Unaudited Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars)

AMCOMRI ENTERTAINMENT INC.

Three months ended March 31, 2022 and 2021

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Amcomri Entertainment Inc. (the "Company") for the three months ended March 31, 2022 and March 31, 2021, have been prepared by, and are the responsibility of, the management of the Company and approved by the Company's Audit Committee and Board of Directors.

Under National Instrument 51-102 *Continuous Disclosure Obligations*, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by CPA (Chartered Professional Accountants) Canada for a review of interim financial statements by an entity's auditor.

AMCOMRI ENTERTAINMENT INC

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited - Expressed in Canadian dollars, except share and per share amounts)

	Note		March 31 2022		December 31 2021
ASSETS					
Current					
Cash		**$**	**1,406,901**	$	1,906,627
Prepaid expenses			**175,312**		-
Accounts receivable and other receivables			**1,572,427**		1,180,717
Inventory	5		**214,857**		252,711
Due from related party	12		**230,852**		-
Accrued Income	8		**9,680,562**		9,058,305
Production loan receivable	9		**5,059,126**		-
Total current assets			**18,340,037**		12,398,360
Property and equipment	6		**48,076**		61,576
Intangible assets	7		**12,311,686**		9,975,544
Goodwill	2		**4,441,850**		64,043
Total non-current assets			**16,801,612**		10,101,163
TOTAL ASSETS		**$**	**35,141,649**	$	22,499,523
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	14	**$**	**13,055,255**	$	10,839,221
Production loan payable	10		**3,477,537**		
Loans payable	11		**2,803,489**		1,185,920
Deferred revenue			**733,429**		472,750
Total current liabilities			**20,069,710**		**12,497,891**
Loan payable - long term	11		**296,511**		248,970
Deferred income tax liability			**344,733**		360,109
Total liabilities		**$**	**20,710,954**	$	13,106,970
SHAREHOLDERS' EQUITY					
Share capital	13		**4,381,973**		1
Contributed surplus			**1,417,500**		1,417,500
Retained Earnings			**8,717,464**		7,939,189
Warrants	13		**73,846**		-
Accumulated Other Comprehensive Income			**(160,088)**		35,863
TOTAL SHAREHOLDERS' EQUITY			**14,430,695**		9,392,553
TOTAL LIABILITIES AND EQUITY		**$**	**35,141,649**	$	22,499,523

Nature and continuance of operations (Note 1)

Events after the reporting period (Note 20)

On behalf of the Board of Directors:

"Robert Price"
Director

"Larry Howard"
Director

The accompanying notes form an integral part of these condensed interim consolidated financial statements

AMCOMRI ENTERTAINMENT INC

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited - Expressed in Canadian dollars, except share and per share amounts)

	Note		**Three months ended March 31 2022**		Three months ended March 31 2021
Revenue		**$**	**4,165,183**	$	2,295,159
Cost of Goods Sold			**825,497**		711,748
Gross Margin			**3,339,686**		1,583,411
Operating expenses					
Amortization	6,7		**198,534**		234,426
Advertising and promotion			**37,952**		-
Interest and bank charges			**79,686**		4,038
Management fees			**148,819**		-
Office and administrative			**182,261**		43,335
Professional fees			**1,133,981**		202,994
Salaries and benefits	12		**508,921**		342,286
Travel and entertainment			**12,214**		1,617
Total operating expenses			**2,302,368**		828,696
Interest income	9		**52,250**		(20,005)
Listing expense			**(702)**		-
Tax			**(215,568)**		(151,125)
Foreign exchange loss			**(95,023)**		(51,960)
Net income			**778,275**		**531,625**
Cumulative translation adjustment			**(195,951)**		-
Net income and comprehensive income for the year		**$**	**582,324**	$	**531,625**
Net profit per common share					
Basic and diluted		$	0.01	$	0.01
Weighted average number of common shares outstanding					
Basic and diluted			69,219,710		60,042,500

The accompanying notes form an integral part of these condensed interim consolidated financial statements

AMCOMRI ENTERTAINMENT INC

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited - Expressed in Canadian dollars, except share and per share amounts)

