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

AMCOMRI ENTERTAINMENT INC.

For the three and nine months ended September 30, 2023 and 2022

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 and nine months ended September 30, 2023 and 2022, have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

Under National Instrument 51-102, 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 accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by CPA Canada for a review of the condensed interim financial statements by an entity's auditor.

AMCOMRI ENTERTAINMENT INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

As at	Note	**September 30, 2023** **$**	December 31, 2022 $
ASSETS			
Cash		**1,448,611**	3,995,141
Prepaid expenses and deferred costs	5	**1,873,282**	707,595
Accounts receivable and other receivables	6	**1,149,895**	1,521,952
Due from related parties	15	**-**	16,734
Inventory	7	**165,189**	156,682
Contract assets	10	**13,396,291**	14,195,673
Production loan receivable	11	**3,138,921**	5,644,307
		21,172,189	26,238,084
Property and equipment	8	**118,070**	111,331
Intangible assets	9	**35,168,698**	24,691,778
Goodwill	9	**162,252**	160,676
TOTAL ASSETS		**56,621,209**	51,201,869
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable and accrued liabilities	17	**26,830,895**	24,778,706
Production loan payable	13	**2,369,189**	3,843,577
Loans payable	14	**9,546,098**	7,223,345
Deferred revenue	12	**902,717**	1,633,597
Due to related parties	15	**224,512**	-
		39,873,411	37,479,225
Loans payable	14	**141,752**	251,409
Deferred income tax liability		**356,295**	177,302
Total liabilities		**40,371,458**	37,907,936
Share capital	16	**4,654,419**	4,654,419
Share premium	16	**1,417,500**	1,417,500
Contributed surplus	16	**50,905**	7,150
Retained Earnings		**10,284,441**	7,579,257
Accumulated other comprehensive (loss) income		**(157,514)**	(364,393)
Total shareholders' equity		**16,249,751**	13,293,933
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**56,621,209**	51,201,869

Corporate information and going concern (Note 1)
Investment in joint venture (Note 4)

On behalf of the Board of Directors:

"Robert Price"
Director

"Larry Howard"
Director

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

AMCOMRI ENTERTAINMENT INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Unaudited - Expressed in Canadian dollars, except for share amounts)

	Note	**Three months ended September 30, 2023 $**	Three months ended September 30, 2022 $	**Nine months ended September 30, 2023 $**	Nine months ended September 30, 2022 $
Revenue	21	6,960,430	4,360,217	15,043,230	12,089,963
Operating expenses:					
Direct operating costs	7, 21	1,271,718	868,743	1,921,768	1,959,090
Amortization	9, 21	823,370	327,173	2,939,688	1,046,999
Depreciation	8	14,188	-	39,415	-
Advertising and promotion		145,442	197,463	533,136	468,722
Production loan interest	13	38,686	-	165,473	-
Interest expense	14	324,840	131,300	859,817	456,934
Management fees		193,750	115,599	225,000	264,418
Office and administrative		272,050	375,634	647,214	582,257
Professional fees		443,144	665,186	1,781,306	1,976,900
Salaries and benefits	15	1,004,566	900,541	2,973,937	2,060,225
Share-based payment	16	35,950	410,805	43,755	415,545
Bad debt recovery		-	(236,207)	-	(233,423)
Travel and entertainment		87,671	82,807	196,701	140,738
Total operating expenses		4,655,375	3,839,044	12,327,210	9,138,405
Operating income (loss)		2,305,055	521,173	2,716,020	2,951,558
Other income (expense):					
Interest income	11	7,602	73,784	245,403	245,170
Share of loss from joint venture		-	(136,155)	-	(136,156)
Impairment of film distribution rights	9	-	-	(257,559)	-
Loss on derecognition – film distribution rights		-	(886,426)	-	(886,426)
Foreign exchange gain (loss)		26,709	48,769	(25,980)	28,343
Income (loss) before tax		2,339,366	(378,855)	2,677,884	2,202,489
Income tax recovery (expense)		177,365	62,066	27,300	(477,829)
Net income (loss)		2,516,731	(316,789)	2,705,184	1,724,660
Accumulated other comprehensive income:					
Cumulative translation adjustment		(176,260)	723,779	206,879	(210,307)
Net and Comprehensive Income (loss)		2,340,471	406,990	2,912,063	1,514,353
Earnings (loss) per share – Basic and diluted	16	$0.03	$(0.01)	$0.04	$0.02
Weighted average number of shares outstanding – basic and diluted	16	**73,606,424**	72,827,294	**73,606,424**	72,370,989

The accompanying notes are 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 for share amounts)

	Share Capital						
	Number of shares[1]	Amount $	Share Premium $	Contributed Surplus $	Retained Earnings $	Accumulated Other Comprehensive Income (loss) $	Total $
Balance, January 1, 2022	89,216,404	1	1,417,500	-	7,939,189	35,863	9,392,553
Shares issued to settle debt	2,743,077	-	-	-	-	-	-
Share consolidation (25:1)	(88,281,103)	-	-	-	-	-	-
Reverse takeover	66,666,667	2,758,784	-	-	-	-	2,758,784
Shares issued to settle debt	1,981,379	1,486,034	-	-	-	-	1,486,034
Share-based payments	1,280,000	409,600	-	5,945	-	-	415,545
Net loss for the year	-	-	-	-	1,724,660	-	1,724,660
Cumulative translation adjustment	-	-	-	-	-	(210,307)	(210,307)
Balance, September 30, 2022	**73,606,424**	**4,654,419**	**1,417,500**	**5,945**	**9,663,849**	**(174,444)**	**15,567,269**
Balance, January 1, 2023	**73,606,424**	**4,654,419**	**1,417,500**	**7,150**	**7,579,257**	**(364,393)**	**13,293,933**
Share-based payments (Note 16 (b) and Note 16 (d))	-	-	-	43,755	-	-	43,755
Net profit(loss) for the period	-	-	-	-	2,705,184	-	2,705,184
Cumulative translation adjustment	-	-	-	-	-	206,879	206,879
Balance, September 30, 2023	**73,606,424**	**4,654,419**	**1,417,500**	**50,905**	**10,284,441**	**(157,514)**	**16,249,751**

