Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

The Movie Studio, Inc.

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

954-336-6000
www.themoviestudio.com
gsv@themoviestudio.com

Quarterly Report

For the period ending December 31, 2023 **(the "Reporting Period")**

Shares

The number of shares outstanding of our Common Stock was:

214,872,013 as of September 27, 2024 *(Current Reporting Period Date or More Recent Date)*

214,872,013 as of June 30, 2023 *(Most Recent Completed Fiscal Year End)*

Shell Status

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control[1] of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

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

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

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

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

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

None

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

None

Address of the issuer's principal executive office:

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

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

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

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

2) Security Information

Transfer Agent

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

Publicly Quoted or Traded Securities:

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

Trading symbol:	MVES	
Exact title and class of securities outstanding:	Common	
CUSIP:	62459P	
Par or stated value:	$0.0001	
Total shares authorized:	5,500,000,000	as of date: September 27, 2024
Total shares outstanding:	214,872,013	as of date: September 27, 2024
Total number of shareholders of record:	191	as of date: September 27, 2024

All additional class(es) of publicly quoted or traded securities (if any):

None

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Preferred Series A	
Par or stated value:	.0001	
Total shares authorized:	100,000.000	as of date: September 27, 2024
Total shares outstanding (if applicable):	94,250,000	as of date: September 27, 2024
Total number of shareholders of record:	1	as of date: September 27, 2024

Exact title and class of the security:	Preferred Series B	
Par or stated value:	.0001	
Total shares authorized:	100,000,000	as of date: September 27, 2024
Total shares outstanding (if applicable):	100,000,000	as of date: September 27, 2024
Total number of shareholders of record:	2	as of date: September 27, 2024

Security Description:

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

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

   Each share has the right to one vote.

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

Preferred Series A: No dividends, four to one (4:1) voting rights, converts one to one (1:1) into common, no liquidation rights.

Preferred Series B: No dividends, four to one (4:1) voting rights, converts one to one (1:1) into common, no liquidation rights.

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

None.

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

None.

3) Issuance History

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

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

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

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

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

Shares Outstanding <u>Opening Balance:</u>	*Right-click the rows below and select "Insert" to add rows as needed.
Date <u>June 30, 2021</u> Common: <u>199,372,013</u>	
Preferred: <u>194,249,424</u>	

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued ($/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting/ investment control disclosed	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration on Type?
7/2/2012	New	500,000	Common	0.01	No	Daniel Dacey	Cash	Restricted	4(a)(2)
7/2/2012	New	100,000	Common	0.01	No	Dion Nunez	Services	Restricted	4(a)(2)
7/2/2012	New	1,000,000	Common	0.01	No	Edward Gianelloni III	Cash	Restricted	4(a)(2)
7/2/2012	New	500,000	Common	0.01	No	Edward J Newett	Cash	Restricted	4(a)(2)
7/2/2012	New	250,000	Common	0.01	No	Esposito Intellectual Enterprises LLC (Brian Espisito)	Services	Restricted	4(a)(2)
7/2/2012	New	2,000,000	Common	0.01	No	Francis Kirley	Cash	Restricted	4(a)(2)
7/2/2012	New	500,000	Common	0.01	No	Howard Stubb Nunn Sr	Cash	Restricted	4(a)(2)
7/2/2012	New	500,000	Common	0.01	No	Janice Morrison	Cash	Restricted	4(a)(2)
7/2/2012	New	500,000	Common	0.01	No	Jarvis Comier	Cash	Restricted	4(a)(2)
7/2/2012	New	1,000,000	Common	0.01	No	Jeffrey White	Cash	Restricted	4(a)(2)
7/2/2012	New	1,000,000	Common	0.01	No	Joseph Bolitsky	Cash	Restricted	4(a)(2)

7/2/2012	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
7/2/2012	New	1,000,000	Common	0.01	No	Kevin Reeves	Cash	Restricted	4(a)(2)
7/2/2012	New	550,000	Common	0.01	No	Richard Ames	Cash	Restricted	4(a)(2)
7/2/2012	New	500,000	Common	0.01	No	Ross Gregg	Cash	Restricted	4(a)(2)
7/2/2012	New	100,000	Common	0.01	No	Rui Dias Adios	Services	Restricted	4(a)(2)
7/2/2012	New	2,000,000	Common	0.01	No	Thomas Catalano	Cash	Restricted	4(a)(2)
7/2/2012	New	1,000,000	Common	0.01	No	Thomas Catalano	Cash	Restricted	4(a)(2)
7/20/2012	New	500,000	Common	0.01	No	Michael A DeGirolamo	Services	Restricted	4(a)(2)
8/9/2012	New	500,000	Common	0.01	No	Leonard Giampaolo	Cash	Restricted	4(a)(2)
8/13/2012	New	500,000	Common	0.01	No	Jeffrey White	Cash	Restricted	4(a)(2)

