common	0.01	No	Rchard Ames	Cash	Restricted	4(a)(2)
5/6/2021	New	1,000,000	Common	0.01	No	Jeffrey White	Cash	Restricted	4(a)(2)
5/7/2021	New	500,000	Common	0.01	No	Howard Nunn	Cash	Restricted	4(a)(2)
5/17/2021	New	1,000,000	Common	0.01	No	Edward Gianelloni	Cash	Restricted	4(a)(2)
5/17/2021	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
6/1/2021	New	500,000	Common	0.01	No	Janice Morrison	Cash	Restricted	4(a)(2)
6/4/2021	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
6/7/2021	New	2,000,000	Common	0.01	No	Francis Kirley	Cash	Restricted	4(a)(2)
6/11/2021	New	1,000,000	Common	0.01	No	Tomas Catalano	Cash	Restricted	4(a)(2)
6/14/2021	New	1,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)
6/30/2021	New	1,000,000	Common	0.01	No	Daniel Fortunado	Cash	Restricted	4(a)(2)
9/30/2021	Cancelled	-250,000	Common	0.01	No	Brian Fridenthal	Cancellation	N/A	N/A
9/30/2021	Cancelled	-250,000	Common	0.01	No	Denise Casale	Cancellation	N/A	N/A
9/30/2021	Cancelled	-250,000	Common	0.01	No	Jeff Hines	Cancellation	N/A	N/A
9/30/2021	Cancelled	-250,000	Common	0.01	No	Brian Espisoto	Cancellation	N/A	N/A
9/30/2021	Cancelled	-750,000	Common	0.01	No	Christine Curran	Cancellation	N/A	N/A
9/30/2021	Cancelled	-750,000	Common	0.01	No	Gordon Venters	Cancellation	N/A	N/A

Shares Outstanding on Date of This Report:

Ending Balance:

Date September 6, 2023

Common: 214,872,013

Preferred: 194,249,424

Example: A company with a fiscal year end of December 31st, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☐ Yes: ☐ (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
<u>7/9/2020</u>	<u>\$31,199</u>	<u>\$25,000</u>	<u>\$6,199</u>	<u>7/9/2021</u>	<u>Discounted to the Market Price</u>	<u>Tri-Bridge Ventures Inc./John Forsythe III</u>	Loan
<u>2/8/2021</u>	<u>\$44,599</u>	<u>\$37,500</u>	<u>\$7,099</u>	<u>2/08/2022</u>	<u>Discounted to the Market Price</u>	<u>PJH Holdings/ Paul James</u>	Loan
<u>2/11/2021</u>	<u>\$44,568</u>	<u>\$37,500</u>	<u>\$7,068</u>	<u>2/11/2022</u>	<u>Discounted to the Market Price</u>	<u>PJH Holdings/ Paul James</u>	Loan
<u>7/1/2021</u>	<u>\$57,507</u>	<u>\$50,000</u>	<u>\$7,507</u>	<u>7/01/2022</u>	<u>Discounted to the Market Price</u>	<u>Joseph Bolinsky</u>	Loan
<u>7/15/2021</u>	<u>\$11,170</u>	<u>\$10,000</u>	<u>\$1,170</u>	<u>7/15/2022</u>	<u>Discounted to the Market Price</u>	<u>Tom Catalano</u>	Loan
<u>8/10/2021</u>	<u>\$22,227</u>	<u>\$20,000</u>	<u>\$2,277</u>	<u>8/10/2022</u>	<u>Discounted to the Market Price</u>	<u>Tom Catalano</u>	Loan
<u>9/22/2021</u>	<u>\$98,887</u>	<u>\$75,000</u>	<u>\$23,887</u>	<u>9/22/2022</u>	<u>Discounted to the Market Price</u>	<u>Michael J. Peter</u>	Loan
<u>12/4/2021</u>	<u>\$31,712</u>	<u>\$25,000</u>	<u>\$6,712</u>	<u>12/4/2022</u>	<u>Discounted to the Market Price</u>	<u>Michael J. Peter</u>	Loan
<u>11/26/2022</u>	<u>\$65,651</u>	<u>\$62,500</u>	<u>\$3,151</u>	<u>11/26/2024</u>	<u>Discounted to the Market Price</u>	<u>Michael J. Peter</u>	Loan
Total	<u>\$407,520</u>	<u>\$342,500</u>	<u>\$65,020</u>				

Use the space below to provide any additional details, including footnotes to the table above:

All convertible notes are in default.

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
(Please ensure that these descriptions are updated on the Company's Profile on www.otcmarkets.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Video on Demand, Motion Picture Production and Distribution

B. List any subsidiaries, parent company, or affiliated companies.

None

C. Describe the issuers' principal products or services.

Motion Picture Library - VOD Distribution

5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company leases corporate office space located at 110 Tower 110 S.E. 6th Street Suite #1700 Ft. Lauderdale, FL 33301.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuer's securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling, or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Gordon Scott Venters</u>	President/CEO	<u>Fort Lauderdale, FL</u>	94,249,424	<u>Preferred Series A</u>	<u>100%</u>	_____
<u>Michael J. Peters</u>	Shareholder	<u>Fort Lauderdale, FL</u>	96,115,152	<u>Preferred Series B</u>	<u>96.11%</u>	_____
<u>Gordon Scott Venters</u>	President/CEO	<u>Fort Lauderdale, FL</u>	3,884,848	<u>Preferred Series B</u>	<u>3.89%</u>	_____

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses).

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities.