1 – Comparative number of shares restated to show historical share transactions of the Company, dollar values are historical values of Trinity

The accompanying notes are 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 amounts)

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
	$	**$**
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net income (loss) for the period	**2,705,184**	1,724,660
Items not affecting cash:		
Amortization (Note 9)	**2,939,688**	1,046,999
Depreciation (Note 8)	**39,415**	-
Production loan interest expense (Note 13)	**165,473**	-
Interest expense (Note 14)	**340,863**	206,135
Interest income (Note 11)	**(245,234)**	(192,920)
Unrealized foreign exchange loss (gain)	**1,550**	(589,541)
Share based payments (Note 16 (b) and Note 16 (d))	**43,755**	5,945
Issuance of shares for services	**-**	409,600
Recovery of bad debt	**-**	(233,423)
Impairment of film distribution rights (Note 9)	**257,559**	-
Changes in non-cash working capital items:		
Accounts receivable and other receivables	**388,122**	(415,871)
Contract costs	**(538,246)**	-
Prepaid expenses	**(625,547)**	(530,330)
Inventory	**(6,691)**	80,250
Accrued Income	**980,291**	(3,923,484)
Accounts payable and accrued liabilities	**1,968,506**	4,510,409
Due from related parties	**244,017**	(42,015)
Deferred revenue	**(758,335)**	2,123,211
Deferred tax liability	**177,478**	-
Net cash from operating activities	**8,077,848**	4,179,625
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property and equipment (Note 8)	**(44,872)**	(38,376)
Purchase of intangible assets (Note 9)	**(13,028,545)**	(5,383,645)
Loss on derecognition of library assets	**-**	(886,426)
Repayments (issuance) of loan receivable (Note 11)	**2,768,176**	(233,321)
Net cash used in investing activities	**(10,305,241)**	(6,541,768)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Repayment of production loan (Note 13)	**(1,644,059)**	-
Cash received on loans payable (Note 14)	**4,278,297**	4,267,354
Repayment of loans payable (Note 14)	**(2,994,825)**	-
Cash acquired in RTO	**-**	7,376
Issuance of Shares for settlement of Debt	**-**	(46,154)
Net cash from (used in) financing activities	**(360,587)**	4,228,576
Effect of exchange rate changes on cash	**41,450**	(647,196)
Change in cash during the period	**(2,546,530)**	1,219,237
Cash, beginning of period	**3,995,141**	1,906,627
Cash, end of period	**1,448,611**	3,125,864

The accompanying notes are 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 CBOE Canada Exchange (the "CBOE"). 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.

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

Reverse Takeover

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. After the completion of 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. 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 CBOE, where it began trading on January 13, 2022 under the trading symbol "AMEN".

As a result of the RTO, the former shareholders of Trinity acquired control of the Company and accordingly, Trinity was determined to be the acquirer for accounting purposes, and therefore its assets, liabilities and operations are included in the consolidated financial statements at their historical carrying values. The Company's operations are considered to be a continuance of the business and operations of Trinity.

2. Summary of significant accounting policies

(a) Statement of compliance

These condensed interim consolidated financial statements were authorized for issue by the Audit Committee on November 14, 2023. 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, 2022. 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, 2022, unless otherwise indicated. The Company assesses its accounting estimates and judgements every reporting period.

2. Summary of significant accounting policies (Continued)

(b) Basis of measurement

The condensed interim consolidated financial statements are prepared on a going concern basis, under the historical cost convention except for the revaluation of certain financial assets and liabilities to fair value. All financial information is presented in Canadian dollars, or as otherwise noted.

(c) Principles of consolidation

These 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. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are de-consolidated from the date that control ceases.

The subsidiaries of the Company as at September 30, 2023, and December 31, 2022 include the following:

			Percentage owned	
Entity	Operating/ Inactive	Jurisdiction of incorporation	September 30, 2023	December 31, 2022
Trinity Pictures Distribution Limited[(i)]	Operating	United Kingdom	100%	100%
101 Films Limited[(i)]	Operating	United Kingdom	100%	100%
101 Films International Limited[(i)]	Operating	United Kingdom	100%	100%
Abacus Media Rights Limited	Operating	United Kingdom	100%	100%
Amcomri Productions Limited (formerly Silentpoint Limited)[(i)]	Operating	Republic of Ireland	100%	100%
Elwood Plains Limited[(i)]	Inactive	United Kingdom	100%	100%
Hollywood Classics International Limited[(i)]	Operating	United Kingdom	100%	100%
Devil Lies Beneath Limited[(i)]	Inactive	United Kingdom	100%	100%
Agatha Media Corp.	Inactive	Canada	100%	100%
Impossible Dream Entertainment Inc.	Inactive	Canada	100%	100%
Appreciated Media Global Limited	Inactive	British Virgin Islands	100%	100%
Amcomri Canada Sales Limited	Operating	Canada	100%	100%

(i) These entities were part of Trinity Pictures Distribution Limited group which was legally acquired in the RTO.