Shares Outstanding on Date of This Report: Ending Balance: Date September 27, 2024 Common: 214,872,013 Preferred: 194,249,424	

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

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

B. Promissory and Convertible Notes

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

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

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
7/9/2020	$33,699	$25,000	$8,699	7/9/2021	Discounted to the Market Price	Tri-Bridge Ventures Inc./John Forsythe III	Loan
2/8/2021	$48,349	$37,500	$10,849	2/08/2022	Discounted to the Market Price	PJH Holdings/ Paul James	Loan
2/11/2021	$48,318	$37,500	$10,818	2/11/2022	Discounted to the Market Price	PJH Holdings/ Paul James	Loan
7/1/2021	$62,507	$50,000	$12,507	7/01/2022	Discounted to the Market Price	Joseph Bolinsky	Loan
7/15/2021	$11,970	$10,000	$1,970	7/15/2022	Discounted to the Market Price	Tom Catalano	Loan
8/10/2021	$23,827	$20,000	$3,827	8/10/2022	Discounted to the Market Price	Tom Catalano	Loan
9/22/2021	$117,637	$75,000	$42,637	9/22/2022	Discounted to the Market Price	Michael J. Peter	Loan
12/4/2021	$37,962	$25,000	$12,962	12/4/2022	Discounted to the Market Price	Michael J. Peter	Loan
11/26/2022	$71,901	$62,500`	$9,401	11/26/2024	Discounted to the Market Price	Michael J. Peter	Loan
6/6/2023	$13,222	$12,500	$722	6/6/2024	Discounted to the Market Price	Michael J. Peter	Loan

7/7/2023	$13,115	$12,500	$615	7/7/2024	Discounted to the Market Price	Michael J. Peter	Loan
8/18/2023	$15,563	$15,000	$563	8/18/2023	Discounted to the Market Price	Michael J. Peter	Loan
Total	$498,070	$382,500	$115,570				

******Control persons for any entities in the table above must be disclosed in the table or in a footnote here.***

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

All but three of the convertible notes (dated 6/6/2023. 7/7/2023 and 8/18/2023) are in default.

4) Issuer's Business, Products and Services

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

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

Video on Demand, Motion Picture Production and Distribution

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

None

C. Describe the issuers' principal products or services.

Motion Picture Library - VOD Distribution

5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

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

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.
If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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

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

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

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

None

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

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

<u>None</u>

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

<u>None</u>

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

<u>None</u>

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

<u>PEGASUS – Status Litigation-Completed</u>

One April 4th 2022, The Company filed a Complaint against Global Capital Group et al. ("GCG") in the circuit court of the seventeenth district judicial circuit in and for Broward County, Florida. The Company alleged that CGC stole intellectual property of the Company regarding their movie PEGASUS.

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

<u>SEC vs. The Movie Studio, Inc. and Gordon Scott Venters- Status-Litigation</u>

On August 13th 2021, The Securities and Exchange Commission (Plaintiff) filed a civil complaint against the Company and its Principal Gordon Scott Venters in the United States district court for the southern district of Florida. Click here to see a copy of the complaint and all other related court filings. The SEC alleged that the Company and Mr. Venters committed amongst other things fraud, and issued stock in contradiction of SEC rules. The Company and Mr. Venters deny all of the plaintiff's allegations. The Company and Mr. Venters deny the allegations. and is confident it can physically prove that the Complaint is riddled with inaccuracies and inconsistencies. The Company currently has been unable to settle the Complaint with the SEC that is not toxic to TMS shareholders. The case is set for trail January 13th 2025. Plaintiff seeks a permanent injunction enjoining Defendants TMS and Venters, and their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating Sections 5(a) and 5(c), Section 17(a) and Section 10(b) of the Exchange Act and Rule 10b-5 and enjoining Venters from violating Section 15(a)(1) of the Exchange Act.

