

PICKLEJAR ENTERTAINMENT GROUP, INC.

Financial Statements as of
December 31, 2024 and December 31, 2023, and for
the years ended December 31, 2024 and 2023
and Independent Auditor's Report

	<u>Pages</u>
Report of Independent Registered Public Accounting Firm	F-2
Balance Sheets as of December 31, 2024 and 2023	F-3
Statements of Operations for the Years Ended December 31, 2024 and 2023	F-4
Statements of Shareholders' Deficit for the Years ended December 31, 2024 and 2023	F-5
Statements of Cash Flows for the Years Ended December 31, 2024 and 2023	F-6
Notes to the Financial Statements	F-7 to F-29



To the Board of Directors and
Audit Committee of Picklejar Entertainment Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Picklejar Entertainment Group, Inc. (the Company) as of December 31, 2024 and 2023, and the related statements of operations, shareholders' deficit, and cash flows for each of the years in the two-year period ended December 31, 2024, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2, the Company has recurring net losses and negative cash flow from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Our opinion is not modified with respect to that matter.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

A handwritten signature in black ink that reads "Astra Audit & Advisory LLC".

We have served as the Company's auditor since 2024.
Tampa, Florida
April 16, 2026

PICKLEJAR ENTERTAINMENT GROUP, INC.
BALANCE SHEETS

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
ASSETS		
Current Assets:		
Cash	\$ 114	\$ 1,385
Accounts receivable (net of allowance of \$9,655 and \$9,041, respectively)	44,718	17,961
Related party receivables	29,944	27,444
Other current assets	72,415	34,886
Total Current Assets	147,191	81,676
Other Assets:		
Software in development	4,066	31,666
Developed software, net	881,937	1,273,551
Total Other Assets	886,003	1,305,217
Total Assets	\$ 1,033,194	\$ 1,386,893
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	\$ 302,640	\$ 463,651
Related party payables	1,182,467	761,761
Accrued compensation	192,000	96,000
Accrued interest - related parties	115,379	68,506
Accrued interest – other	497,728	195,014
Notes payable - related parties	759,898	759,898
Notes payable, net of debt discount of \$112,704 and \$124,801, respectively	892,499	352,927
Short term loans	100,000	-
Revolving line of credit, net of debt discount of \$311,856 and \$402,656, respectively	1,688,144	1,597,344
Derivative liabilities	747,643	778,293
Other current liabilities	-	70,541
Total Current Liabilities	6,478,398	5,143,935
Long-Term Liabilities:		
Notes payable, net of debt discount of \$11,876 and \$16,352, respectively	1,022,699	818,648
Notes payable - related party	20,000	20,000
Total Long-Term Liabilities	1,042,699	838,648
Total Liabilities	7,521,097	5,982,583
Commitments and Contingencies (Note 12)		
Shareholders' Deficit:		
Class A Preferred Stock, \$0.00001 par value; 40,000,000 and 30,000,000 shares authorized, respectively; 36,412,790 and 30,000,000 shares issued and outstanding at December 31, 2024 and 2023, respectively	364	300
Common Stock, \$0.00001 par value; 750,000,000 shares authorized, 124,639,472 shares issued and outstanding at December 31, 2024 and 2023, respectively	1,246	1,246
Additional paid-in capital	(442,568)	(526,045)
Accumulated deficit	(6,046,945)	(4,071,191)
Total Shareholders' Deficit	(6,487,903)	(4,595,690)
Total Liabilities and Shareholders' Deficit	\$ 1,033,194	\$ 1,386,893

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

PICKLEJAR ENTERTAINMENT GROUP, INC.
STATEMENTS OF OPERATIONS

	For the Years Ended	
	2024	2023
Revenue:		
Sponsorship income	\$ 5,100	\$ 90,440
Radio show bookings	366,576	81,333
Artist promotion, net	1,639	—
Venue-managed event ticket sales, net	37,152	12,904
Point-of-sale services	8,718	40,085
Related party IT services	138,400	9,000
Total Revenues	557,585	233,762
Cost of Revenue:		
Sponsorship income	—	6,986
Radio show bookings	86,532	20,520
Artist promotions	14,175	4,957
Point-of-sale services	4,223	41,154
Related party IT services	47,172	4,990
Total Cost of Revenue	152,102	78,607
Gross Profit	405,483	155,155
Operating Expenses:		
Advertising, marketing and promotion	268,501	445,301
Legal and professional services	108,803	147,283
General and administrative	75,117	86,595
Wages expense	854,765	1,445,932
Amortization of Developed software	439,542	396,159
Rent	55,305	49,031
Technology	58,199	171,038
Venue activation travel and expenses	82,603	200,047
Total Operating Expenses	1,942,835	2,941,386
Loss from Operations	(1,537,352)	(2,786,231)
Other Income (Expense):		
Interest income	384	32
Interest expense	(368,054)	(48,703)
Interest expense - related party	(46,873)	(32,036)
Interest expense - Revolver - LOC	(231,183)	(239,973)
Gain on change in fair value of SAFE liabilities	—	4,422,078
Gain (loss) on change in fair value of derivatives	3,898	(1,557)
Gain (loss) on change in fair value of Revolver - LOC Derivative	213,426	(107,195)
Loss on extinguishment of debt	(10,000)	—
Total Other (Expense) Income	(438,402)	3,992,646
Net (Loss) Income Before Provision for Income Taxes	(1,975,754)	1,206,415
Provision for Income Taxes	—	—
Net (Loss) Income	\$ (1,975,754)	\$ 1,206,415
Net (Loss) Income Per Share: Basic	\$ (0.02)	\$ 0.01
Net (Loss) Income Per Share: Diluted	\$ (0.02)	\$ 0.01
Weighted Average Number of Shares Outstanding: Basic	124,639,472	124,639,472
Weighted Average Number of Shares Outstanding: Diluted	124,639,472	203,777,279

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

PICKLEJAR ENTERTAINMENT GROUP, INC.
STATEMENTS OF SHAREHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Class A Preferred</u>		<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Total Shareholder's (Deficit)</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balance, December 31, 2022 (retroactively restated to effect recapitalization)	26,869,232	\$ 269	—	\$ —	\$ 307	\$ (5,277,606)	\$ (5,277,030)
Effect of reverse merger	3,130,768	31	124,639,472	1,246	(526,352)	—	(525,075)
Net income	—	—	—	—	—	1,206,415	1,206,415
Balance, December 31, 2023	30,000,000	\$ 300	124,639,472	\$ 1,246	\$(526,045)	\$(4,071,191)	\$(4,595,690)
Designation of incremental shares (Note 4)	6,412,790	64	—	—	70,477	—	70,541
Contributed capital	—	—	—	—	13,000	—	13,000
Net loss	—	—	—	—	—	(1,975,754)	(1,975,754)
Balance, December 31, 2024	<u>36,412,790</u>	<u>\$ 364</u>	<u>124,639,472</u>	<u>\$ 1,246</u>	<u>\$(442,568)</u>	<u>\$(6,046,945)</u>	<u>\$(6,487,903)</u>

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

PICKLEJAR ENTERTAINMENT GROUP, INC.
STATEMENTS OF CASH FLOWS

	For the Years Ended	
	2024	2023
Cash Flows From Operating Activities:		
Net (Loss) Income	\$ (1,975,754)	\$ 1,206,415
Adjustments to reconcile net (loss) income to net cash used in operations		
Amortization of Developed software, net	439,542	396,159
Bad debt expense	614	299
Debt discount amortization	294,048	125,731
Gain on change in fair value of SAFE liabilities	—	(4,422,078)
Loss (gain) on change in fair value of derivatives	(3,898)	1,557
Loss (gain) on change in fair value of Revolver - LOC derivative	(213,426)	107,195
Loss on extinguishment of debt	10,000	—
Changes in operating assets and liabilities:		
Accounts receivable	(27,372)	(18,259)
Related party receivables	(2,500)	5,556
Other current assets	(37,529)	(14,651)
Accounts payable	(99,045)	(87,274)
Accrued interest	349,587	194,980
Related party payables	420,706	842,552
Accrued compensation	96,000	96,000
Net Cash Used In Operating Activities	(749,027)	(1,565,818)
Cash Flows From Investing Activities:		
Developed software expenditures	(82,294)	(102,797)
Net Cash Used in Investing Activities	(82,294)	(102,797)
Cash Flows From Financing Activities:		
Proceeds from Notes payable	727,050	1,745,000
Proceeds from Notes payable - related parties	—	20,000
Repayments Notes payable - related parties	—	(75,000)
Proceeds from Short term loans	222,000	—
Repayments of Short term loans	(122,000)	—
Pre-payment penalty of Short term loans	(10,000)	—
Proceeds from Revolving line of credit	—	40,000
Reverse merger transaction cost	—	(60,000)
Contributed capital	13,000	—
Net Cash Provided by Financing Activities	830,050	1,670,000
Net (Decrease) Increase in Cash	(1,271)	1,385
Cash at Beginning of Year	1,385	—
Cash at End of Year	\$ 114	\$ 1,385
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ —	\$ —
Cash paid for taxes	\$ —	\$ —
Supplemental disclosures of non-cash investing and financing activities:		
Purchases of Developed software in AP	20,329	349,944
Related party payables converted to notes payables	\$ —	\$ 434,898
Recognition of derivative liability associated with issuance of convertible notes and line of credit	186,674	669,541
Designation of incremental shares	70,538	—
Merger costs settled in Notes payable (see Note 4)	—	477,728
Conversion of SAFE Loans to equity	—	82,922
Over authorized shares	—	70,541

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

PICKLEJAR ENTERTAINMENT GROUP, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 - ORGANIZATION AND BUSINESS

PickleJar Holdings, Inc. (“we”, “us”, “our”, “PickleJar”, or the “Company”) was incorporated in the state of Delaware on April 13, 2021. On April 10, 2024 we changed our name from PickleJar Holdings, Inc. to PickleJar Entertainment Group, Inc.