	Share capital		Warrants						
	Number of shares	Amount	Number of warrants	Amount	Contributed surplus	Retained Earnings	Accumulated Other Comprehensive Income	Non-Controlling Interest	Total
		$		$	$	$	$		$
Balance, December 31, 2020	56,156,482	1	-	-	-	3,463,721	85,976	1,417,500	4,967,198
Net loss for the period	-	-	-	-	-	531,625	-	-	531,625
Currency translation adjustment	-	-	-	-	-	-	-	-	-
Balance, March 31, 2021	56,156,482	1	-	-	-	3,995,346	85,976	1,417,500	5,498,823
Balance, December 31, 2021	89,216,404	1	-	-	1,417,500	7,939,189	35,863	-	9,392,553
Share consolidation (25:1)	(85,647,748)	-	-	-	-	-	-	-	-
Conversion of debt	2,091,102	1,623,188	36,923	73,846	-	-	-	-	1,697,034
Reverse-takeover	66,666,667	2,758,784	-	-	-	-	-	-	2,758,784
Net loss for the period	-	-	-	-	-	778,275	-	-	778,275
Currency translation adjustment	-	-	-	-	-		(195,951)	-	(195,951)
Balance, March 31, 2022	72,326,425	4,381,973	36,923	73,846	1,417,500	8,717,464	(160,088)	-	14,430,695

The accompanying notes form an integral part of these condensed interim consolidated financial statements

AMCOMRI ENTERTAINMENT INC

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - Expressed in Canadian dollars, except share and per share amounts)

	Three months ended March 31 2022	Three months ended March 31 2021
OPERATING ACTIVITIES		
Net income	**$ 778,275**	$ 531,625
Non-cash items:		
Interest expense	**35,063**	-
Interest income	**(52,250)**	-
Unrealized foreign exchange	**22,338**	-
Amortization	**198,534**	240,841
Changes in non-cash operating working capital		
Prepaid expenses	**(176,182)**	(315,206)
Accounts receivable and other receivables	**(327,297)**	1,240,295
Inventory	**27,996**	(20,570)
Accrued income	**(1,136,906)**	(933,722)
Accounts payable and accrued liabilities	**92,936**	(2,719,335)
Due to related parties	**(251,615)**	80,319
Deferred revenue	**290,547**	282,541
Net cash used in operating activities	**(498,561)**	(1,428,281)
INVESTING ACTIVITY		
Purchase of property and equipment	**(3,092)**	(21,385)
Purchase of intangible	**-**	(308,256)
Net cash used by investing activity	**(3,092)**	(329,641)
FINANCING ACTIVITIES		
Additions to loan receivable	**(253,600)**	-
Additions to loan payable	**305,667**	529,664
Elimination of investment	**5,659**	157
Net cash provided by financing activities	**57,726**	529,821
Impact of currency translation on cash	**(55,796)**	1,123
Change in cash	**(499,726)**	(1,226,978)
Cash, beginning of year	**1,906,627**	2,302,564
Cash, end of period	**$ 1,406,901**	$ 1,075,586

The accompanying notes form an integral part of these condensed interim consolidated financial statements

1. Corporate information and going concern

Amcomri Entertainment Inc. (the “Company”) trades under the symbol “AMEN” on the NEO Exchange (the “NEO”). The Company, through its subsidiaries, finances, produces, sells, and distributes feature films, feature documentaries, and scripted and unscripted TV series on a global basis.

The Company was formed under the *Business Corporations Act* (British Columbia) (the “BCBCA”) through the amalgamation of Nine Tailed Films Inc. (incorporated under the BCBCA on January 10, 2014) and The Wonderfilm Media Corporation (incorporated under the BCBCA on May 30, 2017), which then amalgamated with 1141596 B.C. Ltd. on March 26, 2018. The resulting entity was then amalgamated with Westshire Capital II Corp. on March 27, 2018 as part of the Company’s qualifying transaction. On April 1, 2020, the Company changed its name from The Wonderfilm Media Corporation to Appreciated Media Holdings Inc. on April 1, 2020.

On January 7, 2022, the Company completed the acquisition of all the issued and outstanding ordinary shares of Trinity Pictures Distribution Limited (“Trinity”), by way of a reverse takeover (the “RTO” or the “Transaction”) and concurrently changed its name to Amcomri Entertainment Inc. In connection with the RTO, Trinity became a wholly owned subsidiary of the Company.

The RTO was effected by way of a plan of arrangement under the BCBCA following the receipt of a final order of the British Columbia Supreme Court on January 4, 2022 pursuant to the Arrangement Agreement (defined below). In connection with the closing of the RTO, the Company ‘s common shares were voluntarily delisted from the TSX Venture Exchange (the “TSXV”) and the Company fulfilled the conditions to the listing of the Company’s common shares on the NEO, where it began trading on January 13, 2022.

The Company’s head office and registered records office is located at 1800-510 West Georgia Street, Vancouver, BC V6B 0M3.