Disgorgement and Prejudgment Interest Issue an Order directing Defendants TMS and Venters to disgorge all ill-gotten gains or proceeds received, with prejudgment interest thereon, resulting from the acts and/or courses of conduct complained of herein. Civil Monetary Penalties, Issue an Order directing Defendants TMS and Venters to pay civil money Officer and Director Bar Against Venters permanently prohibiting Venters from acting as an officer or director of any issuer whose securities are registered with the Commission. Penny Stock Bar Against Venters which bars Venters from participating in any offering of a penny stock, including acting as a promoter, finder, consultant, agent, or other person who engages in activities with a broker, dealer, or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock. Further Relief of such other and further relief as may be necessary and appropriate.

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

On July 27th 2022, Paul James Holdings ("PJH") filed a Complaint against The Movie Studio Inc. and Gordon Scott Venters in in the circuit court of the 11th judicial circuit in and for Miami Dade county, Florida regarding two (2) one year maturity convertible notes of $37,500 dated February 8th and 11th 2021. The company had reserved 15,000,000 shares for conversion of the notes where the Company was unable to secure a legal opinion of counsel. On January 9, 2024, PJH received a summary judgement and a writ for The Movie Studio, Inc. "A Florida Corporation" in the sum of $100,095.20 with interest accruing at the statutory rate pursuant to §55.03(1), Fla. Stat, as adjusted per quarter, from January 9, 2024 until paid and to have this writ before the Court when satisfied. Click Here to see a copy of the complaint and all other related court filings. On March 11, 2024, the Company filed a second amended answer and affirmative defenses to Amended Complaint to have the entire case involuntarily dismissed due to plaintiffs error in suing the wrong party. PJH complaint and was given a judgement against The Movie Studio (Florida) a subsidiary of The Movie Studio (Delaware). The note agreement between the parties was with the Delaware corporation; The Movie Studio (Florida) issued no notes and was never a party to any agreement(s) with PJH. The Complaint is scheduled for an evidentiary hearing and request for motion of summary judgement against Gordon Scott Venters on October 29th 2024. Plaintiff is seeking consideration paid for their investment from Company and Venters [Here $75,000.00] plus interest at the legal rate" seek damages from Venters that would be allowable in a federal securities fraud lawsuit.

8) Third Party Service Providers

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

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name:	Jonathan Leinwand, Esq.
Address 1:	18305 Biscayne Blvd. Suite 200
Address 2:	Aventura, FL 33160
Phone:	(954) 903-7856
Email:	Jonathan@JDLPA.com

Accountant or Auditor

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

Investor Relations

Name:	_____
Firm:	_____

Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

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

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

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

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **Gordon Venters**
Title: **CEO**
Relationship to Issuer: **President/CEO**

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

☐ IFRS
☒ U.S. GAAP

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

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

Describe the qualifications of the person or persons who prepared the financial statements:[5]

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

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

☐ IFRS
☒ U.S. GAAP

Provide the following qualifying financial statements:

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

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

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

I, Gordon Scott Venters certify that:

1. I have reviewed this Disclosure Statement for The Movie Studio, Inc.

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

9/30/2024 [Date]

[CEO's Signature]

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

Principal Financial Officer:

I, Gordon Scott Venters certify that:

1. I have reviewed this Disclosure Statement for The Movie Studio, Inc.

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

9/30/2024 [Date]

/s/Gordon Scott Venters

[CFO's Signature]

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

The Movie Studio, Inc.

The Movie Studio, Inc.
Balance Sheets
(Unaudited)

	December 31, 2023	June 30, 2023
Assets		
Current Assets		
Cash	$ 5,998	$ 14,530
Total Current Assets	5,998	14,530
Total Assets	$ 5,998	$ 14,530
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable and accrued expenses	$ 61,156	$ 58,556
Accrued salary - related party	121,862	143,518
Accrued interest payable	115,570	89,229
Loans Payable	37,500	25,000
Convertible notes payable - net	361,180	305,306
Derivative liabilities	1,225,090	893,657
Total Current Liabilities	1,922,358	1,515,266
Total Liabilities	1,922,358	1,515,266
Stockholders' Deficit		
Preferred stock, Series A, $0.0001 par value, 100,000,000 shares authorized 94,250,000 and 94,250,000 shares issued and outstanding, respectively	9,425	9,425
Preferred stock, Series B, $0.0001 par value, 100,000,000 shares authorized 100,000,000 and 100,000,000 shares issued and outstanding, respectively	10,000	10,000
Common stock, $0.0001 par value, 5,500,000,000 shares authorized 214,872,013 and 214,872,013 shares issued and outstanding, respectively	21,637	21,637
Common stock issuable, $0.0001 par value, 1,500,000 shares and 1,500,000, respectively	33,700	26,500
Additional paid-in capital	12,874,715	12,881,915
Accumulated deficit	(14,865,837)	(14,450,213)
Total Stockholders' Deficit	(1,916,360)	(1,500,736)
Total Liabilities and Stockholders' Equity	$ 5,998	$ 14,530