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Jonathan Leinwand, Esq.
Address 1: 18851 NE 29th Ave, Suite 1011
Address 2: Aventura, FL 33180
Phone: (954) 903-7856
Email: Jonathan@JDLPA.com

Accountant or Auditor

Name: David Ostrower
Firm: Avail CFO, LLC
Address 1: 4950 NW 54th Street, Coconut Creek, FL 33073
Address 2:
Phone: (954) 246-9233
Email: dostrower@availcfo.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

Twitter: _____
Discord: _____
LinkedIn: _____
Facebook: The Movie Studio, Inc.
Instagram: @TheMovieStudioAPP

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☐ IFRS
☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual)²:

Name: David Ostrower
Title: Outside Accountant
Relationship to Issuer: None

Describe the qualifications of the person or persons who prepared the financial statements:

Mr. Ostrower has been preparing financial statements for public companies on the NYSE, AMEX, NASDAQ and OTC Markets for over 20 years.

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

Important Notes:

- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- All financial statements for a fiscal period must be published together with the disclosure statement in one Annual or Quarterly Report.

² The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Gordon Scott Venters certify that:

1. I have reviewed this Disclosure Statement for The Movie Studio, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

9/8/2023 [Date]

[CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Gordon Scott Venters certify that:

1. I have reviewed this Disclosure Statement for The Movie Studio, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

9/8/2023 [Date]

/s/Gordon Scott Venters

[CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

The Movie Studio, Inc.

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**The Movie Studio, Inc.
Balance Sheets
(Unaudited)**

	<u>December 31, 2022</u>	<u>June 30, 2022</u>
<u>Assets</u>		
Current Assets		
Cash	\$ 12,456	\$ 1,121
Total Current Assets	<u>12,456</u>	<u>1,121</u>
Notes Receivable	\$ 50,000	\$ -
Total Assets	<u><u>\$ 62,456</u></u>	<u><u>\$ 1,121</u></u>
<u>Liabilities and Stockholders' Equity (Deficit)</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 58,549	\$ 53,593
Accrued salary - related party	182,011	210,111
Accrued interest payable	65,020	40,706
Loans payable	-	12,500
Convertible notes payable - net	285,993	321,181
Derivative liabilities	1,228,784	1,774,583
Total Current Liabilities	<u>1,820,357</u>	<u>2,412,674</u>
Total Liabilities	<u>1,820,357</u>	<u>2,412,674</u>
Stockholders' Equity (Deficit)		
Preferred stock, Series A, \$0.0001 par value, 100,000,000 shares authorized 94,249,424 and 94,249,424 shares issued and outstanding, respectively	9,425	9,425
Preferred stock, Series B, \$0.0001 par value, 100,000,000 shares authorized 100,000,000 and 100,000,000 shares issued and outstanding, respectively	10,000	10,000
Common stock, \$0.0001 par value, 5,500,000,000 shares authorized 214,872,013 and 214,872,013 shares issued and outstanding, respectively	21,637	21,637
Common stock issuable, \$0.0001 par value, 1,500,000 shares and 1,500,000, respectively	26,500	26,500
Additional paid-in capital	12,874,715	12,874,715
Accumulated deficit	(14,700,178)	(15,353,830)
Total Stockholders' Equity (Deficit)	<u>(1,757,901)</u>	<u>(2,411,553)</u>
Total Liabilities and Stockholders' Equity (Deficit)	<u><u>\$ 62,456</u></u>	<u><u>\$ 1,121</u></u>

The accompanying notes are an integral part of these unaudited financial statements

The Movie Studio, Inc.
Statements of Operations
(Unaudited)

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2022	2021	2022	2021
Revenues	\$ 1,858	\$ 560	\$ 4,645	\$ 3,465
General and administrative expenses	28,478	159,465	46,830	311,155
Loss from operations	(26,620)	(158,905)	(42,185)	(307,690)
Other income (expense)				
Other income	-	14,201	-	23,301
Derivative expense	(70,899)	(101,887)	(70,899)	(246,142)
Change in fair value of derivative liability	(337,416)	(277,581)	679,198	(452,346)
Amortization of debt discount	(10,021)	(66,176)	(39,811)	(153,805)
Interest expense	(15,729)	(11,823)	(33,931)	(16,210)
Gain on debt settlement - net	86,279	-	86,279	-
Gain on Legal settlement	75,000	-	75,000	-
Total other income (expense) - net	(272,786)	(443,266)	695,836	(845,202)
Net income (loss)	<u>\$ (299,406)</u>	<u>\$ (602,171)</u>	<u>\$ 653,651</u>	<u>\$ (1,152,892)</u>
Earning (loss) per share - basic and diluted	<u>(0.00)</u>	<u>(0.00)</u>	<u>\$ 0.00</u>	<u>\$ (0.01)</u>
Weighted average number of shares - basic and diluted	<u>214,872,013</u>	<u>216,372,013</u>	<u>214,872,013</u>	<u>216,372,013</u>

The accompanying notes are an integral part of these unaudited financial statements

Statements of Changes in Stockholders' Equity (Deficit)
For the Three and Six Months Ended December 31, 2022
(Unaudited)

	Preferred Stock - Series A		Preferred Stock - Series B		Common Stock		Common Stock Issuable		Stock Subscription Receivable	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
June 30, 2020	94,249,424	9,425	100,000,000	10,000	94,043,054	9,404	-	-	-	12,024,483	(11,257,204)	796,108
Fractional share adjustment	-	-	-	-	(30,541)	(3)	-	-	-	3	-	-
Stock issued for cash and subscription receivable (\$0.01/share)	-	-	-	-	65,050,000	6,505	7,550,000	755	(30,000)	653,240	-	630,500
Stock issued for services (\$0.01 - \$0.021/share)	-	-	-	-	1,450,000	145	500,000	50	-	26,875	-	27,070
Stock issued for services - related parties (\$0.01 - \$0.021/share)	-	-	-	-	7,000,000	700	3,000,000	300	-	124,800	-	125,800
Stock issued to settle convertible notes payable (\$0.01/share)	-	-	-	-	38,809,500	3,881	-	-	-	114,214	-	118,095
Net loss - year ended June 30, 2021	-	-	-	-	-	-	-	-	-	-	(2,066,942)	(2,066,942)