These condensed interim consolidated financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2. Reverse Takeover

On January 7, 2022, the Company completed the RTO pursuant to an arrangement agreement made on August 9, 2021 among the Company, Trinity and the holders of the ordinary shares of Trinity (the “Arrangement Agreement”). Concurrent with the completion of the Transaction, the Company affected a consolidation of its share capital on a 25 (old) for 1 (new) basis. Pursuant to the Arrangement Agreement, the Company acquired each issued and outstanding ordinary share of Trinity in consideration for four hundred and seventy post-consolidation common shares of Amcomri. Under these terms, Amcomri issued 66,666,667 post-consolidation common shares as consideration for the acquisition of Trinity.

The value of the net monetary assets of the Company (a legal parent) acquired in exchange for all of the issues and outstanding ordinary shares of Trinity (a legal subsidiary) is set out as follows:

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

Cash	$	5,888
Accounts receivable		31,968
Prepaids		5,000
Loan receivable		4,825,805
Accounts payable		(1,133,294)
Short-term loans		(2,121,344)
Production loan		(3,239,065)
Net liabilities assumed	$	(1,625,042)

The identifiable assets acquired, and liabilities assumed are measured at their acquisition-date fair values in accordance with International Financial Reporting Standards ("IFRS") 3, Business Combinations. Management determined that the Company met the definition of a business under the standard, and as such, in a reverse acquisition accounted for under IFRS 3, the accounting acquiree (the Company) issues its shares to the owners of the accounting acquirer (Trinity). In turn, the implied acquisition-date fair value of the consideration transferred by the accounting acquirer for its interest in the accounting acquiree is based on the number of equity interests the accounting acquirer would have had to issue to give previous shareholders of the accounting acquiree the same percentage equity interest in the resultant combined entity. This fair value is used as the fair value of the consideration transferred.

However, where the reverse acquisition involves a publicly-listed company, the listed price of those shares is more readily observable and should be used to determine the fair value of the consideration transferred. The Company was a listed entity that had been trading on the TSXV and at the time of the closing of the RTO was going through acceptance to list on the NEO. The last trading price for the common shares of the Company on the TSXV prior to the announcement of the RTO was at $0.05. However, the last trading price was very removed from the announcement date of the Arrangement Agreement, as the common shares of the Company had remained halted since November 4, 2020. The listing price of the common shares of the Company on the NEO post RTO was $0.75, which was based on a $0.03 share price taking into account the 25:1 share consolidation. As this price was deemed reasonable by the NEO, it has been used to determine the fair value of the consideration transferred.

The fair value of the consideration is determined based on the percentage of ownership the legal parent's shareholders have in the combined entity after the reverse takeover transaction. Accordingly, the value of the 5.23% (i.e. 3,678,379 common shares) of the share capital owned by former owners of the Company at the time of the Transaction was $2,758,784. The difference between the fair value of the shares deemed to have been issued by Trinity and the fair value of the Company's identifiable net assets has been recorded as Goodwill.

Consideration	$	2,758,784
Net monetary liabilities acquired		1,625,042
Goodwill	$	4,383,826

The Goodwill represents the synergies that will be realized from combining the operations of the Company and Trinity. Trinity has a proven history of operating in the United Kingdom and globally through its subsidiaries, which are all-rights media distribution companies in markets worldwide having direct relationships with all of the major media platforms. The Company provides an opportunity to access the North American market with its first project in connection with Bow River Pictures (see Note 9).

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

3. Basis of preparation

(a) Statement of compliance

These condensed interim consolidated financial statements were authorized for issue by the Audit Committee on May 16, 2022. These condensed interim consolidated financial statements do not include all disclosures normally provided in annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021. Accordingly, accounting policies, estimates, and judgements applied are the same as those applied in the Company's consolidated financial statements for the year ended December 31, 2021, unless otherwise indicated. The Company assesses its accounting estimates and judgements every reporting period.

(b) Basis of measurement

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, at historical cost, except for certain financial instruments, which are recorded at fair value (seen Note 14).

(c) COVID-19 Estimation Uncertainty

To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition. To date, COVID-19 has not had any negative effect on the Company's operations.

(d) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The subsidiaries of the Company at March 31, 2022, subsequent to the RTO include the following:

		Percentage owned	
Entity	Country of incorporation	March 31, 2022	December 31, 2021
Trinity Pictures Distribution Ltd.	United Kingdom	100%	-
101 Films Ltd.	United Kingdom	100%	-
101 Films International Ltd.	United Kingdom	100%	-
Abacus Media Rights Limited	United Kingdom	100%	-
Amcomri Productions Limited (formerly Silentpoint Limited)	Republic of Ireland	100%	-

Elwood Plains Ltd	United Kingdom	100%	-
Hollywood Classics International Ltd.	United Kingdom	100%	-
Devil Lies Beneath	United Kingdom	100%	-
Agatha Media Corp.	Canada	100%	100%
Impossible Dream Entertainment Inc. (formerly, Cypress Entertainment Corp.)	Canada	100%	100%
Appreciated Global Sales Limited	British Virgin Islands	100%	50.1%

On January 25, 2022, the Company completed the acquisition of Amcomri Productions Limited ("Amcomri Productions"), formerly Silentpoint Limited, a company registered in the Republic of Ireland, which holds the United Kingdom and Irish distribution rights for over 800 hours of movie and television content. Amcomri Productions owns the distribution rights to the Halcyon Studios UK library which includes 330 feature films, 20 TV series and 50 mini-series (see Note 4). Subsequent to the period ended March 31, 2022, Silentpoint Limited changed its name to Amcomri Productions Limited.