PickleJar unlocks the potential of shared entertainment experiences through an integrated suite of software and services designed to inspire human creativity and enrich lives. Developed for the era of social commerce, we continuously work to advance tools to unify the touchpoints of Fan engagement with emerging Artists, mid-sized venues, and global brands. By embedding secure payment technology, data intelligence and content distribution, PickleJar’s innovative Artist promotion programs, Venue-Managed Services and wide range of capabilities create an enhanced experience of how Fans and Patrons connect with the music and moments that matter most.

NOTE 2 – GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying financial statements for the year ended December 31, 2024, the Company had total revenues of \$557,585 and incurred a net loss of \$1,975,754. In addition, as of December 31, 2024, the Company has an accumulated deficit of \$6,046,945 and a working capital deficit of \$6,331,207. These conditions raise substantial doubt about our ability to continue as a going concern for one year after the date these financial statements are issued (or available to be issued).

The Company’s primary source of operating funds for the year ended December 31, 2024, has been from funds generated from proceeds from notes payable and notes payable from related parties. The Company has experienced net losses from operations since its inception and expects these conditions to continue throughout 2026. The Company is attempting to further develop and execute its business model and generate sufficient revenues, however, the Company has equity deficiencies as of December 31, 2024, and its cash position may not be sufficient to support its daily operations which will require additional financing to fund future operations.

The Company’s existence is dependent upon management’s ability to develop profitable operations and to obtain additional funding sources. There can be no assurance that the Company’s financing efforts will result in profitable operations or the resolution of the Company’s liquidity problems. The accompanying statements do not include any adjustments that might result should the Company be unable to continue as a going concern.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities. Significant estimates made by management include, an allowance for credit losses, useful lives and recoverability of capitalized software costs and the fair value of derivatives and SAFE liabilities, at the date of the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company accounts for cash and cash equivalents under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 305, “*Cash and Cash Equivalents*,” and considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Advertising and Promotion Costs

Advertising and promotion costs are included as a component of advertising, marketing, and promotion expense and are expensed as incurred. During the years ended December 31, 2024 and 2023, this cost was \$268,501 and \$445,301, respectively.

Revenue Recognition

The Company records transactions in accordance with FASB ASC Topic 606, *Revenue from Contracts with Customers* (“ASC 606”). Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

Gross versus Net Revenue Recognition

We report revenue on a gross or net basis based on management’s assessment of whether we act as a principal or agent in the transaction. To the extent we act as the principal, revenue is reported on a gross basis. The determination of whether we act as a principal or an agent in a transaction is based on an evaluation of whether we have control of the good or service before it is transferred to the customer. Our Venue-managed event ticket sales, which primarily consists of service fees from facilitating ticket sales, is recorded net of the face value of the ticket as we generally act as an agent in these transactions. Our Artist promotion sales, which consist of a processing fee charged to an artist to process tips paid by their fans through the Company’s mobile application, is recorded net of the amount due to the artist.

Artist Promotions

Artist promotions are sales in which we contract with an artist. Here we act as an intermediary, or agent, between the artist and their fans. Revenue primarily consists of service fees from tips sent and merchandise sold on behalf of an artist. Our primary performance obligation is to facilitate the tips between the artist and their fans through the Company’s mobile application, which is satisfied at the time the order is confirmed. Revenue is recognized net of the amounts due to the artist from tips. Payment from the fan is due at the time the transaction is processed through the Company’s mobile application to the artist.

Venue-Managed Event Ticket Sales

Venue-Managed Events are those ticket sales in which we contract with a promoter or event producer. Here we act as an intermediary, or agent, between ticket buyers and ticket sellers with our online ticketing platform. Our primary performance obligation is to facilitate the ticket sales for Venue-Managed Events between the ticket seller and ticket buyer, which is satisfied at the time the order is confirmed. In these transactions, we act as an agent as we do not control the ticket prior to transferring it to the ticket buyer. Ticket fee revenue is generated from convenience and order processing fees, or service charges, charged at the time a ticket is purchased.

We record the difference between the face value of tickets sold and any applicable fees that are withheld or charged to sell those tickets as revenue. Revenue is recognized when the ticket is sold, as we have no further obligation to the promoter or the event venue following the sale of the ticket. The venue is responsible for refunding the ticket buyer if an event is cancelled and the venue may elect to utilize the Company to process those refunds, in that circumstance the Company reserves the right to charge additional fees associated with the refunding process. Revenue is recognized net of the amounts due to the ticket seller when the ticket seller confirms an order with the ticket buyer, at which point the seller is obligated to deliver the ticket to the buyer in accordance with the terms and condition of the transaction. Payment from the buyer is due at the time of sale on our online platform. Any refunds that may occur are the responsibility of the promoter or event producer.

Radio Show Bookings

The Company hosts a radio show, and participants pay to be hosted or to run a promotional campaign to receive exposure on their image and brand. Commissions are paid to third parties that identify and “close” revenue-generating promotional projects through the Company’s radio show. These transactions are at the time the “flight-time” of the campaign occurs, and are recorded as gross, with cost of revenue recorded on its own line item. The Company’s contract with the syndicate expired and it ended its radio show on November 30, 2024.

Sponsorship Income

In Sponsorship revenue, we contract with sponsors that wish to promote their brand via our electronic platform. We contract with these sponsors, and revenue is recognized per event basis (i.e., specific event or a concert series). Our primary performance obligation is to position the sponsor’s brand on our electronic platform as defined by the terms and conditions of our agreements with them.

Point-of-Sale Services

The Company’s clients use the Company’s app and website to sell consumables at certain events (i.e., food, beverages, novelties, etc.). The revenue is recognized at the time of purchase by the client’s customers. In accordance with ASC 606 Revenue from Contracts with Customers, the Company recognizes revenue from point-of-sale (“POS”) services that enable merchants to process payment transactions through the Company’s platform. Payment processing services represent a single performance obligation that

is satisfied at a point in time when a transaction is authorized and processed. The Company earns fees that are generally a fixed amount per transaction or a percentage of the transaction value and recognizes revenue for completed transactions in the amount to which it expects to be entitled.

Related party IT services

We have the ability to provide IT development services using our know-how from developing the PickleJar mobile application. We charge fees for development or design services for the development of this technology.

During the years ended December 31, 2024 and 2023, the Company recorded related party IT Services of \$138,400 and \$9,000, respectively. There was no revenue generated with third parties during the years presented.

Deferred Revenue

The Company records deferred revenue for fees received related to unsatisfied performance obligations at the end of the period. There was no deferred revenue as of the years ended December 31, 2024 and 2023.

Our operations currently generate revenues from six sources: (1) Radio Show Bookings, (2) Artist Promotions, (3) Sponsorships, (4) Venue-Managed Event Ticket Sales, (5) Point-of-Sale services, and (6) Related party IT services. During the years ended December 31, 2024 and 2023, the Company had revenues of \$557,585 and \$233,762, respectively.

Costs of Revenues

Cost of revenue consists primarily of costs directly related to the delivery of the Company's products and services. Costs included for each revenue category are as follows.

Sponsorship income - Costs include commissions paid to related party marketing agencies for amounts sponsors paid in exchange for brand visibility.

Radio show bookings - Costs include commissions paid for account representatives who create and maintain relationships for radio clients.

Artist promotions - Costs include payment and other processing fees.

Related Party IT Services - Costs include amounts incurred to provide software development services.

Point-of-sale Services - Costs include point of sale transfer and service fees, costs of products sold and vendor gratuity payouts.

Venue Managed Events - Costs include payment processing fees.

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

FASB ASC Topic 740, *Income Taxes* ("ASC 740"), clarifies the accounting for uncertainty in income taxes recognized in the financial statements. ASC 740 provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits of the position. Income tax positions must meet a more-likely-than-not recognition threshold to be recognized. ASC 740 also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. We have determined that the Company does not have uncertain tax positions on its tax returns for the years 2024, and prior.

Company policy is to recognize interest and/or penalties related to income tax matters in income tax expense. There was no accrual for interest or penalties on the Company's balance sheets at December 31, 2024 and 2023, and we have not recognized interest and/or penalties in the statements of operations for the years ended December 31, 2024 and 2023.

The Company is subject to taxation in the United States and the State of Texas. The Company's federal and applicable state income tax returns for the past three years remain subject to examination by the respective tax authorities.

Derivative Financial Instruments

The Company evaluates whether embedded conversion features in its financial instruments meet the criteria for separate accounting under ASC 815, “*Derivatives and Hedging*.” If the conversion feature is not clearly and closely related to the host debt instrument and does not meet the scope exception for equity classification, it is bifurcated and accounted for as a derivative liability. For derivative financial instruments that are accounted for as liabilities with a corresponding debt discount recorded against the convertible debt balance. The derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported within the Gain (loss) on change in fair value of derivative line item of the Statements of Operations. The debt discount is amortized as interest expense over the term of the debt contract using the effective interest method. For stock-based derivative financial instruments, the Company uses a Monte Carlo valuation model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period.

Financial Instruments

ASC 820, “*Fair Value Measurements and Disclosures*,” defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity’s own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2024 and December 31, 2023. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments.

The following table provides information regarding the Company’s liabilities measured at fair value on a recurring basis as of December 31, 2024 and 2023:

December 31, 2024

Description	Level 1	Level 2	Level 3	Total
Derivative Liability - Revolving line of credit	\$ —	\$ —	\$ 396,574	\$ 396,574
Derivative Liability - Notes payable	\$ —	\$ —	\$ 351,069	\$ 351,069
Total	\$ —	\$ —	\$ 747,643	\$ 747,643

December 31, 2023

Description	Level 1	Level 2	Level 3	Total
Derivative Liability - Revolving line of credit	\$ —	\$ —	\$ 610,000	\$ 610,000
Derivative Liability - Notes payable	\$ —	\$ —	\$ 168,293	\$ 168,293
Total	\$ —	\$ —	\$ 778,293	\$ 778,293

A summary of changes in level 3 derivative liabilities associated with the Revolving line of credit and certain Notes payable are as follows:

Balance at December 31, 2022	\$ —
Increase to derivative due to new issuances	669,541
Increase to derivative due to mark to market	108,752
Balance at December 31, 2023	778,293
Increase to derivative due to new issuances	186,674
Decrease to derivative due to mark to market	(217,324)
Balance at December 31, 2024	\$ 747,643

Related Parties

The Company follows ASC 850-10, “*Related Party Disclosures*,” for the identification of related parties and disclosure of related party transactions. Pursuant to ASC 850-10-20, related parties include: a) affiliates of the Company; b) principal owners of the Company; c) management of the Company; d) other parties with which the Company may deal 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; and e) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

Material related party transactions are required to be disclosed in the financial statements, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. The disclosures shall include: a) the nature of the relationship(s) involved; b) a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which statements of operation are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c) the dollar amounts of transactions for each of the periods for which statements of operations are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d) amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

As of December 31, 2024 and 2023, related party receivables were \$29,944 and \$27,444, respectively.