The accompanying notes are an integral part of these unaudited financial statements

The Movie Studio, Inc.
Statement of Cash Flows
(Unaudited)

	For the Six Months Ended December 31,	
	2022	2021
Operating activities		
Net gain (loss)	\$ 653,652	\$ (1,152,892)
Adjustments to reconcile net gain (loss) to net cash used in operations		
Common stock issued for services - related parties	-	(52,500)
Change in fair value of derivative liability	(679,198)	452,346
Gain on debt settlement	(75,000)	-
Derivative expense	70,899	246,142
Amortization of debt discount	39,812	153,805
Amortization of operating lease - right-of-use asset	-	46,656
Changes in operating assets and liabilities		
Increase (decrease) in		
Notes receivable	(50,000)	-
Loans payable	(12,500)	-
Operating lease liability	-	(50,298)
Accounts payable and accrued expenses	4,956	42,774
Accrued salary - related party	(28,100)	23,985
Accrued interest payable	24,314	16,210
Net cash used in operating activities	(51,165)	(273,772)
Investing activities		
Net cash used in investing activities	-	-
Financing activities		
Proceeds from issuance of convertible note payable	62,500	255,000
Retirement of debt - loan forgiveness	-	(11,690)
Common stock issued for cash	-	15,000
Net cash provided by financing activities	62,500	258,310
Net increase (decrease) in cash	11,335	(15,462)
Cash - beginning of period	1,121	23,030
Cash - end of period	\$ 12,456	\$ 7,568
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ -	\$ 5,854
Gain on accrued interest in debt settlement	\$ 9,617	\$ -
Supplemental disclosure of non-cash investing and financing activities		
Debt discount recorded in connection with derivative liability	\$ 62,500	\$ 255,000
Stock issued for subscription receivable	\$ -	\$ 30,000

The accompanying notes are an integral part of these unaudited financial statements

Note 1 - Organization and Nature of Operations

[The Movie Studio, Inc. \(OTC: MVES-\)](#) (the “Company”) a vertically integrated motion picture production company focused on acquiring, developing, producing, and distributing independent motion picture content for worldwide consumption. The Company has its own Over The Top (OTT) Video on Demand Streaming Platform and a “App” via Advertiser Video on Demand and Subscription Video on Demand (AVOD/SVOD) and utilizes revenue sharing integration of third party feature films distribution and sales and is viewable on various media devices. The company is currently integrating both its own and aggregated feature films and its own projects in development and other media intellectual properties. The Movie Studio is a disruptor from traditional media content delivery systems with its digital business model of motion picture distribution, and the company currently utilizes a block chain platform of its content with geo-fractured territories for worldwide distribution.

The Company operates using a production and growth-by-acquisition strategy that includes:

The ability to upgrade legacy and acquired films and remonetizing with bundling "New" film content on our own OTT platform and Streaming Platform and popular AVOD/SVOD streaming platforms across the internet.

Strategic Partnerships and media content alignment with other OTT platforms and cross-collateralization of leverageable media assets for worldwide distribution.

Producing micro-budget motion picture content with substantial production value utilizing innovative technology and the company's extensive legacy resources and unique production process, thereby significantly reducing capital expenditures while allowing for the potential of significant return on investment (ROI) with one successful production.

Revenue Sharing of Feature Film/Libraries on AVOD Streaming Platforms.

Controlling motion picture revenue streams and limiting pirated territories through server-driven geo-fracturing global territories using block chain technology and it's own OTT APP platform.

In 2021 and 2022 even with the majority of our time defending its Corporate Actions and methods, The Movie Studio, Inc. completed significant Corporate Actions and established what management believes to be a potentially significant motion picture brand **THE MOVIE STUDIO ®**.

THE BRAND

The Movie Studio Received the Registered Trademark Reg. No. 6,524,870 on Oct. 19, 2021

Int. Cl.: 41 Registered Service Mark consists of the words "THE MOVIE STUDIO" such that the letter "O" in "MOVIE" is a stylized camera aperture. CLASS 41: Provision of non-downloadable films and movies via a video-on-demand service; Providing a website featuring non-downloadable videos in the fields of action adventure, animation, anime, biography, classics, comedy, crime, documentary, drama, faith, family, fantasy, film-noir, history, horror, international, musical, mystery, romance, science fiction, sports, thrillers, war, and westerns; Production and distribution of television shows and movies; Entertainment services in the nature of development, creation, production, distribution, and post-production of motion picture films, and television shows FIRST USE 12-28-2011; IN COMMERCE 12-28-2011 No claim is made to the exclusive right to use the following apart from the mark as shown: "MOVIE STUDIO" SER. NO. 90-407,065, FILED 12-23-2020.

As of June 30th 2022, The Company currently owns, The Movie Studio (Logo ®) an OTT Video Streaming Platform, The Movie Studio and The Movie Studio "App" live in the Google Play and the Apple App themoviestudio.com themoviestudio.net, themoviestudio.org themoviestudiochannel.com, themoviestudio.tv. Store and numerous additional intellectual property URL's that vertically integrate with the Companies ® trademark brand.

THE APP-OTT PLATFORM

The company has successfully launched its Streaming Video Platform "The Movie Studio App" on the Google Play and the App Store, enabling users to both view the company's aggregated/content and potentially become part of it. The App has been completed and is "Advertiser Enabled" in its and is currently "Operative". The Companies "App" has a unique "Audition Submission" function, for members leveraging the Company's "Watch Our Movies, Be in Our Movies!" content platform and aligned with our "Everyone's a Star" marketing strategy when initiated, which will be marketed via social media. Using the APP, member subscribers can upload a video audition submission that showcases them reading character dialog. Audition submissions will then be reviewed by producers for possible participation of the auditionee for upcoming feature films. The Companies "App" initiative was disrupted on August 13th 2021 as a result of the SEC Complaint disrupting the addition of 4701 Movies by the Companies "Film-Hub 2020 Strategic Partnership Agreement" that were being ingested onto the App on August 11th 2021 and the agreement was subsequently cancelled on August 18th 2022 and resulted in the "removal of 100's of Film-Hub titles as a result of the Complaint and totaling 5000 thousand movies severely disrupting the Companies marketing and revenue launch initiative.