2. Summary of significant accounting policies (Continued)

(d) Investments in joint arrangements and associates

A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Company considers whether a joint arrangement is a joint operation or joint venture. The parties to a joint operation have the rights to the underlying assets and are exposed to the underlying liabilities of the joint arrangement. The parties to a joint venture have an interest in the underlying net assets of the joint arrangement. Investments in joint ventures are accounted for using the equity method. The equity method involves recording the initial investment at cost. Additional funding into an investee is recorded as an increase in the carrying value of the investment. The carrying amount is adjusted by the Company's share of post-acquisition net income or loss, dilution gains or losses (resulting from changes in ownership interest), depreciation or amortization. Losses are only recorded up to the value of the investment.

The Company's joint venture is as follows:

Entity	Date of Joint Control	Jurisdiction of incorporation	Percentage Owned	Principal Business	Additional Information
Positivor Limited	July 6, 2022	Republic of Ireland	60%	Film rights asset management	Note 4

3. Significant accounting judgements and estimates

The significant accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with the accounting policies disclosed in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2022.

In preparing these condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the applicability of the Company's accounting policies. In preparing these condensed interim consolidated financial statements, the significant estimates and critical judgments were the same as those applied to the audited consolidated financial statements as at and for the year ended December 31, 2022.

4. Joint Venture

The carrying value of the investment in Positivor Limited as at September 30, 2023 is as follows:

	$
Share purchase cost	167
Share of loss	(167)
Balance, December 31, 2022	-
Balance, September 30, 2023	-

4. Joint Venture (Continued)

Summarized financial information for Positivor Limited is set out below:

	September 30, 2023
Statement of financial position	$
Current assets	930,487
Non-current assets	4,284,763
Current liabilities	1,103,251
Non-current liabilities	4,540,832
Statement of comprehensive loss	
Revenue	543,938
Expenses	(971,136)
Joint venture net loss	(427,198)
Company's share of loss from joint venture	(256,319)

The Company's share of the losses in the joint venture, was $256,319 for the nine months ended September 30, 2023. Losses are only recorded up to the carrying value of the investment, therefore no amount was recorded for the nine months ended September 30, 2023. As of September 30, 2023, there are $256,790 in unrecorded losses representing the Company's share or losses of the joint venture in excess of its carrying value.

On July 8, 2022, the joint venture entered into an asset purchase agreement with Screen Media to acquire the Screen Media library assets (the "Library") for aggregate consideration of $4,800,000 (US$3,700,000). Positivor obtained a Loan from Head Gear Films FN Ltd. for the amount of $4,800,000 (US$3,700,000) with an interest rate of 7.716% per annum maturing thirty-six (36) months following the date of the first drawdown of the loan, beginning July 8, 2022.

The debt is secured by a charge over the assets of Positivor Limited as well as a charge over the bank account into which sums are deposited from the exploitation of the library.

5. Prepaid expenses and deferred costs

	Direct operating Costs	General and admin expenses	Royalty prepayments	Total
	$	$	$	$
Balance, December 31, 2022	-	89,870	617,725	707,595
Additions	538,246	621,298	8,310,369	9,469,913
Amortization	-	(450,620)	(7,855,503)	(8,306,123)
Foreign currency translation	-	(863)	2,760	1,897
Balance, September 30, 2023	**538,246**	**259,685**	**1,075,351**	**1,873,282**

6. Accounts receivable and other receivables

	September 30, 2023	December 31, 2022
	$	$
Trade receivables	**1,136,751**	1,497,502
GST receivable	**9,166**	22,486
Other receivables	**3,978**	1,964
	1,149,895	1,521,952

7. Inventory

The Company's inventory is comprised of:

	September 30, 2023	**December 31, 2022**
	$	$
Finished goods and goods for resale	**165,189**	156,682

During the nine months ended September 30, 2023, inventory expensed to direct operating costs was $50,405 (2022 – $151,340).

8. Property and equipment

	Office Equipment	**Computers**	**Stand Build**	**Total**
	$	$	$	$
Cost:				
Balance, December 31, 2021	36,681	71,895	-	108,576
Additions	27,765	9,041	41,373	78,179
Foreign currency translation	(1,164)	(3,119)	765	(3,518)
Balance, December 31, 2022	63,282	77,817	42,138	183,237
Additions	16,623	28,249	-	44,872
Foreign currency translation	591	644	510	1,745
Balance, September 30, 2023	**80,496**	**106,710**	**42,648**	**229,854**
Accumulated Depreciation:				
Balance, December 31, 2021	15,542	31,458	-	47,000
Depreciation expense	11,706	11,363	3,486	26,555
Foreign currency translation	(494)	(1,220)	65	(1,649)
Balance, December 31, 2022	26,754	41,601	3,551	71,906
Depreciation expense	12,988	15,681	10,746	39,415
Foreign currency translation	188	330	(55)	463
Balance, September 30, 2023	**39,930**	**57,612**	**14,242**	**111,784**
Net book value:				
December 31, 2022	36,529	36,215	38,588	111,331
September 30, 2023	**40,566**	**49,098**	**28,406**	**118,070**

9. Intangible assets

	Goodwill	Film distribution rights	Total
	$	$	$
Cost:			
Balance, December 31, 2021	137,237	15,409,301	15,546,538
Additions	-	14,809,729	14,809,729
Acquired in RTO	29,714	4,289,706	4,319,420
Interest capitalized	-	655,282	655,282
Derecognition	-	(789,627)	(789,627)
Foreign currency translation	(6,275)	(402,186)	(408,461)
Balance, December 31, 2022	160,676	33,972,205	34,132,881
Additions	-	13,028,545	13,028,545
Interest capitalized	-	508,289	508,289
Derecognition	-	-	-
Foreign currency translation	1,576	218,024	219,600
Balance, September 30, 2023	**162,252**	**47,727,063**	**47,889,315**
Accumulated Amortization:			
Balance, December 31, 2021	-	5,506,951	5,506,951
Amortization	-	2,734,003	2,734,003
Impairment	-	1,217,983	1,217,983
Foreign currency translation	-	(178,510)	(178,510)
Balance, December 31, 2022	-	9,280,427	9,280,427
Amortization	-	2,939,688	2,939,688
Impairment	-	257,559	257,559
Foreign currency translation	-	80,691	80,691
Balance, September 30, 2023	**-**	**12,558,365**	**12,558,365**
Net book value:			
December 31, 2022	160,676	24,691,778	24,852,454
September 30, 2023	**162,252**	**35,168,698**	**35,330,950**

Impairment – Trinity Entities

The Company reviews the carrying value of its intangibles at each reporting period for indicators of impairment. As at September 30, 2023, $257,559 was impaired relating to dated film titles for which the carrying value was higher than future projected income related to those titles.

