Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: **001-41508**

LOOP MEDIA, INC.

(Exact Name of Registrant as Specified in its Charter)

Nevada	**47-3975872**
(State or Other Jurisdiction of Incorporation)	(I.R.S Employer Identification No.)

2600 West Olive Avenue, Suite 5470, Burbank, CA 91505
(Address of Principal Executive Offices) (Zip Code)

(213) 436-2100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.0001 par value per share	**LPTV**	**The NYSE American, LLC**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

The aggregate market value of the voting and non-voting common stock held by non-affiliates computed by reference to the price at which the common stock was last sold, or the average bid and asked price of such common stock, as of March 31, 2023, was $245,468,455.

As of December 15, 2023, the registrant had 70,691,228 shares of common stock issued and outstanding.

Table of Contents

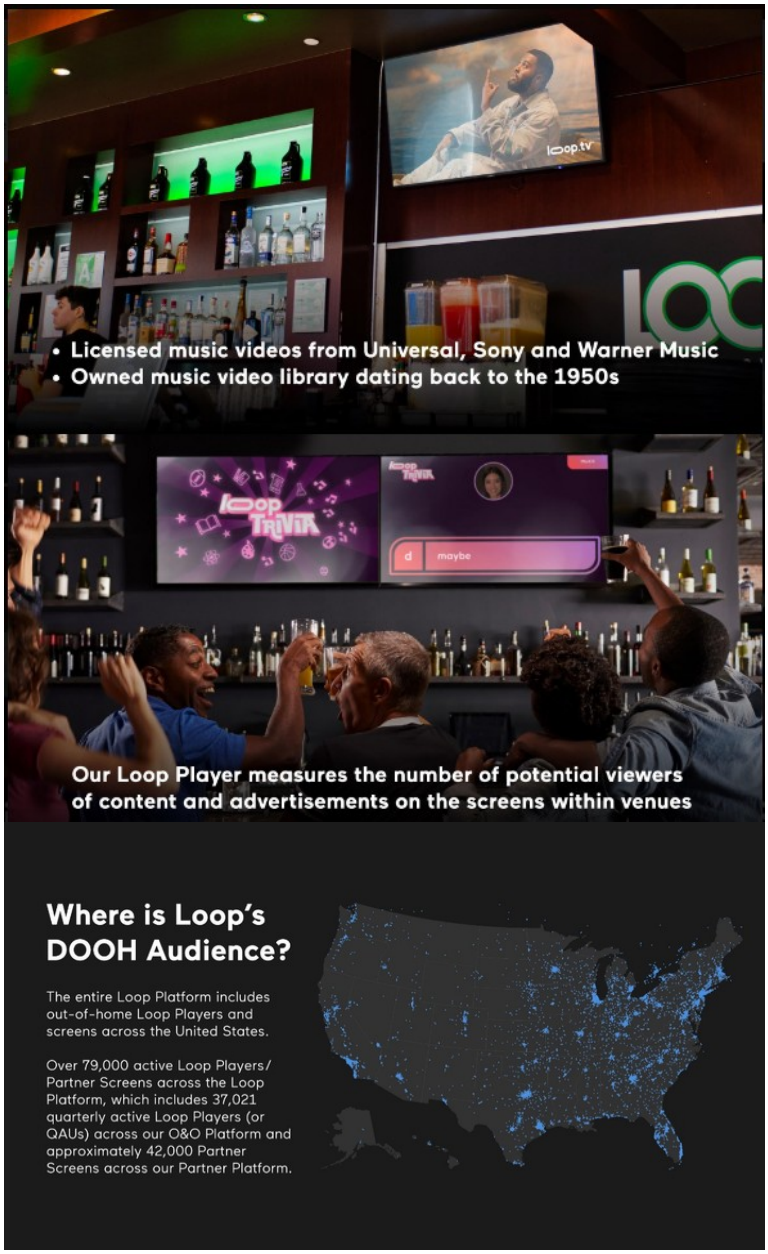


TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

Except for historical information, this annual report on Form 10-K ("Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements include, among others, those statements including the words "believes," "anticipates," "expects," "intends," "estimates," "plans" and words of similar import. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are based on our current expectations and assumptions regarding our business, potential target businesses, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you, therefore, that you should not rely on any of these forward-looking statements as statements of historical fact or as guarantees or assurances of future performance. You should understand that many important factors, in addition to those discussed or incorporated by reference in this Report, could cause our results to differ materially from those expressed in the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include changes in local, regional, national, or global political, economic, business, competitive, market (supply and demand) and regulatory conditions and the following:

- our ability to raise capital when needed and on acceptable terms and conditions;
- our ability to attract and retain management with experience in digital media including digital video music streaming, and similar emerging technologies;
- our ability to negotiate, finalize and maintain economically feasible agreements with the major and independent music labels, publishers and performance rights organizations;
- our expectations regarding market acceptance of our services in general, and our ability to penetrate the digital video music streaming market in particular;
- the scope, validity and enforceability of our and third-party intellectual property rights;
- our ability to comply with governmental regulations and changes in legislation or governmental regulations affecting us;
- the intensity of competition in the markets in which we operate and those that we may seek to enter;
- the effects of the ongoing pandemic caused by the spread of COVID-19 and our business customers' ability to service their clients in out of home venues that have limited their public capacity;
- changes in the political and regulatory environment and in business and fiscal conditions in the United States and overseas;
- our ability to attract prospective users and to retain existing users;
- our dependence upon third-party licenses for sound recordings and musical compositions;
- our lack of control over the providers of our content and the providers' ability to limit our access to music and other content;
- our ability to comply with the many complex license agreements to which we are a party;
- our ability to accurately estimate the amounts payable under our license agreements;
- the limitations on our ability to reduce operating costs due to the minimum guarantees required under certain of our license agreements;

- our ability to obtain accurate and comprehensive information about music compositions in order to obtain necessary licenses or perform obligations under our existing license agreements;
- potential breaches of our security systems;
- assertions by third parties of infringement or other violations by us of their intellectual property rights;
- competition for users and user listening time;
- our ability to generate sufficient revenue to be profitable or to generate positive cash flow on a sustained basis;
- our ability to accurately estimate our user metrics;
- the manipulation of stream counts and user accounts and unauthorized access to our services;
- our ability to hire and retain key personnel;
- our ability to maintain, protect and enhance our brand;
- risks associated with our international expansion, including difficulties obtaining rights to stream music on favorable terms;
- risks relating to the acquisition, investment and disposition of companies or technologies;
- dilution resulting from additional share issuances;
- tax-related risks;
- the concentration of voting power among our founders who have and will continue to have substantial control over our business;
- international, national, or local economic, social or political conditions, and
- risks associated with accounting estimates, currency fluctuations and foreign exchange controls.

Other sections of this Report describe additional risk factors that could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time, and it is not possible for our management to predict all risk factors and uncertainties, nor are we able to assess the impact of all of these risk factors on our business or the extent to which any risk factor, or combination of risk factors, may cause actual results to differ materially from those contained in any forward-looking statements. These risks and others described under the section “Risk Factors” below are not exhaustive.

Given these uncertainties, readers of this Report are cautioned not to place undue reliance on such forward-looking statements. We disclaim any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future events or developments.

PART I

ITEM 1. BUSINESS.

Overview

Loop Media, Inc., a Nevada corporation, (collectively, "Loop Media," the "Company," "we," "us" or "our") is a multichannel digital video platform media company that uses marketing technology, or "MarTech," to generate our revenue and offer our services. Our technology and vast library of videos and licensed content enable us to curate and distribute short-form videos to connected televisions (CTV) in out-of-home ("OOH") dining, hospitality, retail, convenience stores and other locations and venues to enable the operators of those locations to inform, entertain and engage their customers. Our technology also provides businesses the ability to promote and advertise their products via digital signage and provides third-party advertisers with a targeted marketing and promotional tool for their products and services. We also allow our business clients to access our service without advertisements by paying a monthly subscription fee.

We offer hand-curated music video content licensed from major and independent record labels, including Universal Music Group ("Universal"), Sony Music Entertainment ("Sony"), and Warner Music Group ("Warner" and collectively with Universal and Sony, the "Music Labels"), as well as non-music video content. Our non-music content is predominantly licensed or acquired from third parties, including action sports clips, drone and nature footage, trivia, news headlines, lifestyle channels and kid-friendly videos, as well as movie, television and video game trailers, amongst other content. We distribute our content and advertising inventory to digital screens located in OOH locations primarily through (i) our owned and operated platform (the "O&O Platform") of Loop Media-designed "small-box" streaming Android media players ("Loop Players") and legacy ScreenPlay (defined below) computers and (ii) through screens ("Partner Screens") on digital platforms owned and operated by third parties (each a "Partner Platform" and collectively, the "Partner Platforms," and together with the O&O Platform, the "Loop Platform").

As of September 30, 2023, we had over 79,000 active Loop Players and Partner Screens across the Loop Platform, which include 37,021 quarterly active Loop Players, or QAUs (defined below) across our O&O Platform and approximately 42,000 Partner Screens across our Partner Platforms. *Please see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Quarterly Active Units."*

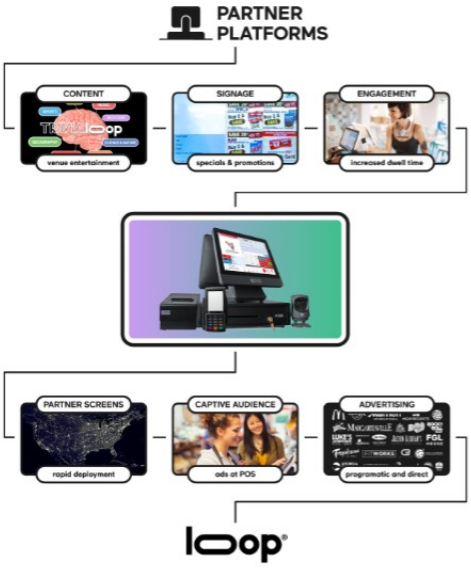
MarTech

MarTech, the intersection of marketing and technology, leverages data and analytics to expand our points of distribution and advertising revenue.

Distribution

Owned & Operated Platform (O&O). We moved to an advertising-based model and ramped up distribution of Loop Players for our O&O Platform starting in early 2021. Our customer acquisition strategy for our O&O Platform is focused on marketing and distributing our Loop Player to businesses primarily through our internal enterprise sales team and affiliate marketing programs. We have, in the past, sought to market our services through social media and online performance marketing, but those efforts were reduced in 2023 in an effort to reduce up front acquisition costs for our business customers and because we were more successful with other avenues of Loop Player distribution. Our enterprise sales team targets multi-location retail businesses or franchised chains in key markets and industries in the United States that are attractive to OOH advertisers. Our affiliate marketing program incentivizes third parties that have pre-existing connections with retail venues or otherwise qualify for our program to market and distribute our Loop Players and help ensure that they remain active and are able to serve advertisements. As of September 30, 2023, we had 37,021 QAUs. *Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operation — Key Performance Indicators.*"

Partner Platforms. Through our Partner Platforms business, we offer curated content and programmatic advertising sales expertise and technology to third parties looking to optimize advertising revenue on their existing distribution platforms. We work directly with programmatic advertising demand companies to sell advertising inventory on the Partner Platforms. We collect revenues from the demand partners and pass along a percentage of such revenues to our Partner Platforms client. We launched our Partner Platforms business in early May 2022 and as of the year ended September 30, 2023, we have a total of approximately 42,000 Partner Screens across our Partner Platforms. Our cost of revenue for advertising sales on our Partner Platforms business is higher than our cost of revenue for advertising sales on our O&O Platform due to the revenue share arrangements we have with our Partner Platforms clients, even though we are able to share typical transaction costs associated with the related programmatic advertising sales and server costs with such clients. Our ability to monetize the screens in our Partner Platforms business will differ from Partner Platform to Partner Platform, as certain screens will be more desirable than others for advertisers, depending on the type of venues or locations in which the screens are located, the concentration of screens, the expected or actual number of consumers that have access to such screens, dwell time of those consumers at the venues or locations and other factors.



Advertising Revenue

Our revenue is primarily driven by programmatic advertising, an automated process that manages the sales of our advertising inventory. Today, most digital advertising is programmatic advertising, with digital OOH advertising comprising a small portion of the overall market. We are able to secure advertisements for both OOH ads and, in certain instances, CTV ads. A greater portion of our ads are CTV ads (or hybrid CTV/OOH ads), as there is a larger market for CTV ad spending than OOH ad spending by advertisers. While we have begun to develop direct advertising and sponsorship opportunities with advertisers, substantially all of our current advertising revenue is secured through programmatic advertising. Our yield optimization strategies look to leverage data analytic and other techniques to maximize the value of our digital advertising inventory. We intend to optimize the combination of our ad impressions, cost per impression and the percentage of our ad inventory filled by advertisers, while balancing our O&O Platform's and our Partner Platforms clients' experience by limiting the number of ads delivered during any given period. Our Loop Player is designed to allow us to multiply OOH revenue in certain locations in the event that the advertising industry recognizes, and is willing to pay for, multiple advertising impressions for a single Loop Player for venues with multiple persons who may be in a position to view the relevant advertisement, as outlined below. We don't currently benefit materially from this "multiplier effect," as this multiplier is only available for OOH ads, which is only a small portion of our programmatic ad revenue, and is not currently available for CTV ads, which makes up the vast majority of our advertising revenue.

During the twelve-months ended September 30, 2023, we had two customers which each individually comprised greater than 10% of net revenue. These customers, both advertising revenue partners, represented 14%, and 12% of net revenue, respectively.

The Loop Player is at the heart of our O&O Platform revenue model and its technology enables us to communicate and interact with OOH locations, advertisers, and OOH customers:

- *OOH Locations*. The Loop Player allows OOH clients to program their in-store monitors and audio systems to schedule playlists depending on the time of day, promote their products or services through digital signage and deliver company-wide messages to staff in back-office locations. Business owners can filter content based on ratings or explicit language and can control the genres of videos in their programs. The Loop Player caches and encrypts our content, thereby supplying uninterrupted play for up to 12 hours in the event of an internet disruption.

- *Advertising and Content Partners*. Our Loop Player works with our technology, software and servers to determine the number of ad impressions available for programmatic advertising, which can be filled in real-time, seconds before ads are played. Our Loop Player delivers content and advertising to venues and our technology allows us to record and report video content played (for reporting to content providers) and advertisements played (for reporting to our advertising demand partners and advertisers). In particular, our technology allows us to track when, where and how long content is played, and, in certain instances, measure approximately how many consumers were in a position to view the content or advertisement. The Loop Player's wireless capabilities allow us to determine the number of potential viewers at a given location, which can, in certain instances, provide us with a revenue multiplier, as we expect to be able to increase advertising revenue at high-volume locations in the event that the advertising industry recognizes, and is willing to pay for, multiple advertising impressions for a single Loop Player for venues with multiple persons who may be in a position to view the relevant advertisement. This "multiplier effect" is possible due to the Loop Player's ability to detect, using Bluetooth and WiFi technology, the number of consumer mobile devices within reach of a Loop Player in an OOH location which provides advertisers with a proxy for the number of potential viewers of a particular ad at any given time. The digital advertising market for OOH locations is still developing and the multiplier effect is only recognized by a small percentage of our advertising demand partners and is available only for OOH ads. There is no assurance that it will become more widely available in the short term or at all. We don't currently benefit materially from this "multiplier effect."

- *OOH Customers*. We are seeking to develop further the interactivity between the Loop Player and the customers in OOH locations. This may take different forms, such as offering a simple thumbs up or thumbs down function, displaying the number of customer votes for a given piece of content, answering trivia questions, downloading of OOH venue menus and other helpful consumer information from the screens and other functions. This will require development of a mobile application in the future.

- *Loop Player*. We are able to consistently monitor the preferences of our OOH customers and venue operators through our Loop Player. Our Loop Player allows us to collect specific information and data on content played, views, location, and location type, enabling us to effectively measure demand. These capabilities allow us to make informed decisions around which type of content to acquire or develop, as well as identify new market opportunities.

The Loop Platform

The following table sets forth the Loop Platform customer targets, delivery method, preferred revenue model and the associated content for our services:

PLATFORM	CUSTOMER	PRIMARY DELIVERY METHOD	PREFERRED REVENUE MODEL	CONTENT
O&O Platform	OOH Location or Venue	Loop Player	Ad-supported or Subscription service	● All forms of content, including music video and other content ● Curated playlists and channels
Partner Platform	Third-Party Partner with its own distribution platform	Third-party screens (API Integration or Loop Player)	Ad-supported service	● Selected Loop Media content (fixed fee and owned content; no music video content) ● Third-party Partner content

O&O Platform and OOH Locations

The foundation of our business model is built around the OOH experience, with a focus on distributing licensed music videos and other content to public-facing business venues and locations. Our OOH offering has supported hospitality and retail businesses for over 20 years, originally through ScreenPlay, Inc. ("ScreenPlay"), which we fully acquired in 2019. Since the acquisition of ScreenPlay, we have primarily focused on acquiring OOH clients throughout the United States. We have sought very limited expansion into Canada and are testing potential expansion into New Zealand and Australia.

Most OOH locations in the United States deliver visual content to their customers by the use of cable TV boxes and computer-based audio video equipment, which requires significant investment and cost to the venue operator. Capital investment in equipment has historically been a barrier for many businesses to provide visual entertainment to their customers. Unlike consumers in their homes, who have been more willing in recent years to invest in CTVs and streaming services, businesses generally have been slower in adopting lower cost streaming options.

To gain greater access to, and expand our business with, OOH venue operators, we developed our proprietary Loop Player. The Loop Player is easy to set up and allows content to be streamed on multiple television sets. We believe our Loop Player and ad-supported service has significantly reduced the cost of specialty equipment and visual entertainment for venue operators.

We began rolling out the Loop Player in late 2020. We believe the COVID-19 pandemic, which caused many businesses to shut down or reduce capacity, acted to accelerate business owners' demand for CTVs and streaming services to reduce their costs. For this reason, we believe the introduction of our Loop Player, coupled with our switch to an ad-supported business model, contributed to the growth in calendar 2021 and 2022 of OOH business clients using our services.

Our O&O Platform client base is represented by different venue types and industries, including retail, casual dining, bars, offices, salons, quick service restaurants, doctors' offices, and gyms, amongst others.

Partner Platforms

Our Partner Platforms business targets third parties with existing distribution platforms that have a significant number of screens in desirable OOH locations and venues. Our revenue model for the Partner Platforms business is all ad-supported and the content delivered may be content sourced by our Partner Platforms clients or by us. To date, we have

not distributed Loop Players to deliver our streaming content and advertisements to our Partner Platforms clients, but may do so in the future.

Our Competitive Strengths

Diversified Content Library, including Music Videos

We have developed a large non-music video library of content, through revenue share license agreements, fixed fee license agreements and purchased content. We have purchased and will seek to continue to purchase content for a one-time fee, which allows us to use the content over a period of time without limit and without any revenue share arrangements with the relevant content provider. Our non-music video library consists of action sports clips, drone and nature footage, trivia, news headlines, lifestyle channels and kid-friendly videos, as well as movie, television and video game trailers, amongst other content. We believe that our music video library is one of the largest in the world and gives us an advantage over many of our competitors. Our music video library contains videos dating back to the 1950s, appealing to generations of music-lovers, with the newest videos directly obtained from the Music Labels. Older music video libraries are more difficult to obtain, as there is generally no central database from which to acquire such videos. Additionally, the individual music labels who have rights over portions of such videos do not easily and readily provide them to those seeking to acquire them. We have the ability to monetize our music video content through our license agreements with the Music Labels.