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

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

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2023	**2022**	**2023**	**2022**
Revenues	$ 1,188	$ 1,858	$ 1,517	$ 4,645
General and administrative expenses	19,478	28,478	43,493	46,830
Loss from operations	(18,290)	(26,620)	(41,976)	(42,185)
Other income (expense)				
Gain (loss) on debt settlement	-	86,279	-	86,279
Gain (loss) on legal settlement	-	75,000	-	75,000
Derivative expense	-	(70,899)	(20,868)	(70,899)
Change in fair value of derivative liability	(422,118)	(337,416)	(283,065)	679,198
Amortization of debt discount	(19,814)	(10,021)	(43,374)	(39,811)
Interest expense	(13,285)	(15,729)	(26,341)	(33,931)
Total other income (expense) - net	(455,217)	(272,786)	(373,648)	695,836
Net income (loss)	$ (473,507)	$ (299,406)	$ (415,624)	$ 653,651
Gain (loss) per share - basic and diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ 0.00
Weighted average number of shares - basic and diluted	214,872,013	214,872,013	214,872,013	214,872,013

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

The Movie Studio, Inc.
Statements of Changes in Stockholders' Equity (Deficit)
For the Six Months Ended December 31, 2023
(Unaudited)

	Preferred Stock - Series A		Preferred Stock - Series B		Common Stock		Common Stock Issuable		Stock Subscription	Additional Paid-in	Accumulated	Total Stockholders'
June 30, 2021	**94,249,424**	**$ 9,425**	**100,000,000**	**$ 10,000**	**199,372,013**	**$ 19,842**	**11,050,000**	**$ 26,895**	**(30,000)**	**$ 12,943,615**	**$ (13,324,146)**	**$ (344,369)**
Stock issued for cash - net ($0.01 - $0.021/share)	-	-	-	-	14,550,000	1,455	-	(395)	30,000	(68,900)	-	(37,840)
Stock issued for services - net ($0.01 - $0.021/share)	-	-	-	-	950,000	340	-	-	-	-	-	340
Net loss - year ended June 30, 2022	-	-	-	-	-	-	-	-	-	-	(2,029,684)	(2,029,684)
June 30, 2022	**94,249,424**	**$ 9,425**	**100,000,000**	**$ 10,000**	**214,872,013**	**$ 21,637**	**11,050,000**	**$ 26,500**	**$ -**	**$ 12,874,715**	**$ (15,353,830)**	**$ (2,411,553)**
Stock issued for services - net ($0.01 - $0.021/share)	-	-	-	-	-	-	-	-	-	7,200	-	7,200
Net loss - year ended June 30, 2023	-	-	-	-	-	-	-	-	-	-	903,617	903,617
June 30, 2023	**94,249,424**	**$ 9,425**	**100,000,000**	**$ 10,000**	**214,872,013**	**21,637**	**11,050,000**	**$ 26,500**	**-**	**$ 12,881,915**	**$ (14,450,213)**	**$ (1,500,736)**
Net loss - three months ended September 30, 2023	-	-	-	-	-	-	-	-	-	-	57,883	57,883
September 30, 2023	**94,249,424**	**$ 9,425**	**100,000,000**	**$ 10,000**	**214,872,013**	**$ 21,637**	**11,050,000**	**$ 26,500**	**-**	**$ 12,881,915**	**$ (14,392,330)**	**$ (1,442,853)**
Net loss - three months ended December 31, 2023	-	-	-	-	-	-	-	-	-	-	(473,507)	(473,507)
December 31, 2023	**94,249,424**	**$ 9,425**	**100,000,000**	**$ 10,000**	**214,872,013**	**$ 21,637**	**11,050,000**	**$ 26,500**	**-**	**$ 12,881,915**	**$ (14,865,837)**	**$ (1,916,360)**