10. Contract assets

Contract assets relate 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 respective agreement period. The change in balance of contract assets is primarily due to the satisfaction of the condition related to payment holdbacks. Conditions are usually satisfied within twelve months or less.

	$
Balance, December 31, 2021	9,058,305
Payments received	(8,497,450)
Contract assets recognized	14,011,102
Foreign currency translation	(376,284)
Balance, December 31, 2022	14,195,673
Payments received	(5,195,644)
Contract assets recognized	4,215,353
Foreign currency translation	180,909
Balance, September 30, 2023	**13,396,291**

11. Production loan receivable

	$
Balance, December 31, 2021	-
Acquired on RTO	4,825,805
Additions	256,521
Interest	315,343
Payments	(103,493)
Foreign currency translation	350,131
Balance, December 31, 2022	5,644,307
Interest	245,234
Repayment	(2,768,176)
Foreign currency translation	17,556
Balance, September 30, 2023	**3,138,921**

The Company entered into a production loan as part of the RTO (the “Bow River Facility”). The loan was executed on October 26, 2021, between Bow River Productions (“Bow River” or “Licensor”) and Appreciated Media Inc. for the production of a film of up to US$4,500,000. On acquisition, US$3,400,000 plus prior assessed fees of US$400,000 were receivable totalling US$3,800,000 (CAD $4,825,805).

The facility shall be repaid upon the earlier of demand by the Company, the date that was one year from the initial draw down under the Bow River Facility, being October 26, 2022. Interest accrued on the principal amount of the loan at a rate of prime plus 1.5% per annum starting January 1, 2022. The Bow River Facility is secured against the assets of Bow River.

11. Production loan receivable (Continued)

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. In return for distributing the film, the Company is entitled to 30% of all non-refundable amounts collected from film exhibitors ("Gross Receipts") to be retained as follows:

(a) First, the Company shall retain an amount equal to all amounts owed and outstanding under the Bow River Facility;
(b) Next, the Company shall retain an amount equal to 30% of Gross Receipts;
(c) Next, the Company shall retain an amount equal to all direct, verifiable distribution costs and expenses in connection with the distribution of the film;
(d) Next, the Company shall pay to Licensor an amount equal to 65% of the remaining Gross Receipts ("Net Receipts") and the Company shall retain an amount equal to 35% of the Net Receipts.

During the year ended December 31, 2022, the loan and distribution agreement was assigned to Stonagal Pictures Inc. ("Stonagal") with the same terms and conditions.

On 19 July 2022, the Company entered into the variation letter which provided that Bow River would extend the term of the Bow River Facility until March 31, 2023, in consideration of the payment of an additional fee of US$150,000 (which amount is payable in respect of the prior extension to 31 March 2023) and, in the event the Bow River Facility was not repaid on or before March 31, 2023, a payment of an additional fee of US$150,000 (which fee has been waived by the Company). Bow River could apply to extend the term of the Loan.

On March 31, 2023, the balance of the Bow River Facility remained outstanding and the Company agreed to waive the requirement for Bow River to pay an additional $150,000 for the extension of the Bow River Facility and to amend the terms of the Bow River Facility to provide that the term of the Bow River Facility be extended until March 31, 2024 and that the existing balance would bear interest from March 31, 2023 until the date of repayment at a fixed rate of 8% per annum.

Bow River is controlled by a director of the Company and is a related party.

12. Deferred revenue

	$
Balance, December 31, 2021	472,750
Acquisition of Amcomri Productions	217,148
Additions	1,604,628
Revenue recognized	(653,710)
Foreign currency translation	(7,219)
Balance, December 31, 2022	1,633,597
Additions	6,474,743
Revenue recognized	(7,233,078)
Foreign currency translation	27,455
Balance, September 30, 2023	**902,717**

13. Production loan payable

	$
Balance, December 31, 2020 and 2021	-
Acquired on RTO	3,239,065
Additions	253,600
Interest	211,862
Payments	(103,343)
Foreign currency translation	242,393
Balance, December 31, 2022	**3,843,577**
Interest	165,473
Payments	(1,644,059)
Foreign currency translation	4,198
Balance, September 30, 2023	**2,369,189**

On the completion of the RTO, the Company recognized a production loan due to Oranmore Limited, a related party controlled by a director of the Company. The loan was originally executed on October 26, 2021. The purpose of the loan is to provide financing for the production loan receivable (Note 11).

On acquisition, US$2,400,000 and accrued interest of US$150,000 was outstanding for a total of US$2,550,000 (CAD $3,239,065).

Interest accrues on the principal amount of the loan at a rate of prime plus 1.5% per annum. The production loan payable is secured against the assets of the Company. The loan is due one year after the first drawdown or on demand. During the year ended December 31, 2022, the loan was extended to March 31, 2023 and the Company paid US$150,000 (CAD $253,600) in extension fees for the loan. During the nine months ended September 30, 2023, the Company began to repay the loan with US$1,215,978 (CAD $1,644,059) of repayments made. The loan was extended to March 31, 2024 and the Company paid US$150,000 (CAD $202,673) in extension fees for the loan. Upon extension, interest accrues on the principal amount of the loan at a rate of 8% per annum.