(e) Functional and presentation currency:

These condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise specified, which is the functional currency for the Company and its subsidiaries Agatha Media Corp. and Impossible Dream Entertainment Inc. The functional currency of the Company's other subsidiaries is the Pound Sterling. The functional currency of each entity is measured using the currency of the primary economic environment in which the entity operates.

(f) Use of estimates and judgements:

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant judgments made by management in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events on conditions that may give rise to significant uncertainty;
- The fair value and classification of financial instruments;
- The assessment as to whether there are indicators of impairment of the Company's long-lived assets;
- The assessment as to whether revenue is recognized at a point in time or over a period of time;
- The assessment as to whether revenue is recognized on a gross or net basis; and
- The determination of the functional currency of the parent company and subsidiaries.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amount of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) *Carrying value and recoverability of movie rights and intangible assets*

The Company has determined that movie rights and intangible assets that are capitalized may have future economic benefits and may be economically recoverable. The assessment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and useful lives of the assets.

(ii) *Capitalization of costs of productions in progress and movie rights*

Development costs, included acquired movie rights, incurred in the generation of productions in which the Company has an ownership or financial stake are capitalized from the point at which the requirements of IAS 38 - Intangible assets have been met. This assessment requires management to exercise judgement with regards to their intention to complete the production as well as those estimates and judgements required in determining whether or not a production will result in a future economic benefit to the Company.

(iii) *Amortization of movie rights*

The amortization of movie rights is dependent on estimates of useful lives, which are determined through exercise of judgement. The Company continually evaluates the remaining useful life of the assets being amortized to determine whether events and circumstances warrant a revision to the remaining period of amortization. This assessment requires management to estimate the total economic benefits and the manner in which they will be generated by utilizing the asset.

(iv) *Share-based compensation*

Share based payments are generally accounted for based on the fair value of the goods or services received. If the fair value of the goods or service cannot be measured reliably then an assessment of the fair value of the equity instrument issued is used. The use of the quoted share price of a thinly traded common share and assumptions pertaining to the Black Scholes Option Pricing Model are themselves examples of estimates and judgments that management may be required to rely upon.

While management believes that these estimates are reasonable, actual results could differ from those estimates and could impact future results of operation and cash flows.

(g) Comparative figures:

Under the RTO, Trinity was identified as the acquirer for accounting purposes (see Note 2). Certain comparative figures within operating expenses on the statement of loss and comprehensive loss have been reclassified to conform to the current period's presentation. The comparative figures in the condensed interim consolidated statements of; financial position, income and comprehensive income, and cash flows, are those of Trinity, while the statements of changes in equity reflect the comparative information of the Company. The comparatives have been adjusted for Trinity to reflect foreign exchange in accumulated other comprehensive income, and tax.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

4. Acquisition

On January 25, 2022, the Company completed the acquisition of Amcomri Productions, an entity with common directors, management and ownership. The Company concluded that the transaction was a common control transaction and as such the net monetary assets acquired have been recorded using the predecessor value method, thus at their carrying value, with no gains or losses, or goodwill resulting from the transaction.

Accounts receivable	$	144
Intangible asset		1,806,737
Loan payable		(699,242)
Deferred revenue		(238,872)
Distribution rights - minimum guarantee payable		(868,624)
Net assets acquired	$	144

Pursuant to the share purchase agreement for Amcomri Productions , all of the issued and outstanding securities of Amcomri Productions were acquired by the Company in exchange for total consideration of $144 ($100 Euro) and the assumption of the obligations of Amcomri Productions under its Distribution Rights Agreement (the "Distribution Agreement") with Screen Media Ventures LLC ("Screen Media") dated September 27, 2021.

The Distribution Agreement provides the distribution rights for Screen Media's library to Amcomri Productions for the United Kingdom, including England, Wales, Scotland, Northern Ireland, Eire, the Channel Islands, the Isle of Man, Malta, Falkland Islands, and English speaking Gibraltar (collectively, the "Territory").