The Company currently maintains hundreds of movies on the App as a result of the Adler and Associates July 15th, 2021, Strategic Partnership and Revenue Share Agreement and the Companies OTT Platform and App could potentially reassimilate the Film Hub Strategic

Partnership and Revenue Agreements or with new third party and film library associations upon a successful resolution regarding the SEC Complaint.

The Audition Submission function provides the member subscriber the ability to disrupt traditional motion picture casting and management, enabling access to potentially participate in The Movie Studio's independent motion picture and media content. Also, for the company this significantly reduces capital expenditures associated with traditional Agent and Management mechanisms. The Movie Studio's unique business model capitalizes on the global demand for film content through the production and distribution of its own films as well as third party revenue share while also providing opportunities for direct viewer involvement in its content. As a result of the SEC Complaint severely disrupting the Companies marketing initiative of the App.

The Company was planning on utilizing a marketing campaign to promote "The Movie Studio APP" prior to the current consolidation of operations with the first initiative could provide the generation of market excitement utilizing a network of social media influencers and the Companies eight (8) completed App ads and targeting, Facebook, Instagram, TikTok, Hulu and YouTube to air the ads. The goal was to introduce the App to a cross demographic collective reach over the next 12 months with an "FREE" install AVOD/SVOD App and a member subscription base of 500,000 users. The Company intended to integrate approximately 12 minutes of advertising per hour eventually including 2 minutes advertising of the Company's App using our App ads. A May 29, 2019 variety.com article ([Click Here for article](#)) states 70% of Hulu users choose the ad-supported plan. In 2022 On July 13th 2022 Netflix announced they are initiating an AVOD option to their Streaming Platform services [Netflix](#) and Paramount and Hulu currently command the 3.5 Billion Dollar annual AVOD industry.

<https://www.fiercevideo.com/video/hulu-paramount-lead-35b-avod-revenue-over-past-year>

Previously, The Movie Studio announced it is producing three upcoming feature films, "CAUSE AND EFFECT, now RETRIBUTION" "THE LAST WARHEAD" and "PEGASUS" - all with completed Electronic Press Kits (EPK) pitch decks and fully produced motion picture-quality trailers ready for talent, distribution, and production financial integration.

The Company has previously been successful in producing, casting, and distributing its films on major AVOD/SVOD platforms including Comcast, Tubi and Amazon however, The Movie Studio with sufficient financing, could potentially integrate recognizable stars and/or Social Media Influencers (SMI) into the productions at substantial value propositions either pre or post-completion and then integration of the talent into a new or re-edited feature film of the intellectual property using the Company's unique "Moviesode" production process. The process is where the Company breaks down production into "chapters" and then edits the completed scenes/Moviesodes into completed feature film. The Movie Studio has monetized film assets on the Amazon, tubi tv, Comcast and Showtime platforms. The company's proposed media player server-based model will provide licensing payment from global territories without third-party distribution fees, which have traditionally been as high as 35% and paying only a 10% distribution fee without exclusive

licensing using block chain technology.

On February 3rd, 2022, The Company entered into a Strategic Partnership Agreement with Entertainment Artist LLC. a development stage Company regarding potential future vertical integration opportunities.

MOTION PICTURE PRODUCTION

RETRIBUTION - Status-Completed

The Movie Studio, Inc. completed the movie RETRIBUTION "It's Never Over" in May of 2022 utilizing the Company's "Moviesode" business model and substantially minimizing Capital Expenditures (CAP X) usually associated with linear feature film production and is now available on our APP for free with AVOD (Advertiser Video on Demand) inserted in the movie and is ready for worldwide territory licensing as well as on other streaming platforms. The Company believes the movies production value is substantial in relation to the minimum Cap X invested in the movie compared to traditional motion picture production value standards and believes that the movie could reach reasonable market Appeal in the AVOD sector and worldwide foreign licensing and potentially open the door with distributors for further business associations utilizing our "Moviesode" production process for Negative Pick-up financing although even Major Motion Pictures using traditional motion picture processes can have numerous factors of developing motion picture properties resulting in their abandonment or failure to complete them entirely continues to be a market risk for the Company due to current under capitalization

The Company has already licensed RETRIBUTION to one Streaming Platform and intends to have the movie represented at the American Film Market (AFM) in Los Angeles on November 1-6th 2023.

THE LAST WARHEAD- Status-Consolidation

The Last Warhead" has a Completed Electronic Press Kit (EPK), pitch deck and fully produced motion picture-quality trailers and scenes ready for talent, distribution, and financial integration. The intellectual property/Project is in consolidation, although even Major Motion Pictures using traditional motion picture processes can have numerous factors of developing motion picture properties resulting in their abandonment or failure to complete them entirely continues to be a market risk for the Company due to current under capitalization.

https://en.wikipedia.org/wiki/List_of_abandoned_and_unfinished_films

The Company is working towards the development of our other intellectual properties and Strategic Partnership associations and are working with a team of professionals to assist in protecting shareholder equity and residual value.

Founded in 1961 and formerly known as Destination Television, Inc., the company changed its name to The Movie Studio, Inc. in November 2012. The Movie Studio is headquartered in Fort Lauderdale, Florida.

SEC COMPLAINT

The Company is in litigation with the Securities and Exchange Commission ("SEC"); see Note 4 below.

The company has lost significant headway and revenue potential because of the SEC's complaint, but management has remained intact because the Company received overwhelming written majority shareholder support statements/affidavits for current management to remain.

