Item XVI. Management's Discussion and Analysis or Plan of Operation.

Forward-Looking Information

You should read the following discussion and analysis of our financial condition and plan of operations together with our financial statements and related notes appearing elsewhere in this Company Information Reported. Various statements have been made in this Report that may constitute "forward-looking statements". Forward-looking statements may also be made in the Company's other reports filed with or furnished to the United States Securities and Exchange Commission (the "Commission") and in other documents. In addition, from time to time, the Company, through its management, may make oral forward looking-looking statements. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from such statements. The words "believe," "expect," "anticipate," "optimistic," "intent," "plan," "aim," "will," "may,", "should," "could," "would," "likely" and similar expressions are intended to identify forward looking-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. ThermaFreeze undertakes no obligation to update or revise any forward-looking statements.

A. Plan of Operation

We manufacture, distribute, and market high-quality ice packs by way of a patented, solution-based technology for cold chain product management, thermal packaging and therapeutic health care issues, requiring either cold or hot topical application. ThermaFreeze pads are based on a proprietary cooling technology and makes use of non-toxic, biodegradable crystallized polymer capable of absorbing moisture and releasing it in a slow and gradual pace through a process called sublimation. This cooling effect lasts for a while without giving that uncomfortable wetness generally created by ordinary ice and ice substitutes. To continue to operate and grow our business we believe that it is necessary to obtain additional financing. We cannot guarantee that the Company will be able to obtain additional funding.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations for the six months ended June 30, 2022 and 2021

	Six Months Ended June 30,	
	2022	2021
	(unaudited)	(unaudited)
Sales -Net of Discounts and Allowances	$ —	$ 97,794
Gross Profit	—	22,945
Operating Expenses	60,882	95,738
Interest Expense	—	145
Net Loss	60,882	21,034

For the six months ended June 30, 2022 and 2021, the Company reported a net loss of $60,882 and $21,034 respectively. The change in net loss between the six months ended June 30, 2022 and 2021 was a due to the decrease in the Company's sales.

Sales: Sales, net of discounts and allowances decreased by 100% to $-0- during the six months ended June 30, 2022 from $97,794 during the corresponding period ended June 30, 2021. The decrease in sales is primarily related to a decrease in marketing due to the economy and a lack of inventory.

Gross Profit: Gross profit decreased by approximately $74,849 for the six months ended June 30, 2022 as compared to the six months ended June 30, 2021.

Operating Expenses: Operating expenses decreased by $34,856 during the six months ended June 30, 2022 as compared to six months ended June 30, 2021 due to a decrease in officers salaries of $62,500 while legal fees increased approximately $47,000 and other general expenses have also decreased approximately $6,800.

Liquidity and Capital Resources

The following table summarizes total current assets, liabilities and working deficit at June 30, 2022 compared to December 31, 2021:

		Year/Period Ended		
		June 30,2022	December 31, 2021	Increase/(Decrease)
		(unaudited)	(unaudited)	
Current Assets	$	9,009	7,774	1,235
Current Liabilities	$	2,195,218	2,133,101	62,117
Working Deficit	$	(2,186,209)	(2,125,327)	(60,881)

As of June 30, 2022, we had a working deficit of $2,186,209 as compared to a working deficit of $2,125,327 as of December 31, 2021, an increase in deficit of $60,881. The increase in working capital deficit is primarily attributable to a decrease in cash and an increase in accrued expenses and stockholder loans.

Net cash provided by (used in) operating activities for the six months ended June 30, 2022 and 2021 was $(48,382) and $9,879, respectively. The net loss for the six months ended June 30, 2022 and 2021 was $60,882 and $21,034, respectively.

Net cash provided by (used in) financing activities for the six months ended June 30, 2022 was $49,617 as compared to $(7,621) for the six months ended June 30, 2021. During the six months ended June 30, 2022 and 2021, the Company received $49,617 in shareholder loans compared to $7,621 paid in shareholder loans, respectively.

As reflected in the accompanying financial statements, the Company has a net loss of $60,882 and $21,034, respectively, for the six months ended June 30, 2022 and 2021, respectively.

The ability of the Company to continue its operations is dependent on Management's plans, which include the raising of capital through debt and/or equity markets with some additional funding from other traditional financing sources, including term notes, until such time that funds provided by operations are sufficient to fund working capital requirements. The Company may need to incur additional liabilities with certain related parties to sustain the Company’s existence. The Company may require additional funding to finance the growth of its current and expected future operations as well as to achieve its strategic objectives. There can be no assurance that the Company will maintain positive cash flow during the next 12 months and that financing will be available in amounts or terms acceptable to the Company, if at all.