As of December 31, 2024 and 2023, notes payable due to related parties were \$779,898 for current and long term notes combined. Related party payables were \$1,182,467 and \$761,761, respectively.

Refer to Note 6 - Related Party Transactions and Note 8 - Notes Payable - Related Parties for additional details of related party transactions.

Commitments and Contingencies

The Company follows ASC 450-20, “*Loss Contingencies*,” to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Earnings (loss) per share

In accordance with ASC 260, "Earnings per Share," basic income (loss) per share is computed by dividing net income (loss) attributable to common shareholders by the weighted average common shares outstanding for the period. Diluted income (loss) per share is computed giving effect to all potentially dilutive common shares. Potentially dilutive common shares may consist of incremental shares issuable upon the exercise of stock options and warrants and upon the conversion of notes. In periods in which a net loss has been incurred, all potentially dilutive common shares are considered anti-dilutive and thus are excluded from the calculation. As of December 31, 2024 and 2023, the Company's potentially dilutive shares are as follows. As of December 31, 2024, diluted loss per share is the same as the basic loss per share, as the inclusion of any potential shares would have had an anti-dilutive effect due to the Company generating a loss.

	Year Ended December 31, 2024	Year Ended December 31, 2023
Weighted Average Common shares	124,639,472	124,639,472
Net (loss) income	\$ (1,975,754)	\$ 1,206,415
Basic and diluted loss per share	\$ (0.02)	\$ 0.01
Weighted Average Common shares	124,639,472	124,639,472
Shares from convertible debt	312,363,375	49,137,807
Series A preferred stock	36,412,790	30,000,000
Total Diluted Shares	473,415,637	203,777,279

Accounts Receivable

Accounts receivables are stated at the net value of their face amount less any allowance for credit losses. On a periodic basis, we evaluate our accounts receivable and establish an allowance for credit losses for those balances. In determining the need for an allowance for credit losses, the Company considers historical, current, and potential future experience, analysis of past due amounts, client creditworthiness and any other relevant available information. Our actual experience may vary from our estimates. If the financial condition of our clients were to deteriorate, resulting in their inability or unwillingness to pay our fees, we may need to record additional allowances or write-offs in future periods.

As of December 31, 2024 and 2023, allowance for doubtful accounts was \$9,655 and \$9,041, respectively. For the years ended December 31, 2024 and 2023, we recorded bad debt expenses of \$614 and \$299, respectively. Net accounts receivable as of December 31, 2024 and 2023 was \$44,718 and \$17,961, respectively.

Concentration of Credit Risks

One customer accounted for 0% and approximately 88% of Sponsorship income for the years ended December 31, 2024, and 2023, respectively, and there were no Accounts Receivable associated with this customer as of December 31, 2024 and 2023.

Developed software

Under ASC 350, *Intangibles - Goodwill and Other*, the Company capitalizes certain internal use software development costs associated with creating and enhancing internally developed software related to its platform. Software development activities generally consist of three stages (i) the research and planning stage, (ii) the application and development stage, and (iii) the post-implementation stage. Costs incurred in the planning and post-implementation stages of software development, or other maintenance and development expenses that do not meet the qualification for capitalization are expensed as incurred. Costs incurred in the application and infrastructure development stage, including significant enhancements and upgrades, are capitalized. Amortization is calculated on a straight-line basis over the estimated useful lives of the asset (5 years) (See Note 5).

Software in development

Costs associated with in process Developed software are recorded as Software in development on the Balance Sheet. We cease the capitalization of costs when the project is ready for its intended use, at which time it is recorded as Developed software and amortized over its useful life.

Long-lived Assets

Long-lived assets such as identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets. As of December 31, 2024 and 2023, we did not recognize any impairment losses for any periods presented.

Operating Segments

On November 27, 2023, FASB issued Accounting Standards Update 2023-07 ("ASU 2023-07"), *Segment Reporting - Improvements to Reportable Segment Disclosures*, which requires public entities to provide disclosures on significant segment expenses that are regularly provided to the Chief Executive Officer ("CEO") who is the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss and other segment items on an annual and interim basis. The guidance also requires public entities to provide all disclosures about reportable segment's profit or loss and assets in interim periods that are currently required annually. Public entities with a single reportable segment have to provide all disclosures required by ASC 280, *Segment Reporting*, including the significant segment expense disclosures. The guidance is applied retrospectively to all periods presented in financial statements and is effective for fiscal years beginning after December 15, 2023, and for interim periods beginning after December 15, 2024. Early adoption is permitted. The Company adopted ASU 2023-07 during its fiscal year ended December 31, 2024. For the purpose of the adoption of ASU 2023-07, the Company performed an evaluation of financial information regularly reviewed by the Company's CODM for purposes of evaluating performance, allocating resources, setting incentive compensation targets, and planning and forecasting future periods. Financial information provided to and used by the CODM is consistent with the Company's GAAP financial statements including its Statements of Operations that includes the Company's profit and loss.

Recently Issued Accounting Pronouncements - Adopted

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments – Credit Losses* (Topic 326), *Measurement of Credit Losses on Financial Instruments* ("ASU-2016-13"). ASU 2016-13 affects loans, debt securities, trade receivables, and any other financial assets that have the contractual right to receive cash. The ASU requires an entity to recognize expected credit losses rather than incurred losses for financial assets. On October 16, 2019, FASB approved a final ASU delaying the effective date of ASU 2016-13 for small reporting companies to interim and annual periods beginning after December 15, 2022. The adoption of the guidance did not have a material impact on the Company's financial statements.

In August 2020, the Financial Accounting Standards Board issued Accounting Standards Update 2020-06, *Debt—Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging—Contracts in Entity's Own Equity* (Subtopic 815-40) ("ASU 2020-06"). The standard simplifies the accounting for convertible instruments by eliminating certain separation models for convertible debt and convertible preferred stock and simplifies the guidance for determining whether contracts in an entity's own equity qualify for equity classification. The standard also requires entities to apply the if-converted method in calculating diluted earnings per share for convertible instruments. The Company adopted ASU 2020-06 effective January 1, 2024 using the modified retrospective method of transition. The adoption did not have a material impact on the Company's financial position, results of operations, cash flows, or earnings per share as of and for the year ended December 31, 2024 and 2023.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*, which requires disclosure of incremental segment information on an annual and interim basis, primarily disclosure of significant segment expense categories and amounts for each reportable segment. The new standard is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company adopted ASU 2023-07 in the annual financial statements for the year ended December 31, 2024, and for interim periods beginning in 2025. The adoption did not have a material impact on the Company's financial position, results of operations, cash flows, or earnings per share as of and for the years ended December 31, 2024 and December 31, 2023.

Recently Issued Accounting Pronouncements - Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, *Income Taxes* (Topic 740), *Improvements to Income Tax Disclosures*. This Update enhances the transparency and usefulness of income tax disclosures, particularly in the rate reconciliation table and disclosures about income taxes paid. The guidance also eliminates certain existing requirements related to uncertain tax positions and unrecognized deferred tax liabilities. The amendments in this Update are effective for annual periods beginning after December 15, 2024. Early adoption of the amendments is permitted for annual financial statements that have not yet been issued. The Company is in the process of evaluating the impact of this new guidance on its financial statements and anticipates reflecting the impact of adoption in its annual financial statements for the year ended December 31, 2025.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements*, which provides various technical corrections and clarifications to the Accounting Standards Codification. The amendments are effective for fiscal years beginning after December 15, 2024, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact of adopting this guidance; however, the Company does not expect the adoption to have a material impact on its financial statements.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses* (“DISE”), which will require additional disclosure of the nature of expenses included in the income statement in response to longstanding requests from investors for more information about an entity’s expenses. This ASU was further clarified by ASU 2025-01, *Income Statement (Topic 220): Reporting Comprehensive Income - Expense Disaggregation Disclosures, Disaggregation of Income Statement Expenses*, which was issued in December 2024. The new standards require disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. The new standards will be effective for public companies for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. The requirements will be applied prospectively with the option for retrospective application. Early adoption is permitted. The Company is currently evaluating the impact of these accounting standard updates on its financial statements.

The FASB issued ASU 2025 05 — Financial Instruments — Credit Losses (Topic 326): *Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This ASU provides for the measurement of expected credit losses on current accounts receivable and contract assets arising from contracts with customers under Topic 606. It offers a practical expedient for all entities to assume that current conditions as of the balance sheet date will continue for the remaining life of the asset. The ASU helps to simplify credit-loss modelling for short-term receivables/contract assets, reducing complexity and forecasting burden. The effective date is for annual periods beginning after December 15, 2025, and interim periods within those years. Early adoption is permitted. The Company has not early adopted this guidance and is currently evaluating the impact of the adoption on its financial statements.

In 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other* (Topic 350), which provides amendments to the guidance in ASC Topic 350, *Intangibles—Goodwill and Other*, intended to improve the accounting and disclosures related to goodwill and other intangible assets. The amendments are effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact that adoption of this guidance will have on its financial statements.

In 2025, the FASB issued ASU 2025-11, *Derivatives and Hedging* (Topic 815) which amends certain recognition, measurement, and disclosure requirements for derivative instruments and hedging activities under ASC Topic 815, *Derivatives and Hedging*. The amendments are intended to improve the transparency and consistency of reporting derivative instruments and related activities. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact of adopting this guidance.

In 2025, the FASB issued ASU 2025-12, *Financial Instruments*, which includes amendments intended to improve the accounting and disclosure requirements for certain financial instruments. The amendments are effective for fiscal years beginning after December 15, 2026, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact that adoption of this ASU will have on its financial statements.