14. Loans payable

	$
Balance, December 31, 2021	1,434,890
Acquired on RTO (i)	2,121,344
Additions	6,925,622
Settlements	(1,486,034)
Repayments	(2,404,492)
Interest expense	322,025
Capitalized interest	655,282
Foreign currency translation	(93,883)
Balance, December 31, 2022	**7,474,754**
Additions	4,278,297
Repayments	(2,994,825)
Interest expense	337,515
Capitalized interest	431,590
Foreign currency translation	160,519
Balance, September 30, 2023	**9,687,850**

14. Loans payable (Continued)

Maturity analysis of loans payable:

	September 30, 2023	December 31, 2022
	$	$
Current	9,546,098	7,223,345
Non-current	141,752	251,409
	9,687,850	**7,474,754**

(i) Transactions associated with the RTO

	$
Balance, December 31, 2021	-
Acquired on RTO	2,121,344
Additions	373,235
Settlements	(1,486,034)
Repayment	(731,374)
Interest expense	58,105
Balance, December 31, 2022	335,276
Additions	1,003,825
Repayment	(100,000)
Interest expense	29,525
Balance, September 30, 2023	**1,268,626**

Assumed in the RTO were short-term loans totalling $2,121,344. As part of the Transaction, the Company settled portions of this debt by issuing equity instruments.

On August 9, 2021, The Company and Oranmore Limited, agreed to exchange $1,486,034 of debt for 1,981,379 post-consolidation common shares of the Company at a price of 1,333 shares for $1 of debt. The debt settlement occurred on January 7, 2022, immediately after the RTO transaction. $1,486,034 was derecognized at a gain/loss of $nil. The fair value of the shares given up was $0.75 per share which is equal to the 1,333:1 exchange ratio agreed upon.

The remaining debt was replaced by a credit facility of up to US$1,000,000, unsecured, due on demand and an interest rate of 8% per annum.

In August 2023, the Company and Oranmore Limited amended the terms of the credit facility. The amended credit facility allows the Company up to US$1,250,000, unsecured, due on demand with an interest rate of 12% per annum. The maturity date of the amended credit facility is January 31, 2024. The Company agreed to pay Oranmore a $150,000 arrangement fee on signing of the amendment.

14. Loans payable (Continued)

(ii) Canadian Parent Loan

	$
Balance, December 31, 2021	-
Additions	407,340
Interest expense	6,440
Foreign currency translation	(756)
Balance, December 31, 2022	413,024
Additions	534,677
Repayment	(1,082,209)
Interest expense	119,223
Foreign currency translation	15,285
Balance, September 30, 2023	**-**

The Company entered into a loan facility with Oranmore Limited where Oranmore Limited agreed to provide up to US$750,000. During the year ended December 31, 2022, US$320,000 (CAD $407,340) was drawn. During the nine months ended September 30, 2023, an additional US$400,000 (CAD $534,677) was drawn, $119,223 in interest was accrued, and the loan was repaid in full.

(iii) Subsidiary Loans

a. Hollywood Classics

	$
Balance, December 31, 2021	75,115
Repayment	(15,688)
Interest expense	1,677
Foreign currency translation	(3,692)
Balance, December 31, 2022	57,412
Repayment	(9,478)
Interest expense	1,000
Foreign currency translation	778
Balance, September 30, 2023	**49,712**

Hollywood Classics International Limited has an unsecured facility of $49,712 (December 31, 2022 – $57,412) over a 72-month term with a 2.5% fixed interest rate. Blended principal and interest repayments are made monthly. This loan has been classified as long term.

14. Loans payable (Continued)

(i) Subsidiary Loans (Continued)

b. 101 Films Limited

	$
Balance, December 31, 2021	471,092
Repayment	(301,561)
Interest expense	13,603
Capitalized interest	36,333
Foreign currency translation	(26,206)
Balance, December 31, 2022	193,261
Repayment	(113,431)
Interest expense	9,321
Foreign currency translation	2,890
Balance, September 30, 2023	**92,041**

101 Films Limited has an outstanding loan of $92,041 (December 31, 2022 – $193,261) 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. This loan has been classified as long term.

c. 101 Films International

	$
Balance, December 31, 2021	282,739
Additions	1,441,856
Repayment	(28,193)
Capitalized interest	368,504
Foreign currency translation	20,113
Balance, December 31, 2022	2,085,019
Repayment	(317,076)
Capitalized interest	143,955
Foreign currency translation	26,193
Balance, September 30, 2023	**1,938,091**

101 Films International Limited has loans of $1,938,091 (December 31, 2022 – $2,085,019) taken out to fund the acquisition of three specific film titles. These are repayable within one year and accrue interest at a rate of 1% per month and is secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of the Company. It has been classified as short term.