Efficient Content Curation

We believe we are able to produce engaging video content by curating our own and third-party content at relatively low production costs. In contrast to many streaming platforms, we curate existing content from our video library and content licensed and purchased from third parties. The curation of our video content from our owned and licensed libraries eliminates the costly and lengthy production process associated with creating original video content. We believe this allows us to regularly innovate, update, and enhance our content offerings in a cost-effective and timely manner.

National Distribution and Reach

We distribute our services across thousands of OOH dining, hospitality, retail, convenience stores and other locations and venues. We had 37,021 QAUs operating on our O&O Platform across North America for the quarter ended September 30, 2023. Our internal salespeople engage in direct marketing for our OOH business across all regions of the United States. In addition, our affiliate marketing program incentivizes third parties that have pre-existing connections with retail venues or otherwise qualify for our program to market and distribute our Loop Players. We launched our Partner Platforms business in May 2022 and had a total of approximately 42,000 screens across our Partner Platforms as of September 30, 2023. *Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations — Key Performance Indicators"* for a description of QAUs.

Technology Based Business Model

All of our key software and the design of our Loop Player has been developed in-house by our technology team. We have built our services and platform with a view to the future, focusing on where we believe the digital OOH market is and will be for the foreseeable future. The Loop Player is ideal for OOH location operators looking to "cut the cord" from their old business models. This allows our OOH clients to cut costs and provides them with a greater ability to customize and schedule content to fit their venues. We use digital marketing technology, or "MarTech," to generate revenue, market our services and fuel our business. Our experience and technological capabilities in digital marketing has allowed us to expand our business into our Partner Platforms business, where we offer programmatic advertising sales expertise and technology to third parties looking to optimize advertising revenue on their existing distribution platforms and screens. Additionally, we believe we can attract key employees from across geographies as we operate almost entirely remotely in support of our culture of technology and efficiency. Our use of technology in most aspects of our business, including marketing, distribution, content curation, sales, customer service and other areas, allows us to leverage our existing employees as we continue to scale up our business.

Established Foundation Supported by Industry Tailwinds

Our technology stack, ad-supported revenue model and vast content library are the backbone of our business. We believe this established foundation places us in a better position than many of our peers to benefit from any industry recovery from the recent challenging environment in the advertising markets. Because our foundation has been built with a view to where we believe the OOH content delivery and digital marketing trends are headed, we believe we are better positioned than many of our competitors who might have to re-work their existing technology and revenue models to better align with these trends. We believe our programmatic advertising expertise in the OOH market will support our revenue infrastructure for the foreseeable future. *See* "*Business — Digital-Out-of-Home-Industry*."

Passionate and Experienced Management Team

Our seasoned management team is founder-led and has more than 100 years of combined media and technology experience. Our executive team has previous experience at some of the most well recognized entertainment companies in the world, including Walt Disney, MTV, VH1, Sony, Viacom, Time Warner, Electronic Arts, among others.

Our Growth Strategies

Our growth strategies are focused on monetizing and growing our content library and are guided by the following five pillars:

Increase Affiliate Distribution of Loop Players for our O&O Platform. We have found our affiliate distribution program to be a successful customer acquisition strategy and believe there is a direct correlation between our affiliate partners' efforts and the growth in Loop Players across our O&O Platform. With our affiliate program, we incentivize third parties that have connections with OOH venues, third parties that have a network of people to rely on to market our products and services or individual third parties that otherwise qualify for our program, to market and distribute our Loop Players and help ensure that they remain active and are servicing advertisements. In addition to our affiliate distribution program, we also intend to leverage our internal enterprise sales team to increase our direct marketing efforts to promote our Loop Player and services to large, national or regional, franchisee or corporate owned businesses.

Expand our Partner Platforms Business. We believe we are at the forefront of digital programmatic advertising distribution and monetization in the DOOH (as defined below) industry. This has resulted in the expansion of our business to include our Partner Platforms business, which allows us to offer our advertising sales services and curated content to third parties looking to distribute our content and advertising to screens on digital networks owned and operated by such third parties. We launched our Partner Platforms business in early May 2022, and as of September 30, 2023, we have a total of approximately 42,000 Partner Screens across our Partner Platforms. Digital out-of-home ("DOOH") is a form of media that is delivered digitally outside of the home on billboards, signage, displays, televisions, and other devices in OOH locations, including restaurants, retail shops, healthcare facilities, sports and entertainment venues, and other public or non-residential spaces.

Target Higher Revenue O&O Platform Customers. We have increased our use of data gathering and analysis to try and identify the top venue types and geographic locations for revenue generation. As a general matter, advertisers as a group will spend more on advertisements published in certain designated market areas ("DMAs") over other DMAs. In addition, there tends to be greater ad dollars spent in certain types of locations over other types, given the different demographics and customer attributes in different venues. Advertisers trying to reach young, affluent, urban customers will generally spend more ad dollars and seek to reach customers in one of the top DMAs around large city centers in the United States. Based on the analysis of our data and external advertising spend, we have refocused our in-house enterprise sales distribution team and our external affiliate distribution partners on the top potential revenue generating venue types and DMAs. Over time, we expect this to lead to higher average revenue per Loop Player and per location, all other things being equal.

Optimize the Mix of Video Content Played by our O&O Platform Venues. We have different costs and gross margins associated with the different content played on our O&O Platform. We source our video content under different business arrangements, which are generally divided into three distinct types, including (i) licenses from Music Labels, publishers and performance rights organizations ("PROs") for the playing of music videos on the Loop Platform, (ii) third party nationally branded content licenses for non-music well known branded channels, and (iii) owned and operated content, consisting of owned content and fixed cost licenses. Our music videos primarily operate on a revenue share basis with the Music Labels and music publishers receiving a percentage of revenue we receive from music videos. The PROs are also paid a set fee for venues playing music videos based on the number of locations that play music videos. For third-party branded premium content videos, we look to secure content from companies with a national brand. The content licenses for third-party branded content generally operate on a revenue share basis. In certain instances, primarily for content that is not nationally branded, we look to enter into fixed fee licenses for content, in which we have an unlimited use of the licensed content on the Loop Platform for a period of time in return for a fixed fee. In other instances, we are able purchase outright the content we need to create a given channel. For example, we introduced a Trivia channel on our service in July 2022, which we developed internally from content we purchased, and which is not subject to a revenue share agreement with any third parties for the use of the content. The mix of channels played across the Loop Platform between music channels, third-party branded channels and owned and operated channels will change the mix of our cost of revenue and our gross margin. While we do not dictate the channels that are played by our customers in their OOH venues, we can provide those customers with different channels to choose from that might help grow our business and enhance our operating margins.

Optimize Advertising Sales. We aim to optimize our advertising sales by using technology and short-term, third-party consultants to collect data and employ analytics. Similarly, we will seek to continue to optimize our programmatic revenue through MarTech data and analytics. In addition to these efforts our advertising sales team focuses on advertising sales directly to companies that seek to advertise on our platform and to companies that are interested in providing sponsorship of our content if any. Through such arrangements, to the extent we are able to secure them, we may receive payments from a company in return for allowing such company to be associated with one of our channels, playlists, other content or company events. Finally, we are in the process of rolling out a self-serve local ads manager that will enable local businesses to advertise in their local and regional markets.

Our Content

Content Acquisition

Music Videos. Although we own copies of the music videos that we deliver to our clients, we must secure the rights to stream the video, the sound recordings, and the musical compositions embodied therein (i.e., the musical notes and the lyrics). To do so, we enter into license agreements to obtain licenses from rights holders such as record labels, music publishers, performance rights organizations, collecting societies, and other copyright owners or their agents, and pay royalties to such parties or their agents.

We have non-exclusive licenses to digitally distribute certain music videos and related materials owned or controlled by the three Musical Labels to our OOH clients in the United States.

Trailers. Our film, game and TV trailer library is one of our largest video libraries. Similarly, to our music video library, it includes a back catalog of old videos, dating back to the early 1900s. More recent trailers are secured from the relevant production companies, at no cost to us, and are added to our growing library. Our back catalog of older trailers was obtained with the acquisition of ScreenPlay.

Other. In addition to music videos and movie trailers, we have obtained other video content for curation and distribution to our clients. This content includes action sports clips, drone and nature footage, trivia, news headlines, lifestyle channels and kid-friendly videos, as well as movie, television and video game trailers, amongst other content. Most of our non-music content is secured through licenses that are subject to revenue share arrangements or are licensed

on a fixed fee basis, allowing us unlimited use of the content for a fixed fee and fixed period. Certain video channels are created by us using content that is purchased by us, like the content underlying our trivia channel.

We continue to explore opportunities to secure other forms of video content to add to our growing content library.

Content Curation

In May 2023, we dismantled Loop Media Studios, lowered overhead and headcount and created a new content creation division to lead the acquisition, curation, production, and branding of our video content.

We work to curate content to create a compelling user experience by, among other things, curating playlists by genre, mood, or time periods. We currently have approximately 100 music video channels, 33 non-music video branded channels and 24 owned and fixed fee channels for OOH clients.

We produce some of our own content "in-house" that can be packaged separately or as part of our third-party content offerings, and we plan to continue to deliver this content through our existing and future channels. For the foreseeable future this in-house content will largely consist of acquiring hours of third-party content, in return for a one-time fee for the use of the content for a period of years and curating that content into Loop branded channels or creating content like "Loop Trivia" which is evergreen content that we own.

Content Distribution

We aim to make our content available primarily in OOH venues and locations. To achieve this objective, we currently leverage our existing content across thousands of OOH locations. As of September 30, 2023, we had 37,021 QAUs operating on our O&O Platform across North America. We launched our Partner Platforms business in May 2022 and had a total of approximately 42,000 screens across our Partner Platforms as of September 30, 2023.

License Agreements

In order to stream video content to our users, we generally secure intellectual property rights to such content by obtaining licenses from, and paying royalties or other consideration to, rights holders or their agents. Below is a summary of certain provisions relating to our license agreements for music videos, the musical compositions embodied therein, as well as other non-music video content.

Music Video and A/V Recordings License Agreements with Major and Independent Record Labels

We enter into license agreements to obtain rights to stream music videos to our OOH clients, including from the Music Labels. These agreements require us to pay royalties and make minimum guaranteed advanced payments, and they include marketing commitments, advertising inventory and financial and data reporting obligations. Rights to A/V recordings granted pursuant to these agreements is expected to account for the vast majority of our music video use for the foreseeable future. Generally, these license agreements have a short duration and are not automatically renewable. The license agreements also allow for the licensor to terminate the agreement in certain circumstances, including, for example, our failure to timely pay sums due within a certain period, our breach of material terms and certain situations involving a "change of control" of Loop. These agreements provide licensors the right to audit us for compliance with the terms of these agreements. Further, they contain "most favored nations" provisions, which require that certain material contract terms be at least as favorable as the terms we have agreed to with any other similarly situated licensor. A significant portion of our OOH business relies upon these licenses, and if we fail to maintain and continually renew these licenses our business, operating results, and financial condition could be materially harmed.

Musical Composition License Agreements

Our business model requires that we also obtain two additional types of licenses with respect to musical compositions: mechanical and public performance rights. Mechanical licenses are required to distribute recordings written

by someone other than the person or entity conducting the distribution. Such licenses ensure that the music publisher, and ultimately the songwriter, receive compensation for the use of their work. A public performance license is an agreement between a music user and the owner of a copyrighted composition (song) that grants permission to play the song in public, online, or on radio. We have obtained direct licenses for mechanical rights with the three largest publishers, which are respective affiliates of each of the Music Labels for our OOH business. As a general matter, once music licenses are obtained from the Music Labels, their affiliate publishing companies enter into agreements with respect to the mechanical licenses. If our business does not perform as expected or if the rates are modified to be higher than the proposed rates, our music video content acquisition costs could increase, which could negatively impact our business, operating results, and financial condition, hinder our ability to provide interactive features in our services, or cause one or more of our services not to be economically viable due to an increase in content acquisition costs.

In the United States, public performance rights are generally obtained through PROs, which negotiate blanket licenses with copyright users for the public performance of compositions in their repertory, collect royalties under such licenses and distribute those royalties to music publishers and songwriters. We have obtained public performance licenses from, and pay license fees to, the PROs in the United States: ASCAP, BMI, the SESAC, LLC and Global Music Rights, LLC. These agreements impose music usage reporting obligations on Loop and grant audit rights in favor of the PROs. In addition, these agreements typically have one-to-two-year terms, and some have continuous renewal provisions, with either party able to terminate for convenience within 30 to 60 days prior to the end of the applicable term (or commencement of the subsequent term) and are limited to the territory of the United States and its territories and possessions. These license fees are based on the number of venues to which music videos are streamed and are not based on a revenue share license model. As such, these fees are a higher proportion of costs in a lower revenue environment than in a higher revenue environment.

License Agreements with Non-Music Video Content

With respect to certain of our non-music content, we obtain distribution rights directly from rights holders. We then negotiate licenses directly with individuals or entities in return for providing such licensors with either a fixed fee or a share of revenue derived from the licensed content distributed through our services. We are dependent on those who provide the content that appears on our services complying with the terms and conditions of our license agreements. However, we cannot guarantee that rights holders or content providers will comply with their obligations, and such failure to do so may materially impact our business, operating results, and financial condition.

License Agreement Extensions, Renewals, and Expansions

From time to time, our various license agreements described above expire while we negotiate their renewals. In accordance with industry custom and practice, we may enter into brief (for example, month-, week-, or even days-long) extensions of those agreements or provisional licenses and/or continue to operate on an at will basis as if the license agreement had been extended. It is also possible that such agreements will never be renewed at all, which could be material to our business, financial condition and results of operations. License agreements are generally restrictive as to how the licensed content is accessed, displayed and manipulated, as licensors seek to protect the use of their content. We may from time to time seek expansion of our licenses to provide us with greater functionality of our services as it relates to the relevant content. The inability to expand our licenses, or the lack of renewal, or termination, of one or more of our license agreements, or the renewal of a license agreement on less favorable terms, could have a material adverse effect on our business, financial condition, and results of operations. If any of the above were to occur, our ability to provide any particular content that our clients favor or are seeking would be limited, which would result in those clients going elsewhere. *Please refer to "Risk Factors — Risks Related to Our Business* — We depend upon third-party licenses for substantially all of the content we stream and an adverse change to, loss of, or claim that we do not hold any necessary licenses may materially adversely affect our business, operating results, and financial condition."

Competition

Our competitive market is made up of a variety of small to large companies, depending upon the area that we are competing in.

In the OOH market, we compete with small companies in a fragmented marketplace. Our direct competitors include Atmosphere, UPshow and Rockbot. We believe that the major competitive factors in the OOH marketplace are price, technology and quality of the music video and other entertainment content.

Marketing and Sales

Our sales and marketing efforts are primarily focused on reaching our OOH clients. Historically, when we operated our ScreenCast system developed by Screenplay, our sales cycle from first contact with a potential customer to adoption of our services was relatively long and met with varying degrees of success, as the A/V equipment required to run our services was often considered expensive by many of the venues looking to acquire it. Our sales and marketing efforts historically were almost entirely dependent on direct marketing by our internal sales representatives, including multiple contacts, onsite demonstrations of our services and potentially on-site installation and technical support, when needed. The introduction of our Loop Player for OOH locations has enabled us to adopt a digital marketing strategy, in addition to our direct marketing.

Following the introduction of our proprietary Loop Player, our sales and marketing strategy for OOH clients consisted of bottom-up and top-down approaches. Our bottom-up approach marketed our Loop Player and our OOH business through digital marketing to potential business clients for use at their individual venues, reaching these businesses through the Internet, mobile devices, social media, search engines and other digital channels. Our digital marketing campaign targeted businesses in certain industries that were more likely to use our services and become a customer, as determined by our past experience and by analyzing and identifying leads sourced from our online marketing channels. We have supplemented these digital marketing efforts with our affiliate program, in which third parties market our Loop Players to OOH locations in return for affiliate fees and commissions. In 2023, we reduced significantly our digital marketing campaigns in favor of placing more emphasis on our affiliate distribution program. Digital marketing campaigns generally require significant up-front costs and expenses ahead of any customer acquisition, whereas our affiliate program generally results in customer acquisition costs and expenses incurred after a customer is acquired and their Loop Player is activated. This allows us to better match costs and expenses against revenue, as both occur closer in time. We only incur customer acquisition costs and expenses through our affiliate program if and when a customer is acquired, while digital marketing requires costs to be incurred whether or not a customer is ultimately obtained from those market efforts.

We are able to ship a physical Loop Player to individual businesses that sign up for our services online upon verification of the business venue. We then utilize our team of customer service personnel, digital prompts and text messages to ensure activation of the Loop Player after receipt by the potential customer. For our paid subscription services, a sales representative will call the potential business customer to better communicate the various subscription services pricing and availability.

Our top-down approach for OOH marketing and sales to enterprise clients relies on our internal sales team targeting large, national or regional, franchisee or corporate-owned, businesses, to promote our Loop Player and services in multiple venues controlled by them. We often will obtain a lead for these businesses from individual venues in such business' network of venue operators and owners. The top-down approach has a longer sales cycle but should result in a greater reach and distribution of our Loop Player and services, since we are able to enter multiple venues at a single time, once adopted.

Seasonality

We generally have seen seasonality in our revenue and business related to advertising sales and the distribution of our Loop Player. This seasonality may not always be reflected in our results of operations, as other factors contribute to revenue growth or decline from quarter to quarter and may obscure underlying seasonal trends.

Our revenues are extremely reliant on digital advertising sales. Revenue associated with such sales is dependent on our ability to fill our ad inventory for our OOH locations using our ad-supported services and the price, or cost-per-thousand ad impressions ("CPMs"), at which such inventory can be sold. Advertisers usually manage their budgets on a quarterly basis, which results in lower CPMs and ad volume at the beginning of a quarter and an increase at the end of a quarter. Similarly, for advertisers that manage budgets monthly, there is often lower CPMs and ad volume at the beginning of a month. The first quarter of the calendar year (our second fiscal quarter) is traditionally the least profitable quarter in terms of revenue generation for ad publishers (such as us), as advertisers are holding and planning their budgets for the year and consumers tend to spend less after the winter holiday season. This results in fewer ad demands and lower CPMs. The second quarter of the calendar year, from April to June (our third fiscal quarter), typically experiences increased ad demand and higher CPMs over the first quarter of the calendar year (our second fiscal quarter), as advertisers start to spend their budgets in greater amounts. The third quarter of the calendar year, from July to September (our fourth fiscal quarter), typically sees a slight increase in CPMs and ad demands compared to the second quarter of the calendar year (our third fiscal quarter), even though consumers spend more time outdoors and less time online in the summer months. The fourth quarter of the calendar year, from October to December (our first fiscal quarter), is typically the most profitable quarter for publishers, as companies want their brands and products to be seen in the run up to the holiday season. This generally results in publishers receiving the highest CPMs and the greatest ad demand for their ad impressions during the fourth quarter of the calendar year (our first fiscal quarter). As a result of these market trends for digital advertising, we generally expect to receive higher CPMs and greater ad fill rates during the fourth quarter of a calendar year (our first fiscal quarter) and lower CPMs and reduced ad fill rates during the first quarter of a calendar year (our second fiscal quarter). We seek to offset the reduction in CPMs and ad fill rates with increased Loop Player distribution and ad impressions across our ad- supported services.