Basis of Presentation

Management acknowledges its responsibility for the preparation of the accompanying unaudited financial statements which reflect all adjustments, consisting of normal recurring adjustments, considered necessary in its opinion for a fair statement of its financial position and the results of its operations for the periods presented.

The accompanying unaudited financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (the "U.S. GAAP").

Operating results for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole. Certain information and note disclosure normally included in financial statements prepared in accordance with U.S. GAAP has been condensed or omitted from these statements pursuant to such accounting principles and, accordingly, they do not include all the information and notes necessary for comprehensive financial statements.

The Company's fiscal year end is June 30.

Liquidity, Going Concern and Management's Plans

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As reflected in the accompanying unaudited financial statements, for the six months ended December 31, 2022, the Company had:

- Net loss of \$299,406; and
- Net cash used in operations was \$51,165.

Additionally, at December 31, 2022, the Company had:

- Accumulated deficit of \$14,700,178
- Stockholders' deficit of \$1,757,901; and
- Working capital deficit of \$1,807,901.

The Company has cash on hand of \$12,456 at December 31, 2022. Although the Company intends to raise additional debt, the Company expects to continue to incur significant losses from operations and have negative cash flows from operating activities for the near-term. These losses could be significant as revenues ramp up along with continuing expenses related to compensation, professional fees, development and regulatory are incurred.

The Company has incurred significant losses since its inception and has not demonstrated an ability to generate sufficient revenues from the sales of its products and services to achieve profitable operations. There can be no assurance that profitable operations will ever be achieved, or if achieved, could be sustained on a continuing basis. In making this assessment we performed an analysis of our current circumstances including: our financial position, cash flows and cash usage forecasts as well as our current capital structure including equity-based instruments and our obligations and debts.

During the six months ended December 31, 2022, the Company has satisfied its obligations from operating cash flows as well as the issuance of a convertible notes payable for \$62,500 (see Notes 3); however, there is no assurance that such successful efforts will continue during the twelve months subsequent to the date these financial statements are issue.

If the Company does not obtain additional capital, the Company will be required to reduce the scope of its business development activities or cease operations. The Company continues to explore obtaining additional capital financing and the Company is closely monitoring its cash balances, cash needs, and operating expense levels.

These factors create substantial doubt about the Company's ability to continue as a going concern within the twelve-month period subsequent to the date that these financial statements are issued. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. Accordingly, the financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Management's strategic plans include the following:

- Pursuing additional capital raising opportunities,
- Continuing to explore and execute prospective partnering or distribution opportunities; and

- Identifying unique market opportunities that represent potential positive short-term cash flow.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

Preparing 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 the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates, and those estimates may be material.

Customers in the United States accounted for 100% of our revenues. We do not have any property or equipment outside of the United States.

Fair Value of Financial Instruments

The Company accounts for financial instruments under Financial Accounting Standards Board ("FASB") ASC 820, *Fair Value Measurements*. ASC 820 provides a framework for measuring fair value and requires disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, based on the Company's principal or, in absence of a principal, most advantageous market for the specific asset or liability.

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs, when determining fair value.

The three tiers are defined as follows:

- Level 1 —Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2—Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3—Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

See Note 3 for level 3 disclosure related to derivative liabilities.

The determination of fair value and the assessment of a measurement's placement within the hierarchy requires judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various cost, market, or income valuation methodologies applied to unobservable management estimates and assumptions. Management's assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. The Company may also engage external advisors to assist us in determining fair value, as appropriate.

Although the Company believes that the recorded fair value of our financial instruments is appropriate, these fair values may not be indicative of net realizable value or reflective of future fair values.

The Company's financial instruments, including cash, accounts payable and accrued expenses, accrued salary – related party and convertible note payable, are carried at historical cost. At December 31, 2022 and 2021, respectively, the carrying amounts of these instruments approximated their fair values because of their short-term nature.

ASC 825-10 *"Financial Instruments"* allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value ("fair value option"). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. The Company did not elect to apply the fair value option to any outstanding financial instruments.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers all highly liquid instruments with a maturity of three months or less at the purchase date and money market accounts to be cash equivalents.

At December 31, 2022 and 2021, respectively, the Company had no cash equivalents.

Derivative Liabilities

The Company analyzes all financial instruments with features of both liabilities and equity under FASB ASC Topic No. 480, ("ASC 480"), *"Distinguishing Liabilities from Equity"* and FASB ASC Topic No. 815, ("ASC 815") *"Derivatives and Hedging"*. Derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives. The Company uses a binomial model to determine fair value.

Upon conversion, exercise or repayment, the respective derivative liability is marked to fair value at the conversion, repayment, or exercise date and then the related fair value amount is reclassified to other income or expense as part of gain or loss on debt extinguishment recognized in the Company's Consolidated Statements of Operations.

The Company has adopted ASU 2017-11, "*Earnings per share (Topic 260)*", provided that when determining whether certain financial instruments should be classified as liability or equity instruments, a down round feature no longer precludes equity classification when assessing whether the instrument is indexed to an entity's own stock. If a down round feature on the conversion option embedded in the note is triggered, the Company will evaluate whether a beneficial conversion feature exists, the Company will record the amount as a debt discount and will amortize it over the remaining term of the debt.

If the down round feature in the warrants that are classified as equity is triggered, the Company will recognize the effect of the down round as a deemed dividend, which will reduce the income available to common stockholders.

Debt Discount

Debt discount is amortized to interest expense in the consolidated statements of operations, over the life of the underlying debt instrument.

Revenue Recognition

Pursuant to ASC 606, we recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration or payment the Company expects to be entitled to receive in exchange for those goods or services. Our revenue is recognized by applying the following five steps: 1) identify the contracts with a customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to the performance obligations; and 5) recognize revenue when (or as) we satisfy a performance obligation.

The Company recognizes revenues from the sale of month to month and annual subscription plans for access to its movie and film library. The customer can switch plans or cancel anytime. The Company's revenues for the three and six months' ended December 31, 2022 and 2021 were insignificant.