The Company periodically reviews new accounting standards that are issued. Although some of these accounting standards may apply to the Company, the Company has not identified any new standards that it believes merit further discussion or change to adopted policies, and the Company expects that none will have a significant impact on its financial statements.

NOTE 4 - REVERSE RECAPITALIZATION

On November 25, 2023 (the "Closing Date"), NewRegen Inc. closed an asset contribution agreement with the Company (the “Merger”), as a result of which NewRegen assumed certain assets and liabilities of PickleJar. While NewRegen was the legal acquirer of PickleJar’s net assets in the Merger, for accounting purposes, the Merger is treated as a reverse recapitalization, whereby PickleJar is deemed to be the accounting acquirer, and the historical financial statements of PickleJar became the historical financial statements of NewRegen upon the closing of the Merger. Under this method of accounting, NewRegen was treated as the “acquired” company and PickleJar is treated as the acquirer for financial reporting purposes, except for the legal capital, which is retroactively adjusted to reflect the capital of the legal acquirer (accounting acquiree), NewRegen, in accordance with ASC 805-40-45-1.

Accordingly, for accounting purposes, the Merger was treated as the equivalent of PickleJar issuing stock for the net assets of NewRegen, accompanied by a recapitalization. The net assets of NewRegen were stated at historical cost, with no goodwill or other intangible assets recorded.

As part of the Merger and reverse recapitalization, the Company assumed certain operating liabilities of NewRegen, including certain payables due to vendors and employees, as well as notes payable to noteholders. As consideration, of NewRegen’s Series A Preferred Stock were issued by NewRegen to PickleJar, 32,612,790 of those shares were issued to shareholders of PickleJar and 3,800,000 Series A Preferred Stock was retained by NewRegen’s largest voting share holder. As a result, the shareholders of

PickleJar gained voting rights equivalent to 89.56% of the voting rights for all classes of the Company's issued and outstanding stock. Further, \$537,728 of transaction costs were incurred due to the Merger and these costs were recorded as a reduction of additional paid-in capital. The transaction costs included \$60,000 of legal and filing fees paid by PickleJar and \$477,728 of other costs and fees which were paid by a former owner of NewRegen on the Company's behalf, for which the Company recognized a \$477,728 note payable owed to Everett Dickson, refer to Note 9.

The following table reconciles the elements of the Merger to the Statements of Shareholders' Equity (Deficit) for the year ended December 31, 2023:

	<u>Recapitalization</u>
Recognition of NewRegen equity	\$ 83,130
Less: Value of shares issued in excess of authorized	(70,477)
Less: transaction costs and advisory fees allocated to PickleJar equity	<u>(537,728)</u>
Effect of Merger, net of transaction costs	<u>\$ (525,075)</u>

The following table details the number of shares of Series A Preferred Stock issued immediately following the consummation of the Merger:

	<u>Number of Shares</u>
Series A Preferred Stock owned by NewRegen pre-Merger shareholders	3,800,000
Series A Preferred Stock issued as consideration for the Merger	<u>32,612,790</u>
Total shares of Series A Preferred Stock immediately After the Merger	<u>36,412,790</u>

As a result of the reverse capitalization, the Company assigned 6,412,790 of the shares in excess of the number of shares authorized. As of December 31, 2023, the Company classified \$70,541, the fair value of the shares assigned in excess, as a Preferred Stock Payable. On May 22, 2024, the Company filed an Amendment of Designation increasing the authorized Series A preferred stock from 30,000,000 to 40,000,000, at which time the remaining 6,412,790 shares of Series A were deemed to be issued and reflected in the Statements of Shareholders' Deficit as of December 31, 2024. There was no change in fair value of the preferred shares upon settlement of the Preferred Stock Payable and no gain or loss was recognized as of December 31, 2024. As of December 31, 2024, there were 36,412,790 shares of Series A preferred stock outstanding.

NOTE 5 – DEVELOPED SOFTWARE, NET

All Developed software costs are amortized over five years. Developed software, net, consists of the following:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Investments in our proprietary technology platform	\$ 2,212,732	\$ 2,164,805
Less: Accumulated amortization	<u>(1,330,795)</u>	<u>(891,254)</u>
Total Developed software, net	<u>\$ 881,937</u>	<u>\$ 1,273,551</u>

Amortization expense for Developed software was \$439,542 and \$396,159 for the years ended December 31, 2024 and 2023, respectively. Future amortization expense for our Developed software is as follows:

Years ended December 31,	
2025	\$ 442,546
2026	314,503
2027	75,496
2028	46,387
2029	3,005
Total	<u>\$ 881,937</u>

Within the statement of cash flows, the cash payments made for Developed software expenditures during the year ended December 31, 2024 relate to Developed software additions in prior years. For the year ended December 31, 2023, \$24,797 of the total \$102,797 paid for Developed software expenditures relates to 2023 Developed software additions.

NOTE 6 – RELATED PARTY TRANSACTIONS

All Related Party transactions are presented on an aggregated basis and are not netted on a per entity basis.

The Company has an arrangement to provide IT development services to a related party that is 50% owned by an officer of the Company. During the years ended December 31, 2024 and 2023, the Company recorded Related party IT services of \$138,400 and \$9,000, respectively, within the Related parties IT services line item of the Statements of Operations. There were no amounts due to the Company from the related party as of December 31, 2024 or December 31, 2023.

The Company has an arrangement with an entity that provides IT development and maintenance services to the Company that is wholly owned by two officers of the Company. These services are utilized to support and develop the Company's mobile application and to fulfill performance obligations associated with the Company's Related parties IT services revenue. The Company capitalized \$47,928 and \$343,075 of additions within Developed software, net on the balance sheets as of December 31, 2024 and 2023, respectively. The Company recorded maintenance expenses of \$34,261 and \$1,933 for services provided by the related party for the years ended December 31, 2024 and 2023, respectively, that is recorded in the Technology expense line item of the Statements of Operations. The Company recorded Related Party IT Services Cost of Revenue of \$47,172 and \$4,990 for services provided by the related party for the years ended December 31, 2024 and 2023, respectively. In addition, this related party entity also provides office space as well as accounting services to the entity for a fee. The Company recorded Rent expense on the Statements of Operations of \$48,000 and \$48,000 and marketing and accounting employment service expense within the Wages line item of the Statements of Operations of \$80,000 and \$110,000 for the years ended December 31, 2024 and 2023, respectively. This entity also provided the Company marketing and advertising services, as a result the Company recorded expenses of \$30,000 and \$36,986 within the Advertising, marketing and promotion line item of the Statements of Operations for the years ended December 31, 2024 and 2023, respectively. The Company recorded accounts payable associated with these expenditures of \$739,127 and \$531,890 within the Related party payables line item of the Balance sheets as of December 31, 2024 and 2023, respectively.

The Company has an arrangement with an entity that is wholly owned by two officers of the Company that provide outsourced employee services and processes certain payments on behalf of the Company for a fee of 20% of the dollar amount processed. The Company has incurred employee services and payment processing charges of \$854,765 and \$1,445,932 included in the Wages line item of the Statements of Operations for the years ended December 31, 2024 and 2023, respectively. The Company incurred payment processing charges of \$19,418 and \$11,424 during the years ended December 31, 2024 and 2023, respectively, of which \$17,306 and \$4,104 is included within the Radio show bookings Cost of Revenue line item of the Statements of Operations and the remainder is included within the Advertising, marketing and promotion expense, for the respective years. The Company has recorded amounts owed to the related party entity of \$415,589 and \$229,871, as of December 31, 2024 and 2023 respectively, within the Related party payables line of the Balance Sheets.

The Company, from time to time, converts certain related parties payables into Notes payable related parties through the execution of formalized agreements. During the year ended December 31, 2023, the Company converted \$434,898 from Related party payables into Notes payable - related parties as non-cash transactions. No additional amounts were converted to Notes Payables during the year ended December 31, 2024.

The above transactions were not arms-length transactions.

NOTE 7 – SIMPLE AGREEMENT FOR FUTURE EQUITY

The fair value of the SAFE liability was \$3,595,000, as of December 31, 2022. The Company issued a total of five notes payable in the form of SAFE arrangements between March and May of 2023 at a valuation cap of \$18,500,000 and received proceeds of \$910,000. The proceeds are included as a financing activity within "Proceeds from notes payable" on the Statements of Cash Flows for the year ended 2023. In the event of an Equity Financing (as defined in the SAFE agreements), before the termination of the SAFE, on the initial closing of such Equity Financing, the SAFE will automatically convert into the number of shares of Safe Preferred Stock equal to the Purchase Amount divided by the Conversion Price.

In the event of a Dissolution Event (as defined in the SAFE), the holders of the SAFEs, will be entitled to receive cash equal to the Cash-Out Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution Event. In the event of a Liquidity Event, the holders of the SAFEs receive the greater of (i) cash payment equal to the purchase amount or (ii) receive from the Company a number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price. The SAFEs were recorded as a liability in accordance with the applicable accounting guidance as they are redeemable for cash upon contingent events that are outside of the Company's control. The Company recognized a gain of \$4,422,078 as a result of the change in the fair value of the SAFE liabilities prior to the 2023 reverse merger (Note 4). On November 23, 2023, the outstanding SAFEs had a fair value of \$82,992 and all SAFEs were converted to preferred stock as a result of the reverse merger based upon an agreed upon price between the Company and the SAFE holders. No additional SAFE agreements were issued subsequent to November 23, 2023 and no SAFE liabilities were outstanding as of December 31, 2023. Prior to the November 2023 conversion, the Company utilized a scenario-based method to determine the fair value of the SAFE liability as of the valuation dates. Key inputs into these models included the timing and probability of the identified scenarios, included a valuation cap, equity values, probability of certain events, risk-free rate and volatility.

The features in the securities that were analyzed and incorporated into the model included the variable term and the conversion features. The model simulates the underlying economic factors that influenced which of these events would occur, when they are likely to occur, and the specific terms that would be in effect at the time (i.e. stock price, exercise price, etc.). Probabilities are assigned to each variable such as the timing and pricing of events over the term of the instruments based on management projections. This led to a cash flow simulation over the life of the instrument. A discounted cash flow was completed to determine the value for each security. Since the securities issued were third-party transactions at fair value, the transactions were calibrated to the proceeds received.