Our customer acquisition cost is largely influenced by the cost of our affiliate distribution program, as a significant portion of our Loop Player distribution is reliant on our third-party affiliates.

Our Technology and Intellectual Property

We have developed our own software, computer code and related items to provide our service and do not materially rely on any third-party providers. Our Loop Player is a proprietary device, designed by us in-house. The Loop Player is manufactured in Shenzhen, China, by an authorized third-party original equipment manufacturer ("OEM" manufacturer). We do rely on third-party partners to provide services such as payment systems and server hosting platforms, all of which are industry-standard support systems, none of which have proprietary information and for which alternative providers can easily be found.

Our intellectual property rights are important to our business. We rely on a combination of patent, copyright, trademark, service mark, trade secret, and other rights in the United States and other jurisdictions, as well as confidentiality procedures and contractual provisions to protect our proprietary technology, processes and other intellectual property. We protect our intellectual property rights in a number of ways including entering into confidentiality and other written agreements with our employees, clients, consultants and partners in an attempt to control access to and distribution of our documentation and other proprietary technology and other information. Despite our efforts to protect our proprietary rights, third parties may, in an unauthorized manner, attempt to use, copy or otherwise obtain and market or distribute our intellectual property rights or technology.

U.S. patent filings are intended to provide the holder with a right to exclude others from making, using, selling or importing in the United States the inventions covered by the claims of granted patents. Our patents, including our pending patents, if granted, may be contested, circumvented, or invalidated. Moreover, the rights that may be granted in those issued and pending patents may not provide us with proprietary protection or competitive advantages, and we may not be able to prevent third parties from infringing on those patents. Therefore, the exact benefits of our issued patents and our pending patents, if issued, and the other steps that we have taken to protect our intellectual property cannot be predicted with certainty. *See "Risk Factors — Risks Related to Our Intellectual Property — Failure to protect our intellectual property could substantially harm our business, operating results, and financial condition."*

Our trademark and copyright filings are intended to secure rights in our trademarks and copyrights for the purpose of strengthening enforcement against unauthorized third-party use of identical or confusingly similar marks to those of our marks for the same, overlapping and related goods, as to our trademarks, and infringing copyright content, as to our copyrights. Our trademark and copyright registrations can also be licensed or assigned to meet the needs of our business.

Government Regulation

Our business and our devices and platform are subject to numerous domestic and foreign laws and regulations covering a wide variety of subject matters. These include general business regulations and laws, as well as regulations and laws specific to providers of Internet-delivered streaming services and Internet-connected devices. New or modified laws and regulations in these areas may have an adverse effect on our business. The costs of compliance with these laws and regulations could be high and may increase in the future. We anticipate that several jurisdictions may, over time, impose greater financial and regulatory obligations on us. If we fail to comply with these laws and regulations, we may be subject to significant liabilities and other penalties. Additionally, compliance with these laws and regulations could, individually or in the aggregate, increase our cost of doing business, impact our competitive position relative to our peers, and otherwise have an adverse impact on our operating results.

Data Protection and Privacy

We are subject to various laws and regulations covering the privacy and protection of users' data. Because we handle, collect, store, receive, transmit, transfer, and otherwise process certain information, which may include personal information, regarding our users and employees in the ordinary course of business, we are subject to federal, state and foreign laws related to the privacy and protection of such data. These laws and regulations, and their application to our business, are increasingly changing and expanding. Compliance with these laws and regulations, such as the California Consumer Privacy Act could affect our business, and their potential impact is unknown. Any actual or perceived failure to comply with these laws and regulations may result in investigations, claims and proceedings, regulatory fines or penalties, damages for breach of contract, or orders that require us to change our business practices, including the way we process data.

We are also subject to breach notification laws in the jurisdictions in which we operate, and we may be subject to litigation and regulatory enforcement actions as a result of any data breach or other unauthorized access to or acquisition or loss of personal information. Any significant change to applicable laws, regulations, interpretations of laws or regulations, or market practices, regarding the processing of personal data, or regarding the manner in which we seek to comply with applicable laws and regulations, could require us to make modifications to our products, services, policies, procedures, notices, and business practices, including potentially material changes. Such changes could potentially have an adverse impact on our business.

Corporate History

We were incorporated in Nevada on May 11, 2015, as Interlink Plus, Inc. On February 6, 2020, pursuant to the Agreement and Plan of Merger, dated January 3, 2020 (the "Merger Agreement"), by and among the Company, the Company's wholly owned subsidiary, Loop Media Acquisition, Inc., a Delaware corporation ("Merger Sub"), and Loop Media, Inc., a Delaware corporation incorporated on May 18, 2016 ("Predecessor Loop"), Merger Sub merged with and into Predecessor Loop, with Predecessor Loop surviving the merger and becoming a wholly-owned subsidiary of the Company (the "Merger"). The business we operated prior to February 2020 was sold and is no longer part of our business. The following discussion of the history of the "Loop" business includes our business as operated by Predecessor Loop prior to February 2020 and as operated by us thereafter. On September 26, 2022, we completed an underwritten public offering of our common stock at a public offering price of $5.00 per share (the "September 2022 Offering"). In connection with the September 2022 Offering, our common stock was approved for listing (the "Uplist") on the NYSE American (the "NYSE American") under the symbol "LPTV" and began trading on the NYSE American on September 22, 2022.

Suppliers

We source our proprietary Loop Player from a third-party manufacturer. We believe the components and raw materials required for our Loop Player are readily available from a variety of sources. We have no long-term contracts or commitments for the supply of Loop Players.

Employees

We employed approximately 78 people as of December 15, 2023, 74 of whom were full-time employees and four (4) of whom were hourly contract workers. None of our employees are represented by a union in collective bargaining with us. We believe that our employee relations are good.

ITEM 1A. RISK FACTORS.

Summary of Risk Factors

In addition to the other information contained in this Report, including the matters addressed under the heading "Forward-Looking Statements," you should carefully consider all of the risks and uncertainties described in the section of this Report captioned "Item 1A. Risk Factors." These risks include, but are not limited to, the following:

Risks Related to Our Financial Condition

- We have a limited operating history on which you can evaluate our business and prospects.
- We have incurred significant operating losses in the past, and we may not be able to generate sufficient revenue to be profitable, or to generate positive cash flow on a sustained basis. In addition, our revenue growth rate may decline.
- If we are unable to generate significant revenue or secure additional financing, we may be unable to implement our business plan and grow our business.
- We will require additional capital to support our business and objectives, and this capital might not be available on acceptable terms, if at all.
- We have entered into debt arrangements, including non-revolving and revolving lines of credit secured by all of our assets; as of December 15, 2023, we owed an aggregate of $8,062,987 in principal and accrued interest on our debt arrangements. This indebtedness could adversely affect our financial position and our ability to raise additional capital and prevent us from fulfilling our obligations.

Risks Related to Our Business

- If our efforts to attract prospective OOH clients and direct-to-customer users and to retain existing clients and users of our services are not successful, our growth prospects and revenue will be adversely affected.
- We must operate our business in compliance with the licenses that are required to provide our services.
- We face and will continue to face competition for ad-supported users, subscribers to our paid subscription services, and user listening time.
- We depend upon third-party licenses for a majority of the content we stream and an adverse change to, loss of, or claim that we do not hold necessary licenses may materially adversely affect our business, operating results, and financial condition.
- We have no control over third-party providers of our content. The concentration of control of content by our major providers means that even one entity, or a small number of entities working together, may unilaterally affect our access to music video and other content.
- We are a party to many license agreements that are complex and impose numerous obligations upon us that may make it difficult to operate our business and provide all the functionality we would like for our services, and a breach of such agreements could adversely affect our business, operating results, and financial condition.
- We are dependent on key distributors. The loss of any such key distributor or any delay or interruption in the distribution of our products or services could adversely impact our revenue and operations.
- Our royalty payment scheme is complex, and it is difficult to estimate the amount payable under our license agreements. We may underpay or overpay royalty amounts payable to others, which may harm our business.
- Minimum guarantees and advances required under certain of our license agreements may limit our operating flexibility and may adversely affect our business, operating results, and financial condition.

- Difficulties in obtaining accurate and comprehensive information necessary to identify the compositions embodied in music video sound recordings on our service and the ownership thereof may impact our ability to perform our obligations under our licenses, affect the size of our catalog that can be offered to clients and end-users, impact our ability to control content acquisition costs, and lead to potential copyright infringement claims.
- We face many risks associated with our international expansion, including difficulties obtaining rights to stream content on favorable terms.
- Our business emphasizes rapid innovation and prioritizes long-term customer and user engagement over short-term financial condition or results of operations. That strategy may yield results that sometimes do not align with the market's expectations. If that happens, our stock price may be negatively affected.
- If we fail to accurately predict, recommend, curate and play content that our clients and users enjoy, we may fail to retain existing clients and users and attract new clients and users in sufficient numbers to meet investor expectations for growth or to operate our business profitably.
- Expansion of our operations to deliver content beyond music videos subjects us to increased business, legal, financial, reputational, and competitive risks.
- If our security systems are breached, we may face civil liability and/or statutory fines, and/or enforcement action causing us to change our practices, and public perception of our security measures could be diminished, either of which would negatively affect our ability to attract and retain OOH clients, premium service subscribers, ad-supported users, advertisers, content providers, and other business partners.
- Changes in how network operators handle and charge for access to data that travel across their networks could adversely impact our business.
- Our services and software may contain undetected software bugs or vulnerabilities, which could manifest in ways that could seriously harm our reputation and our business.
- Interruptions, delays, or discontinuations in service arising from our own systems or from third parties could impair the delivery of our services and harm our business.
- User metrics and other estimates could be subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may seriously harm and negatively affect our reputation and our business.
- We face risks, such as unforeseen costs, and potential liabilities in connection with content we license and/or distribute through our services.
- Various regulations as well as self-regulation related to privacy and data security concerns pose the threat of lawsuits, regulatory fines and other liability, require us to expend significant resources, and may harm our business, operating results, and financial condition.
- Failure to manage our relationship with the manufacturer of our Loop Players, the disruption of the supply chain for Loop Players or our failure to timely order new Loop Players could harm our business, operating results, and financial condition.
- We rely on advertising revenue to monetize our services, and any failure to convince advertisers of the benefits of advertising on our services in the future could harm our business, operating results, and financial condition.
- The market for programmatic advertising in the digital out-of-home market is evolving. If this market develops slower or differently than we expect, our business, operating results and financial condition could be adversely affected.
- We derive a significant portion of our revenues from advertisements. If we are unable to continue to compete for these advertisements, or if any events occur that negatively impact our relationships with advertising networks, our advertising revenues and operating results would be negatively impacted.
- Our business is sensitive to a decline in advertising expenditures, general economic conditions and other external events beyond our control.

- We depend on highly skilled key personnel to operate our business, and if we are unable to attract, retain, and motivate qualified personnel, our ability to develop and successfully grow our business could be harmed.
- We may acquire or invest in companies or technologies that could divert management's attention and otherwise disrupt our operations and harm our operating results. We may fail to acquire or invest in companies whose market power or technology could be important to the future success of our business.
- Our operating results may fluctuate, which makes our results difficult to predict.

Risks Related to Our Intellectual Property

- Assertions by third parties of infringement or other violations by us of their intellectual property rights could harm our business, operating results, and financial condition.
- Failure to protect our intellectual property could substantially harm our business, operating results, and financial condition.

Risks Related to Owning Our Common Stock

- There has historically been a limited public market for our securities.
- Our failure to meet the continued listing requirements of the NYSE American could result in a delisting of our common stock.
- The trading price of our common stock has been and will likely continue to be volatile.
- Our common stock will likely be subject to price fluctuations, which have often been significant for early-stage companies like us, which may adversely impact our ability to seek equity financing.
- Because of their significant ownership of our common stock, our founders and other large investors have substantial control over our business, and their interests may differ from our interests or those of our other stockholders.
- Sales of substantial amounts of our common stock in the public markets by our co-founders or other stockholders, or the perception that such sales might occur, could reduce the price that our common stock might otherwise attain.
- If securities or industry analysts publish inaccurate or unfavorable research about our business or cease publishing research about our business, our share price and trading volume could decline.
- The requirements of being a public company with our common stock listed on the NYSE American may strain our resources and divert management's attention.
- You may experience future dilution as a result of future equity offerings.
- We do not expect to declare any dividends in the foreseeable future.
- Exercise of warrants, and issuance of incentive stock grants may have a dilutive effect on our stock, and negatively impact the price of our common stock.

Risks Related to Our Financial Condition

We have a limited operating history on which you can evaluate our business and prospects.

We have a limited operating history on which you can evaluate our business and our prospects. Although we have existed since 2015, we have only operated as a public early-stage media company since our Merger in February 2020. The likelihood of success of our business plan must be considered in light of the risks, substantial expenses, difficulties,

complications and delays frequently encountered in connection with developing and expanding early-stage businesses and the competitive environment in which we operate.

Potential investors should carefully consider the risks and uncertainties that a company with a limited operating history will face. In particular, potential investors should consider that we cannot assure you that we will be able to, among other things:

- successfully implement or execute our current business plan, and we cannot assure you that our business plan is sound;
- continue to attract and retain experienced management and advisors;
- secure acceptance of our products and services within the industry;
- raise sufficient funds in the capital markets or otherwise to effectuate our business plan; and
- utilize the funds that we do have and/or raise in the future to efficiently execute our business strategy.

If we cannot successfully execute any one of the foregoing, our business may not succeed, and your investment will be adversely affected.

We have incurred significant operating losses in the past, and we may not be able to generate sufficient revenue to be profitable, or to generate positive cash flow on a sustained basis. In addition, our revenue growth rate may decline.

We have incurred significant operating losses in the past and, as of September 30, 2023, had an accumulated deficit of $128,285,543. For the years ended September 30, 2023, and 2022, our losses from operation were $28,785,612 and $24,766,973, respectively. We have incurred significant costs to license content and continue to pay royalties or minimum guarantees to record labels, publishers, and other copyright owners for such content. We cannot guarantee that we will generate sufficient revenue from our efforts to monetize our services, including our paid subscription service and our free or unpaid ad-supported service, to offset the cost of our content, these royalty expenses and our other operating costs. If we cannot successfully earn revenue at a rate that exceeds the operational costs, including royalty expenses and guarantee payments to the largest three Music Labels, associated with our service, we will not be able to achieve or sustain profitability or generate positive cash flow on a sustained basis.

Additionally, we also expect our costs to increase in future periods, which could negatively affect our future operating results and ability to achieve profitability. We expect to continue to expend substantial financial and other resources on:

- securing top quality video content from leading record labels, distributors, and aggregators, as well as the publishing rights to any underlying musical compositions;
- creating new forms of original content;
- our technology infrastructure, including website architecture, development tools, scalability, availability, performance, security, and disaster recovery measures;
- research and development, including investments in our research and development team and the development of new features;
- sales and marketing, including a significant expansion of our field sales organization;
- international expansion to increase our member base, engagement, and sales;
- capital expenditures, including costs related to our technology development; and
- general administration, including legal and accounting expenses.

These investments may not result in increased revenue or growth in our business. If we fail to continue to grow our revenue and overall business, our business, operating results, and financial condition would be harmed.

If we are unable to generate significant revenue or secure additional financing, we may be unable to implement our business plan and grow our business.

We are a small and emerging media company that is in the early stages of our business plans to capture a significant portion of the out of home market and related advertising sales revenue. Historically, we have not generated sufficient revenues to operate our business. We have a significant accumulated deficit and have incurred operating losses for years and expect losses to continue. Our primary source of operating funds since inception has been cash proceeds from debt and equity financing transactions. Our ability to continue as a going concern is dependent upon our ability to generate sufficient revenue and our ability to raise additional funds by way of our debt and equity financing efforts. There can be no assurance that adequate financing will be available to us in a timely manner, on acceptable terms, or at all.

Based on our current operating plan and taking into account recent fundraising activities, we believe that our existing cash will enable us to fund our operations for at least twelve months from the date of this Report. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we expect.

There is uncertainty regarding our ability to grow our business without additional financing. Our long-term future growth and success are dependent upon our ability to continue selling our services, generate cash from operating activities and obtain additional financing. We may be unable to continue selling our products and services, generate sufficient cash from operations, sell additional shares of common stock or borrow additional funds. Our inability to obtain additional cash could have a material adverse effect on our ability to grow our business to a greater extent than we can with our existing financial resources.

We will require additional capital to support our business and objectives, and this capital might not be available on acceptable terms, if at all.

We intend to continue to make investments to support our business and will require additional funds to respond to business challenges, including the need to develop new features or enhance our existing services, expand into additional markets around the world, improve our infrastructure, or acquire complementary businesses and technologies. Accordingly, we have in the past engaged, and may in the future engage, in equity and debt financings to secure additional funds. If we raise additional funds through future issuances of equity or convertible debt securities, our stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. Any debt financing we secure in the future could also contain restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and pursue business opportunities, including potential acquisitions. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business, acquire or retain users, and to respond to business challenges could be significantly impaired, and our business may be harmed.

We have entered into debt arrangements, including non-revolving and revolving lines of credit secured by all of our assets; indebtedness thereunder could adversely affect our financial position and our ability to raise additional capital and prevent us from fulfilling our obligations.

As of December 15, 2023, following, and giving effect to, the December 14, 2023, conversion into shares of our common stock of $2,328,617 in principal and interest by Excel Family Partners, LLLP ("Excel), an entity managed by Bruce Cassidy, chairman of our board of directors, under our Secured Non-Revolving Line of Credit Loan Agreement effective as of May 10, 2023, we owed an aggregate of $8,062,987 in principal and accrued interest on debt arrangements. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments and Future Capital Requirements."* This debt includes (i) $2,695,796 in principal and interest under our Secured Non-Revolving Line of Credit Loan Agreements (collectively the "Non-Revolving Line of Credit Agreements")

with certain lenders; and (ii) $5,367,191 in principal and interest under our Loan and Security Agreement, as amended (the "GemCap Revolving Line of Credit Agreement"), with a third-party lender for a revolving loan credit facility. The Non-Revolving Line of Credit Agreements have maturity dates of August 13, 2024, and May 10, 2025, respectively, and provide for interest, payable semi-annually in arrears, at a fixed rate equal to twelve percent (12%) per year. The GemCap Revolving Line of Credit Agreement provides for an eligible extension of credit in the principal sum of up to $6.0 million, and through the exercise of an accordion feature, a total sum of up to $10 million. The GemCap Revolving Line of Credit Agreement has a maturity date of July 29, 2024, and began accruing interest on the unpaid principal balance of advances, payable monthly in arrears, on September 7, 2022, at an annual rate equal to the greater of (I) the sum of (i) the "Prime Rate" as reported in the "Money Rates" column of The Wall Street Journal, adjusted as and when such Prime Rate changes, plus zero percent (0.00%), and (II) four percent (4.00%).