We apply judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit or financial information pertaining to the customer. If a contract includes multiple promised goods or services, we apply judgment to determine whether the promised goods or services are capable of being distinct and are distinct within the context of the contract. If these criteria are not met, the promised goods or services are accounted for as a combined performance obligation. We determine the transaction price based on the consideration which we will be entitled to receive in exchange for transferring goods or services to our customer. We recognize revenue at the

time that the related performance obligation is satisfied by transferring the promised goods or services to our customer.

Income Taxes

The Company accounts for income tax using the asset and liability method prescribed by ASC 740, *"Income Taxes"*. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the year in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 *"Income Taxes"*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. As of December 31, 2022 and 2021, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Company recognizes interest and penalties related to uncertain income tax positions in other expense. No interest and penalties related to uncertain income tax positions were recorded for the three and six months ended December 31, 2022 and 2021, respectively.

For the six months ended December 31, 2022 and 2021, the Company had a net operating loss "NOL" carryforward to offset net income in futures years. There can be no certainty, however, that the Company will be able to use its NOL carryforward.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs are included as a component of general and administrative expense in the consolidated statements of operations.

The Company recognized no marketing and advertising costs during the three or six months ended December 31, 2022 and 2021, respectively.

Stock-Based Compensation

We account for our stock-based compensation under ASC 718 *"Compensation – Stock Compensation"* using the fair value-based method. Under this method, compensation cost is measured at the grant date based on the value of the award and is recognized over the service period, which is usually the vesting period. This guidance establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in

exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments.

We use the fair value method for equity instruments granted to non-employees and use the Black-Scholes model for measuring the fair value of options. The stock based fair value compensation is determined as of the date of the grant or the date at which the performance of the services is completed (measurement date) and is recognized over the vesting periods.

When determining fair value, the Company considers the following assumptions in the Black-Scholes model:

- Exercise price,
- Expected dividends,
- Expected volatility,
- Risk-free interest rate; and
- Expected life of option

In June 2018, the FASB issued ASU No. 2018-07, *"Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting."* ASU No 2018-07 expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. The guidance also specifies that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. This guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years.

Early adoption is permitted, but no earlier than an entity's adoption date of Topic 606. This guidance is applicable to the Company's fiscal year beginning July 1, 2018. The company's adoption of this implementation did not have a material effect on its financial statements.

Common Stock Awards

The Company may grant common stock awards in exchange for services provided. The Company measures the fair value of these awards using the fair value of the services provided or the fair value of the awards granted, whichever is more reliably measurable. The fair value measurement date of these awards is generally the date the performance of services is complete. The fair value of the awards is recognized on a straight-line basis as services are rendered. The share-based payments related to common stock awards for the settlement of services provided by non-employees is recorded in accordance with ASU 2018-07 (June 2018) on the statement of operations in the same manner and charged to the same account as if such settlements had been made in cash.

Basic and Diluted Earnings (Loss) per Share

Pursuant to ASC 260-10-45, basic loss per common share is computed by dividing net loss by the weighted average number of shares of common stock outstanding for the periods presented. Diluted loss per share is computed by dividing net loss by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period. Potentially dilutive common shares may consist of common stock issuable for stock options and warrants (using the treasury stock method), convertible notes and common stock issuable. These common stock equivalents may be dilutive in the future.

The following potentially dilutive equity securities outstanding as of the six months ended December 31, 2022 and 2021, respectively, were not included in the computation of diluted loss per common share because the effect would have been anti-dilutive:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Convertible notes and accrued interest (exercise price \$0.0004 - \$0.0053/share)	<u>851,172,975</u>	<u>131,583,840</u>
Total common stock equivalents	<u>851,172,975</u>	<u>131,583,840</u>

The Company's convertible notes contain an exercise price that has a discount to market (See Note 3). As a result, the amount computed for common stock equivalents could change given the quoted closing trading price at each reporting period.

Based on the common stock equivalents noted above, the Company has sufficient authorized shares of common stock (5,500,000,000) to settle any potential conversions of its common stock equivalents.

Related Parties

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Recent Accounting Standards

There were no new accounting standards adopted that had an impact on the Company's financial statements during the 6 months ended December 31, 2022.

Note 3 - Convertible Notes Payable and Derivative Liabilities

Issuance of Convertible Note

At December 31, 2022 and 2021, the Company had 9 and 10 outstanding convertible notes, respectively. One notes was issued during the six months ended December 31, 2022.

During the three months ended December 31, 2022 and 2021, respectively, the Company recorded interest expense of \$15,729 and \$11,823, respectively.

During the six months ended December 31, 2022 and 2021, respectively, the Company recorded interest expense of \$33,931 and \$16,210, respectively.

Derivative Liability

All of the above convertible notes contain an embedded conversion option with a conversion price that could result in issuing an undeterminable amount of future common stock to settle the host contract. Accordingly, the embedded conversion option is required to be bifurcated from the host instrument (convertible note) and treated as a liability, which is calculated at fair value, and marked to market at each reporting period.

The Company used the binomial pricing model to estimate the fair value of its embedded conversion option liabilities.