The following tables set forth a summary of the activity of the SAFE liabilities, which represents a recurring fair value measurement at the end of each reporting period:

Balance at December 31, 2022	\$ 3,595,000
Issuance of SAFEs	910,000
Gain on change in fair value of SAFE liabilities	(4,422,078)
Conversion of SAFEs in conjunction with the November 2023 reverse merger	(82,922)
Balance at December 31, 2023	\$ -

NOTE 8 – NOTES PAYABLE – RELATED PARTIES

On May 27, 2021, the Company issued a promissory note with a principal amount of \$350,000 to CXO5, an entity owned and managed by two of the Company's officers and directors. The Company made payments towards this debt during 2022 and 2021 in the aggregate amount of \$50,000. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$18,000, and total accrued interest at December 31, 2024, was \$67,933. For the year ended December 31, 2023, interest expense was \$18,000, and total accrued interest at December 31, 2023, was \$49,933. At December 31, 2024 and 2023, the total outstanding principal balance was \$300,000 and \$300,000, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

On March 31, 2022, the Company issued a promissory note with a principal amount of \$100,000 to Esroh Equity, which is 100% owned by one of the Company's officers and directors. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is

due on the maturity date. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$6,016, and total accrued interest at December 31, 2024, was \$16,553. For the year ended December 31, 2023, interest expense was \$6,000, and total accrued interest at December 31, 2023, was \$10,537. At December 31, 2024 and 2023, the total outstanding principal balance was \$100,000 and \$100,000, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$20,000 to Judy Lakin, a member of the board of directors of the Company. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The note may be converted to common shares at a fixed price per share of \$0.01 in the event of an acquisition prior to the maturity date or at a price per share determined by the Company before the maturity date. For the year ended December 31, 2024, interest expense was \$1,203, and total accrued interest at December 31, 2024, was \$1,627. For the year ended December 31, 2023, interest expense was \$424, and total accrued interest at December 31, 2023, was \$424. At December 31, 2024 and 2023, the total outstanding principal balance was \$20,000 and \$20,000, respectively.

On April 5, 2024, the Company received a short term loan from Arc Software for \$22,000. The loan was interest-free and was borrowed and repaid in the same month.

From time to time, certain related parties pay expenses on behalf of the Company that were originally recorded as Related party payables on the balance sheets and at a later time as agreed upon by the Company and the related parties may be memorialized into formal promissory notes.

During the year ended 2023, certain Related party payables were converted into the following promissory notes:

On January 16, 2023, the Company issued a promissory note with a principal amount of \$11,585 to Salios Group, LLC, an entity owned and managed by officers and directors of the Company. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$697, and total accrued interest at December 31, 2024, was \$1,364. For the year ended December 31, 2023, interest expense was \$667, and total accrued interest at December 31, 2023, was \$667. At December 31, 2024 and 2023, the total outstanding principal balance was \$11,585 and \$11,585, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

On August 3, 2023, the Company issued a promissory note with a principal amount of \$38,147 to CXO5. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$2,295, and total accrued interest at December 31, 2024, was \$2,897. For the year ended December 31, 2023, interest expense was \$602, and total accrued interest at December 31, 2023, was \$602. At December 31, 2024 and 2023, the total outstanding principal balance was \$38,147 and \$38,147, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

On September 1, 2023, the Company issued a promissory note with a principal amount of \$4,959 to Shadow Foxtrot, an entity owned and managed by officers and directors of the Company. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$298, and total accrued interest at December 31, 2024, was \$398. For the year ended December 31, 2023, interest expense was \$100, and total accrued interest at December 31, 2023, was \$100. At December 31, 2024 and 2023, the total outstanding principal balance was \$4,959 and \$4,959, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

On August 24, 2023, the Company issued a promissory note with a principal amount of \$257,986 to CXO5. The Company made payments towards this debt during 2023 of \$75,000. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum beginning September 1, 2023. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$11,009, and total accrued interest at December 31, 2024, was \$14,802. For the year ended December 31, 2023, interest expense was \$3,793, and total accrued interest at December 31, 2023, was \$3,793. At December 31, 2024 and 2023, the total outstanding principal balance was \$182,986 and \$182,986, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

On September 1, 2023, the Company issued a promissory note with a principal amount of \$122,221 to Vista 14, an entity owned and managed by officers and directors of the Company. The promissory note has a maturity date of December 31, 2024, and bears interest at 6% per annum. Payment made past the due date would be considered late and will incur an additional 10% late fee. For the year ended December 31, 2024, interest expense was \$7,353, and total accrued interest at December 31, 2024, was \$9,804. For the year ended December 31, 2023, interest expense was \$2,451, and total accrued interest at December 31, 2023, was \$2,451. At December 31, 2024 and 2023, the total outstanding principal balance was \$122,221 and \$122,221, respectively. The note matured on December 31, 2024 and remained unpaid as of that date. Accordingly, the note is considered to be in default as of December 31, 2024.

There were no Related party payables converted into promissory notes for the year ended December 31, 2024.

As of December 31, 2024, certain notes payable due to related parties with an aggregate principal balance of \$759,898 had reached their stated maturity dates of December 31, 2024, and remain outstanding. The Company is in active discussions with the respective noteholders, each of whom are officers, directors, or entities controlled by officers and directors of the Company, regarding the extension, restructuring, or conversion of these obligations. The lenders have not demanded payment or taken legal action and no formal extensions or waivers have been executed in regards to these notes payable as of December 31, 2024 or through the date these financial statements were issued.

Future maturities of total Notes payable - related parties are as follows:

Fiscal year ended	Principal
December 31, 2025	\$ -
December 31, 2026	20,000
December 31, 2027	-
December 31, 2028	-
December 31, 2029	-
December 31, 2030 and thereafter	-
Total	\$ 20,000

NOTE 9 – NOTES PAYABLE

On August 22, 2023, the Company issued a promissory note with a principal amount of \$50,000 to 2378493 Ontario, Inc. The promissory note has a maturity date of August 22, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares upon a qualified registration becoming effective at a rate per share set forth in the registration statement or upon acquisition at a price per share determined by the Company. The dilutive effect to common shares outstanding cannot be determined unless and until conversion terms are specified. At December 31, 2024 and 2023, the total outstanding principal balance was \$50,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$3,008 and \$1,077, respectively, and total accrued interest at December 31, 2024 and 2023, was \$4,085 and \$1,077, respectively.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$150,000 to David Hargrave. The promissory note has a maturity date of August 25, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$150,000 and \$150,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$9,025 and \$2,910, respectively, and total accrued interest at December 31, 2024 and 2023, was \$11,935 and \$2,910, respectively.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$200,000 to Joseph Tharp. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$200,000 and \$200,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$12,033 and \$4,011, respectively, and total accrued interest at December 31, 2024 and 2023, was \$16,044 and \$4,011, respectively.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$50,000 to Kenneth Baye. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$50,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$3,000 and \$1,003, respectively, and total accrued interest at December 31, 2024 and 2023, was \$4,003 and \$1,003, respectively.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$50,000 to Michael Wright. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$50,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$3,008 and \$1,002, respectively, and total accrued interest at December 31, 2024 and 2023, was \$4,010 and \$1,002, respectively.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$25,000 to Philip Wright. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$25,000 and \$25,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$1,484 and \$501, respectively and total accrued interest at December 31, 2024 and 2023, was \$1,985 and \$501, respectively.

On August 31, 2023, the Company issued a promissory note with a principal amount of \$10,000 to Frank Ruppen. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$10,000 and \$10,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$600 and \$200, respectively and total accrued interest at December 31, 2024 and 2023, was \$800 and \$200, respectively.

On November 2, 2023, the Company issued a promissory note with a principal amount of \$100,000 to Joseph Tharp. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$100,000 and \$100,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$6,016 and \$986, respectively, and total accrued interest at December 31, 2024 and 2023, was \$7,002 and \$986, respectively.

On November 2, 2023, the Company issued a promissory note with a principal amount of \$50,000 to Rhon Daguro. The promissory note has a maturity date of August 31, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024 and 2023, the total outstanding principal balance was \$50,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$3,008 and \$493, respectively, and total accrued interest at December 31, 2024 and 2023, was \$3,501 and \$493, respectively.

On November 5, 2023, the Company issued a promissory note with a principal amount of \$100,000 to Chris Kellogg, funded with an initial \$50,000 on November 7, 2023, and another \$50,000 on January 17, 2024. The promissory note has a maturity date of September 5, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares upon a qualified registration becoming effective at a rate per share set forth in the registration statement or upon acquisition at a price per share determined by the Company. The dilutive effect to common shares outstanding cannot be determined unless and until conversion terms are specified. At December 31, 2024 and 2023, the total outstanding principal balance was \$100,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$5,869 and \$468, respectively, and total accrued interest at December 31, 2024 and 2023, was \$6,337 and \$468, respectively.

On November 6, 2023, the Company issued a promissory note with a principal amount of \$50,000 to Steven Triplett. The promissory note has a maturity date of September 6, 2026, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares upon a qualified registration becoming effective at a rate per share set forth in the registration statement or upon acquisition at a price per share determined by the Company. The dilutive effect to common shares outstanding cannot be determined unless and until conversion terms are specified. At December 31, 2024 and 2023, the total outstanding principal balance was \$50,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$3,008 and \$460, respectively and total accrued interest at December 31, 2024 and 2023, was \$3,468 and \$460, respectively.

On February 29, 2024, the Company issued a promissory note with a principal amount of \$60,000 to David Hargrave. The promissory note has a maturity date of March 1, 2027, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024, the total outstanding principal balance was \$60,000. For the year ended December 31, 2024, interest expense was \$3,018, and total accrued interest at December 31, 2024, was \$3,018.

On August 30, 2024, the Company issued a promissory note with a principal amount of \$9,575 to Chad Thilborger. The promissory note has a maturity date of August 31, 2027, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024, the total outstanding principal balance was \$9,575. For the year ended December 31, 2024, interest expense was \$194, and total accrued interest at December 31, 2024, was \$194.