In addition, effective December 14, 2023, we entered into a Revolving Line of Credit Loan Agreement with Excel Family Partners LLLP ("Excel"), an entity managed by Bruce Cassidy, chairman of our board of directors (the "Excel Revolving Line of Credit Agreement") for up to a principal sum of $2,500,000. The Excel Revolving Line of Credit Agreement provides for a perpetual loan, with a maturity date that is twelve (12) months from the date of formal notice of termination by Excel, and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to ten percent (10%) per year. As of the date of this Report, we had not drawn down any funds under the Excel Revolving Line of Credit Agreement.

Under the GemCap Revolving Line of Credit Agreement, we have granted to the lender ("GemCap" or the "Senior Lender") a first-priority security interest in all of our present and future property and assets, including products and proceeds thereof. In connection with the GemCap Revolving Line of Credit Agreement, our existing secured lenders under the Non-Revolving Line of Credit Agreements and under the Excel Revolving Line of Credit Agreement delivered subordination agreements to the Senior Lender. We are permitted to make regularly scheduled payments, including payments upon maturity, to such subordinated lenders and potentially other payments subject to a measure of cash flow and receiving certain financing activity proceeds, in accordance with the terms of such subordination agreements. We also may incur additional indebtedness in the future. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments and Future Capital Requirements."*

Our indebtedness may:

- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, or other general business purposes in some circumstances;
- require us to use a portion of our cash flow from operations to make debt service payments instead of other purposes, thereby reducing the amount of cash flow available for future working capital, capital expenditures, acquisitions, or other general business purposes;
- increase our vulnerability to the impact of adverse economic, competitive and industry conditions; and
- increase our cost of borrowing.

In addition, the GemCap Revolving Line of Credit Agreement has restrictive covenants, including covenants preventing us from effecting a change of control, disposing of our assets outside of the ordinary course of business, incurring additional debt (subject to certain exceptions), changing our business as currently conducted, paying dividends or settling claims involving the collateral under the GemCap Revolving Line of Credit Agreement. These covenants have the potential to prevent us from pursuing beneficial opportunities or raising additional funds through debt financing. Further, the amount of our indebtedness under our debt arrangements compared to the size of our company, or other factors, may limit our ability to borrow additional funds or take other actions. In addition, we may be unable to repay the indebtedness incurred under our debt arrangements at maturity and, in such situation, may not be able to refinance such debt on favorable terms or at all. Any inability to repay or refinance the indebtedness under our loan agreements at maturity may cause us to be in default, which would allow the holders of such indebtedness to exercise remedies as a secured lender and, in such event, would have a material adverse effect on our business and financial results.

Risks Related to Our Business

If our efforts to attract prospective clients and advertisers and to retain existing clients and users of our services are not successful, our growth prospects and revenue will be adversely affected.

Our ability to grow our business and generate revenue depends on retaining, expanding, and effectively monetizing our customer base, including by increasing the number of OOH venues that have adopted our services and increasing advertising revenue on our DOOH and CTV ad-supported service delivered through our Loop Player and our Partner Platforms and monetizing content across our DOOH business. We must convince prospective DOOH and Partner Platforms clients of the benefits and value of our services. Our ability to attract new clients and retain existing clients depends in large part on our ability to continue to offer compelling curated content, leading technologies and products like the Loop Player, superior functionality, and an engaging customer experience. Our ability to maintain and increase our ad supported revenue depends in large part on our ability to educate and convince advertisers and ad demand sources to view our Loop Platform as a CTV platform on which CTV ad budgets can be spent.

In addition, in order for us to increase our advertising revenue, we also seek to increase the viewing time that our ad-supported DOOH clients spend on our ad-supported service and find new opportunities to deliver advertising to users on the services. The more content clients stream on the ad-supported service, the more advertising inventory we generally are able to sell, although it is not always the case. Further, growth in our ad-supported user base increases the size and scope of user pools targeted by advertisers, which improves our ability to deliver relevant advertising to those users in a manner that maximizes our advertising clients' return on investment and that ultimately allows us to better demonstrate the effectiveness of our advertising solutions and justifies a pricing structure that is advantageous for us. If we fail to grow our ad-supported DOOH customer base, the amount of content streamed, and the viewing time spent by our ad-supported DOOH clients, we may be unable to grow ad-supported revenue.

In order to increase our ad-supported O&O Platform and Partner Platform clients, we will need to address a number of challenges, including:

- improving our ad-supported service;
- providing users with a consistently high-quality and user-friendly experience;
- continuing to curate a catalog of content that consumers want to engage with on our services; and
- continuing to innovate and keep pace with changes in technology and our competitors.

Failure to overcome any one of these challenges could have a material adverse effect on our business, operating results, and financial condition.

Our Partner Platforms business began in May 2022, and as of the date of this Report is composed of one partner relationship and serving an aggregate of approximately 42,000 screens. While we are looking to expand this line of business, there can be no assurance that we will be able to grow this business as planned, increase the number of clients

we service in this business or maintain our current level of activity with our current partner relationship. If we lose our relationship with any of our current partners, or those relationships are scaled back significantly, such losses may be material to our results of operations.

We must operate our business in compliance with the licenses that are required to provide our services.

The provisions of certain of our license agreements may require consent to implement improvements to, or otherwise change, our services. We may not be able to obtain consent from our rights holders to add additional features and functionality to our services or our rights holders may be delayed in providing such consent, which may hinder our ability to be responsive to our users' tastes and preferences and may make us less competitive with other services. For example, we may need to obtain consent of rights holders to add the ability for customers of DOOH locations to interact with certain of our content and determine which music videos might play next. In many instances, improvements to the functionality of our services may require the consent of rights holders and, in some such instances, increases in fee payments to such rights holders. We cannot ensure that any such additional required fees will be on financially feasible terms for us and, as a result, we may be required to develop alternative options or forego functionality improvements to our services which could negatively impact our business and financial results.

We face and will continue to face competition for ad-supported users, premium subscribers, and user listening time.

We compete for the time and attention of DOOH venues who compare our content with other content providers based on a number of factors, including quality of experience, relevance, diversity of content, ease of use, price, accessibility, perception of advertising load, brand awareness, and reputation.

We compete with providers of music videos and other short-form unscripted video content, which is purchased or available for free and playable on CTVs in OOH locations and venues. These forms of media may be accessed through traditional cable or satellite TV or downloaded or accessed by content streams from other online services, including YouTube and Vevo. Many of our current or future competitors are already entrenched or may have significant brand recognition, existing user bases, and/or ability to bundle with other goods and/or services, both globally and regionally, and/or markets which we seek to penetrate.

We also compete with providers of non-music content that offer an on-demand catalog of differing content that is similar to certain of our content, such as the "fail" videos, pet videos and drone footage that we offer in the DOOH market. We face increasing competition from a growing variety of content providers that seek to differentiate their service by content offering and product features, and they may be more successful than us in predicting user preferences, providing popular content, and innovating new features.

We believe that companies with a combination of technical expertise, brand recognition, financial resources, and digital media experience also pose a significant threat of developing competing music video and other video content, as well as other video distribution technologies. If known incumbents in the digital media or entertainment space choose to offer competing services, they may devote greater resources than we have available, have a more accelerated time frame for deployment, and leverage their existing user base and proprietary technologies to provide services that our users and advertisers may view as superior. Our current and future competitors may have higher brand recognition, more established relationships with content licensors and mobile device manufacturers, greater financial, technical, and other resources, more sophisticated technologies, and/or more experience in the markets in which we compete. Our current and future competitors may also engage in mergers or acquisitions with each other to combine and leverage their customers and audiences, making them larger and potentially providing them a competitive advantage in negotiations with counter parties or in marketing to potential clients that we also target. Our current and future competitors may innovate new features or introduce new ways of consuming or engaging with content that cause our users to use or switch to another product, which would negatively affect our user retention, growth, and engagement.

We compete for a share of advertisers' overall marketing budgets with other content providers on a variety of factors, including perceived return on investment, effectiveness, and relevance of our advertising products; our pricing structure; and our ability to deliver large volumes or precise types of advertisements to targeted user demographic pools.

We also compete for advertisers with a range of internet companies, including major internet portals, search engine companies, social media sites, and mobile applications, as well as traditional advertising channels such as terrestrial radio and television.

Large internet companies with strong brand recognition, such as Facebook, Google, Amazon, and Twitter, have significant numbers of sales personnel, substantial advertising inventory, proprietary advertising technology solutions, and traffic across web, mobile, and connected devices that provide a significant competitive advantage and have a significant impact on pricing for reaching these user bases. Failure to compete successfully against our current or future competitors could result in the loss of current or potential advertisers, a reduced share of our advertisers' overall marketing budget, the loss of existing or potential users, or diminished brand strength, which could adversely affect our pricing and margins, lower our revenue, increase our research and development and marketing expenses, and prevent us from achieving or maintaining profitability.

We depend upon third-party licenses for a majority of the content we stream and an adverse change to, loss of, or claim that we do not hold necessary licenses may materially adversely affect our business, operating results, and financial condition.

To secure the rights to stream content, we enter into license agreements to obtain licenses from rights holders such as record labels, recording artists, music publishers, performance rights organizations, collecting societies, and other copyright owners or their agents, and we pay royalties or other consideration to such parties or their agents. We cannot guarantee that our efforts to obtain all necessary licenses to stream content will be successful, nor that the licenses available to us now will continue to be available in the future at rates and on terms that are favorable or commercially reasonable or at all. The terms of these licenses, including the royalty rates that we are required to pay pursuant to them, may change as a result of changes in our bargaining power, the industry, laws and regulations, or for other reasons. Increases in royalty rates or changes to other terms of these licenses may materially impact our business, operating results, and financial condition.

We enter into music license agreements to obtain rights to stream music videos, including from the major record labels who hold the rights to stream a significant number of sound recordings. These include Universal Music Group ("Universal"), Sony Music Entertainment ("Sony"), and Warner Music Group ("Warner" and collectively with Universal and Sony, the "Music Labels"). Although the basic outlines of these licenses are standardized by the licensors and we do not anticipate any issue in the timely renewal of these licenses when they are due to expire, the updating of such licenses may increase our license costs associated with such rights, including the percentage of revenue attributable to the record labels and our minimum guaranteed payment obligations. A significant portion of our DOOH business relies upon these licenses, and if we fail to maintain and renew these licenses our business, operating results, and financial condition could be materially harmed.

Our business model requires that we also obtain two additional types of licenses with respect to musical compositions: mechanical and public performance rights. Mechanical licenses are required to distribute recordings written by someone other than the person or entity conducting the distribution. Such licenses ensure that the music publisher, and ultimately the songwriter, receive compensation for the use of their work. A public performance license is an agreement between a music user and the owner of a copyrighted composition (song) that grants permission to play the song in public, online, or on radio.

We have obtained direct licenses for mechanical rights with the three largest publishers, which are respective affiliates of each of the Music Labels for our OOH business. As a general matter, once music licenses are obtained from the Music Labels, their affiliate publishing companies enter into agreements with respect to the mechanical licenses. If our business does not perform as expected or if the rates are modified to be higher than the proposed rates, our music video content acquisition costs could increase, which could negatively impact our business, operating results, and financial condition, hinder our ability to provide interactive features in our services, or cause one or more of our services not to be economically viable due to an increase in content acquisition costs.

In the United States, public performance rights are generally obtained through intermediaries known as performance rights organizations ("PROs"), which negotiate blanket licenses with copyright users for the public performance of compositions in their repertory, collect royalties under such licenses, and distribute those royalties to music publishers and songwriters. The royalty rates available to us today may not be available to us in the future. Licenses provided by two of these PROs: the American Society of Composers, Authors and Publishers ("ASCAP") and Broadcast Music, Inc. ("BMI") cover much of the music we stream. ASCAP and BMI are governed by consent decrees relating to decades-old litigations. These agreements typically have one-to-two-year terms, and some have continuous renewal provisions, with either party able to terminate for convenience within 30 to 60 days prior to the end of the applicable term (or commencement of the subsequent term) and are limited to the territory of the United States and its territories and possessions. An increase in the number of compositions that must be licensed from PROs that are not subject to the consent decrees could likewise impede our ability to license public performance rights on favorable terms and may increase the cost of our operations.

In other parts of the world, including Latin America, we obtain reproduction and performance licenses for musical compositions either through local collecting societies representing publishers or from publishers directly, or a combination thereof. We cannot guarantee that our licenses with collecting societies and our direct licenses with publishers provide full coverage for all of the musical compositions we make available to our users in such countries.

With respect to a significant portion of our non-music content, we obtain distribution rights directly from rights holders. We then negotiate licenses directly with individuals or entities in return for providing such licensors with a share of revenue derived from the licensed content distributed through our services or through fixed fee arrangements, under which we pay a fixed fee for unlimited use of the licensed material. We are dependent on those who provide the content that appears on our services complying with the terms and conditions of our license agreements; however, we cannot guarantee that rights holders or content providers will comply with their obligations, and such failure to do so may materially impact our business, operating results, and financial condition.

There is also no guarantee that we have all of the licenses we need to stream content, as the process of obtaining such licenses involves many rights holders, some of whom are unknown, and a myriad of complex legal issues across many jurisdictions, including open questions of law as to when and whether particular licenses are needed. Additionally, there is a risk that rights holders, creators, performers, writers and their agents, or societies, unions, guilds, or legislative or regulatory bodies will create or attempt to create new rights or regulations that could require us to enter into license agreements with, and pay royalties to, newly defined groups of rights holders, some of which may be difficult or impossible to identify.

Even when we are able to enter into license agreements with rights holders, we cannot guarantee that such agreements will continue to be renewed indefinitely. For example, from time to time, our license agreements with certain rights holders and/or their agents expire while we negotiate their renewals and, per industry custom and practice, we may enter into brief (for example, month-, week-, or even days-long) extensions of those agreements or provisional licenses and/or continue to operate on an at-will basis as if the license agreement had been extended, including by our continuing to make content available. During these periods, we may not have assurance of long-term access to such rights holders' content, which could have a material adverse effect on our business and could lead to potential copyright infringement claims. It is also possible that such agreements will never be renewed at all. License agreements are generally restrictive as to how the licensed content is accessed, displayed, and manipulated, as licensors seek to protect the use of their content. In order to provide the highest level of services and best experience for our clients and end- users, we may from time to time seek expansion of our licenses to provide us with greater functionality of our services as it relates to the relevant content. The inability to expand our licenses, or the lack of renewal, or termination, of one or more of our license agreements, or the renewal of a license agreement on less favorable terms, could have a material adverse effect on our business, operating results, and financial condition.

We have no control over third-party providers of our content. The concentration of control of content by our major providers means that even one entity, or a small number of entities working together, may unilaterally affect our access to music video and other content.

We rely on various rights holders, over whom we have no control, for the content we make available on our services. We cannot guarantee that these parties will always choose to license to us or license to us on terms that are acceptable to us.

The music industry has a high level of concentration, which means that one or a small number of entities may, on their own, take actions that adversely affect our business. For example, with respect to music video content, the audio/visual ("A/V") recordings licensed to us under our agreements with Universal, Sony, and Warner make up the vast majority of the music currently consumed on our services. Our business may be adversely affected if our access to music is limited or delayed because of deterioration in our relationships with one or more of these significant rights holders or if they choose not to license to us for any other reason. In addition, rights holders also may attempt to take advantage of their market power (including by leveraging their publishing affiliate) to seek onerous financial or other terms from us or otherwise impose restrictions that hinder our ability to further innovate our services and content offerings. This may be of particular concern in markets where local content is important and such local content is held by local major labels or even individual artists, making it difficult to obtain such local content at all or on economically favorable terms. As a result, the loss of rights to a major publisher catalog would force us to take down a significant portion of popular repertoire in the applicable territory or territories, which would significantly disadvantage us in such territory or territories. The lack of complete metadata with respect to publisher ownership may also present challenges in taking down all the tracks of a given publisher. Even if we can secure rights to music video content from record labels and other copyright owners, recording artists may object and may exert public or private pressure on those record labels or copyright owners or other third parties to discontinue licensing rights to us, hold back content from us, or increase royalty rates. As a result, our ability to continue to license rights to music video content is subject to convincing a broad range of stakeholders of the value and quality of our services. To the extent that we are unable to license a large amount of content or the content of certain popular artists, our business, operating results, and financial condition could be materially harmed.

We are a party to many license agreements that are complex and impose numerous obligations upon us that may make it difficult to operate our business and provide all the functionality we would like for our services, and a breach of such agreements could adversely affect our business, operating results, and financial condition.

Many of our license agreements are complex and impose numerous obligations on us, including obligations to, among other things:

- calculate and make payments based on complex royalty structures, which requires tracking usage of content on our services that may have inaccurate or incomplete metadata necessary for such calculation;
- provide periodic reports on the exploitation of the content;
- represent that we will obtain all necessary publishing licenses and consents and pay all associated fees, royalties, and other amounts due for the licensing of musical compositions;
- provide advertising inventory at discounted rates or on other favorable terms;
- comply with certain service offering restrictions;
- comply with certain marketing and advertising restrictions; and
- comply with certain security and technical specifications.

Many of our license agreements grant the licensor the right to audit our compliance with the terms and conditions of such agreements. Some of our license agreements also include steering, non-discrimination, and so-called "most favored nations" provisions, which require that certain material terms of such agreements are no less favorable than those provided in our agreements with any other similarly situated licensor. If triggered, these provisions could cause our payments or other obligations under those agreements to escalate substantially. Additionally, some of our license agreements require

consent to undertake certain business initiatives and, without such consent, our ability to undertake or continue operating new business initiatives may be limited. This could hurt our competitive position.

If we materially breach any of these obligations or any other obligations set forth in any of our license agreements, or if we use content in ways that are found to exceed the scope of such agreements, we could be subject to monetary penalties, and/or rights holders could impede our business by withholding content, discounts, and bundle approvals and the rights to launch new service offerings, and could ultimately terminate our rights under such license agreements, any of which could have a material adverse effect on our business, operating results, and financial condition.

We are dependent on key distributors. The loss of any such key distributor or any delay or interruption in the distribution of our products or services could adversely impact our revenue and operations.

We rely on third-party distributors and affiliates to distribute our Loop Player and promote our services. In particular, we rely on one such affiliate distribution partner for a significant portion of the Loop Players we have distributed and for our continued growth in QAUs and activated Loop Players. These third parties may have varying expertise in marketing and selling our products and services and may also sell other devices and services that could result in less focus on our products and services.

If these distributors and affiliates terminate their relationships with us or under-perform, we may be unable to maintain or increase our active Loop Players and our level of revenue. We will also need to engage additional distributors and affiliates to grow our business and expand our OOH client base. These third parties may not commit the necessary resources to market and sell our products and services to the level of our expectations. If current or future distributors and affiliates do not perform adequately, our revenue and operations will be adversely affected.

If there is a delay or interruption in the distribution of our products or services or if these third parties damage our products or mischaracterize our services, it could negatively impact our revenue and operations and may require significant management attention. In addition, any negative impact these third parties may have on our services, could expose us to potential liability, damage our reputation and the reputation of our products, services or brands or otherwise harm our business.