A reconciliation of the beginning and ending balances for the derivative liability measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows for six months ended December 31, 2022:

Convertible Note Date	July 9, 2020	February 8, 2021	February 11, 2021	July 1, 2021	July 15, 2021	August 10, 2021	September 13, 2021	September 22, 2021	September 22, 2021	December 4, 2021	November 26, 2022	Total
Derivative liability - June 30, 2022	\$ 96,774	\$ 170,455	\$ 170,455	\$ 272,727	\$ 36,543	\$ 73,086	\$ 136,364	\$ 272,727	\$ 409,091	\$ 136,364	\$ -	1,774,585
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	-	133,399
Fair value mark to market adjustment	\$ 31,797	\$(52,399)	\$(52,399)	\$(83,838)	\$(20,731)	\$(41,462)	\$(136,364)	\$(272,727)	\$(125,758)	\$(41,919)	116,601	\$(629,199)
Derivative liability - September 30, 2022	\$ 128,571	\$ 118,056	\$ 118,056	\$ 188,889	\$ 15,812	\$ 31,624	\$ -	\$ -	\$ 283,333	\$ 94,444	\$ 250,000	\$ 1,228,785

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments to be made. Liabilities measured at fair value on a recurring basis consisted of the following at December 31, 2022 and 2021, respectively:

	December 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative liabilities	\$ 1,228,785	\$ -	\$ -	\$ 1,228,785

Changes in fair value of derivative liabilities are included in other income (expense) in the accompanying statements of operations.

Note 4 – Legal Proceedings

PEGASUS – Status Litigation

PEGASUS has a completed Electronic Press Kit (EPK), pitch deck and fully produced motion picture-quality trailers ready for talent, distribution, and financial integration.

One December 11, 2022, the Company settled this lawsuit against all defendants. As part of the settlement, defendant Global Capital group (“GCG”) and the parties agreed that certain notes of \$75,000 and interest of \$9,617 (all totaling \$84,617) would be deemed paid, The company recorded this as a gain on debt settlement. Defendants also agreed to pay the Company \$75,000 in three (3) equal installments due December 11, 2022, January 31, 2023, and February 28, 2023. All such payments have been made. The Company shall also receive 10% of the gross revenue paid or payable to GCG et. al. (the “Pegasus Defendants”) which was made directly or indirectly in connection with any transaction between any of the Pegasus Defendants and Ron Bass in connection to any screenplay or movie relating to Pegasus, including but not limited to a new movie entitled “Pegasus” written by Ron Bass and owned by any of the Pegasus Defendants to the suit.

SEC vs. The Movie Studio, Inc. and Gordon Scott Venters- Status-Litigation

On August 13th 2021, The Securities and Exchange Commission filed a civil complaint against the Company and it’s Principal Gordon Scott Venters. [Click here](#) to see a copy of the complaint and all other related court filings.

The Company and Mr. Venters deny all of the plaintiff’s allegations. The Company and Mr. Venters deny the allegations. and is confident it can physically prove that the Complaint is riddled with inaccuracies and inconsistencies. The Company has used best efforts unsuccessfully to remedy the allegations in the best interest of Shareholders equity and residual value as the Complaint has currently consolidated the Companies revenue launch initiative of multiple potential revenue streams and business operations.

The Company and its principal answered the Complaint on April 11, 2022, and filed a Motion to Dismiss, which exceeded 40 pages in length. The Company was later notified that it must change the response to 40 pages or less, and therefore asked the court to allow the Company to exceed the page limit imposed under local rule 7.1(c)(2). On April 3, 2023, the court denied the Company’s motion and instructed the Company and its principle to file a joint amended motion to dismiss or alternatively a motion for a more definite statement or a motion to strike the SEC’s complaint.

Paul James Holdings, LLC (“PJH”) vs. The Movie Studio, Inc. and Gordon Scott Venters-Status - Litigation

As a result of the SEC Complaint, the Company has been unable to secure Counsel to issue an opinion letter regarding PJH’s convertible notes, which were issued under SEC provision 4-A-2. Therefore, on February 7th, 2022, PJH notified the Company of its intent to not convert their two Convertible Notes (dated February 8th and February 11th 2021) totaling 75,000.

The Company subsequently received a Demand Notice from PJH on March 15th 2022 notifying the Company of request for repayment and non-conversion of the note provision.

The Company and it’s principal received service of a Complaint Case Number 2022-013921-CA-01 on August 30th 2022 and an extension to answer the Complaint until October 15th 2022. [Click Here](#) to see a copy of the complaint and all other related court filings.

On February 21, 2023, the court granted the Company’s previously filed motion to dismiss and gave PJH 30 days to amend the complaint. PJH did not amend the complaint, but rather filed a motion to vacate the order to dismiss the complaint; the court granted PJH’s motion.

On March 23, 2023, the court granted PJH’s order to extend time to refile the complaint, giving PJP Holdings until April 22, 2023. To date, no such filing has been entered by PJP Holdings.

On August 29, 2023 PJH amended their complaint against the company and its principle, and the Company has filed a request for an extension to file its answer.

Nevertheless, the Company and principal acknowledge the existence of the issuance of the February 8th and 11th 2021 Convertible Notes and vehemently deny the allegations in the Complaint and “mirrored” elements of the SEC Complaint and is riddled with inaccuracies and inconsistencies and references individuals and alleged actions cited that were not associated or involved with the Company or its principal at the time of the issuance of the Notes.”

Note 5 – Commitments

Operating Lease

We have entered into an operating lease agreement for our corporate headquarters. We account for leases in accordance with ASC Topic 842: *Leases*, which requires a lessee to utilize the right-of-use model and to record a right-of-use asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either financing or operating, with classification affecting the pattern of expense

recognition in the statement of operations. In addition, a lessor is required to classify leases as either sales-type, financing or operating. A lease will be treated as a sale if it transfers all of the risks and rewards, as well as control of the underlying asset, to the lessee. If risks and rewards are conveyed without the transfer of control, the lease is treated as financing. If the lessor does not convey risk and rewards or control, the lease is treated as operating. We determine if an arrangement is a lease, or contains a lease, at inception and record the lease in our financial statements upon lease commencement, which is the date when the underlying asset is made available for use by the lessor.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments over the lease term. Lease right-of-use assets and liabilities at commencement are initially measured at the present value of lease payments over the lease term. We generally use our incremental borrowing rate based on the information available at commencement to determine the present value of lease payments except when an implicit interest rate is readily determinable. We determine our incremental borrowing rate based on market sources including relevant industry data.