14. Loans payable (Continued)

(i) Subsidiary Loans (Continued)

d. Abacus Media Rights Limited

	$
Balance, December 31, 2021	605,945
Additions	1,261,256
Repayment	(684,782)
Capitalized interest	202,001
Foreign currency translation	(13,270)
Balance, December 31, 2022	1,371,150
Repayment	(167,394)
Capitalized interest	111,186
Foreign currency translation	17,078
Balance, September 30, 2023	**1,332,020**

Abacus Media Rights Limited has an outstanding loan of $1,332,020 (December 31, 2022 – $1,371,150) for a project that is repayable within one year and accrues interest at a rate of 1% per month and is secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of the Company. The loan will begin to be repaid when the associated title is put into distribution. It has been classified as short term.

e. Amcomri Productions Limited

	$
Balance, December 31, 2021	-
Additions	3,441,935
Repayment	(642,894)
Interest expense	242,200
Capitalized interest	48,444
Foreign currency translation	(70,074)
Balance, December 31, 2022	3,019,611
Additions	2,739,795
Repayment	(1,205,237)
Interest expense	178,446
Capitalized interest	176,449
Foreign currency translation	98,330
Balance, September 30, 2023	5,007,394

To finance the Flame Media's asset purchase, the Company entered into a loan of $2,410,851 (GBP1,546,392). The loan bears interest at 1% per month, was due on October 16, 2023, and is secured by debentures and corporate guarantees executed by 101 Film International Limited, in the form of a charge against the Company's assets. The Company repaid $870,449 and incurred $178,446 in interest during the nine months ended September 30, 2023. As at September 30, 2023, $1,295,994 was outstanding. Subsequent to September 30, 2023, the maturity was extended to February 28, 2024.

14. Loans payable (Continued)

(i) Subsidiary Loans (Continued)

a. Amcomri Productions Limited

During the year ended December 31, 2022, Amcomri Productions entered into a loan of $593,516 (GBP 360,000) to finance a specific project. The Loan bears interest of 1% per month, secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of Amcomri Productions, 101 Films, 101 Films International and Abacus. Interest of $40,897 was accrued on the loan and capitalized to intangible assets. The loan is expected to be repaid beginning February 2024 . As at September 30, 2023, $352,557 was outstanding.

During the year ended December 31, 2022, Amcomri Productions entered into a loan of $201,931 (GBP 126,903) to finance a specific project. The Loan bears interest of 1% per month, secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of Amcomri Productions, 101 Films, 101 Films International and Abacus. Interest of $33,742 was accrued on the loan and capitalized to intangible assets. The loan is expected to be repaid beginning February 2024. As at September 30, 2023, $274,331 was outstanding.

During the year ended December 31, 2022, Amcomri Productions entered into a loan of $235,637 (GBP 180,000) to finance a specific project. The Loan bears interest of 1% per month, secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of Amcomri Productions, 101 Films, 101 Films International and Abacus. Interest of $22,027 was accrued on the loan and capitalized to intangible assets. The loan is expected to be repaid beginning February 2024. As at September 30, 2023, $267,492 was outstanding.

During the nine months ended September 30, 2023, Amcomri Productions entered into a loan for the total amount of US$1,277,200. As of September 30, 2023, US$1,271,000 (CAD $1,710,251) had been drawn on the loan. The maturity date is May 30, 2024 (fourteen months after the first draw on the loan, which was taken on March 31, 2023). The Loan bears interest of 1% per month, secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of Amcomri Productions, 101 Films, 101 Films International and Abacus. As at September 30, 2023, $1,801,455 was outstanding.

During the nine months ended September 30, 2023, Amcomri Productions entered into a loan for the total amount of US$1,558,763. As of September 30, 2023, US$341,360 (CAD $458,871) had been drawn on the loan. The loan has a maturity date of March 14, 2025 (eighteen months after the initial draw on the loan, which was taken on September 14, 2023). The loan bears interest at 1% per month, secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of Amcomri Productions, 101 Films, 101 Films International and Abacus. As at September 30, 2023, $466,392 of the loan was outstanding.

During the nine months ended September 30, 2023, Amcomri Productions entered into a loan for the total amount of GBP 1,236,000. As of September 30, 2023, GBP 330,928 (CAD $553,954) had been drawn on the loan. The loan has a maturity date of March 26, 2025 (eighteen months after the first draw on the loan, which was taken on September 26, 2023). The Loan bears interest at 1% per month, secured by means of a fixed charge over the rights to the associated title and a floating charge over the assets of Amcomri Productions, 101 Films, 101 Films International and Abacus. As at September 30, 2023, $549,173 was outstanding.

15. Related party transactions

Related parties include shareholders with a significant ownership interest in the Company, the Company's key management personnel, and directors.

(a) Balances with related parties:

	September 30, 2023	December 31, 2022
	$	$
Due from related party	**-**	16,734
Due to related party[(i)]	**224,512**	-
Accounts payable	**411,972**	169,302
Short term loans (Note 14)	**1,268,065**	748,300
Production loan receivable (Note 11)	**3,138,291**	5,644,307
Production loan payable (Note 13)	**2,369,189**	3,843,577

[(i)] *Amounts are unsecured, non-interest bearing and due on demand.*

(b) Transactions during the period with companies and persons related through common significant shareholder, key management personnel, and directors:

For the nine months ended	**September 30, 2023**	September 30, 2022
	$	$
Salaries and benefits	**581,252**	331,323
Consulting and management fees	**310,042**	441,033
Share based payments	**32,023**	415,545
Interest income from related party	**245,234**	192,927
Interest expense to related party	**314,038**	144,179

16. Share capital

(a) Authorized share capital

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

Issuance of common shares

(i) Transactions from January 1, 2023 to September 30, 2023

There were no common shares issued during the nine-months ended September 30, 2023.

(ii) Transactions from January 1, 2022 to the RTO on January 7, 2022

The Company settled $91,000 worth of debt by issuing 1,820,000 pre-consolidation common shares at a price of $0.05.

The Company settled $120,000 worth of debt by issuing 923,077 units at a 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. Each unit was comprised of one common share in the capital of the Company and one common share purchase warrant (see Note 16 (c)).

These transactions affected the Company's outstanding shares but have not been recorded into the results of the continuing entity as they occurred before the RTO.