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

	For the Six Months Ended December 31, 2023	2022
Operating activities		
Net loss	$ (415,624)	$ 653,652
Adjustments to reconcile net loss to net cash used in operations		
Gain on debt extinguishment - net	-	(75,000)
Change in fair value of derivative liability	283,065	(679,198)
Derivative expense	20,868	70,899
Amortization of debt discount	43,374	39,812
Changes in operating assets and liabilities		
Increase (decrease) in		
Security deposit	-	(62,500)
Accounts payable and accrued expenses	2,600	4,956
Accrued salary - related party	(21,656)	(28,100)
Accrued interest payable	26,341	24,314
Net cash used in operating activities	(61,032)	(51,165)
Investing activities		
Net cash used in investing activities	-	-
Financing activities		
Loans payable	12,500	-
Proceeds from issuance of convertible note payable	40,000	62,500
Net cash provided by financing activities	52,500	62,500
Net increase (decrease) in cash	(8,532)	11,335
Cash - beginning of period	14,530	1,121
Cash - end of period	$ 5,998	$ 12,456
Supplemental disclosure of cash flow information		
Gaon on accrued interest in debt settlement	$ -	$ 9,617
Supplemental disclosure of non-cash investing and financing activities		
Debt discount recorded in connection with derivative liability	$ 27,500	$ 62,500

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

Note 1 - Organization and Nature of Operations

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

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

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

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

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

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

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

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

THE BRAND

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

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

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

THE APP-OTT PLATFORM

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

The Company currently maintains hundreds of movies on the App as a result of the Adler and Associates July 15, 2021, Strategic Partnership and Revenue Share Agreement and the Companies OTT Platform and App could potentially reassimilate the Film Hub Strategic Partnership and Revenue Agreements or with new third party and film library associations upon a successful resolution of the SEC Complaint.

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

The Company was planning on utilizing a marketing campaign to promote "The Movie Studio APP" prior to the current consolidation of operations with the first initiative could provide the generation of market excitement utilizing a network of social media influencers and the Companies eight (8) completed App ads and targeting, Facebook, Instagram, Tik-Tok, Hulu and YouTube to air the ads. The goal was to introduce the App to a cross demographic collective reach over the next 12 months with an "FREE" install AVOD/SVOD App and a member subscription base of 500,000 users. The Company intended to integrate approximately 12 minutes of advertising per hour eventually including 2 minutes advertising of the Company's App using our App ads. A May 29, 2019 variety.com article states 70% of Hulu users choose the ad-supported plan. On July 13th 2022 Netflix announced they are initiating an AVOD option to their Streaming Platform services Netflix and Paramount and Hulu currently command the 3.5 billion Dollar annual AVOD industry. https://www.fiercevideo.com/video/hulu-paramount-lead-35b-avod-revenue-over-past-year

Previously, The Movie Studio announced it is producing three upcoming feature films, "CAUSE AND EFFECT, now RETRIBUTION" "THE LAST WARHEAD" and "PEGASUS" - all with completed Electronic Press Kits (EPK) pitch decks and fully produced motion picture-quality trailers ready for talent, distribution, and production financial integration. The Company has previously been successful in producing, casting, and distributing its films on major AVOD/SVOD platforms including Comcast, Tubi and Amazon however, The Movie Studio with sufficient financing, could potentially integrate recognizable stars and/or Social Media Influencers (SMI) into the productions at substantial value propositions either pre or post-completion and then integrate talent into a new or re-edited feature film of the intellectual property using the Company's unique "Moviesode" production process. The Movie Studio has monetized film assets on Amazon, tubi tv, Comcast and Showtime platforms. The Company's proposed media player server-based model will provide licensing payment from global territories without third-party distribution fees, which have traditionally been as high as 35% and previously was paying only a 10% distribution fee without exclusive licensing using block chain technology.

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

MOTION PICTURE PRODUCTION

RETRIBUTION - Status-Completed

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

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

THE LAST WARHEAD- Status-Consolidation

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

THE KING OF THE SPORT OF KINGS AKA "THE LEGACY OF FRANK STRONACH" Status-Completed

On July 13th 2024, The Movie Studio, Inc. reached an agreement with Frank Stronach in association with Stronach International Inc. to complete the Documentary THE KING OF THE SPORT OF KINGS that was originally filmed at Gulfstream Park on May 26th 2017 and now is also know as (AKA) "The Legacy of Frank Stronach." The Company received approval of the new completed Trailer, Documentary and Artwork on September 25, 2024, and is ready for distribution solicitation and release.