On August 31, 2024, the Company issued a promissory note with a principal amount of \$10,000 to Frank Ruppen. The promissory note has a maturity date of August 31, 2027, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024, the total outstanding principal balance was \$10,000. For the year ended December 31, 2024, interest expense was \$201, and total accrued interest at December 31, 2024, was \$201.

On September 30, 2024, the Company issued a promissory note with a principal amount of \$70,000 to Kenneth Baye. The promissory note has a maturity date of October 31, 2027, and bears interest at 6% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares at a fixed price per share of \$0.01 prior to the maturity date in the event of an acquisition or at a price per share determined by the Company before the maturity date. At December 31, 2024, the total outstanding principal balance was \$70,000. For the year ended December 31, 2024, interest expense was \$1,070, and total accrued interest at December 31, 2024, was \$1,070.

The following convertible notes are in the line item Notes Payable in the balance sheet and are composed of the notes listed below. It was determined that the fair value of some of the Convertible Notes contain variable market-based conversion derivative features at maturity, and therefore we hired a valuation specialist to determine valuation, and therefore debt discount, at the time of notes and for specified reporting periods. These debt discounts are included within the information for each note below.

At December 31, 2024 and 2023, the below notes payable is disclosed net of a debt discount of \$124,580 and \$141,153, respectively. The debt discount represents the value attributed to the conversion feature embedded in the Convertible Notes Payable at issuance. The Company recorded amortization expense of the debt discount of \$203,248 and \$25,582 for the year ended December 31, 2024 and 2023, respectively as interest expense. The terms of these agreements resulted in the Company recording a derivative liability of \$351,069 and \$168,293 as of December 31, 2024 and 2023, respectively. The effective interest rate was 67.19% and 76.85% for the years ended December 31, 2024 and 2023, respectively.

On November 24, 2023, the Company issued a promissory note with a principal amount of \$477,728 to Everett Dickson for expenses paid on behalf of the Company during 2021 through November 24, 2023. The promissory note has a maturity date of May 31, 2024, and bears interest at 6% per annum. The note may be converted to common shares prior to the maturity date upon a qualified registration, becoming effective at a rate per share set forth in the registration statement or upon maturity the holder may convert the note in its entirety or in part into common stock of the Company valued at a twenty-five percent (25%) discount off the average closing price for the Company's common stock during the thirty (30) trading days immediately preceding a conversion date. At December 31, 2024 and 2023, the total outstanding principal balance was \$477,728 and \$477,728, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$28,742 and \$2,984, respectively, and total accrued interest at December 31, 2024 and 2023, was \$31,726 and \$2,984, respectively. The note was in default as of December 31, 2024. The note was issued with a debt discount of \$150,165. Amortization of the debt discount was \$124,801 and \$25,364 for the years ended December 31, 2024 and 2023, respectively. The unamortized discount was \$0 and \$124,801 as of December 31, 2024 and 2023, respectively. The effective interest rate was 82.18% for the years ended December 31, 2024 and 2023.

On December 12, 2023, the Company issued a promissory note with a principal amount of \$50,000 to Everett Dickson. The promissory note has a maturity date of December 12, 2026, and bears interest at 6% per annum. The note may be converted to common shares upon a qualified registration prior to the maturity date, becoming effective at a rate per share set forth in the registration statement or upon maturity the holder may convert the note in its entirety or in part into common stock of the Company valued at a twenty-five percent (25%) discount off the average closing price for the Company's common stock during the thirty (30) trading days immediately preceding a conversion date. At December 31, 2024 and 2023, the total outstanding principal balance was \$50,000 and \$50,000, respectively. For the year ended December 31, 2024 and 2023, interest expense was \$3,254 and \$140, respectively, and total accrued interest at December 31, 2024 and 2023, was \$3,394 and \$140, respectively. The note was issued with a debt discount of \$16,571. Amortization of the debt discount was \$4,476 and \$219 for the years ended December 31, 2024 and 2023, respectively. The unamortized discount was \$11,875 and \$16,352 as of December 31, 2024 and 2023, respectively. The effective interest rate was 20.95% for the years ended December 31, 2024 and 2023, respectively.

On May 25, 2024, the Company issued a promissory note with a principal amount of \$350,000 to Chris Kellogg. The promissory note has a maturity date of June 1, 2025, and bears interest at 8% per annum, and the opportunity to convert the principal and accrued interest into common stock of the Company upon the filing of a qualified registration statement. The note is in default as of December 31, 2025. The note may be converted to common shares prior to the maturity date upon an acquisition at a price based on either a qualified registration becoming effective at a rate per share set forth in the registration statement or at a price per share determined by the Company. Following the maturity date, the holder may convert the note in its entirety or in part into common stock of the Company valued at a twenty-five percent (25%) discount off the average closing price for the Company's common stock during the thirty (30) trading days immediately preceding a conversion date. At December 31, 2024, the total outstanding principal balance was \$350,000. For the year ended December 31, 2024, interest expense was \$16,033, and total accrued interest at December 31, 2024, was \$16,033. The note was issued with a debt discount of \$113,077. Amortization of the debt discount was \$ 60,264 and \$0 for the years ended December 31, 2024 and 2023, respectively. The unamortized discount was \$52,813 as of December 31, 2024. The effective interest rate was 48.76% for the years ended December 31, 2024 and 2023.

On May 31, 2024, the Company issued a promissory note with a principal amount of \$25,000 to Thomas Barowsky. The promissory note has a maturity date of June 1, 2025, and bears interest at 6% per annum, and the opportunity to convert the principal and accrued interest into common stock. The note may be converted to common shares prior to the maturity date based on a qualified registration becoming effective at a rate per share set forth in the registration statement, or following the maturity date, the holder may convert the note in its entirety or in part into common stock of the Company valued at a twenty-five percent (25%) discount off the average closing price for the Company's common stock during the thirty (30) trading days immediately preceding a conversion date. The note is in default as of December 31, 2025. At December 31, 2024, the total outstanding principal balance was \$25,000. For the year ended December 31, 2024, interest expense was \$879, and total accrued interest at December 31, 2024, was \$879. The note was issued with a debt discount of \$7,951. Amortization of the debt discount was \$4,215 and \$0 for the years ended December 31, 2024 and 2023, respectively. The unamortized discount was \$3,736 as of December 31, 2024. The effective interest rate was 46.12% for the years ended December 31, 2024 and 2023.

On October 4, 2024, the Company issued a promissory note with a principal amount of \$100,000 to Chalen Enterprises. The promissory note has a maturity date of October 4, 2025, and bears interest at 10% per annum. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note will be converted to common shares at a 20% discount to market immediately prior to the effectiveness of a qualified registration statement (a "Direct Listing"). If a Direct Listing does not occur by the maturity date, then the holder may convert at their election the outstanding note to common shares at a 20% discount to market on the date of the notice of such election to convert. If the Company consummates an acquisition prior to the conversion or repayment in full of the promissory note, then at the closing of such acquisition, the Company will pay or issue to the holder consideration equal to the greater of (i) cash equal to 200% of the then outstanding promissory note and (ii) the consideration (whether in cash or securities) the holder would have been entitled to receive in connection with such acquisition if the promissory note then outstanding had been converted into shares of Company's common stock immediately prior to such acquisition at a conversion price at a 20% discount to market. As of December 31, 2024, the total outstanding principal balance was \$100,000. For the year ended December 31, 2024, interest expense was \$1,447, and total accrued interest at December 31, 2024, was \$1,447. The note was issued with a debt discount of \$48,964. Amortization of the debt discount was \$ 8,536 and \$0 for the years ended December 31, 2024 and 2023, respectively. The unamortized discount was \$40,428 as of December 31, 2024. The effective interest rate was 83.73% for the years ended December 31, 2024 and 2023. The note is in default as of December 31, 2025.

On December 5, 2024, the Company issued a promissory note with a principal amount of \$50,000 to Jerry James. The promissory note has a maturity date of December 5, 2025, and bears interest at 10% per annum. The note is in default as of December 31, 2025. The full balance of the promissory note including all accrued interest and any other fees and penalties is due on the maturity date. The note may be converted to common shares prior to maturity upon a qualified registration, becoming effective at a rate per share set forth in the registration statement or upon maturity at a 25% discount to market. At December 31, 2024, the total outstanding principal balance was \$50,000. For the year ended December 31, 2024, interest expense was \$301, and total accrued interest at December 31, 2024, was \$301. The note was issued with a debt discount of \$16,343. Amortization of the debt discount was \$963

and \$0 for the years ended December 31, 2024 and 2023, respectively. The unamortized discount was \$15,727 as of December 31, 2024. The effective interest rate was 53.75% for the years ended December 31, 2024 and 2023.

Future maturities of total Notes payable are as follows:

Fiscal year ended	Principal
December 31, 2025	\$ 525,000
December 31, 2026	885,000
December 31, 2027	149,575
December 31, 2028	-
December 31, 2029	-
December 31, 2030 and thereafter	-
Total	\$ 1,559,575

NOTE 10 - SHORT TERM LOANS

Short term loans were issued with original maturity dates of one year or less, with rights to receive shares of common stock, and included terms requiring penalties for early repayments, and thus are presented separately on the balance sheet and not included within Notes payable, net.

On June 7, 2024, the Company issued a promissory note with a principal amount of \$50,000 to Kenneth Baye. The promissory note has a maturity date of June 7, 2025, and bears interest at 10% per annum, and the opportunity to convert the principal and accrued interest into common stock of the Company upon the filing of a qualified registration statement at a rate per share set forth in the registration statement. The note may be pre-paid at any time prior to the maturity date with a pre-payment penalty of \$5,000. In addition, the note holder is entitled to receive a bonus of 100,000 common shares. The shares valuation is noted below. The shares were valued at \$619. As of December 31, 2024, the shares have not yet been issued by the transfer agent and the fair value of the shares of \$619 has been credited to Notes payable, net. The note was pre-paid prior to the maturity date along with the \$5,000 pre-payment penalty. The pre-payment penalty was recorded as a \$5,000 loss on extinguishment of debt. At December 31, 2024, the total outstanding principal balance was \$0. For the year ended December 31, 2024, interest expense was \$0, and total accrued interest at December 31, 2024, was \$0.