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. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Critical Accounting Policies

Our financial statements and related public financial information are based on the application of accounting principles generally accepted in the United States (“GAAP”). GAAP requires the use of estimates; assumptions, judgments and subjective interpretations of accounting principles that have an impact on the assets, liabilities, revenues and expense amounts reported. These estimates can also affect supplemental information contained in our external disclosures including information regarding contingencies, risk and financial condition. We believe our use of estimates and underlying accounting assumptions adhere to GAAP and are consistently and conservatively applied. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions or conditions. We continue to monitor significant estimates made during the preparation of our financial statements.

Our significant accounting policies are summarized in Note 1 of our financial statements. While all these significant accounting policies impact our financial condition and results of operations, we view certain of these policies as critical. Policies determined to be critical are those policies that have the most significant impact on our financial statements and require management to use a greater degree of judgment and estimates. Actual results may differ from those estimates. Our management believes that given current facts and circumstances, it is unlikely that applying any other reasonable judgments or estimate methodologies would cause effect on our consolidated results of operations, financial position or liquidity for the periods presented in this report.

We believe the following critical accounting policies and procedures, among others, affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS:

1. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of the Company and its consolidated and wholly owned subsidiaries. The consolidated financial statements reflect the elimination of all significant inter-company accounts and transactions.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Such estimates and assumptions impact, among others, the following: allowance for bad debt, inventory obsolescence, the fair value of share-based payments. Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from our estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

The Company sells its products to customers on an open credit basis. Accounts receivable are uncollateralized, non-interest-bearing customer obligations. Accounts receivables are due within 60 days or sooner. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectible or establishes an allowance for doubtful accounts, based on factors surrounding the credit risk of specific customers, historical trends and other information.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using a standard cost basis. Costs included in the valuation of inventory are labor, materials (including freight and duty) and manufacturing overhead. Provisions are made for obsolete or slow-moving inventory based on management estimates.

Property and Equipment

Property and equipment are stated at cost. Provisions for depreciation and amortization are computed on the straight-line method, based on the assets' estimated service lives; leasehold improvements over the lease term, computers and related equipment over three years, all other machinery and equipment, furniture and fixtures over five years.

Expenses for maintenance and repairs are charged to operations as incurred. Costs of renewals and betterments which extend the lives of the assets are capitalized.

Patents

Expenses associated with patents were insignificant and expensed when incurred.

Long-Lived Assets

Long-lived assets are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through the estimated undiscounted future cash flows from the use of these assets. When such impairments exist, the related assets will be written down to fair value, which would be determined based on the net present value of estimated future cash flows.

Fair Value of Financial Instruments

The carrying amounts of cash, accounts receivable, accounts payable and accrued expenses approximate fair value because of the current maturity of these items.

Revenue Recognition

Revenue is realized and earned when all of the following criteria are met: 1) persuasive evidence of an arrangement exists; 2) delivery has occurred; 3) the price is fixed and determinable; and 4) collectability is reasonably assured. Delivery is considered to have occurred upon shipment of the product.

Shipping and Handling Costs

The Company reports shipping and handling fees charged to customers as well as the associated expense as part of cost of sales.

Advertising and Marketing

Advertising and marketing costs are expensed as incurred.

2. Recently Issued Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its consolidated financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

3. Going Concern

The Company's consolidated financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has reported recurring losses from operations and has net current liabilities and an accumulated deficit. These conditions raise substantial doubt as to the Company's ability to continue as a going concern.

While the Company is attempting to continue operations and generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering and a share exchange. See Note 4. Management believes that the actions presently being taken to further implement the Company's business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues. During the six months ended June 30,2022 due to lack of revenues the officers of the Company paid for all expenses through loans to the Company. This allowed the Company to continue as a going concern.

4. Share Exchange

On January 26, 2022, the Company entered into a share exchange agreement with AMG Gaming Technology, Inc. ("AMG"), a Curacaoan corporation. The Company will acquire 850,000 shares of AMG in exchange for 850,000 shares of the Company in a 1 for 1 exchange, on or before March 1, 2022. At June 30, 2022, the Company is awaiting approval from FINRA.

5. Subsequent Events

As of August 15, 2022 the Company is awaiting approval from FINRA on the following amendments to the Company's certificate of incorporation. The amendments include the following; change the Company's name to AMG Gaming and Technology, Inc., increase common shares authorized to 200,000,000, increase preferred stock authorized to 50,000,000 and the implementation of a reverse common stock split of 300 shares to 1.