(iii) Transactions for the period of from January 7, 2022 (date of the RTO) for the year ended December 31, 2022:

The Company completed a (25:1) share consolidation, 91,959,481 shares was reduced to 3,678,379, there was no effect on the value of the shares outstanding.

66,666,667 common shares were issued to Trinity shareholders for the RTO. $2,758,784 was ascribed to these shares.

1,981,379 post-consolidation common shares at a price of $0.75 to settle $1,486,034 of debt. (See also Note 14).

On August 11, 2022 the Company issued 768,000 common shares to directors for services valued at $230,400, this was recoded as share-based compensation. The shares were valued at the trading price on the date of issuance of $0.30.

On August 25, 2022 the Company issued 512,000 common shares to directors for services valued at $179,200 this was recoded as share-based compensation. The shares were valued at the trading price on the date of issuance of $0.35.

16. Share capital (Continued)

(b) Options

The Company has adopted an incentive stock option plan in accordance with the policies of the CBOE Exchange (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 CBOE. The foregoing summary is subject to and qualified by the provisions of the Stock Option Plan available on the Company's SEDAR profile.

As at September 30, 2023, the Company had the following stock options outstanding:

Number of options outstanding	Number of options exercisable	Weighted average exercise price	Expiry date	Weighted average life (years)
20,000	20,000	$0.50	March 30, 2027	3.50
20,000	20,000	$0.75	March 30, 2027	3.50
20,000	-	$1.00	March 30, 2027	3.50
20,000	-	$1.50	March 30, 2027	3.50
20,000	-	$2.00	March 30, 2027	3.50
2,500,000	-	$0.10	August 15, 2033	9.88
2,600,000	40,000	$0.14		9.64

The stock option activities are as follows:

	Number of options		Weighted average exercise price
Balance, December 31, 2022	100,000	$	1.15
Granted	2,500,000		0.10
Balance, September 30, 2023	**2,600,000**	**$**	**0.14**

16. Share capital (Continued)

(b) Options (Continued)

The fair values of the options granted during the nine months ended September 30, 2023 and year ended December 31, 2022, were determined on the date of the grant using the Black-Scholes option pricing model with the following assumptions:

	September 30, 2023	December 31, 2022
Risk free interest rate	3.71%	2.31%
Expected life of options (years)	10	5
Expected annualized volatility	53%	64%
Expected dividend yield	Nil	Nil
Share price at valuation date	$0.10	$0.36
Weighted average Black-Scholes value of each option	$0.10	$0.11

Due to limited trading history of the Company, volatility was determined by using a comparative set of publicly traded companies 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 $11,732 for the nine months ended September 30, 2023 (2022 – $5,945). The expense has been charged to the consolidated statements of income and comprehensive loss.

(c) Warrants

As described above in Note 16 (a) the Company settled $120,000 of accounts payable with 923,077 units of the Company (the "Units") at a 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. In connection with the RTO, the Units were consolidated on a basis of 25 (old) to (1) new basis.

The warrants activity is as follows:

	Number of warrants	Weighted average exercise price
		$
Balance, December 31, 2022	36,923	6.25
Expired	(36,923)	6.25
Balance, September 30, 2023	**-**	**-**

16. Share capital (Continued)

(d) Restricted Share Units ("RSU")

On June 8, 2023, the Company issued 500,000 RSUs of the Company to the Chief Executive Officer of the Company pursuant to the Company's omnibus equity incentive plan. The RSUs will vest in three equal installments on each of September 30, 2023, 2024 and 2025 and will entitle the CEO to acquire up to 500,000 common shares in the capital of Amcomri or the cash equivalent of such shares, once vested. As of September 30, 2023, 133,333 RSUs have vested but have not settled.

Vesting date	Number of RSUs exercisable
September 30, 2023	166,666
September 30, 2024	166,667
September 30, 2025	166,667
	500,000

The fair values of the RSUs granted during the nine months ended September 30, 2023 were determined on the date of the grant using the following assumptions:

As of Grant Date	June 8, 2023
Closing market price	$0.14
Value of the RSUs	70,000

During the nine months ended September 30, 2023, $32,023 (2022 - $Nil) of expense was recognized as share-based payment.

17. 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, accounts receivable and other receivables, and production loan receivable and due to related party approximate their fair value due to their immediate or short-term nature.

17. Financial instruments risk management (Continued)

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 $4,288,816 as at September 30, 2023 (December 31, 2022 – $7,166,259).

As at September 30, 2023, the Company's receivables are as follows:

Accounts receivable and other receivables	**Current**	**30**	**60**	**90**	**90+**	**Total**
	$	$	$	$	$	$
September 30, 2023	**448,626**	**71,314**	**111,761**	**57,739**	**460,455**	**1,149,895**
December 31, 2022	373,334	122,403	564,884	56,677	404,654	1,521,952

(i) Liquidity risk

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

	September 30, 2023	December 31, 2022
	$	$
Trade payables	**8,605,164**	4,339,328
Accrued liabilities	**14,259,031**	17,394,704
VAT payable	**306,591**	62,000
Income tax payable	**422,405**	909,929
Other payables	**3,237,704**	2,072,745
	26,830,895	24,778,706

As at September 30, 2023, the Company has the following gross contractual obligations, which are expected to be payable in the following respective periods:

	Total	Within 1 year	1 to 3 years
	$	$	$
Accounts payable and accrued liabilities	**26,830,895**	26,830,895	-
Production loan payable	**2,369,189**		-
Loans payable	**9,687,850**	9,546,098	141,752

17. Financial instruments risk management (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. As at September 30, 2023, the Company had negative working capital of $18,701,222 (December 31, 2022 – $11,241,141).