In return for these distribution rights Amcomri Productions was to pay $1,737,248 (USD $1,250,000) to Screen Media (the "minimum guarantee"), fifty percent at the time of execution the Distribution Agreement, twenty five percent, twelve months after the execution of the Distribution Agreement and twenty five percent, twenty-four months after the execution of the Distribution Agreement. Along with the distribution rights, Amcomri Productions would earn a twenty-seven and a half percent Sales Agent Fee of all gross receipts. The Sales Agent Fee is a sales fee of all Gross Receipts, which is defined and comprised of all monies received and retained by Silentpoint on behalf of Screen Media from the programs under the media library.

The initial fifty percent payment of the minimum guarantee was paid by Amcomri Productions at execution of the Distribution Agreement via a loan from a related party of the Company for the amount of $629,752 (USD $453,125) which was paid to Screen Media, net of the twenty-seven and a half percent holdback for the Sales Agent Fee (as defined in the Distribution Agreement). This holdback was recorded as deferred revenue in the amount of $238,872. The Company incurred an arrangement fee for the related party loan of $69,490 (USD $50,000) which was capitalized into the cost of the distribution rights and recorded as part of the loan payable balance.

The remaining fifty percent of the minimum guarantee, payable per the terms noted above was recorded as a payable in the amount of $868,624 (USD $625,000). The total cost of the distribution rights was capitalized as an intangible asset for the Company, at the value of $1,806,737.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

5. Inventory

The Company's inventory is comprised of:

	March 31 2022	December 31 2021
	$	$
Finished goods and goods for resale	**214,857**	252,711
	214,857	252,711

During the three months ended March 31, 2022, inventory expensed to cost of goods sold was $390,466 (March 31, 2021 – 216,456).

6. Property and Equipment

The Company's property and equipment is as follows:

		Office equipment	Computers	Total
Costs:				
Balance, December 31, 2020	$	20,479	54,101	74,580
Additions		16,559	18,617	35,176
Foreign currency translation		(358)	(823)	(1,181)
Balance, December 31, 2021	$	36,680	71,895	108,575
Additions		12,371		12,371
Disposal			(2,949)	(2,949)
Foreign currency translation		(1,979)	(2,972)	(4,951)
Balance, March 31, 2022	$	47,072	65,974	113,046

		Office equipment	Computers	Total
Accumulated depreciation:				
Balance, December 31, 2020	$	7,787	19,609	27,396
Additions		7,898	12,172	20,070
Foreign currency translation		(143)	(323)	(466)
Balance, December 31, 2021	$	15,542	31,457	46,999
Additions		5,862	5,946	11,808
Disposal			(2,949)	(2,949)
Foreign currency translation		4,807	4,305	9,112
Balance, March 31, 2022	$	26,211	38,759	64,970

		Office equipment	Computers	Total
Net book value:	$			
March 31, 2022		20,861	27,215	48,076
December 31, 2021		21,138	40,438	61,576

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

7. Intangible assets

The Company's intangible assets continuity is as follows:

		Goodwill	Film Library	Total
Costs:				
Balance, December 31, 2020	$	139,121	10,017,139	10,156,260
Additions		-	5,554,570	5,554,570
Foreign currency translation		(1,884)	(162,408)	(164,292)
Balance, December 31, 2021	$	137,237	15,409,301	15,546,538
Additions		-	3,038,098	3,038,098
Goodwill from RTO		4,383,826	-	-
Foreign currency translation		(5,860)	(759,201)	(765,061)
Balance, March 31, 2022	$	4,515,203	17,688,198	22,203,401

		Goodwill	Film Library	Total
Accumulated depreciation:				
Balance, December 31, 2020	$	60,286	2,679,130	2,739,416
Additions		13,790	1,616,017	1,629,807
Impairment		-	1,188,404	1,188,404
Foreign currency translation		(883)	(49,793)	(50,676)
Balance, December 31, 2021	$	73,194	5,433,757	5,506,951
Additions		3,448	183,455	186,903
Balance, March 31, 2022	$	73,353	5,376,512	5,449,864

		Goodwill	Film Library	Total
Net book value:	$			
March 31, 2022		4,441,850	12,311,686	16,753,536
December 31, 2021		64,043	9,975,544	10,039,587

Impairments

The Company reviews the carrying value of its intangibles at each reporting period for indicators of impairment. During the three months ended March 31, 2022, management noted no indicators for further impairment.