Our royalty payment scheme is complex, and it is difficult to estimate the amount payable under our license agreements. We may underpay or overpay royalty amounts payable to others, which may harm our business.

Under our license agreements and relevant statutes, we must pay all required royalties to record labels, music publishers, and other copyright owners in order to stream content. The determination of the amount and timing of such payments is complex and subject to a number of variables, including the type of content streamed, the country in which it is streamed, the service tier such content is streamed on, the amount of revenue generated by the streaming of the content, the identity of the license holder to whom royalties are owed, the current size of our user base, our current ratio of ad-supported users to premium service subscribers in our DOOH business, the applicability of any most favored nations provisions, and any applicable advertising fees and discounts, among other variables. Additionally, we have certain arrangements whereby royalty costs are paid in advance or are subject to minimum guaranteed amounts. An accrual is estimated when actual royalty costs to be incurred during a contractual period are expected to fall short of the minimum guaranteed amount. Additionally, we also have license agreements that include so-called “most favored nations” provisions that require that the material terms of such agreements are the most favorable material terms provided to any music licensor, which, if triggered, could cause our royalty payments under those agreements to escalate substantially.

We cannot assure you that the internal controls and systems we use to determine royalties payable will always be effective. We have in the past identified material weaknesses in our internal control over financial reporting that related to, among other things, accounting for rights holder liabilities and may identify additional material weaknesses in the future. If we fail to implement and maintain effective controls relating to rights holder liabilities, we may underpay/under-accrue or overpay/over-accrue the royalty amounts payable to record labels, music publishers, and other copyright owners. Underpayment could result in (i) litigation or other disputes with record labels, music publishers, and other copyright

owners; (ii) the unexpected payment of additional royalties in material amounts; and (iii) damage to our business relationships with record labels, music publishers, other copyright owners, and artists and/or artist groups. If we overpay royalties, we may be unable to reclaim such overpayments, and our profits will suffer. Failure to accurately pay our royalties may adversely affect our business, operating results, and financial condition.

Minimum guarantees and advances required under certain of our license agreements may limit our operating flexibility and may adversely affect our business, operating results, and financial condition.

Certain of our license agreements contain significant minimum guarantees or advanced payments. Such minimum guarantees related to our content acquisition costs are not always tied to our revenue and/or user growth forecasts (e.g., number of users, active units, premium subscribers) or the number of video music sound recordings and musical compositions used on our services. Accordingly, our ability to achieve and sustain profitability and operating leverage on our services in part depends on our ability to increase our revenue through increased sales of our services and advertising sales on terms that maintain an adequate gross margin. The duration of our license agreements for sound recordings and musical compositions that contain minimum guarantees is frequently two years, but we do not currently have enough clients and do not anticipate acquiring enough clients whose revenue could cover such minimum guarantees and any existing clients may cancel their services at any time. Our forecasts of customer acquisition or retention and advertising sales during the term of our license agreements do not meet the number of clients required to cover our minimum guaranteed payments. To the extent our services revenue growth or advertising sales do not materially increase during the term of our license agreements, our business, operating results, and financial condition will be adversely affected as a result of such minimum guarantees. In addition, the fixed-cost nature of these minimum guarantees may limit our flexibility in planning for, or reacting to, changes in our business and the market segments in which we operate.

We rely on estimates of the market share of streaming content owned by each content provider, as well as our own user growth and forecasted advertising revenue, to forecast whether such minimum guarantees could be recouped against our actual content acquisition costs incurred over the duration of the license agreement.

Difficulties in obtaining accurate and comprehensive information necessary to identify the compositions embodied in music video sound recordings on our services and the ownership thereof may impact our ability to perform our obligations under our licenses, affect the size of our catalog that can be offered to clients and end- users, impact our ability to control content acquisition costs, and lead to potential copyright infringement claims.

Comprehensive and accurate ownership information for the musical compositions embodied in music videos is often unavailable to us or difficult or, in some cases, impossible for us to obtain, sometimes because it is withheld by the owners or administrators of such rights. We currently rely on the assistance of third parties to determine certain of this information. If the information provided to us or obtained by such third parties does not comprehensively or accurately identify the ownership of musical compositions, or if we are unable to determine which musical compositions correspond to specific sound recordings, it may be difficult or impossible to identify the appropriate rights holders from whom to obtain licenses or to whom to pay royalties. This may make it difficult to comply with the obligations of any agreements with those rights holders. This may also make it difficult to identify content for removal from the services if we lose the rights to such musical compositions. These challenges, and others concerning the licensing of musical compositions embodied in sound recordings and music videos on our services, may subject us to significant liability for copyright infringement, breach of contract, or other claims.

We face many risks associated with our international expansion, including difficulties obtaining rights to stream content on favorable terms.

We are considering the further expansion of our operations into additional international markets. Offering our services in a new geographical area, however, involves numerous risks and challenges. For example, the licensing terms offered by rights organizations and individual copyright owners in countries around the world are currently relatively expensive. Addressing licensing structure and royalty rate issues in any new geographic market requires us to make very

substantial investments of time, capital, and other resources, and our business could fail if such investments do not succeed. There can be no assurance that we will succeed or achieve any return on these investments.

In addition to the above, expansion around the world exposes us to other risks such as:

- lack of well-functioning copyright collective management organizations that are able to grant us music video licenses, process reports, and distribute royalties in certain markets;
- fragmentation of rights ownership in various markets and lack of transparency of rights coverage, which may lead to overpayment or underpayment to record labels, music publishers, artists, performance rights organizations, and other copyright owners;
- difficulties in obtaining license rights to local content;
- increased risk of disputes with and/or lawsuits filed in foreign jurisdictions by rights holders in connection with our expansion into new markets;
- difficulties in achieving market acceptance of our services in different geographic markets with different tastes and interests;
- difficulties in achieving viral marketing growth in certain other countries where we commit fewer sales and marketing resources;
- difficulties in managing operations due to language barriers, distance, staffing, user behavior and spending capability, cultural differences, business infrastructure constraints, and laws regulating corporations that operate internationally;
- application of different laws and regulations of other jurisdictions, including privacy, censorship, data protection and liability standards and regulations, as well as intellectual property laws;
- potential adverse tax consequences associated with foreign operations and revenue;
- complex foreign exchange fluctuation and associated issues;
- increased competition from local websites and audio content providers, some with financial power and resources to undercut the market or enter into exclusive deals with local content providers to decrease competition;
- credit risk and higher levels of payment fraud;
- political and economic instability in some countries;
- restrictions on international monetary flows; and
- reduced or ineffective protection of our intellectual property rights in some countries.

As a result of these obstacles, we may find it impossible or prohibitively expensive to enter additional markets, or entry into foreign markets could be delayed, which could hinder our ability to grow our business.

Our business emphasizes rapid innovation and prioritizes long-term customer and user engagement over short-term financial condition or results of operations. That strategy may yield results that sometimes do not align with the market's expectations. If that happens, our stock price may be negatively affected.

Our business is expected to grow and become more complex, and our success depends on our ability to quickly develop and launch new and innovative products. Our approach to the development of our business could result in unintended outcomes or decisions that are poorly received by our clients, users, advertisers, or partners. We have made, and expect to continue to make, significant investments to develop and launch new products, services, and initiatives, which may involve significant risks and uncertainties, including the fact that such offerings may not be commercially viable for an indefinite period or at all, or may not result in an adequate return of capital on our investments. No assurance can be given that such new offerings will be successful and will not adversely affect our reputation, operating results, and financial condition. In certain instances, we prioritize our long-term customer and user engagement over short-term

financial condition or results of operations. We may make decisions that reduce our short-term revenue or profitability if we believe that the decisions benefit the aggregate customer and user experience and will thereby improve our financial performance over the long term. These decisions may not produce the long-term benefits that we expect, in which case our user growth and engagement, our relationships with advertisers and partners, as well as our business, operating results, and financial condition could be seriously harmed.

If we fail to accurately predict, recommend, curate and play content that our clients and users enjoy, we may fail to retain existing clients and users and attract new clients and users in sufficient numbers to meet investor expectations for growth or to operate our business profitably.

We believe that a key differentiating factor between Loop Media and other streaming content providers in the DOOH market is our ability to curate content and deliver that content to clients and users for them to enjoy. We have invested, and will continue to invest, significant resources in our content curation and technologies that help predict what clients and users will enjoy. Such investments, however, may not yield an attractive return and such refinements may not be effective. The effectiveness of our ability to predict user preferences and curate content tailored to our clients and users' individual tastes depends in part on our ability to gather and effectively analyze large amounts of customer and user data. While we have a large catalog of music videos and other content available to stream, we must continuously identify, analyze, and curate additional content that our clients request and that our users will enjoy, and we may not effectively do so. Failure to do so could materially adversely affect our ability to adequately attract and retain users, increase content hours consumed, and sell advertising to meet investor expectations for growth or to operate the business profitably.

Expansion of our operations to deliver more non-music video content subjects us to increased business, legal, financial, reputational, and competitive risks.

Expansion of our operations to deliver more non-music video content beyond music videos involves numerous risks and challenges, including increased capital requirements, new competitors, and the need to develop new strategic relationships. Expansion of non-music content may also place pressure on our relationships with the Music Labels, as they look to us to promote and monetize the music video content on our O&O Platform. Growth in non-music video content may require additional changes to our existing business model and cost structure, modifications to our infrastructure, and exposure to new regulatory, legal, and reputational risks, including infringement liability, any of which may require additional expertise that we currently do not have. We may not be able to generate sufficient revenue from additional non-music video content to offset the costs of creating or acquiring this content. Further, we have initially established a reputation as a music video streaming service and our ability to continue to gain acceptance and listenership for other non-music video content, and thus our ability to continue to attract clients, users and advertisers to this content, is not certain. Failure to successfully monetize and generate revenues from such content, including failure to obtain or retain rights to non-music video content on acceptable terms, or at all, or to effectively manage the numerous risks and challenges associated with such expansion could adversely affect our business, operating results, and financial condition.

If our security systems are breached, we may face civil liability and/or statutory fines, and/or enforcement action causing us to change our practices, and public perception of our security measures could be diminished, either of which would negatively affect our ability to attract and retain OOH clients, premium subscribers, ad-supported users, advertisers, content providers, and other business partners.

Techniques used to gain unauthorized access to data and software are constantly evolving, and we may be unable to anticipate or prevent unauthorized access to data pertaining to our users, including credit card and debit card information and other personal data about our users, business partners, and employees. Like all internet services, our services, which are supported by our own systems and those of third parties that we work with, are vulnerable to software bugs, computer viruses, internet worms, break-ins, phishing attacks, attempts to overload servers with denial-of-service, or other attacks and similar disruptions from unauthorized use of our and third-party computer systems, any of which could lead to system interruptions, delays, or shutdowns, causing loss of critical data or unauthorized access to personal data. Computer malware, viruses, computer hacking and phishing attacks have become more prevalent in our industry and may occur on our systems in the future. Though it is difficult to determine what, if any, harm may directly result from any specific interruption or attack, any failure to maintain performance, reliability, security, and availability of our products and technical infrastructure to the satisfaction of our users may harm our reputation and our ability to retain existing users and

attract new users. The systems and processes that we have designed to protect our data and our users' data, to prevent data loss, to disable undesirable accounts and activities on our platform, and to prevent or detect security breaches, may not prevent security breaches, and we may incur significant costs in protecting against or remediating cyber-attacks.

In addition, if an actual or perceived breach of security occurs to our systems or a third party's systems, we may face regulatory or civil liability and public perception of our security measures could be diminished, either of which would negatively affect our ability to attract and retain users, which in turn would harm our efforts to attract and retain advertisers, content providers, and other business partners. We also would be required to expend significant resources to mitigate the breach of security and to address matters related to any such breach.

Certain of our license agreements, including those with the Music Labels, have provisions that allow for the termination of such agreements in the case of an uncured data security breach. Any failure, or perceived failure, by us to maintain the security of data relating to our users, to comply with our posted privacy policy, laws and regulations, rules of self-regulatory organizations, industry standards, and contractual provisions to which we may be bound, could result in the loss of confidence in us, or result in actions against us by governmental entities, data protection authorities, or others, all of which could result in litigation and financial losses, and could potentially cause us to lose users, advertisers, and revenues. Any of these events could have a material adverse effect on our business, operating results, and financial condition and could cause our stock price to drop significantly.

Changes in how network operators handle and charge for access to data that travel across their networks could adversely impact our business.

We rely upon the ability of our clients to access our service through the internet. If network operators block, restrict or otherwise impair access to our service over their networks, our service and business could be negatively affected. To the extent that network operators implement usage-based pricing, including meaningful bandwidth caps, or otherwise try to monetize access to their networks by data providers, we could incur greater operating expenses and our customer acquisition and retention could be negatively impacted. Furthermore, to the extent network operators create tiers of internet access service and either charge us for or prohibit us from being available through these tiers, our business could be negatively impacted.

Our services and software may contain undetected software bugs or vulnerabilities, which could manifest in ways that could seriously harm our reputation and our business.

Our services and products like the Loop Player or any other product we may introduce in the future, may contain undetected software bugs, hardware errors, and other vulnerabilities. These bugs and errors can manifest in any number of ways in our products, including through diminished performance, security vulnerabilities, malfunctions, or even permanently disabled products. We plan to update our products from time to time, and as a result some errors in our products may be discovered only after a product has been used by users and may in some cases be detected only under certain circumstances or after extended use.

Additionally, many of our products are available on multiple operating systems and/or multiple devices offered by different manufacturers, and changes or updates to such operating systems or devices may cause errors or functionality problems in our products, including rendering our products inoperable by some users. Any errors, bugs, or other vulnerabilities discovered in our code or backend after release could damage our reputation, drive away users, allow third parties to manipulate or exploit our software (including, for example, providing mobile device users a means to suppress advertisements without payment and gain access to features only available to the ad-supported service on tablets and desktop computers), lower revenue, and expose us to claims for damages, any of which could seriously harm our business. Additionally, errors, bugs, or other vulnerabilities may — either directly or if exploited by third parties — affect our ability to make accurate royalty payments.

We could also face claims for product liability, tort, or breach of warranty. Defending a lawsuit, regardless of its merit, is costly and may divert management's attention and seriously harm our reputation and our business. In addition, if our liability insurance coverage proves inadequate or coverage is unavailable, our business could be seriously harmed.

Interruptions, delays, or discontinuations in service arising from our own systems or from third parties could impair the delivery of our services and harm our business.

We rely on systems housed in our own facilities and upon third parties, including bandwidth providers and third-party "cloud" data storage services, to enable our users to receive our content in a dependable, timely, and efficient manner. We have experienced, and may in the future experience, periodic service interruptions and delays involving our own systems and those of third parties that we work with. Both our own facilities and those of third parties are vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunications failures, and similar events. They are also subject to break-ins, sabotage, intentional acts of vandalism, the failure of physical, administrative, technical, and cyber security measures, terrorist acts, natural disasters, human error, the financial insolvency of third parties that we work with, and other unanticipated problems or events. The occurrence of any of these events could result in interruptions in our services and unauthorized access to, or alteration of, the content and data contained on our systems that these third parties store and deliver on our behalf.

Any disruption in the services provided by these third parties could materially adversely impact our business reputation, customer relations, and operating results. Upon expiration or termination of any of our agreements with third parties, we may not be able to replace the services provided to us in a timely manner or on terms and conditions, including service levels and cost, that are favorable to us, and a transition from one third party to another could subject us to operational delays and inefficiencies until the transition is complete.

User metrics and other estimates could be subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may seriously harm and negatively affect our reputation and our business.

We expect to regularly internally review key metrics related to the operation of our business, including metrics related to our active units, premium revenue per user, subscriber numbers, OOH venue locations, and other metrics to evaluate growth trends, service levels, measure our performance, and make strategic decisions. These metrics use or will use internal Company data and will not be validated by an independent third party. While these metrics are expected to be based on reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring how our services are used across large populations of users and clients. The calculations of our active units may not reflect the actual number of people using our services (if one user has more than one account or if one account is used by multiple users). Errors or inaccuracies in our metrics or data could result in incorrect business decisions and inefficiencies, including expending resources to implement unnecessary business measures or failing to take required actions to attract enough users to satisfy our growth strategies.

In addition, advertisers generally rely on third-party measurement services to calculate metrics related to our advertising business, and these third-party measurement services may not reflect our true audience. Some of our demographic data also may be incomplete or inaccurate because users self-report their names and dates of birth or because we receive them from other third parties. Consequently, the personal data we have may differ from our users' actual names and ages. If advertisers, partners, or investors do not perceive our user, geographic, or other demographic metrics to be accurate representations of our user base, or if we discover material inaccuracies in our user, geographic, or other demographic metrics, our reputation may be materially harmed.

We face risks, such as unforeseen costs, and potential liabilities in connection with content we license and/or distribute through our services.

As a distributor of content, we face potential liability for defamation, negligence, copyright or trademark infringement, right of publicity or privacy claims, misinformation, personal injury torts or other claims based on the nature and content of materials that we license and/or distribute. We also face potential liability for content used in promoting our service, including marketing materials and features on our platforms such as user reviews. Allegations of impropriety, even if unfounded, could have a material adverse effect on our reputation and our business.

To the extent we do not accurately anticipate costs or mitigate risks, or if we become liable for content we license and/or distribute, our business may suffer. Litigation to defend these claims could be costly and the expenses and damages arising from any liability or unforeseen production risks could harm our results of operations. We may not be indemnified to cover claims or costs of these types, and we may not have insurance coverage for these types of claims.

Various regulations, as well as self-regulation related to privacy and data security concerns, pose the threat of lawsuits, regulatory fines and other liability, require us to expend significant resources, and may harm our business, operating results, and financial condition.

As we collect and utilize personal data about our clients and users as they interact with our services, we are subject to new and existing laws and regulations that govern our use of user data. We are likely to be required to expend significant capital to ensure ongoing compliance with these laws and regulations. Claims or allegations that we have violated laws and regulations relating to privacy and data security could result in negative publicity and a loss of confidence in us by our users and our partners. We may be required to make significant expenditures to resolve these matters and we could be subject to civil liability and/or fines or other penalties, including by government and data protection authorities.

Existing privacy-related laws and regulations in the United States, and in other countries are evolving and are subject to potentially differing interpretations, and various U.S. federal and state or other international legislative and regulatory bodies may expand or enact laws regarding privacy and data security-related matters. Laws coming into effect in various states, adoption of a comprehensive federal data privacy law, and new legislation in international jurisdictions may continue to change the data protection landscape globally and could result in us expending considerable resources to meet these requirements.