We have a lease agreement with lease and non-lease components and have elected to utilize the practical expedient to account for lease and non-lease components together as a single combined lease component, from both a lessee and lessor perspective with the exception of direct sales-type leases and production equipment classes embedded in supply agreements. From a lessor perspective, the timing and pattern of transfer are the same for the non-lease components and associated lease component and, the lease component, if accounted for separately, would be classified as an operating lease.

We have elected not to present short-term leases on the balance sheet as these leases have a lease term of 12 months or less at lease inception and do not contain purchase options or renewal terms that we are reasonably certain to exercise. All other lease assets and lease liabilities are recognized based on the present value of lease payments over the lease term at commencement date. Because most of our leases do not provide an implicit rate of return, we used our incremental borrowing rate based on the information available at lease commencement date in determining the present value of lease payments.

Our lease, where we are the lessee, does not include an option to extend the lease term. Our lease also includes an option to terminate the lease prior to the end of the agreed upon lease term. For purposes of calculating lease liabilities, lease term would include options to extend or terminate the lease when it is reasonably certain that we will exercise such options.

Lease expense for operating leases is recognized on a straight-line basis over the lease term as an operating expense, included as a component of general and administrative expenses, in the accompanying statements of operations. Certain operating leases provide for annual increases to lease payments based on an index or rate, our lease has no stated increase, payments were fixed at lease inception. We calculate the present value of future lease

payments based on the index or rate at the lease commencement date. Differences between the calculated lease payment and actual payment are expensed as incurred.

As of December 31, 2021 and 2021, the Company has no financing leases as defined in ASC 842, "Leases."

The tables below present information regarding the Company's operating lease asset and liability at December 31, 2021, only; the Company had no operating leases as of December 31, 2022:

	<u>December 31, 2021</u>	<u>Galleria Mall</u>
<u>Assets</u>		
Operating lease - right-of-use asset - non-current	<u>\$ 139,971</u>	\$ 139,971
<u>Liabilities</u>		
Operating lease liability	<u>\$ 157,118</u>	\$ 157,118
Weighted-average remaining lease term (years)	<u>1.00</u>	
Weighted-average discount rate	<u>8%</u>	

The components of lease expense are as follows in our consolidated statements of operations at September 30, 2021:

Operating lease costs

Amortization of right-of-use operating lease asset	\$ 23,328	\$ 23,328
Lease liability expense in connection with obligation repayment	<u>3,469</u>	<u>3,469</u>
Total operating lease costs	<u>\$ 26,797</u>	<u>\$ 26,797</u>

Supplemental cash flow information related to our operating lease where we are the lessee is as follows at December 31, 2021:

Operating cash outflows from operating lease (obligation payment)	<u>\$ 27,876</u>
Right-of-use asset obtained in exchange for new operating lease liability	<u>\$ 194,404</u>

Future minimum lease payments required under leases that have initial or remaining non-cancelable lease terms in excess of one year at September 30, 2021:

2022	111,504	111,504
2023	<u>55,752</u>	<u>55,752</u>
Total undiscounted cash flows	167,256	167,256
Less: amount representing interest	<u>(10,138)</u>	<u>(10,138)</u>
Present value of operating lease liability	157,118	157,118
Less: current portion of operating lease liability	<u>(102,644)</u>	<u>(102,644)</u>
Long-term operating lease liability	<u>\$ 54,474</u>	<u>\$ 54,474</u>

In connection with the lease, the Company paid a security deposit of \$6,390.

Employment Agreements

Gordon Scott Venter's is employed as the Company's president and chief executive officer pursuant to an employment agreement since inception November 1st, 2004. The employment agreement, which has been extended to date provides for an annual salary of \$133,000 with annual increases of a minimum of 5% per year, and participation in incentive or bonus plans at the discretion of the board of directors. To date Mr. Venters has not received any annual increases of 5%. The agreement additionally provides for certain confidentiality and non-competition provisions and a minimum payment of 18 months in the event of a change of control or termination without cause, or if the employee terminates for good reason.

However, for the three and six months ended December 31, 2022, Mr. Venter's elected to not accrue his salary in the amount of \$33,250 per quarter but did draw \$28,100 against his previously accrued salary. As of December 31, 2022, the accumulated balance due to Mr. Venter's is \$182,011.

Note 6 – Stockholders' Deficit

The Company has three (3) classes of stock:

Series A Preferred Stock

- 100,000,000 shares authorized
- Par value - \$0.0001
- Voting at 1 vote per share
- Eligible for dividends if declared by the Board of Directors
- All outstanding shares are currently owned by our Chief Executive Officer

Series B Preferred Stock

- 100,000,000 shares authorized
- Par value - \$0.0001
- Voting at 4 votes per share
- Convertible into common stock on a 1 for 1 basis
- All outstanding shares are currently owned by our Chief Executive Officer

Common Stock

- 5,500,000,000 shares authorized
- Par value - \$0.0001
- Voting at 1 vote per share

- The Company has sufficient unissued authorized shares in the event of conversion of Series B, preferred stock.

Equity Transactions During the Six month Ended December 31, 2022

On November 26, 2022, the Company entered into a convertible note with Michael J. Peter for \$62,500, with a maturity date of November 26, 2024, bearing interest at 10% per annum, convertible into common shares of the Company's stock at 50% of the average of the three lowest trading days, prior to the date of conversion. Should the note be called in default, the note carries a default interest rate of 20%.

On December 1, 2022, the Company's CEO, Gordon Venters assigned 96,115,152 of his preferred Series B shares to Michael J. Peters.

Note 7 – Subsequent Events

On June 4, 2023, the Company's issued 4,000,000 shares of its common stock, no par value, to Inger Garcia for legal services rendered. The shares had a stated value of \$7,200.

On August 23, 2023, the Company entered into a Distribution Agreement with Entertainment Artist, LLC regarding their intellectual property/movie project American Dream.