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 of the fluctuation on foreign exchange rates as it operates in multiple jurisdictions. Management manages this risk by attempting, to the extent commercially feasible, to enter into agreements that are in the functional currency of the subsidiary. The Company operates mostly through Trinity, its wholly owned subsidiary, in Pound Sterling (“GBP”).

The following table demonstrates the sensitivity to a reasonably possible change in GBP and USD exchange rates, with all other variables held constant. The impact on the Company’s profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Effect on profit before tax	
Sensitivity change in exchange rates	Change in GBP	Change in USD
	$	$
+5%	(16,128)	(12,216)
-5%	16,128	12,216

(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 exposed to interest rate risk through the production loan payable which, until March 31, 2023, had an interest rate that is prime + 1.5%. The sensitivity below expresses the impact on the Company’s financial results for the nine months ended September 30, 2023 if the prime rate fluctuated up or down from what it was over the course of the period.

Sensitivity change in interest rates	Effect on profit before tax
	$
+5%	(3,082)
-5%	3,082

18. Capital management

As at September 30, 2023, the capital structure of the Company consisted of $28,306,790 (December 31, 2022 - $24,612,264) 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.

19. Segmented disclosure

For management purposes, the Company is organized in business units based on its products and services, and has five reportable segments, as follows: Film Distribution, Film Production, Television, Intellectual Property and Administration.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purposes of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. However, the performance of Positivor Limited, the Company's joint venture, is evaluated separately. Also, the Company's financing and income taxes are managed on a Company basis and are not allocated to operating segments.

	Film Distribution	Film Production	Television	Intellectual Property	Administration	Total
	$	$	$	$	$	$
Revenue	**2,780,172**	**1,384,033**	**5,520,370**	**5,358,655**	**-**	**15,043,230**
Expenses						
Direct costs	1,012,364	140,365	304,619	455,382	9,038	1,921,768
Operating expenses	933,674	1,190,309	3,407,225	810,125	85,696	6,427,029
Interest income	-	(11,311)	(577,357)	-	(245,403)	(834,071)
Interest expense	63,678	641,551	-	861,641	47,088	1,613,958
Amortization	753,273	286,766	949,452	950,197	-	2,939,688
Depreciation	1,826	2,948	23,437	1,229	9,975	39,415
Impairment	-	-	157,859	99,700	-	257,559
Income Tax expense (recovery)	1,011	(165,672)	238,254	-	(100,893)	(27,300)
Net Income (loss)	14,346	(700,923)	1,016,881	2,180,381	194,499	2,705,184

19. Segmented disclosure (Continued)

Revenue and assets by geographic location:

	North America	Europe	**Total**
	$	$	$
Revenue	182,265	14,860,965	15,043,230
Assets	8,754,635	47,866,574	56,621,209

20. Comparative figures

Certain prior period figures have been reclassified to conform with the current period presentation. These reclassifications had no effect on the reported results of operations or cash flow.

21. Correction of error in prior quarter

During the nine-months ended September 30, 2023, management identified an error in the accounting for its production loan receivable and distribution rights with Bow River (Note 11) as reported in its Unaudited Condensed Interim Consolidated Financial Statements for the three and six months ended June 30, 2023 and 2022. The effects of the correction were applied retrospectively, and the restated balances below are included in the Company's Condensed Interim Consolidated Statement of Income and Comprehensive Income for the nine-months ended September 30, 2023.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	ORIGINALLY REPORTED As at June 30, 2023 $	Effect of correction of prior period Increase (decrease) $	**RESTATED As at June 30, 2023 $**
Prepaid expenses	4,030,462	538,246	**4,568,708**
Accounts receivable and other receivables	2,699,953	(108,476)	**2,591,477**
Intangible assets	32,486,444	(3,811,284)	**28,675,160**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME	ORIGINALLY REPORTED Three months ended June 30, 2023 $	Effect of correction of prior period Increase (decrease) $	**RESTATED Three months ended June 30, 2023 $**
Revenue	7,513,160	(4,549,036)	**2,964,124**
Operating expenses:			
Direct operating costs	866,395	(1,167,522)	**(301,127)**
Amortization	1,729,828	(447,566)	**1,282,262**
Total operating expenses	5,650,943	(1,615,088)	**4,035,855**
Net income (loss)	1,533,155	(2,933,948)	**(1,400,793)**

21. Correction of error in prior quarter (Continued)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME	ORIGINALLY REPORTED Six months ended June 30, 2023 $	Effect of correction of prior period Increase (decrease) $	**RESTATED Six months ended June 30, 2023 $**
Revenue	12,631,836	(4,549,036)	**8,082,800**
Operating expenses:			
Direct operating costs	1,817,572	(1,167,522)	**650,050**
Amortization	2,563,884	(447,566)	**2,116,318**
Total operating expenses	9,286,923	(1,615,088)	**7,671,835**
Net income	3,122,401	(2,933,948)	**188,453**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN CASH FLOWS	**ORIGINALLY REPORTED Six months ended June 30, 2023 $**	Effect of correction of prior period Increase (decrease) $	**RESTATED Six months ended June 30, 2023 $**
Net income	3,122,401	(2,933,948)	**188,453**
Items not affecting cash:			
Amortization	2,563,884	(447,566)	**2,116,318**
Changes in non-cash working capital items:			
Prepaid expenses	(3,275,907)	(538,246)	**(3,814,153)**
Accounts receivable and other receivables	(1,142,348)	108,476	**(1,033,872)**
Capitalized library assets with receipt of box office revenues	(3,811,284)	3,811,284	**-**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	ORIGINALLY REPORTED Six months ended June 30, 2023 $	Effect of correction of prior period Increase (decrease) $	**RESTATED Six months ended June 30, 2023 $**
Net income	3,122,401	(2,933,948)	**188,453**