In the United States, laws and regulations applicable to personal information include industry specific federal legislation, federal and state privacy and consumer protection laws and industry self-regulatory initiatives and frameworks. The California Consumer Privacy Act (CCPA), which came into effect in January 2020, establishes disclosure and transparency rules, and creates new data privacy rights for California residents, including the ability to control how we share their personal information with third parties. The CCPA also provides for civil penalties for violations, as well as a private right of action for data breaches that may increase data breach litigation. The impact of this legislation may require us to modify our data processing practices and policies and incur substantial costs and expenses in an effort to comply. The California Privacy Rights Act (CPRA), which amends the CCPA by enhancing such data privacy rights of California residents and expanding such disclosure and transparency rules, was enacted in November 2020 and goes into full effect in January of 2023. Nevada also enacted a data privacy law in 2020 granting Nevada residents the right to opt out of the sale of their personal information. On March 2, 2021, Virginia enacted the Virginia Consumer Data Protection Act (CDPA) which went into full effect in January of 2023. We may also be subject to new data protection laws including legislation in other states including Washington, and New York. We may also from time to time be subject to, or face assertions that we are subject to, additional obligations relating to personal information by contract or due to assertions that self-regulatory obligations or industry standards apply to our practices. Our failure to comply with these data protection laws or any action or suspected security incident may result in governmental actions, fines and non-monetary penalties, or civil liability, which may harm our business. Any expansion of our operations into new markets could result in increased compliance costs with respect to data privacy regulatory regimes in such other markets.

We may find it necessary or desirable to join self-regulatory bodies or other privacy-related organizations that require compliance with their rules pertaining to privacy and data security. We also may be bound by contractual obligations that limit our ability to collect, use, disclose, share, and leverage user data and to derive economic value from it. New laws, amendments to, or reinterpretations of existing laws, rules of self- regulatory bodies, industry standards, and contractual obligations, as well as changes in our users' expectations and demands regarding privacy and data security, may limit our ability to collect, use, and disclose, and to leverage and derive economic value from user data. Restrictions on our ability to collect, access and harness user data, or to use or disclose user data, may require us to expend significant resources to adapt to these changes, and would in turn limit our ability to stream personalized content to our users and offer advertising and promotional opportunities to users on the services.

We have incurred, and will continue to incur, expenses to comply with privacy and security standards and protocols imposed by law, regulation, self-regulatory bodies, industry standards, and contractual obligations. Any failure to comply with privacy laws could result in litigation, regulatory or governmental investigations, enforcement action requiring us to change the way we use personal data, restrictions on how we use personal data, or significant regulatory fines. In addition to statutory enforcement, a data breach could lead to compensation claims by affected individuals (including consumer advocacy groups), negative publicity, and a potential loss of business as a result of clients losing trust in us. Such failures could have a material adverse effect on our financial condition and operations.

Failure to manage our relationship with the manufacturer of our Loop Players, the disruption of the supply chain for Loop Players or our failure to timely order new Loop Players could harm our business, operating results, and financial condition.

Our Loop Player is a proprietary device, designed by us in-house and manufactured in Shenzhen, China by an authorized third-party original equipment manufacturer ("OEM manufacturer"). While we believe the components and raw materials required for our Loop Player are readily available from a variety of sources and we could engage other OEM manufacturers to produce Loop Players, and have been discussing with a well-known and significant U.S.-based OEM manufacturer about their manufacture of our Loop Player, we currently engage with only one OEM manufacturer for our Loop Players. We have no long-term contracts or commitments for the supply of Loop Players, instead relying on individual purchase orders to meet our Loop Player needs. We depend on a good relationship with our OEM manufacturer, timely ordering of new Loop Players and the effectiveness of our supply chain management to ensure reliable and sufficient supply of Loop Players. Disruptions in the supply chain may result from the resurfacing of the COVID-19 pandemic or other public health crises, weather-related events, natural disasters, trade restrictions, tariffs, border controls, acts of war, terrorist attacks, third-party strikes, work stoppages or slowdowns, shipping capacity constraints, supply or shipping interruptions or other factors beyond our control. If we experience a deterioration of our relationship with the OEM manufacturer of our Loop Player, disruption in our existing supply chain for the Loop Players, or failure to timely order additional Loop Players from our OEM manufacturer, our business, growth prospects and financial condition could be adversely affected.

We rely on advertising revenue to monetize our services, and any failure to convince advertisers or advertising demand partners of the benefits of advertising on our services in the future could harm our business, operating results, and financial condition.

Our ability to attract and retain advertisers or advertising demand partners, and ultimately to generate advertising revenue, depends on our ability to, for instance:

- increase the number of hours our ad-supported clients and users spend playing or watching our video content or otherwise engaging with content on our ad-supported service;
- increase the number of ad-supported clients and users;
- keep pace with changes in technology and our competitors;
- compete effectively for advertising dollars with other online and mobile marketing and media companies;
- maintain and grow our relationships with marketers, agencies, and other demand sources who purchase advertising inventory from us;
- implement and maintain an effective infrastructure for order management;
- convince advertising demand sources that our Loop Platform is substantially similar to in-home CTV and that their CTV advertising purchases should be made on the Loop Platform; and
- continue to develop and diversify our advertising platform and offerings, which currently include delivery of advertising products through multiple delivery channels, including traditional computers, mobile, and other connected devices, and multiple content types.

We may not succeed in capturing a greater share of our advertisers' or advertising demand partners' core marketing budgets, particularly if we are unable to achieve the scale, reach, products, and market penetration necessary to

demonstrate the effectiveness of our advertising solutions, or if our advertising model proves ineffective or not competitive when compared to other alternatives and platforms through which advertisers choose to invest their budgets. Our advertising demand partners are generally not bound by long-term contracts.

Failure to grow the ad-supported customer and user base and to effectively demonstrate the value of our ad-supported service and other similar offerings on the services to advertisers could result in loss of, or reduced spending by, existing or potential future advertisers or advertising demand partners, which would materially harm our business, operating results, and financial condition.

Selling advertisements requires that we demonstrate to advertisers and advertising demand partners that our offerings on the services are effective. For example, we need to show that our ad-supported service has substantial reach and engagement by relevant demographic audiences. Advertisers often rely on third parties to quantify the reach and effectiveness of our ad products. These third-party measurement services may not reflect our true audience or the performance of our ad products, and their underlying methodologies are subject to change at any time. In addition, the methodologies we apply to measure the key performance indicators that we use to monitor and manage our business may differ from the methodologies used by third-party measurement service providers, who may not integrate effectively with our ad-supported service. If such third-party measurement providers report lower metrics than we do, there is wide variance among reported metrics, or we cannot adequately integrate with such services that advertisers require, our ability to convince advertisers of the benefits of our ad-supported service could be adversely affected.

The market for programmatic advertising in the digital out-of-home market is evolving. If this market develops slower or differently than we expect, our business, operating results and financial condition could be adversely affected.

We derive the vast majority of revenue from programmatic advertising directed at the DOOH and CTV market. We expect that programmatic advertising will continue to be our main source of revenue for the foreseeable future. If the market for programmatic advertising in the DOOH and CTV market deteriorates or develops more slowly or differently than we expect, or if we are unable to convince a significant number of demand sources that the Loop Platform is appropriate for their CTV advertising budget spend, it could reduce demand for our platform and our business, growth prospects and financial condition could be adversely affected.

We derive a significant portion of our revenues from advertisements. If we are unable to continue to compete for these advertisements, or if any events occur that negatively impact our relationships with advertising networks, our advertising revenues and operating results would be negatively impacted.

We generate advertising revenue from the sale of digital video advertising delivered through advertising impressions across the Loop Platform. We engage with advertising demand partners and advertising agencies to monetize our inventory of advertising impressions by filling such advertising impressions with advertising from companies seeking to advertise in the DOOH market. We need to maintain good relationships with these advertising demand partners to provide us with a sufficient number of advertisements and to ensure they understand the value of our advertising impressions on our Loop Platform. Online advertising is an intensely competitive industry. Many large companies, such as Amazon, Facebook and Google, invest significantly in data analytics to make their websites and platforms more attractive to advertisers. Our advertising revenue is primarily a function of the number of free users and hours of engagement of such free users and our ability to maintain or increase user engagement and satisfaction with our services and enhance returns for our advertising partners. During the twelve-months ended September 30, 2023, we had two customers which each individually comprised greater than 10% of net revenue. These customers, both advertising revenue partners, represented 14%, and 12% of net revenue, respectively. If our relationship with any advertising demand partners terminates for any reason, or if the commercial terms of our relationships are changed or do not continue to be renewed on favorable terms, or if we cannot source high-quality advertisements consistent with our brand or product experience, our business, growth prospects and financial condition could be adversely affected.

The ad demand partners with whom we work have significant control over the flow of advertisements to our Loop Platforms and the number of advertisements that are served to us. If an ad demand partner believes that we are receiving too high a percentage of their overall available advertisements, they may seek to reduce the number of advertisements they serve to us. Advertising fraud, also known as invalid traffic ("IVT"), is the practice of inflating impressions, clicks or conversion data for financial gain and is often the result of online activity that is made up of non-human traffic like spiders or bots. If an ad demand partner or similar ad server identifies a platform as having IVT, it will reduce or restrict entirely any advertisements being served to the relevant platform. Ad demand partners sometimes incorrectly identify valid advertising impressions as IVT and shut off or significantly reduce the ads served to the relevant platforms. If our ad impressions are incorrectly identified as IVT from a demand partner, it would reduce the number of ads received from that demand partner and it could take a significant amount of time to demonstrate to the demand partner that such incorrect identification was made, and to reinstitute us as a valid advertising platform with valid advertising impressions. If our advertising impressions are incorrectly identified as IVT and we are unable to demonstrate to the relevant ad demand partner that our ad impressions are valid and the ad partner does not begin again serving ads to our platform in a timely manner, our business, growth prospects and financial condition could be adversely affected.

Our business is sensitive to a decline in advertising expenditures, general economic conditions and other external events beyond our control.

We derive our revenues from providing advertising impressions to advertisers looking to advertise in OOH locations across the Loop Platforms. A decline in the economic prospects of advertisers, the economy in general or the economy of any individual geographic market or industry, particularly a market or industry in which we conduct substantial business and derive a significant portion of our revenues, could alter current or prospective advertisers' spending priorities. In addition, disasters, acts of terrorism, disease outbreaks and pandemics (such as the COVID-19 pandemic), hostilities, political uncertainty, extraordinary weather events (such as hurricanes), power outages, technological changes and shifts in market demographics and transportation patterns (including reductions in out-of-home foot traffic, and overall target audiences) caused by the foregoing or otherwise, could lead to a reduction in economic certainty and advertising expenditures. We saw a reduction in advertising expenditures in general in the market in our fiscal year 2023. Any continued or further reduction in advertising expenditures has and could adversely affect our business, financial condition or results of operations. Further, advertising expenditure patterns may be impacted by any of these factors; for example, advertisers' expenditures may be made with less advance notice and may become difficult to forecast from period to period.

We depend on highly skilled key personnel to operate our business, and if we are unable to attract, retain, and motivate qualified personnel, our ability to develop and successfully grow our business could be harmed.

We believe that our future success is highly dependent on the talents and contributions of our senior management, including Jon Niermann, our Chief Executive Officer, members of our executive team, and other key employees, such as the key technology, product, content, finance, marketing and sales personnel. Many of our employees have unique skills required for and/or historical knowledge of our business. Our future success depends on our continuing ability to attract, develop, motivate, and retain highly qualified and skilled employees. All of our employees, including our senior management, are free to terminate their employment relationship with us at any time, and their knowledge of our business and industry may be difficult to replace. Qualified individuals are in high demand, particularly in the digital media industry, and we may incur significant costs to attract and retain them. We use equity awards to attract talented employees. The value of our common stock has declined since many of our employees were hired, which may adversely impact our ability to retain these employees including many members of our executive team and senior management. If the value or liquidity of our common stock remains depressed, that may prevent us from recruiting and retaining qualified employees. If we are unable to attract and retain our senior management and key employees, we may not be able to achieve our strategic objectives, and our business could be harmed. In addition, we believe that our key executives have developed highly successful and effective working relationships. We cannot assure you that we will be able to retain the services of any members of our senior management or other key employees. If one or more of these individuals leave, we may not be able to fully integrate new executives or replicate the current dynamic and working relationships that have developed among our senior management and other key personnel, and our operations could suffer.

We may acquire or invest in companies or technologies that could divert management's attention and otherwise disrupt our operations and harm our operating results. We may fail to acquire or invest in companies whose market power or technology could be important to the future success of our business.

We may seek to acquire or invest in companies or technologies that we believe could complement or expand our services or enhance our capabilities or content offerings, or otherwise offer growth opportunities. Pursuit of potential acquisitions or investments may divert the attention of management and cause us to incur various expenses in identifying, investigating, and pursuing suitable opportunities, whether or not they are consummated. In addition, we have limited experience acquiring and integrating other businesses. We may be unsuccessful in integrating our acquired businesses or any additional business we may acquire in the future, and we may fail to acquire companies whose market power or technology could be important to the future success of our business.

We also may not achieve the anticipated benefits from any acquisition or investment due to a number of factors, including:

- unanticipated costs or liabilities associated with the acquisition or investment, including costs or liabilities arising from the acquired companies' failure to comply with intellectual property laws and licensing obligations to which they are subject;
- incurrence of acquisition- or investment-related costs; inability to effectively integrate the assets, operations or personnel related to such acquisitions;
- diversion of management's attention from other business concerns;
- regulatory uncertainties;
- harm to our existing business relationships with business partners and advertisers as a result of the acquisition or investment;
- harm to our brand and reputation;
- the potential loss of key employees;
- use of resources that are needed in other parts of our business; and
- use of substantial portions of our available cash to consummate the acquisition or investment.

If we acquire or invest in other companies, these acquisitions or investments may reduce our operating margins for the foreseeable future. In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill, which must be assessed for impairment at least annually. In the future, if our acquisitions or investments do not yield expected returns, we may be required to take charges to our operating results based on this impairment assessment process. Acquisitions or investments could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our operating results. In addition, if a business we acquire or invest in fails to meet our expectations, our business, operating results, and financial condition may suffer.

Our operating results may fluctuate, which makes our results difficult to predict.

Our revenue and operating results could vary significantly from quarter to quarter and year to year because of a variety of factors, many of which are outside our control. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Factors that may contribute to the variability of our quarterly and annual results include:

- our ability to grow our DOOH business beyond historic levels through our Loop Player and across our Partner Platforms business, the expansion into more OOH locations, and the further development of our ad- supported business model;
- changes in the license payments we are required to make;

- our ability to maintain licenses required for our business at a commercial price to us;
- changes in the mix of content that is streamed by our clients, which results in varying license payment amounts being owed;
- our ability to monetize our services more effectively, particularly as the number of OOH clients grow;
- our ability to effectively manage our anticipated growth;
- our ability to attract user and/or customer adoption of and generate significant revenue from new products, services, and initiatives;
- our ability to attract and retain existing advertisers and prove that our advertising products are effective enough to justify a pricing structure that is profitable for us;
- the effects of increased competition in our business;
- our ability to keep pace with changes in technology and our competitors;
- lack of accurate and timely reports and invoices from our rights holders and partners;
- interruptions in service, whether or not we are responsible for such interruptions, and any related impact on our reputation;
- our ability to pursue and appropriately time our entry into new geographic or content markets and, if pursued, our management of this expansion;
- costs associated with defending any litigation, including intellectual property infringement litigation;
- the impact of general economic conditions on our revenue and expenses; and
- changes in regulations affecting our business.

If we fail to implement and maintain effective internal control over financial reporting, our ability to accurately and timely report our financial results could be adversely affected.

We are required to maintain internal control over financial reporting and to report any material weaknesses in those controls. Material weaknesses in our internal control over financial reporting were identified in the normal course as of September 30, 2021, and as of June 30, 2022. We concluded that these material weaknesses arose because we did not have the necessary business processes, systems, personnel, and related internal controls. Although these material weaknesses were successfully remediated and our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2022, if we fail to maintain proper disclosure controls and procedures in the future, or continue to have material weaknesses in our internal control over financial reporting, we may be unable to accurately report our financial results or report them within the timeframes required by law or stock exchange regulations, and we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline. Under Section 404 of the Sarbanes-Oxley Act, we are required to evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report as to internal control over financial reporting. Failure to maintain effective internal control over financial reporting also could potentially subject us to sanctions or investigations by the Securities and Exchange Commission (the "SEC"), or other regulatory authorities, or stockholder lawsuits, which could require additional financial and management resources. We may identify additional material weaknesses in the future that we are unable to fully remediate, which could materially adversely affect our business, operating results, and financial condition.

Risks Related to Our Intellectual Property

Assertions by third parties of infringement or other violations by us of their intellectual property rights could harm our business, operating results, and financial condition.

Third parties may assert that we have infringed, misappropriated, or otherwise violated their copyrights, patents, trademarks, and other intellectual property rights, and as we face increasing competition, the possibility of intellectual property rights claims against us grows. Our ability to provide our services is dependent upon our ability to license intellectual property rights to audio content, including video music recordings, any musical compositions embodied therein, as well as other visual content and any other media assets that content providers, artists, and/or labels can add or provide. Various laws and regulations govern the copyright and other intellectual property rights associated with audio and visual content, including video music and sound recordings and musical compositions. Existing laws and regulations are evolving and subject to different interpretations, and various legislative or regulatory bodies may expand current or enact new laws or regulations. Although we seek to comply with applicable statutory, regulatory, and judicial frameworks by, for example, entering into license agreements, we may unknowingly be infringing or violating any third-party intellectual property rights, or may do so in the future. Moreover, while we may often be able to seek indemnities from our licensors with respect to infringement claims that may relate to the content, they provide to us, such indemnities may not be sufficient to cover the associated liability if the licensor at issue does not have adequate financial resources.

In addition, music, internet, technology, and media companies are frequently subject to litigation based on allegations of infringement, misappropriation, or other violations of intellectual property rights. Many companies in these industries have substantially larger patent and intellectual property portfolios than we do, which could make us a target for litigation. We may not be able to assert counterclaims against parties that sue us for patent, or other intellectual property infringement. In addition, various "non- practicing entities" that own patents and other intellectual property rights often attempt to aggressively assert claims in order to extract value from technology companies. Further, from time to time we may introduce new products and services, including in territories where we currently do not have an offering, which could increase our exposure to patent and other intellectual property claims from competitors and non-practicing entities. Assertions of third-party intellectual property rights or any infringement or misappropriation claims arising from such assertions could substantially harm our business, operating results, and financial condition. If we are forced to defend against any infringement or misappropriation claims, whether they are with or without merit, are settled out of court, or are determined in our favor, we may be required to expend significant time and financial resources on the defense of such claims, and such claims also would divert management time and attention from our business operations. Furthermore, an adverse outcome of a dispute may require us to pay significant damages, which may be even greater if we are found to have willfully infringed upon a party's intellectual property; cease exploiting copyrighted content that we have previously had the ability to exploit; cease using solutions that are alleged to infringe or misappropriate the intellectual property of others; expend additional development resources to redesign our solutions; enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies, content, or materials; indemnify our partners and other third parties; and/or take other actions that may have material effects on our business, operating results, and financial condition.

Failure to protect our intellectual property could substantially harm our business, operating results, and financial condition.

The success of our business depends on our ability to protect and enforce our patents, trade secrets, trademarks, copyrights, and all of our other intellectual property rights, including our intellectual property rights underlying our services. We attempt to protect our intellectual property under patent, trade secret, trademark, and copyright law through a combination of intellectual property registration, employee, third-party assignment and nondisclosure agreements, other contractual restrictions, technological measures, and other methods. These afford only limited protection, and we are still continuing to develop our processes for securing our intellectual property rights. Despite our efforts to protect our intellectual property rights, unauthorized parties may attempt to copy aspects of our product and brand features or obtain and use our trade secrets and other confidential information. Moreover, policing our intellectual property rights is difficult and time-consuming. We cannot assure you that we would have adequate resources to protect and police our intellectual property rights, and we cannot assure you that the steps we take to do so will always be effective.