On June 7, 2024, the Company issued a promissory note with a principal amount of \$50,000 to Mark Blieden. The promissory note has a maturity date of June 7, 2025, and bears interest at 10% per annum, and the opportunity to convert the principal and accrued interest into common stock of the Company upon the filing of a qualified registration statement at a rate per share set forth in the registration statement. The note may be pre-paid at any time prior to the maturity date with a pre-payment penalty of \$5,000. In addition, the note holder is entitled to receive a bonus of 100,000 common shares. As of December 31, 2024, the shares have not yet been issued by the transfer agent and the fair value of the shares of \$619 has been credited to Notes payable, net. The note was pre-paid prior to the maturity date along with the \$5,000 pre-payment penalty. The pre-payment penalty was recorded as a \$5,000 loss on extinguishment of debt. At December 31, 2024, the total outstanding principal balance was \$0. For the year ended December 31, 2024, interest expense was \$0, and total accrued interest at December 31, 2024, was \$0.

On July 21, 2024, the Company issued a promissory note with a principal amount of \$50,000 to Mark Blieden. The promissory note has a maturity date of July 21, 2025, and bears interest at 10% per annum, and the opportunity to convert the principal and accrued interest into common stock of the Company upon the filing of a qualified registration statement at a rate per share set forth in the registration statement. The note may be pre-paid at any time prior to the maturity date with a pre-payment penalty of \$2,500. In addition, the note holder is entitled to receive a bonus of 50,000 common shares. As of December 31, 2024, the shares have not yet been issued by the transfer agent and the fair value of the shares of \$619 has been credited to Notes payable, net. The note may be converted to common shares upon a qualified registration becoming effective at a rate per share set forth in the registration statement or upon acquisition at a price per share determined by the Company. At December 31, 2024, the total outstanding principal balance was \$50,000. For the year ended December 31, 2024, interest expense was \$2,288, and total accrued interest at December 31, 2024, was \$2,288. The note is in default as of December 31, 2025.

On July 21, 2024, the Company issued a promissory note with a principal amount of \$50,000 to Kenneth Baye. The promissory note has a maturity date of July 21, 2025, and bears interest at 10% per annum, and the opportunity to convert the principal and accrued interest into common stock of the Company upon the filing of a qualified registration statement at a rate per share set forth in the registration statement. The note may be pre-paid at any time prior to the maturity date with a pre-payment penalty of \$2,500. In addition, the note holder is entitled to receive a bonus of 50,000 common shares. As of December 31, 2024, the shares have not

yet been issued by the transfer agent and the fair value of the shares of \$619 has been credited to Notes payable, net. The note may be converted to common shares upon a qualified registration becoming effective at a rate per share set forth in the registration statement or upon acquisition at a price per share determined by the Company. At December 31, 2024, the total outstanding principal balance was \$50,000. For the year ended December 31, 2024, interest expense was \$2,329, and total accrued interest at December 31, 2024, was \$2,329. The note is in default as of December 31, 2025.

NOTE 11 – REVOLVING LINE OF CREDIT

On August 29, 2022, the Company entered into an agreement with Celia Holdings (NA), Inc. extending a revolving line of credit to the Company of \$2 million to provide access to capital as required. The outstanding balance accrues interest at 7% calculated on a daily basis. The LOC matures on August 29, 2027 and contains certain affirmative and negative covenants, including limitations on the incurrence of indebtedness, asset dispositions, acquisitions, investments, dividends and other restricted payments, liens and transactions with affiliates. During the years ended December 31, 2022 and 2023, the Company drew down on this credit facility in six (6) installments as follows:

1) August 29, 2022	\$700,000
2) September 29, 2022	\$400,000
3) October 31, 2022	\$200,000
4) November 15, 2022	\$460,000
5) December 16, 2022	\$200,000
6) January 23, 2023	\$ 40,000

The revolving line of credit balance was \$2,000,000 as of December 31, 2024 and 2023. For the years ended December 31, 2024 and 2023, interest expense was \$140,484 and \$139,824, respectively, and total accrued interest at December 31, 2024 and 2023, was \$311,095 and \$170,712, respectively.

This line of credit bears interest at 7% with payments of principal due in equal monthly installments as follows:

- (i) With respect to Revolving Loans made by the Lender on or prior to the second (2nd) anniversary of the Effective Date, the then unpaid principal amount of each such Revolving Loan shall be paid in equal monthly installments on the first Business Day of each calendar month following the second (2nd) anniversary of the Effective Date and ending on the Maturity Date (for greater certainty, in thirty-six (36) monthly installments); and
- (ii) With respect to Revolving Loans made by the Lender following the second (2nd) anniversary of the Effective Date, the then unpaid principal amount of each such Revolving Loan shall be paid in equal monthly installments based upon the number of months remaining until the Maturity Date commencing with the first Business Day of the calendar month following the date on which each such Revolving Loan was made; and all accrued Interest thereon on the Maturity Date.
- (iii) The Borrower shall have the right at any time and from time to time to prepay any Loan in whole or in part without fee or penalty. There shall be no prepayment fee for any prepayments made under this Note. Amounts prepaid may be reborrowed, subject to the terms and conditions of the Credit Agreement.

At any time prior to an equity financing, the Lender shall have the right but not the obligation to convert all or any portion of the principal amount of and accrued interest on any and all Revolving Loans outstanding at any time and from time to time into a Simple Agreement for Future Equity on the same terms and conditions as set forth in the SAFEs, other than the Valuation Cap (as defined in the SAFEs) shall be \$18,500,000.

Concurrently with the consummation of an equity financing, or following the consummation of an equity financing, the Lender shall have the right but not the obligation to convert all or any portion of the principal amount of and accrued interest on any and all Revolving Loans then outstanding into Standard Preferred Stock or Safe Preferred Stock (each as defined in the SAFEs), as applicable, on the same terms and conditions as set forth in the SAFEs, other than the Valuation Cap shall be \$18,500,000 (an “Equity Financing Conversion Event”).

The Company estimated the fair value of the derivative liability embedded within its convertible note using a Monte Carlo simulation model. At December 31, 2024 and 2023, the revolving line of credit is disclosed net of a debt discount of \$311,856 and \$402,656, respectively. The Company recorded the amortization of the debt discount of \$90,800 and \$ 100,149 as Interest expense for the years ended December 31, 2024 and 2023, respectively.

During 2023, the Company incurred additional notes payable with principal amounts in excess of \$100,000, the Permitted Indebtedness Threshold set forth in the Line of Credit Revolver Agreement with Celia Holdings (NA), and therefore is in default.

As a result of the Event of Default under the Agreement, the Lender, at its sole discretion, is entitled to accelerate and declare immediately due and payable the entire outstanding balance or a portion of the outstanding balance of \$2,000,000, to terminate the Facility and increase the interest rate. None of the remedies have been exercised by the lender as of December 31, 2024 or through the date these financial statements were issued. The Company has not received a waiver from the Lender with respect to this default. Accordingly, the outstanding net balance of \$1,688,144 and \$1,597,344 as of December 31, 2024 and 2023, respectively, is classified as current on the Balance Sheet.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

The Company is subject at times to other legal proceedings and claims, which arise in the ordinary course of its business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters should not have a material adverse effect on its financial position, results of operations or liquidity.

- On July 7, 2023, the Company was sued by a service provider in a breach of contract dispute whereby the service provider is demanding payment of \$9,067, for services provided in November 2022, and is included in Accounts Payable within the Balance Sheet as of December 31, 2024 and 2023. This matter will be resolved once the Company is in a cash position to provide adequate resolution. As of December 31, 2024, no payments have been made. The Company recorded \$3,517 as interest expense for the year ended December 31, 2023 and the payable is included within Accrued interest-other on the Balance Sheet as of December 31, 2024 and 2023.
- On September 6, 2023, the Company was sued by a service provider in a breach of contract dispute whereby the service provider is demanding payment of \$25,000, for services provided during June to August 2022. This matter will be resolved once the Company is in a cash position to provide adequate resolution. The Company paid \$4,000 against the amount due during the year ended December 2024. As of December 31, 2024 and 2023, the balance due is \$21,000 and \$25,000, respectively, and is included within Accounts Payable on the Balance Sheet. The Company recorded interest expense of \$1,600 for the year ended December 31, 2023 and the payable is included within Accrued interest-other on the Balance Sheet as of December 31, 2024 and 2023.

NOTE 13 – INCOME TAXES

The Company accounts for income taxes in accordance with ASC 740, *Income Taxes*. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

A reconciliation of statutory income tax rate to effective tax rate was as follows for each of the periods presented:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Federal income taxes at statutory rate	21.0%	21.0%
State income taxes at statutory rate	0.0%	0.0%
Change in Valuation allowance	(21.0%)	(21.0%)
Effective tax rate	0.0%	0.0%

Net deferred tax assets consist of the following components as of December 31:

	2024	2023
Deferred Tax Assets:		
NOL Carryforward	\$ 1,411,200	\$ 1,108,300
Accrued compensation	40,300	20,200
Allowance for doubtful accounts	2,000	1,900
Related party accruals	248,300	160,000
Total gross deferred tax assets	1,701,800	1,290,400
Less valuation allowance	(1,701,800)	(1,290,400)
Net deferred tax assets	\$ -	\$ -

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate to pre-tax income from continuing operations for the period ended December 31, due to the following:

	2024	2023
Book (loss) income	\$ (414,900)	\$ 253,300
Gain on change in fair value of SAFE	—	(928,600)
Loss on change in fair value of derivative	(800)	300
Amortization of debt discount	61,800	26,400
Allowance for Doubtful Accounts	100	100
Accrued compensation	20,200	20,200
Related party payables	88,300	85,600
Change in fair value of revolver - line of credit derivative	(44,800)	22,500
Valuation allowance	290,100	520,200
Net deferred tax assets (liabilities), net of valuation allowances	\$ -	\$ -

The Company has recorded a full valuation allowance against its deferred tax assets as of December 31, 2024 and 2023. The full valuation allowance reflects management's conclusion that, based on cumulative losses in recent years, uncertainty regarding the timing and amount of future taxable income, and limitations under Section 382 of the Internal Revenue Code that may result from ownership changes, it is more likely than not that the deferred tax assets will not be realized.