8. Accrued income

Accrued income relates to minimum guarantees resulting from distribution agreements that the Company has entered into for movie and television series distribution. These revenues will be collected over the terms of the agreement period.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

	March 31 2022	December 31 2021
	$	$
Accrued sales income	**9,680,562**	9,058,305
	9,680,562	9,058,305

9. Production loan receivable

Initial draw of production loan	$	4,269,777
Arrangement fee for facility		319,125
Interest		191,135
Foreign exchange		45,768
Balance acquired in RTO		4,825,805
Additions		253,600
Interest		18,720
Foreign exchange		(86,460)
Balance, March 31, 2022	$	5,011,665

The Company acquired a production loan as part of the RTO. The Company has committed to providing a credit facility (the "Bow River Facility" to Bow River Productions ("Bow River") for the production of a film which is owned by the Company (the "Picture"). In connection with the Bow River Facility, Bow River agreed to pay an arrangement fee of $319,125 (US$250,000). Amounts drawn under the Bow River Facility shall be repaid upon the earlier of demand by the Company or the date that is one year from the initial draw down under the Bow River Facility, being October 26, 2022.

Interest accrues on the principal amount of the loan at a rate of prime plus 1.5% per annum. For the period ended March 31, 2022, $52,250 of interest was accrued. The Bow River Facility is secured against the assets of Bow River.

In addition to the Bow River Facility, the Company entered into a distribution agreement with Bow River for the rights to distribute (the "Distribution Rights", or "Rights") the film that Bow River is producing. The Rights provide the Company with distribution rights worldwide, exclusive of Canada (the "Bow River Territory"), in perpetuity (the "Term"), for which the Company is entitled to 35% of all revenues which is defined as; one hundred percent of all refundable amounts (e.g. minimum guarantees, distributor advances, license fees, overages, secondary use royalties) actually received and that are derived from the exploitation of the Distribution Rights throughout the Bow River Territory during the Term. The Company will be entitled to recoup from Gross Receipts (as defined in the agreement) all of its actual, direct, verifiable distribution costs and expenses in connection with the distribution, sale and exploitation of the Picture.

Bow River is controlled by a Director of the Company.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

10. Production loan payable

Initial draw of production loan	$	2,730,115
Arrangement fee for facility		319,125
Interest		189,825
Balance assumed in RTO		3,239,065
Additions		253,600
Interest		35,063
Foreign exchange		(50,191)
Balance, March 31, 2022	$	3,477,537

The Company assumed the production loan as part of the RTO. The credit facility was provided by Oranmore Limited ("Oranmore"), a company related to a director of the Company. The credit facility was provided by Oranmore so the Company could pay the advance under the Bow River facility. In connection with the Bow River Facility, Bow River has agreed to pay an arrangement fee of $319,125 (US$250,000). Amounts drawn under the production loan shall be repaid upon the earlier of demand by Oranmore, the date that is one year from the initial draw down under the Bow River Facility (being October 26, 2022) or the date on which the Company receives repayment of the Bow River Facility (as disclosed above).

Interest accrues on the principal amount of the loan at a rate of prime plus 1.5% per annum. For the period ended March 31, 2022, $35,063 of interest was accrued. The Bow River Facility is secured against the assets of the company.

11. Loans payable

		March 31 2022		December 31 2021
Current				
Bank loans - secured	$	**1,740,053.00**	$	1,169,167.00
Bank loans - unsecured		**174,893.00**		16,753.00
Operating loan		**888,543.00**		-
	$	**2,803,489.00**	$	1,185,920.00
Non-current				
Bank loans - secured	$	**296,511.00**	$	190,606.00
Bank loans - unsecured		-		58,364.00
	$	**296,511.00**	$	248,970.00

Hollywood Classics International Limited has an unsecured facility of $67,538 (December 31, 2021 - $75,117) over a 72-month term with a 2.5% fixed interest rate.

101 Films Limited has an outstanding loan of $296,511 (December 31, 2021 - $345,475) which is repayable over the period to April 2024. The loan accrues interest at 3.99% over the Bank of England base rate. This loan is secured by way of a fixed and floating charge over the assets of 101 Films Limited. During

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

the year ended December 31, 2021, 101 Films Limited took out a new facility to fund the acquisition of a film title. This facility amounted to $125,615 as at the year ended December 31, 2021. and was repaid during the period ended March 31, 2022.

Abacus Media Rights Limited has taken out a series of loans to fund the acquisition of several titles. As at March 31, 2022, these loans amounted to $703,143 (December 31, 2021 - $605,945). They are all repayable within one year, accrue interest at a rate of 1% per month and are secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of the company.

101 Films International Limited has loans of $1,036,910 (December 31, 2021 - $282,739) taken out to fund the acquisition of two specific titles. These loans are repayable within one year and accrues interest at a rate of 1% per month and are secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of the company.

Short term loans from related parties totalling to $2,121,344 (Note 2) were assumed in the RTO. As part of the Transaction, the Company settled portions of this debt by issuing equity instruments.