We have filed, and may in the future file, patent applications on certain of our innovations. It is possible, however, that these innovations may not be patentable. In addition, given the cost, effort, risks, and downside of obtaining patent protection, including the requirement to ultimately disclose the invention to the public, we may choose not to seek patent protection for some innovations. Furthermore, our patent applications may not issue as granted patents, the scope of the protection gained may be insufficient, or an issued patent may be deemed invalid or unenforceable. Any of our present or future patents or other intellectual property rights may lapse or be invalidated, circumvented, challenged, or abandoned. Our intellectual property rights also may not provide competitive advantages to us. Our ability to assert our intellectual property rights against potential competitors or to settle current or future disputes could be limited by our relationships with third parties, and any of our pending or future patent applications may not have the scope of coverage originally sought. Our intellectual property rights may not be enforced in jurisdictions where competition may be intense or where legal protection may be weak. We could lose both the ability to assert our intellectual property rights against, or to license our technology to, others and the ability to collect royalties or other payments.

We currently own the www.loop.tv internet domain name and various other related domain names. Internet regulatory bodies generally regulate domain names. If we lose the ability to use a domain name in a particular country, we may be forced either to incur significant additional expenses to market our services within that country or, in extreme cases, to elect not to offer our services in that country. Either result could harm our business, operating results, and financial condition. The regulation of domain names in the United States and in foreign countries is subject to change. Regulatory bodies could establish additional top- level domains, appoint additional domain name registrars, or modify the requirements for holding domain names. As a result, we may not be able to acquire or maintain the domain names that utilize our brand names in the United States or other countries in which we may conduct business in the future.

Litigation or proceedings before governmental authorities and administrative bodies may be necessary in the future to enforce our intellectual property rights, to protect our patent rights, trademarks, trade secrets, and domain names and to determine the validity and scope of the proprietary rights of others. Our efforts to enforce or protect our proprietary rights may be ineffective and could result in substantial costs and diversion of resources and management time, each of which could substantially harm our operating results. Additionally, changes in law may be implemented, or changes in the interpretation of such laws may occur, that may affect our ability to protect and enforce our patents and other intellectual property.

Risks Related to Owning Our Common Stock

There has historically been a limited public market for our securities.

Until September 2022, our common stock was quoted on the Pink Open Market and there has historically been a limited public market for our common stock. The daily trading volume of our common stock has been limited. We cannot predict the extent to which investor interest in us and our listing on the NYSE American will lead to the development of an active trading market or how liquid that trading market might become. The lack of an active trading market may reduce the value of shares of our common stock and impair the ability of our stockholders to sell their shares at the time or price at which they wish to sell them. An inactive trading market may also impair our ability to raise capital by selling our common stock and may impair our ability to acquire or invest in other companies, products, or technologies by using our common stock as consideration.

Our failure to meet the continued listing requirements of the NYSE American could result in a delisting of our common stock.

On September 22, 2022, our common stock was listed on the NYSE American under the symbol “LPTV.” We are required to meet certain listing requirements to maintain the listing of our common stock on the NYSE American. If we fail to satisfy the continued listing requirements of the NYSE American, such as minimum financial and other continued listing requirements and standards, including those regarding minimum stockholders’ equity, minimum share price, and certain corporate governance requirements, the NYSE American may take steps to delist our common stock, which could have a materially adverse effect on our ability to raise additional funds as well as the price and liquidity of our common stock. Such a delisting would likely have a negative effect on the price of our common stock and would impair your ability

to sell or purchase our common stock when you wish to do so. In the event of a notice of or ultimate delisting, we would expect to take actions to restore our compliance with the NYSE American's listing requirements, but we can provide no assurance that any such action taken by us would allow our common stock to remain listed or become listed again.

The trading price of our common stock has been and will likely continue to be volatile.

The trading price of our common stock has been and is likely to continue to be volatile. The market price of our common stock may fluctuate or decline significantly in response to numerous factors, many of which are beyond our control, including:

- the number of shares of our common stock publicly owned and available for trading;
- quarterly variations in our results of operations or those of our competitors;
- the accuracy of any financial guidance or projections;
- our actual or anticipated operating performance and the operating performance of similar companies in the music video, OOH entertainment, or digital media spaces;
- our announcements or our competitors' announcements regarding new services, enhancements, significant contracts, acquisitions, or strategic investments;
- general economic conditions and their impact on advertising spending;
- the overall performance of the equity markets;
- threatened or actual litigation;
- changes in laws or regulations relating to our services; and
- sales or expected sales of our common stock by us, and our officers, directors, and stockholders.

In addition, the stock market in general, and the market for small media companies, have experienced extreme price and volume fluctuations that often have been unrelated or disproportionate to the operating performance of those companies. Securities class action litigation has often been instituted against companies following periods of volatility in the overall market and in the market price of a company's securities. Such litigation, if instituted against us, could result in very substantial costs, divert our management's attention and resources and harm our business, operating results, and financial condition.

Our common stock will likely be subject to price fluctuations which have often been significant for early-stage companies like us, which may adversely impact our ability to seek equity financing.

Historically, valuations of many early-stage companies have been highly volatile. The securities of many of these companies have experienced significant price and trading volume fluctuations, unrelated to the operating performance or the prospects of such companies. If the conditions in the equity markets further deteriorate, we may be unable to finance our additional funding needs in the private or public markets. There can be no assurance that any future offering will be consummated or, if consummated, will be at a share price equal or superior to the price paid by our prior investors even if we meet our technological and marketing goals.

Because of their significant ownership of our common stock, our founders and other large investors have substantial control over our business, and their interests may differ from our interests or those of our other stockholders.

As of December 15, 2023, our two co-founders (Jon Niermann and Liam McCallum) and Bruce Cassidy, the chairman of our board of directors ("Board of Directors" or "Board") beneficially owned or controlled, directly or indirectly, common stock representing 40.0% of the combined voting power of all our outstanding voting securities. As a result of their ownership or control of our voting securities, if our founders and/or significant stockholders act together,

they will have significant control over the outcome of substantially all matters submitted to our stockholders for approval, including the election of directors. This may delay or prevent an acquisition or cause the trading price of our common stock to decline. Our founders may have interests different from yours. Therefore, the concentration of voting power among our founders may have an adverse effect on the price of our common stock.

Sales of substantial amounts of our common stock in the public markets by our co-founders or other stockholders, or the perception that such sales might occur, could reduce the price that our common stock might otherwise attain.

Sales of substantial amounts of our common stock in the public market by our founders, affiliates, or non-affiliates, or the perception that such sales could occur, could adversely affect the trading price of our common stock, and may make it more difficult for you to sell your common stock at a time and price that you deem appropriate. We are unable to predict the effect that such sales may have on the prevailing price of our common stock. A decline in the price of our common stock might impede our ability to raise capital through the issuance of additional common stock or other equity securities.

If securities or industry analysts publish inaccurate or unfavorable research about our business or cease publishing research about our business, our share price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that securities or industry analysts publish about us, if any do so in the future. If one or more of the analysts who may cover us in the future downgrade our common stock or publish inaccurate or unfavorable research about us, our common stock price would likely decline. If no securities or industry analysts commence coverage of us, the trading price of our shares would likely be negatively impacted. Further, if one or more of these analysts, once they cover us, cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease, which might cause our common stock price and trading volume to decline.

The requirements of being a public company with our common stock listed on the NYSE American may strain our resources and divert management's attention.

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Sarbanes-Oxley Act, and other applicable securities rules and regulations. Compliance with these rules and regulations incurs substantial legal and financial compliance costs, makes some activities more difficult, time-consuming, or costly, and places increased demand on our systems and resources. The Exchange Act requires, among other things, that we file annual and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. To maintain disclosure controls and procedures and internal control over financial reporting that meet this standard, significant resources and management oversight are required. As a result, management's attention may be diverted from other business concerns, which could harm our business and operating results.

Our common stock is listed on the NYSE American, and thus we are subject to various continued listing standards, which will require our ongoing compliance and attention, as well as various corporate governance and other rules, which will impact the way we raise capital, govern ourselves and otherwise run our business. Failing to comply with any NYSE American rules could result in the delisting of our common stock from the NYSE American, which could have a material impact on the price of our common stock.

You may experience future dilution as a result of future equity offerings.

In order to raise additional capital, we may in the future offer additional shares of our common stock or other securities convertible into or exchangeable for our common stock. We may sell shares or other securities in any offering, and investors purchasing shares or other securities in the future could have rights superior to existing stockholders. If any of the above should occur, our stockholders will experience additional dilution, and any such issuances may result in downward pressure on the price of our common stock.

We do not expect to declare any dividends in the foreseeable future.

We have never declared or paid any cash dividends on our share capital. The continued operation of our business will require substantial cash, and we currently intend to retain any future earnings for working capital and general corporate purposes. Accordingly, we do not anticipate paying any cash dividends to holders of our common stock at any time in the foreseeable future. Any determination to pay future dividends will be at the discretion of our Board of Directors and will depend upon our results of operations, financial condition, contractual restrictions, indebtedness, restrictions imposed by applicable law and other factors our Board of Directors deems relevant. There is no guarantee that your shares of common stock will appreciate in value or even maintain the price at which you purchased your shares of common stock, and you may lose the entire amount of your investment.

Exercise of warrants, and issuance of incentive stock grants may have a dilutive effect on our stock, and negatively impact the price of our common stock.

As of December 15, 2023, we had 6,889,426 shares issuable upon exercise of warrants outstanding at a weighted average exercise price of $5.74 per share. As of December 15, 2023, an aggregate of (i) 8,915,294 shares were issuable upon the exercise of outstanding options under all of our equity incentive plans, at a weighted average exercise price of $3.81 per share and (ii) 1,156,397 shares of our common stock were issuable upon the vesting of outstanding restricted stock units. We are able to grant stock options, restricted stock, restricted stock units, stock appreciation rights, bonus stocks, and performance awards under the Loop Media, Inc. Amended and Restated 2020 Equity Incentive Compensation Plan (the "2020 Equity Incentive Plan," and as amended and restated on September 18, 2022, the "Amended and Restated 2020 Equity Incentive Plan" or the "Plan"). As of September 30, 2023, a total of 11,419,060 shares of common stock were authorized and reserved for issuance, and 1,413,357 shares of common stock remained available for issuance, under the Amended and Restated 2020 Equity Incentive Plan. As a result of the "evergreen" feature adopted in the Amended and Restated 2020 Equity Incentive Plan, the number of shares available for issuance was increased by 3,281,008 shares on October 1, 2023, and as of December 15, 2023, a total of 4,628,337 shares remained available for issuance under the Amended and Restated 2020 Equity Incentive Plan. *See "Item 12 – Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters — The Loop Media, Inc. Amended and Restated 2020 Equity Incentive Plan."*

To the extent that any of the outstanding warrants and options described above are exercised, dilution to the interests of our stockholders may occur. For the life of such warrants and options, the holders will have the opportunity to profit from a rise in the price of the common stock with a resulting dilution in the interest of the other holders of common stock. The existence of such warrants and options may adversely affect the market price of our common stock and the terms on which we can obtain additional financing, and the holders of such warrants and options can be expected to exercise them at a time when we would, in all likelihood, be able to obtain additional capital by an offering of our unissued capital stock on terms more favorable to us than those provided by such warrants and options.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

ITEM 2. PROPERTIES.

We maintain a virtual principal executive office located at 2600 West Olive Avenue, Suite 5470, Burbank, CA 91505. Our telephone number is (213) 436-2100. We rent a small office space at this location for the purposes of receiving and forwarding our mail. We are on a month-to-month lease for this location.

We currently lease an office located at 150 Nickerson Street, Suite 305, Seattle, WA 98109, comprised of approximately 3,776 square feet of office space. The lease term is twelve (12) months, from January 1, 2022, to December 31, 2023, which can be extended on a month-to-month basis. We have signed a lease for new office space,

comprised of approximately 2,883 square feet of office space, located at 568-570 First Avenue South, Seattle, WA 98104. The term of this lease is three (3) years, from February 1, 2024, to January 31, 2027.

We believe that our leased facilities are adequate to meet our needs at this time. We do not currently own any real property.

ITEM 3. LEGAL PROCEEDINGS.

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry, or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of our executive officers, threatened against or affecting our Company, or our common stock, in which we believe an adverse decision could have a material adverse effect on our financial conditions or results of operations.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information

In connection with the September 2022 Offering, on September 22, 2022, we commenced the trading of our common stock on the NYSE American under the symbol "LPTV." Prior to September 22, 2022, our common stock was quoted on the Pink Open Market operated by OTC Markets Group, Inc. On December 15, 2023, the last reported sale price per share of our common stock as quoted on NYSE American was $0.7581.

Holders

As of December 15, 2023, we had 70,691,228 shares of common stock outstanding held by approximately 338 stockholders of record.

Dividends

We have never declared or paid cash dividends on our common stock. We intend to retain all available funds and any future earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. Any future determination related to dividend policy will be made at the discretion of our Board of Directors.

Securities Authorized for Issuance under Equity Compensation Plans

Information regarding our equity compensation plans is contained in Item 12 under "Item 12 – Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters —Securities Authorized for Issuance Under Equity Compensation Plans" and "Note 12 — Stock Options, Restricted Stock Units and Warrants" to our Consolidated Financial Statements.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

STATEMENT ON FORWARD-LOOKING INFORMATION

This Report contains certain statements that are, or may deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding our plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the protections provided under the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are "forward-looking statements" for purposes of these provisions, including any projections of earnings, revenues, or other financial items; any statements of the plans, strategies, and objectives of management for future operations; any statements concerning proposed new products, services, or developments; any statements regarding future economic conditions or performance; statements of belief; and any statement of assumptions underlying any of the foregoing. Such forward-looking statements are subject to inherent risks and uncertainties, and actual results could differ materially from those anticipated by the forward-looking statements.

These forward-looking statements involve significant risks and uncertainties, including, but not limited to, the following: competition, promotional costs, and risk of declining revenues. Our actual results could differ materially from

those anticipated in such forward-looking statements as a result of a number of factors. These forward-looking statements are made as of the date of this filing, and we assume no obligation to update such forward-looking statements. The following discusses our financial condition and results of operations based upon our financial statements which have been prepared in conformity with accounting principles generally accepted in the United States of America. It should be read in conjunction with our financial statements and the notes thereto included elsewhere herein. You should review the "Risk Factors" section of this Report for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a multichannel digital video platform media company that uses marketing technology, or "MarTech," to generate revenue and offer our services. Our technology and vast library of videos and licensed content enable us to curate and distribute short-form videos to out-of-home ("OOH") dining, hospitality, retail, convenience stores and other locations and venues to enable them to inform, entertain and engage their customers. In addition, our technology provides third-party advertisers with a targeted marketing and promotional tool for their products and services and, in certain instances, allows us to measure the number of potential viewers of such advertising and promotional materials. We also allow OOH clients to access our service without advertisements by paying a monthly subscription fee.

We offer hand-curated music video content licensed from major and independent record labels, including Universal Music Group ("Universal"), Sony Music Entertainment ("Sony"), and Warner Music Group ("Warner" and collectively with Universal and Sony, the "Music Labels"), as well as non-music video content, which is predominantly licensed or acquired from third parties, including action sports clips, drone and nature footage, trivia, news headlines, lifestyle channels and kid-friendly videos, as well as movie, television and video game trailers, amongst other content. We distribute our content and advertising inventory to digital screens located in OOH locations primarily through (i) our owned and operated platform (the "O&O Platform") of Loop Media, Inc. ("Loop Media")-designed "small-box" streaming Android media players ("Loop Players") and legacy ScreenPlay computers and (ii) through screens ("Partner Screens") on digital networks owned and operated by third parties (each a "Partner Platform" and collectively the "Partner Platforms," and together with the O&O Platform, the "Loop Platform"). As of September 30, 2023, we had 37,021 QAUs (as defined below) operating on our O&O Platform. *See "— Key Performance Indicators."* We launched our Partner Platforms business in May 2022 and had approximately 42,000 screens across our Partner Platforms as of September 30, 2023.

We have two primary constituents that are included in our customer base: the OOH locations we service and the advertisers who purchase advertising inventory on the Loop Platform. We earn revenue from these customers primarily by selling advertising inventory on the Loop Platform and by collecting subscription fees from our O&O Platform owners and operators that are streaming advertising-free content.

The O&O Platform

We deliver content across our O&O Platform to the owners and operators of OOH locations who sign up for our media service. We sell advertising impressions contained in the content streams to demand sources, including demand-side platforms ("DSPs"), supply-side platforms ("SSPs") and advertisers, who pay us to fill those impressions and have their ads delivered into the OOH locations that utilize our services. We also allow OOH locations on our O&O Platform to access our content without advertisements by paying a monthly subscription fee.

From a business operations standpoint, for the O&O Platform business, we view our customers as the owners and operators of the OOH locations that use our content services to engage and entertain the customers that visit the OOH locations. Our customer services team works with the owners and operators of OOH locations in our O&O Platform business to ensure our customers are being properly serviced and addressing any questions about the service, content, advertising performance and other matters.

From an accounting standpoint, for the O&O Platform business, our customers are considered to be those persons that provide revenue to us, which includes the owners and operators of the OOH locations that utilize a

subscription-based service, and the advertising demand sources (including DSPs, SSPs and advertisers) that purchase our advertising inventory on the O&O Platform. From an accounting standpoint, the owners and operators of the OOH locations utilizing a free advertising-based service on our O&O Platform are not our customers. Instead, it is the advertising demand sources that are our customers because they are providing revenue to us (by way of purchasing advertising inventory) for the streaming of content to those OOH locations utilizing an ad-free service.

We record as cost of revenue in the O&O Platform business certain costs and expenses associated with operating such business, including the cost of content, streaming costs, and content hosting fees. We procure content from third parties though licensing fees or by purchasing the content outright. Certain of our content, including our music video and certain third-party non-music content, are under licenses that contain a revenue share arrangement. We and the licensor of the content will negotiate and pre-agree the percentage of revenue to which each party will be entitled. The cost of content, including any payments to licenses under a revenue share license, is the single largest component of the cost of revenue associated with the O&O Platform business.

The Partner Platforms

The screens in our Partner Platforms business may deliver content that we curate and deliver or content that is provided by the owners and operators of third-party digital platforms. We make available to our Partner Platforms clients' channels of original content developed using licensed or purchased content that is then reformatted into short-form content suitable for commercial use.

We provide advertising demand services to third parties by selling ad impressions available on the Partner Platforms to advertising demand sources (including DSPs, SSPs and advertisers) who pay us to fill those impressions and have ads delivered across the Partner Platforms. If the advertising impressions are filled with advertisements, we will fulfill our obligation and be paid as the publisher of the advertisement. If advertising impressions are not purchased, the content will play without advertisements and no revenue will be earned by us.