TRAILER: https://vimeo.com/995638933?share=copy

Documentary https://vimeo.com/995093496/55ba26c942?share=copy

PEGASUS- Status-Pre-Production

The Movie Studio on October 20, 2021 entered into a Deal Memo with Oscar Award Winning writer Ron Bass (RAINMAN) whose movies have grossed over two billion dollars at the Box Office. Subsequent to this, litigation was brought against the Company by Global Capital Group ("GCG"), who attempted to take control of the project after the SEC complaint.

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

The Company is in pre-production and is in discussions to re-institute the motion picture intellectual property that was severely disrupted by the SEC Complaint with the above referenced participants and other third party interests.

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

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

SEC complaint

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

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

Basis of Presentation

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

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

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

The Company’s fiscal year end is June 30.

Liquidity, Going Concern and Management’s Plans

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

As reflected in the accompanying unaudited financial statements, for the six months ended December 31, 2023, the Company had:

- Net loss of $415,624 and
- Net cash used in operations was $61,032.

Additionally, At December 31, 2023, the Company had:

- Accumulated deficit of $14,865,837; and
- Stockholders’ deficit of $1,916,360; and
- Working capital deficit of $1,916,360.

The Company has cash on hand of $5,998 at December 31, 2023. Although the Company intends to raise additional debt, the Company expects to continue to incur significant losses from operations and have negative cash flows from operating activities in the near term. These losses could be significant as revenues ramp up along with continuing expenses related to compensation, professional fees, development and regulatory are incurred.

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

During the three and six months ended December 31, 2023, the Company has satisfied its obligations from operating cash flows as well as the issuance of a loan payable and convertible notes payable for $52,500 (see Notes 3); however, there is no assurance that such successful efforts will continue during the twelve months subsequent to the date these financial statements are issue.

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

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

Management's strategic plans include the following:

- Pursuing additional capital raising opportunities,
- Continuing to explore and execute prospective partnering or distribution opportunities; and
- Identifying unique market opportunities that represent potential positive short-term cash flow.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

Preparing financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates, and those estimates may be material.

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

Fair Value of Financial Instruments

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

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

The three tiers are defined as follows:

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

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

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

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

The Company's financial instruments, including cash, accounts payable and accrued expenses, accrued salary – related party and convertible note payable, are carried at historical cost. At December 31, 2023 the carrying amounts of these instruments approximated their fair values because of their short-term nature.

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

Cash and Cash Equivalents

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

At December 31, 2023 the Company had no cash equivalents.

Derivative Liabilities

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

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

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

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

Debt Discount

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

Revenue Recognition

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

The Company recognizes revenues from the sale of month to month and annual subscription plans for access to its movie and film library. The customer can switch plans or cancel anytime. The Company's revenues for the six months ended December 31, 2023 and 2022 were insignificant.

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

Income Taxes

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

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 "Income Taxes". Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. As of June 30, 2023 and 2022, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Company recognizes interest and penalties related to uncertain income tax positions in other expenses. No interest and penalties related to uncertain income tax positions were recorded for the three and six months ended December 31, 2023 and 2022, respectively.

For the three and six months ended December 31, 2023 and 2022, the Company had a net operating loss "NOL" carryforward to offset net income in futures years. There can be no certainty, however, that the Company will be able to use its NOL carryforward.

Advertising Costs

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

The Company recognized no marketing and advertising costs during the three and six months ended December 31, 2023 and 2022, respectively.

Stock-Based Compensation

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

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

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

- Exercise price,

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

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

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

Common Stock Awards

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

Basic and Diluted Earnings (Loss) per Share

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

The following potentially dilutive equity securities outstanding as of the six months ended December 31, 2023 and 2022, respectively, were not included in the computation of diluted loss per common share because the effect would have been anti-dilutive:

	December 31, 2023	December 31, 2022
Convertible notes and accrued interest (exercise price $0.0008 - $0.0010/share)	761,298,655	851,172,975
Total common stock equivalents	761,298,655	851,172,975

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

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

Related Parties

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

Recent Accounting Standards

There were no new accounting standards adopted that had an impact on the Company's financial statements during the six months ended December 31, 2023.

Note 3 - Convertible Notes Payable and Derivative Liabilities

Issuance of Convertible Note

At December 31, 2023 and 2022, the Company had 14 and 11 outstanding convertible notes, respectively.