First, the Company settled $120,000 of debt with 923,077 units if the Company (the "Units") at a deemed price of $0.13 per Unit. Each Unit was comprised of one common share in the capital of the Company and one common share purchase warrant entitling the holder thereof to acquire one additional common share in the capital of the Company for a period of one (1) year from the date of issuance at an exercise price of $0.25 per share (see Note 12). In connection with the RTO, the Units were consolidated on a basis of 25 (old) to (1) new basis (see Note 2).

In addition, pursuant to a loan exchange agreement dated August 9, 2021 (the "Loan Exchange Agreement") entered into between the Company and Oranmore, Oranmore exchanged $1,486,034 of debt for 1,981,379 post-consolidation common shares of the Company at a deemed price of $0.75 per share. Further, Oranmore has provided a credit facility of up to $1,000,000 to the Company for working capital purposes (the "Oranmore Facility"). Amounts drawn under the Oranmore Facility will be unsecured and will bear interest at a rate of eight percent (8%) per annum.

12. Related party balances

(a) Related parties include shareholders with a significant ownership interest in the Company, the Company's key management personnel, and Directors. Balances with related parties are as follows:

		March 31 2022		December 31 2021
Due to related party (i)	$	186,371	$	-
Short term loans (Note 11)		888,543		63,472
Production loan receivable (Note 9)		5,011,665		-
Production loan payable (Note 10)		3,477,537		-

Note:
(i) Amounts are unsecured, non-interest bearing and due on demand.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

(b) Remuneration awarded to directors and senior key management including the Chairman, the Chief Executive Officer, the Chief Financial Officer, and Directors of the Company:

		March 31 2022	March 31 2021
Salaries and benefits	$	67,846 $	64,241
Consulting fees		162,583	64,951

13. Share capital

(a) Authorized share capital:

Unlimited voting, participating common shares, with no par value.

Issuance of common shares:

For the three months ended March 31, 2022:

On January 7, 2022, the Company completed an RTO, as disclosed in Note 2. The equity transaction that occurred as part of the RTO as follows:

- The Company completed a (25:1) share consolidation, which reduced the issued and outstanding common shares by a total of 85,647,748 common shares.
- The Company settled $91,000 worth of debt by issuing 1,820,000 pre-consolidation common shares at a deemed price of $0.05.
- The Company settled $120,000 worth of debt by issuing 923,077 Units (Note 11) at a deemed price of $0.13 per Unit. The Company determined that the fair value of the common shares issued was $0.05, with the residual value of $0.08 being allocated to the value of the warrants.
- The Company settled $1,486,034 worth of debt by issuing 1,981,379 post-consolidation common shares at a deemed price of $0.75.
- As part of the RTO, the Company issued 66,666,667 post-consolidation common shares for the acquisition of Trinity.

(b) *Options*:

The Company has adopted an incentive stock option plan in accordance with the policies of the NEO (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent of the issued and outstanding common shares. The options are exercisable for the period of up to ten years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or person performing investor relations activities will not exceed two percent of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares, which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of the NEO. The foregoing summary is subject to and qualified by the provisions of the Stock Option Plan available on the Company's SEDAR profile.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

As at March 31, 2022, the Company had the following stock options outstanding:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date	Weighted average life (years)
20,000	20,000	$0.50	March 30, 2027	5
20,000	-	$0.75	March 30, 2027	5
20,000	-	$1.00	March 30, 2027	5
20,000	-	$1.50	March 30, 2027	5
20,000	-	$2.00	March 30, 2027	5
100,000	20,000	$1.15		5

The stock option activities are as follows:

	Number of options	Weighted average exercise price
Balance, December 31, 2021	-	$ -
Granted	100,000	1.15
Balance, March 31, 2022	**100,000**	**$ 1.15**

The fair values of the options granted during the three months ended March 31, 2022, were determined on the date of the grant using the Black-Scholes option pricing model with the following assumptions:

	March 31 2022
Risk free interest rate	2.31%
Expected life of options (years	5
Expected annualized volatility	64%
Expected dividend yield	Nil
Weighted average Black-Scholes value of each option	$ 0.57

Due to limited trading history of the Company, volatility was determined by using a comparative set of publicly traded Company's in the film industry of similar size to the Company. The expected life in years represents the period of time that options granted are expected to be outstanding. The risk-free rate is based on Canada government bonds with a remaining term equal to the expected life of the options.

The Company recorded share-based compensation expense related to the stock options of $3,548 for the three months ended March 31, 2022 (March 31, 2021 – nil). The expense has been charged to the consolidated statements of income and comprehensive income.