As of December 31, 2024 and 2023, the Company had net operating loss carryforwards for federal and state income tax purposes of approximately \$6.7 million and \$5.3 million, respectively. These net operating losses were generated in tax years beginning after December 31, 2020 and therefore have an indefinite carryforward period. Based on the available objective evidence, management believes it is more likely than not that the net deferred tax assets of the Company will not be fully realizable for the years ended December 31, 2024 and 2023. Accordingly, management applied a full valuation allowance against net deferred tax assets as of December 31, 2024 and 2023. The valuation allowance recorded through the current-year tax provision was \$(290,100) for 2024, compared to \$(520,200) for 2023 — a decrease of \$230,100. On a balance-sheet basis, the cumulative valuation allowance offsetting net deferred tax assets was \$1,701,800 at December 31, 2024 and \$1,290,400 at December 31, 2023.

In accordance with Section 382 of the Internal Revenue code, the usage of the Company's net operating loss carryforwards may be limited in the event of a change in ownership. A full Section 382 analysis has not been prepared and NOLs could be subject to limitation under Section 382.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal and state income tax examinations by tax authorities for years prior to 2021.

No current federal or state income tax expense has been recognized for the years ended December 31, 2024 and 2023 due to the full valuation allowance against deferred tax assets.

The components of the income tax provision on the statements of operations is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax (expense) benefit	\$ -	\$ -
Deferred tax expense (benefit)	-	-
Provision for income taxes, total	\$ -	\$ -

No federal or state cash income taxes were paid during the years ended December 31, 2024 and 2023. The Company has no unrecognized tax benefits as of December 31, 2024 and 2023. The Company recognizes interest and penalties related to uncertain tax positions as a component of income tax expense; no interest or penalties were accrued during the periods presented.

NOTE 14 – SHAREHOLDERS’ EQUITY

Common Stock

The Company has 750,000,000 authorized common shares with a par value of \$0.00001 per share. Each common share entitles the holder to one vote, in person or proxy, on any matter on which action of the shareholders of the corporation is sought

At December 31, 2024 and 2023, there were 124,639,472 Common Shares issued and outstanding.

Preferred Stock

The Company has 100,000,000 authorized preferred shares with a par value of \$0.00001 per share in one or more series, the rights and preferences of which may be determined by the Board of Directors.

As of December 31, 2024 and 2023, there were 40,000,000 and 30,000,000 shares, respectively, Designated as Class A Preferred stock. The Company’s Class A preferred stock is composed of the following:

Dividends - There will be no dividends due or payable on the Class A Preferred Stock.

Liquidation - Class A Preferred Stock are not entitled to any rights upon the occurrence of a Liquidation Event. As used herein, “Liquidation Event” means; (i) the liquidation, dissolution or winding-up, whether voluntary or involuntary, of the Corporation, (ii) the merger or consolidation of the Corporation with or into any other corporation or corporations.

Hold period - Upon the date of subscription or receipt, holders of the Class A Preferred must hold their Preferred shares for one (1) year and one (1) day prior to converting their Class A Preferred Shares to Common Shares.

Conversion - Conversion of the Class A Preferred Stock is permitted; Every Class A Preferred Share held can be converted into one (1) Common Share of the Corporation’s Common Stock, upon written notice to the Corporation, after the hold period has expired.

Rank - All shares of the Class A Preferred Stock shall rank senior to the Corporation's Common Stock, par value \$0.00001 per share ("Common Stock") of the Corporation and all preferred stock of the Corporation. In addition, so long as any shares of Preferred Class A Stock remains outstanding, in addition to any other vote or consent of shareholders required by the Corporation's certificate of incorporation, the Corporation will not, without first obtaining the approval (by written consent, as provided by law or otherwise) of a unanimous vote of the then outstanding shares of Class A Preferred Stock, voting together as a class: (i) Increase or decrease the total number of authorized shares of Class A Preferred Stock; (ii) Effect an exchange reclassification, or cancellation of all or a part of the Class A Preferred Stock, but excluding a stock split or reverse stock split of the Corporation's Common Stock or preferred stock; (iii) Effect an exchange, or create a right of exchange, of all or part of the shares of another class of shares into shares of Class A Preferred Stock; or (iv) Alter or change the rights, preferences or privileges of the shares of Class A Preferred Stock so as to affect adversely the shares of such series, including the rights set forth in this Designation. For clarification, issuances of additional authorized shares of Class A Preferred Stock under the terms herein shall require the authorization or approval of the existing shareholders of Class A Preferred Stock.

Voting rights - The Class A Preferred Stock, is Anti Dilutive. Class A Preferred shares issued and outstanding, represent 66.667% voting rights of all the issued and outstanding shares of all classes of the Corporation’s shares. Class A Preferred shares vote together as a class, with a majority vote of the class needed to vote. Each share of Class A Preferred Stock is entitled to one vote per share, and each share of Common Stock is entitled to one vote per share on all matters submitted to stockholders for a vote. With respect

to all matters upon which shareholders are entitled to vote or to which shareholders are entitled to give consent, the holders of the outstanding shares of Class A Preferred Stock vote together with the holders of Common Stock, except as to those matters on which separate class voting is required by applicable law or the Certificate of Incorporation or By-laws.

Redemption - The Company has the right, but not the obligation to redeem the Class A beginning one calendar year from their issuance at the market price of the Company's Common Stock, calculated as the average price of the previous 5 trading days prior to the notice of redemption being sent by the Company. The Company shall redeem the Class A Preferred Stock within fourteen (14) days from sending the redemption notice to the shareholder.

NOTE 15 - SEGMENT REPORTING

The Company currently manages its operations as a single segment focused on offering customers an integrated suite of software and services designed to develop fan engagement with emerging artists, mid-sized venues, and global brands. A single management team reports to the chief operating decision Company who comprehensively manages the entire business. All of the Company's revenue are included in one operating segment as the Company's service offerings have similar economic and other characteristics, including the nature of the programs, production processes, and regulatory environment.

Consistent with the Company's operational structure, the Chief Executive Officer, as the ("CODM"), manages and allocates resources at the corporate level using single-segment GAAP financial statement reported profit and loss and budget and forecast information for purpose of evaluating performance, allocating resources, setting incentive targets, and planning and forecasting future periods. Managing and allocating resources at the corporate level enables the CODM to assess both the overall level of resources available and how to best deploy these resources across functions and product offerings in line with our overarching long-term corporate-wide strategic goals, rather than on a product offering basis. The Company is not organized by market and is managed and operated as one business.

The Company presents revenue disaggregated by product offering on the Statements of Operations.

NOTE 16 – SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through, April 16, 2026, the date that the financial statements were issued and has determined that it has the following material subsequent events to disclose in these financial statements.

The Company earned Related Party IT Services revenue of \$37,940 and Related party IT services cost of sales of \$5,091 for the year ended December 31, 2025.

The Company incurred internally developed software costs of \$79,814 subsequent to December 31, 2024 related to incomplete projects.

Subsequent to December 31, 2024, Esroh Equity, a related party, advanced the Company \$1,304,600 in various installments to fund the Company's operations.

Subsequent to December 31, 2024, the Company did not make timely payments on certain Notes payable - related party in accordance with the terms of the related agreements, and as a result, incurred a 10% late payment penalty of \$75,990 that was incurred on January 1, 2025 for the related notes.

As noted within Note 8 and Note 9, subsequent to December 31, 2024, certain of our debt instruments have matured and have not been repaid and therefore are in default.

On February 10, 2025, the Company issued a note payable for \$50,000 to Chris Kellogg with a maturity due date of February 10, 2026. The note was not repaid as of the maturity date and therefore the Company is in default.

Effective August 1, 2025, Midwest Communications, Inc. and the Company (including its listed affiliates) entered into a three-month Facility and Use Agreement for the production and recording of the overnight radio show "*PickleJar Up All Night with Katie and Scott.*" Under the agreement, PickleJar will use Midwest's facility located at 504 Rosedale Ave, Nashville, TN for permitted production activities during business hours (8 a.m. to 5 p.m., Monday through Friday) at a rental rate of \$10,000 per month. The agreement provides for a potential twelve-month extension pursuant to the standard terms and conditions, and it is anticipated that Midwest will broadcast the program on station WNFN 106.7 Y'ALL FM during the term of the agreement. As explained in Note 3, the Company's radio show, PickleJar Up All Night, joint production and syndication agreement expired in November of 2024,

resulting in the end of Radio Show revenue and associated costs. On August 18, 2025, the Company launched a new radio show, PickleJar Up All Night, through the execution of an affiliation and distribution agreement. We have not generated revenue under this new contract.

On September 25, 2025, the Company entered into a non-binding term sheet to acquire substantially all assets of SonicBids, LLC, including its platform, intellectual property, artist and venue databases, and customer contracts, with the assets to be contributed post-closing into a newly formed joint venture, Newco JV. Payment consideration will be entirely in PKLE common stock at \$0.05 per share, consisting of \$50,000 issued at closing and an \$18,800 earn-out over 18 months subject to performance milestones and clawback provisions. Approximately \$464,000 of SonicBids, LLC's existing debt will be restructured to \$200,000 (assumed by Newco JV and repaid over 78 months), with \$34,000 of the existing debt being repaid at closing from a \$150,000 new capital raise structured as convertible notes. Post-closing, Newco JV ownership will be composed of 51% to PickleJar, 25% to the Operators, 14% to new investors, and 10% reserved by PickleJar for future raises, and governed by a five-member board controlled by PickleJar. The accounting treatment of this transaction was not complete as of the date these financial statements were issued.

Effective November 5, 2025, Local Radio Networks, Inc. ("LRN") and the Company entered into an Affiliate and Distribution Service Agreement under which the parties will partner to provide distribution and production services for PickleJar programming. The agreement has an initial one-year term beginning December 1, 2025 and ending November 30, 2026, and thereafter automatically renews for successive one-year terms unless either party provides at least three months' written notice of cancellation prior to the end of a term. Renewal terms will maintain the same base rate (no annual increase) for each PickleJar show produced at that time, with additional affiliated stations beyond the 15 included in the base package charged at \$100 per station per month.