During the three months ended December 31, 2023 and 2022, respectively, the Company recorded interest expense of $13,285 and $15,729, respectively.

During the six months ended December 31, 2023 and 2022, respectively, the Company recorded interest expense of $26,341 and $33,931, respectively.

Derivative Liability

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

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

A reconciliation of the beginning and ending balances for the derivative liability measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows for three and six months ended December 31, 2023:

Derivative liability - June 30, 2022	96,774	170,455	170,455	272,727	36,543	73,086	136,364	272,727	409,091	136,364	-	-	-	-	1,774,585
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value mark to market adjustment	(44,239)	(106,583)	(106,583)	(167,656)	(19,944)	(39,888)	(77,782)	(125,359)	(215,188)	(91,459)	-	-	-	-	(994,681)
Derivative liability -September 30, 2022	52,535	63,872	63,872	105,071	16,599	33,198	58,581	147,368	193,902	44,905	-	-	-	-	$ 779,903
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	133,399	-	-	-	133,399
Fair value mark to market adjustment	76,036	54,184	54,184	83,818	(787)	(1,574)	(58,581)	(147,368)	89,431	49,540	116,601	-	-	-	315,482
Derivative liability -December 31, 2022	128,571	118,056	118,056	188,889	15,812	31,624	-	-	283,333	94,444	250,000	-	-	-	$ 1,228,785
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value mark to market adjustment	(72,321)	(48,242)	(48,242)	(71,868)	3,871	7,743	-	-	(107,801)	(35,934)	(103,723)	-	-	-	(476,517)
Derivative liability -March 31, 2023	56,250	69,814	69,814	117,021	19,683	39,366	-	-	175,532	58,511	146,277	-	-	-	$ 752,267
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	-	26,667	-	-	26,667
Fair value mark to market adjustment	10,417	13,520	13,520	16,312	(131)	(262)	-	-	24,468	8,156	20,390	8,333	-	-	114,723
Derivative liability -June 30, 2023	66,667	83,333	83,333	133,333	19,552	39,105	-	-	200,000	66,667	166,667	35,000	-	-	$ 893,657
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	-	-	24,490	23,878	48,367
Fair value mark to market adjustment	14,103	(13,643)	(13,643)	(21,829)	(12,978)	(25,956)	-	-	(32,743)	(10,914)	(27,286)	(7,124)	3,386	9,574	(139,054)
Derivative liability -September 30, 2023	80,769	69,690	69,690	111,504	6,574	13,149	-	-	167,257	55,752	139,381	27,876	27,876	33,451	$ 802,970
Fair value at commitment date	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value mark to market adjustment	6,731	39,685	39,685	63,496	13,980	1,384	-	-	95,243	31,748	79,369	15,874	15,874	19,049	422,117
Derivative liability - December 31, 2023	87,500	109,375	109,375	175,000	20,555	14,533	-	-	262,500	87,500	218,750	43,750	43,750	52,500	$ 1,225,088

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments to be made. Liabilities measured at fair value on a recurring basis consisted of the following at December 31, 2023 and 2022, respectively:

	December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative liabilities	$ 1,225,088	$ -	$ -	$ 1,225,088

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

Note 4 – Legal Proceedings

PEGASUS – Status Litigation-Completed

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

The Movie Studio on October 20th 2021 entered into a Deal Memo with Oscar Award Winning writer Ron Bass (RAINMAN) whose movies have grossed over two billion dollars at the Box Office after supplying the parties with the Companies PEGASUS Press Kit, Screenplay and Trailer and Ron Bass subsequently agreed to "reopen" the intellectual properties/project "screenplay that subsequently involved litigation between certain parties.

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

On October 2nd 2023 subsequent to the Writers Guild of America (WGA) writers' strike, The Movie Studio received the "Completed" PEGASUS screenplay from Ron Bass. The Company has been advised that the screenplay/project has been forwarded to major Hollywood associated parties for consideration of packaging of the intellectual property/screenplay/project/movie.

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

On August 13th 2021, The Securities and Exchange Commission filed a civil complaint against the Company and its Principal Gordon Scott Venters. Click here to see a copy of the complaint and all other related court filings.

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

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

See Subsequent Events below.

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

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

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

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

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

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

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

On September 9th 2023 The Movie Studio answered its Affirmative Defenses with Plaintiff, and the Plaintiff has requested to set a hearing in November for their clients Motion to Strike the Movie Studio's Affirmative Defenses and our Motion for Summary Judgment on Counts in November and currently no date has been confirmed by counsel.