(c) *Warrants*:

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the common shares. If the proceeds from the offering are less than or equal to the estimated fair market value of common shares issued, non-value is assigned to the warrants. Warrants that re issued as payment to a finder or other transaction costs are accounted for as share-based payments.

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

On January 7, 2022, the Company completed an RTO, as disclosed in Note 2, and in connection therewith the Company warrants were consolidated on a 25:1 basis.

The warrants activity is as follows:

	Number of warrants		Weighted average exercise price
Balance, December 31, 2021	-	$	-
Granted	36,923		6.25
Balance, March 31, 2022	**36,923**	**$**	**6.25**

14. Financial instruments risk management

Fair values

The Company categorizes its financial instruments measured at fair value using a hierarchy based on the inputs used to measure fair value. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value as follows:

Level 1: observable inputs such as quoted prices in active markets;

Level 2: inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts for cash, trade and other payables, short term loans and due to related party approximate their fair value due to their immediate or short-term nature. These are carried at amortized cost.

The carrying values of the financial instruments at March 31, 2022 are summarized in the following table:

		Amortized cost
Financial Assets	$	
Cash		1,406,901
Accounts receivable and other receivables		1,572,427
Production loan receivable		5,059,126
Financial Liabilities	$	
Accounts payable and accrued liabilities		13,255,255
Production loan payable		3,477,537
Loans payable		3,100,000

(Unaudited - expressed in Canadian dollars, except share and per share amounts)

Financial risk management

The following provides disclosures relating to the nature and extent of the Company's exposure to risks arising from financial instruments, including credit risk, liquidity risk, foreign currency risk and interest rate risk, and how the Company manages those risks.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's credit risk is attributable to cash, trade and other receivables and the production loan receivable. The maximum exposure to credit risk for cash, trade and other receivables and loans receivable approximate the amount recorded on the consolidated statement of financial position of $8,038,454 as at March 31, 2022 (December 31, 2021 - $3,087,344).

The Company manages such risk by holding cash as operating bank accounts with Canadian and the United Kingdom chartered banks with high credit ratings.

(ii) Liquidity risk

The composition of the Company's accounts payable and accrued liabilities was as follows:

		March 31 2022		December 31 2021
Trade payables	**$**	**2,502,802.00**	$	748,107
Other payables		**-**		332,424
Accrued liabilities		**9,143,584.00**		8,471,924
Payroll liabilities		**78,257.00**		82,250
Sales tax payable		**518,618.00**		420,222
Corporate taxes payable		**811,994.00**		784,294
	$	**13,055,255**	$	10,839,221

As at March 31, 2022, the Company has the following gross contractual obligations, which are expected to be payable in the following respective periods:

		Total	≤ 1 year	Over 1 year - 3 years
Accounts payable and accrued liabilities	$	13,055,255	13,055,255	-
Production loan payable		3,477,537	3,477,537	-
Loans payable		3,100,000	2,803,489	296,511
	$	19,632,792	19,336,281	296,511

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities . As at March 31, 2022, the Company had negative working capital of $1,729,673 (December 31, 2021 - $99,531).

The Company manages liquidity risk through the management of its capital structure and resources to ensure that it has sufficient liquidity to settle obligations and liabilities when they are due. Management monitors its operating requirements and prepares budgets and cash flow forecasts to identify cash flow needs for general corporate and working capital purposes. The Company's ability to fund its operating requirements depends on future operating performance and cash flows , which are subject to economic, financial, competitive , business, and regulatory conditions , and other factors, some of which are beyond its control, such as the potential impact of COVID-19. The Company's primary short-term liquidity needs are to fund its operations, and debt repayments. The Company's medium-term liquidity needs primarily relate to debt repayments and lease payments. The Company's long-term liquidity needs primarily relate to potential strategic plans.

(iii) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to risk on the fluctuation on foreign exchange rates as it operates in multiple jurisdictions. Management strategically manages its cash and the agreements that it enters into to limit its exposure to currency risk. The Company operates mostly through its wholly-owned subsidiary Trinity in Pound Sterling.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk at March 31, 2022 due to its loans being at a fixed interest rate.

15. Capital management

As at March 31, 2022, the capital structure of the Company consisted of $35,141,649 (December 31, 2021 - $22,499,523) in shareholders' equity and debt.

The Company's objective when managing its capital is to ensure sufficient equity financing to fund its planned operations in a way that maximizes the shareholder return given the assumed risks of its operations. The Company considers shareholders' equity as capital. Through the ongoing management of its capital, the Company will modify the structure of its capital based on changing economic conditions. In doing so, the Company may issue new shares. Annual budgeting is the primary tool used to manage the Company's capital. Updates are made as necessary to both capital expenditure and operational budgets in order to adapt to changes in risk factors, proposed expenditure programs and market conditions.