On January 9, 2024, PJH received a summary judgement and a writ for The Movie Studio, Inc. "A Florida Corporation" in the sum of $100,095.20 with interest accruing at the statutory rate pursuant to §55.03(1), Fla. Stat, as adjusted per quarter, from January 9, 2024 until paid and to have this writ before the Court when satisfied.

On March 11, 2024, the Company filed a second amended answer and affirmative defenses to Amended Complaint to have the entire case involuntarily dismissed due to plaintiffs error in suing the wrong party. PJH sued and was given a judgement against The Movie Studio (Florida) a subsidiary of The Movie Studio (Delaware). The note agreement between the parties was with the Delaware corporation; The Movie Studio (Florida) issued no notes and was never a party to any agreement(s) with PJH.

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

The Complaint is scheduled for an Evidentiary hearing October 29th 2024.

<u>Note 5 – Commitments</u>

Employment Agreements

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

However, for the three and six months ended December 31, 2023, Mr. Venter's elected to not accrue his salary in the amount of $33,250 per quarter but did draw $11,656 and $21,656 for the three and six months ended December 31, 2023, respectively, against his previously accrued salary. As of December 31, 2023, the accumulated balance due to Mr. Venter's is $121,862.

<u>Note 6 – Stockholders' Deficit</u>

The Company has three (3) classes of stock:

Series A Preferred Stock

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

Series B Preferred Stock

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

Common Stock

- 5,500,000,000 shares authorized
- Par value - $0.0001
- Voting at 1 vote per share
- The Company has sufficient unissued authorized shares in the event of conversion of Series B, preferred stock.

Equity Transactions During the three and six months ended December 31, 2023

On July 7, 2023, the Company entered into a convertible note with Michael J. Peter for $12,500, with a maturity date of July 7, 2024, bearing interest at 10% per annum, convertible into common shares of the Company's stock at 50% of the average of the three lowest trading days, prior to the date of conversion. Should the note be called in default, the note carries a default interest rate of 20%.

On August 18, 2023, the Company entered into a convertible note agreement with Michael J. Peter for $15,000, with a maturity date of August 18, 2023, bearing interest at 10% per annum, convertible into common shares of the Company's stock at 50% of the average of the three lowest trading days, prior to the date of conversion. Should the note be called in default, the note carries a default interest rate of 20%.

Note 7 – Subsequent Events

On July 13th 2024 The Movie Studio, Inc. reached an agreement with Frank Stronach in association with Stronach International Inc. to complete the Documentary THE KING OF THE SPORT OF KINGS that was originally filmed at Gulfstream Park on May 26th 2017 and now is being completed "The Legacy of Frank Stronach" with the integration of additional information and footage into the legacy un-released documentary asset owned by the Company initiated May 26th 2017. The Company received approval on the Documentary on September 25th 2024 ready for distribution solicitation and release. The Movie Studio, Inc. was permitted to film on the premises as a Backlot and the property was/is worth over three hundred million dollars. The Company previously had office/studio space at Gulfstream during that time as well with free rent consideration on Silks Run in the Villages of Gulfstream for a period of approximately of 18 Months with filming access at Gulfstream Park during that time.

On July 24, 2024 US Magistrate Judge Jared M. Strauss denied the SEC motion for summary judgement on 65 or the 66 alleged counts against the Company and its founder, Gordon Venters relating to 10-b5 and 17a of the Securities Act of 1933 prohibiting fraud in the sale or purchase of securities and levying one charge, a technical charge relating to section 5(a) and 5(c) of the Securities Act of 1933 regarding prevention of any form of an offer to sell a security before a registration statement was filed.

The Company maintains the position that the securities offered were "Exempt from Registration" and had previously issued shares under Rule 506, 144 - 4(a)(2) The Company also had a SEC qualified Reg 1-A+ Tier #1 Exemption from Registration Statement on December 10th 2019.

On July 12, 2024 the Company issued a Note to Michael J. Peter in the amount of $62,500 for monies previously loaned to the Company (and originally recorded as a Loan Payable), with a maturity date of July 12, 2025, with an 18% interest rate. The note is convertible in whole or in part into shares of the Company's common stock at a conversion price equal to 50% of the average of the lowest three (3) closing bid prices for the ten (10) days prior to but not including the conversion date.