From a business operations standpoint, we view our customers, for our Partner Platform services, as the owners and operators of the third-party digital platforms that utilize our content and advertising services and enables such third parties to better monetize the screens on their digital platforms. We may, in certain instances, also provide content across the Partner Platforms.

Our customer services team works with the owners and operators of the third-party digital platforms in our Partner Platforms business to ensure our customers are being properly serviced and addressing any questions about the service, content, advertising performance and other matters.

From an accounting standpoint, for the Partner Platforms business, our customers are the advertising demand sources (including DSPs, SSPs and advertisers) because they are providing revenue to us (by way of purchasing advertising inventory) for the streaming of content across the Partner Platforms. The Partner Platforms business operates a free ad-supported business model and has no subscription fees.

The revenue share arrangements in the O&O Platform business are included in the cost of revenue. The content streamed on the Partner Platforms is content we procure on licenses that do not contain an element of revenue share or content provided by the third-party partner who owns and operates the screens on the Partner Platforms. As such, there are no content partner revenue share arrangements on the Partner Platforms. There is, however, a revenue share arrangement with the third-party partner who owns and operates the screens on the Partner Platforms. We deduct from the revenue we generate in the Partner Platforms business certain costs and expenses associated with operating such business (including streaming costs and content hosting) and then allocate the remaining revenue between us and the third-party digital platform provider, based on pre-agreed negotiated percentages. The percentage of revenue we pass along to third-party digital platform providers is recorded as cost of revenue and is our single largest cost of revenue component for the Partner Platforms business.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Recent Developments

Excel Revolving Line of Credit

Effective as of December 14, 2023, we entered into a Revolving Line of Credit Loan Agreement with Excel (the "Excel Revolving Line of Credit Agreement") for up to a principal sum of $2,500,000, under which we may pay down and re-borrow up to the maximum amount of the $2,500,000 limit (the "Excel Revolving Line of Credit"). Our drawdown on the Excel Revolving Line of Credit is limited to no more than twenty-five percent (25%) of the last three full months' revenue, not to exceed $1,250,000 in any quarter, and not to exceed in aggregate the outstanding debt amount of $2,500,000.The Excel Revolving Line of Credit is a perpetual loan, with a maturity date that is twelve (12) months from the date of formal notice of termination by Excel, and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to ten percent (10%) per year. Under the Excel Revolving Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the May 2023 Secured Line of Credit (each as defined below), but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement (each as defined in "Future Capital Requirements" below). *See " – Future Capital Requirements."*

Under the terms of the Excel Revolving Line of Credit Agreement, on December 14, 2023, we issued to Excel a warrant to purchase up to an aggregate of 3,125,000 shares of our common stock. Each warrant has an exercise price of $0.80 per share, which was the closing price of our common stock on December 13, 2023, expires on December 14, 2026, and is exercisable at any time prior to such date, to the extent that after giving effect to such exercise, Excel and its affiliates would beneficially own, for purposes of Section 13(d) of the Exchange Act, no more than 29.99% of the outstanding shares of our common stock.

As of the date of this Report, we had not drawn down any funds from the Excel Revolving Line of Credit.

Excel May 2023 Secured Line of Credit Note Conversion Agreement

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount") of the total aggregate principal and interest outstanding under the May 2023 Secured Line of Credit of $3,262,817. On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Future Capital Requirements – Non-Revolving Lines of Credit – May 2023 Secured Line of Credit."*

Repricing and Exercise of Certain Existing Warrants

On December 14, 2023, we agreed to offer to amend certain existing warrants exercisable for an aggregate of up to 4,055,240 shares of the Company's common stock (each such warrant an "Existing Warrant") to reduce the respective exercise prices thereof to $0.80 per share (such new price being referred to as the "Amended Warrant Exercise Price"), which was the closing price per share of our common stock as quoted on the NYSE American on December 13, 2023, on the condition that the holder of each Existing Warrant will commit to exercise the Existing Warrant within eight (8) business days from the date the warrant holder enters into a binding agreement, or some other number of days to be agreed

by the Existing Warrant holder (the "Warrant Reprice Letter Agreement"), to exercise, paying the aggregate Amended Warrant Exercise Price of each respective Existing Warrant in cash to the Company (the "Warrant Repricing"). Holders of Existing Warrants have until December 31, 2023, to enter into a Warrant Reprice Letter Agreement by 4:00 p.m., Eastern Time, on December 31, 2023, after which time the original per share warrant exercise price of Existing Warrants will remain unchanged. Existing Warrants exercisable for an aggregate of up to 786,482 shares of our common stock are held by Excel Family Partners, LLLP, and Eagle Investment Group, LLC, entities managed by Bruce Cassidy, Sr., Chairman of our Board of Directors. Existing Warrants exercisable for an aggregate of up to 443,332 shares of our common stock are held by Denise Penz, a member of our Board of Directors. As of the date of this Report, each of Mr. Cassidy and Ms. Penz had entered into a Warrant Reprice Letter Agreement to exercise their Existing Warrants, which will result in net proceeds to the Company of $983,851. As of the date of this Report, we have total commitments, including those from Mr. Cassidy and Ms. Penz, from holders of Existing Warrants to reprice and exercise Existing Warrants for an aggregate of 1,828,147 shares at an aggregate exercise price of $1,462,518. There is no assurance that other Existing Warrant holders (who are not officers or directors of the Company) will agree to the repricing and exercise of their Existing Warrants.

See also "Item 9B."

Key Performance Indicator

We review our quarterly active units ("QAUs") and average revenue per unit player ("ARPU"), among other key performance indicators, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions.

Quarterly Active Units

We define an "active unit" as (i) an ad-supported Loop Player (or DOOH (defined below) location using our ad-supported service through our "Loop for Business" application or using a DOOH venue-owned computer screening our content) that is online, used on our O&O Platform, playing content and has checked into the Loop Media analytics system at least once in the 90-day period ending on the date of measurement, or (ii) a DOOH location customer using our subscription service on our O&O Platform at any time during the 90-day period. We use "QAU" to refer to the number of such active units during such period. We do not count towards our QAUs any Loop Players or screens used on our Partner Platforms.

Digital out-of-home ("DOOH") is a form of media that is delivered digitally outside of the home on billboards, signage, displays, televisions, and other devices in OOH locations, including restaurants, retail shops, healthcare facilities, sports and entertainment venues, and other public or non-residential spaces.

As of September 30, 2023, we had over 79,000 Loop Players and Partner Screens across the Loop Platform, an increase of 11% in Loop Players and Partner Screens from the over 71,000 Loop Players and Partner Screens as of June 30, 2023. This included 37,021 QAUs across our O&O Platform and approximately 42,000 Partner Screens across our Partner Platforms.

In the quarter ended September 30, 2023, QAUs increased 6% to 37,021 compared to 34,898 in the quarter ended June 30, 2023. There was relatively limited growth in QAUs quarter on quarter as we looked to prioritize and incentivize the distribution of Loop Players in key advertising markets and geographies, as well as into more desirable out-of-home location types, like convenience stores, restaurants, bars, and other retail establishments. We also looked to reduce our presence in less desirable out-of-home locations, which offset and reduced our net distribution growth. QAUs were 32,734 as of the quarter ended March 31, 2023, 26,903 as of the quarter ended December 31, 2022, and 18,240 as of the quarter ended September 30, 2022.

As of September 30, 2023, Partner Screens in our Partner Platforms business had increased by approximately 5,000 Partner Screens to approximately 42,000 Partner Screens, over approximately 37,000 Partner Screens as of June 30, 2023.

Average Revenue Per Unit

We define a "unit player" as (i) an ad-supported Loop Player (or a DOOH location using our ad- supported service through our "Loop for Business" application or using a DOOH location-owned computer screening our content) that is online, used on our O&O Platform, playing content and has checked into the Loop Media analytics system at least once in the 90-day period or (ii) a DOOH location customer using our paid subscription service on our O&O Platform at any time during the 90-day period. A unit player that is supported by our advertising-based revenue model is an ad-supported unit player and a unit player that is supported by a subscription-based revenue model is a subscription unit player. We calculate advertising ARPU ("AD ARPU") by dividing quarterly revenues from our DOOH ad-supported service on our O&O Platform for the period by QAUs for our ad-supported unit players on our O&O Platform. We calculate subscription ARPU ("SUB ARPU") by dividing quarterly revenues from our DOOH subscription-supported service on our O&O Platform for the period by QAUs for our subscription-supported unit players on our O&O Platform. We do not include in our unit players count, AD ARPU or SUB ARPU any Loop Players or screens used on our Partner Platforms.

Our AD ARPU fluctuates based on a number of factors, including the length of time in a quarter that a unit player is activated and operating, the cost-per-thousand ad impressions ("CPMs") we are able to achieve for our advertising impressions, and the advertising fill rates that we are able to achieve. Our SUB ARPU fluctuates based on a number of factors, including the timing of the start of a customer subscription for a subscription-supported unit player, the number of ad-supported unit players we have, and the price clients pay for those subscriptions. An increase in the number of unit players over the course of a quarterly period may have the effect of decreasing quarterly ARPU, particularly if such players are added towards the end of the quarterly period. Increases or decreases in ARPU may not correspond with increases or decreases in our revenue, and ARPU may be calculated in a manner different than any similar key performance indicator used by other companies.

For the quarter ended September 30, 2023, AD ARPU was $90, compared to $114 for the quarter ended June 30, 2023, a 21% decrease. AD ARPU was $99 for the quarter ended March 31, 2023, and $324 for the quarter ended December 31, 2022.

For the quarter ended September 30, 2023, SUB ARPU was $353, compared to $222 for the quarter ended June 30, 2023, a 59% decrease. SUB ARPU was $260 for the quarter ended March 31, 2023, and $323 for the quarter ended December 31, 2022.

Seasonality

We generally have seen seasonality in our revenue and business related to advertising sales and the distribution of our Loop Player. This seasonality may not always be reflected in our results of operations, as other factors contribute to revenue growth or decline from quarter to quarter and may obscure underlying seasonal trends.

The first quarter of the calendar year (our second fiscal quarter) is traditionally the least profitable quarter in terms of revenue generation for ad publishers (such as us), as advertisers are holding and planning their budgets for the year and consumers tend to spend less after the winter holiday season. This results in fewer ad demands and lower cost-per-thousand ad impressions ("CPMs"). The second quarter of the calendar year, from April to June (our third fiscal quarter), typically experiences increased ad demand and higher CPMs over the first quarter, as advertisers start to spend their budgets in greater amounts. The third quarter of the calendar year, from July to September (our fourth fiscal quarter), typically sees a slight increase in CPMs and ad demands compared to the second quarter, even though consumers spend more time outdoors and less time online in the summer months. The fourth quarter of the calendar year, from October to December (our first fiscal quarter), is typically the most profitable quarter for publishers, as companies want their brands and products to be seen in the run up to the holiday season. This generally results in publishers receiving the highest CPMs and the greatest ad demand for their ad impressions during the fourth quarter. As a result of these market trends for digital advertising we generally expect to receive higher CPMs and greater ad fill rates during the fourth quarter of a calendar year (our first fiscal quarter) and lower CPMs and reduced ad fill rates during the first quarter of a calendar year (our second fiscal

quarter). We seek to offset the reduction in CPMs and ad fill rates with increased Loop Player distribution and ad impressions across our ad-supported services.

See "*Business — Seasonality*" for a more detailed discussion regarding the seasonality of our business and results of operations.

Components of Results of Operations

Revenue

The majority of our revenue is generated from ad sales, which is recognized at the time the digital advertising impressions are filled and the advertisements are played. Revenue generated from content subscription services in customized formats is recognized over the term of the service. The revenue generated from hardware for ongoing subscription content delivery is recognized at the point of the hardware delivery. Revenue generated from content and streaming services, including content encoding and hosting, are recognized over the term of the service based on bandwidth usage.

Cost of Revenue

Cost of revenue for the O&O Platform and legacy businesses represents the amortized cost of ongoing licensing and hosting fees, which is recognized over time based on usage patterns. Licensing fees include fees paid under both our revenue share and fixed-fee arrangements. The depreciation expense associated with the Loop players is not included in cost of sales.

Cost of revenue for the Partner Platforms business represents hosting fees, amortized costs of internally-developed content, and the revenue share with third party partners (after deduction of allocated infrastructure costs). The cost of revenue is higher with partners within the Partner Platforms versus those within the O&O Platform because we leverage our Partner Platforms clients' network of customers and their screens to deliver content and advertising inventory, rather than using our own Loop players.

Total Operating Expenses

Operating expenses are attributable to the general overhead related to all the products and services that we provide to our clients and, as a result, they are presented in an aggregate total. Our operating expenses include sales, general and administrative expenses and restructuring costs.

Sales, General and Administrative ("SG&A") Expenses

Sales and marketing expenses consist primarily of employee compensation and related costs associated with our sales and marketing staff, including salaries, benefits, bonuses and commissions as well as costs relating to our marketing and business development. We intend to continue to invest resources in our sales and marketing initiatives to drive growth and extend our market position.

General and administrative expenses consist of employee compensation and related costs for executive, finance/accounting, legal, human resources, recruiting, and employee-related information technology and administrative personnel, including salaries, benefits, and bonuses, as well as depreciation, facilities, recruiting and other corporate services.

Restructuring Costs

As previously disclosed, we undertook initiatives to increase efficiency and cut costs, while still maintaining our focus on, and dedication to, the continued growth of our business. During the twelve months ended September 30, 2023, we made cuts and adjustments across several aspects of our business. We completed

a plan to reduce our overall SG&A costs by approximately 20%. Part of this reduction included eliminating some non-revenue generating headcount, while continuing to invest in expansion of our revenue and ad sales team.

We anticipate further restructuring costs, however, these costs are estimated based on information available at the time such costs are recorded. Due to the inherent uncertainty involved in estimating restructuring costs, actual amounts incurred for such activities may differ from amounts initially estimated.

Other Income/Expense

Interest Expense

Interest expense consists of interest expense on our outstanding indebtedness and amortization of debt issuance costs.

Other Income (Expense)

Other income consists of employee retention credits, foreign currency translation adjustment, realized foreign current gains/losses and unrealized gains/losses.

Income Taxes

We account for income taxes in accordance with ASC Topic 740, Income Taxes ("ASC 740"). ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effect of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. We have no material uncertain tax positions for any of the reporting periods presented.

We recognize accrued interest and penalties related to unrecognized tax benefits as part of income tax expense. We have also made a policy election to treat the income tax with respect to global intangible low-tax income as a period expense when incurred.

In December 2019, the Financial Accounting Standards Board ("FASB') issued Accounting Standards Update ("ASU") No. 2019-12, Simplifying the Accounting for Income Taxes, as part of its initiative to reduce complexity in accounting standards. The amendments in the ASU are effective for fiscal years beginning after December 15, 2020, including interim periods therein. The adoption of this standard in the first quarter of 2022 had no impact on our consolidated financial statements.

Consolidated Results of Operations

The following tables set forth our results of operations for the periods presented. The period-to-period comparison of financial results is not necessarily indicative of future results.

For the twelve months ended September 30, 2023, compared to the twelve months ended September 30, 2022:

	Year ended September 30,			
	2023	2022	$ variance	% variance
Revenue	$ 31,642,293	$ 30,832,796	$ 809,497	3 %
Cost of revenue	20,982,933	19,450,398	1,532,535	8 %
Gross profit	10,659,360	11,382,398	(723,038)	(6)%
Total operating expenses	39,444,972	36,149,371	3,295,601	9 %
Loss from operations	(28,785,612)	(24,766,973)	(4,018,639)	16 %
Other income (expense):				
Interest income	—	200	(200)	(100)%
Interest expense	(3,802,346)	(3,620,212)	(182,134)	5 %
Gain (Loss) on extinguishment of debt, net	—	(1,607,782)	1,607,782	(100)
Change in fair value of derivatives	—	514,643	(514,643)	(100)%
Employee retention credits	645,919	—	645,919	N/A %
Other income (expense)	(3,128)	—	(3,128)	N/A %
Total other income (expense)	(3,159,555)	(4,713,151)	1,553,596	(33)%
Provision for income taxes	(18,512)	676	(19,188)	(2,838)%
Net loss	$ (31,963,679)	$ (29,479,448)	$ (2,484,231)	8 %

Revenue

Our revenue for the year ended September 30, 2023, was $31,642,293, an increase of $809,497, or 3%, from $30,832,796 for the year ended September 30, 2022. This increase was primarily due to (i) an increase in ad revenue as a result of a significant increase in the distribution and activation of our Loop Players, and expansion of our customer base; (ii) increased access to programmatic ad demand partners due to increase in scale of our business; and (iii) the introduction of our Partner Platforms business in May 2022, as partially offset by the macro-economic environment affecting the overall digital ad spend.

We are continuing to see headwinds in overall digital ad spend that started to emerge in the second half of our quarter ended December 31, 2022, and continued through our fiscal year ended September 30, 2023. We are not immune to the challenges the broader macro environment presents and its impact on advertising. Similar to many companies that rely on the advertising market, we continue to see industry and macro headwinds in overall digital ad spend due to general industry pressures and continued uncertainty about a potential recession. We believe these headwinds were exacerbated in recent months by the traditional seasonality of advertising. As a result, we have seen revenue and our results of operations negatively impacted.

Despite these advertising market and macro headwinds, we had over 79,000 active Loop Players and Partner Screens across the Loop Platform as of the year ended September 30, 2023, a 126% increase over 35,000 active Loop Players and Partner Screens as of the year ended September 30, 2022. This included approximately 18,000 active Loop Players across our O&O Platform and approximately 17,000 Partner Screens across our Partner Platforms. We believe performance continues to validate our distribution model and the appeal of our content and technology stack across various venue types and geographies, which we believe will positively impact our operating results when advertising spend begins to increase.

The growth in our distribution footprint over the course of fiscal 2023, increased our monthly video impressions, which we estimate to be over two (2) billion (based on videos streamed to all of our out-of-home customer locations and the average number of viewers estimated in each location across our O&O Platform).

We believe our business model of providing free streaming TV to businesses through our free-to-the-user Loop Player will make the distribution growth in our O&O Platform more resilient than one that requires an end user to provide a credit card or other payment information. In addition, we believe our strong track record in digital advertising and the proven business model of acting as a digital advertising sales service provider for third-party partners sets the groundwork for further expansion of our Partner Platforms business and increased revenue growth in the future from this line of business.

The growth in our distribution has allowed us to make a push into direct ad sales, beyond our traditional sole focus on open exchange programmatic digital advertising. Direct ad sales typically result in higher CPMs for advertising inventory. We believe the scale of our distribution platform and the premium quality of our CTV-like content makes us attractive to companies wishing to advertise in digital media outside of the home. To further these efforts, we have assembled an efficient and focused direct sales team and expect to see the result of their efforts over the course of our upcoming fiscal year ended September 30, 2024. The development of a direct ad sales team is the natural evolution of our business from initial ad revenue growth via programmatic demand which our now larger distribution footprint can support. Direct ad sales typically require a minimum threshold of distribution reach before it can be deemed scalable, and our recent distribution growth has allowed us to generate more interest from a greater number of ad sales buyers. We are pleased to say that we are at this stage of growth and look forward to more of an impact from direct sales on our revenue in the quarters ahead and becoming less dependent on programmatic advertising demand.

Cost of Revenue

Our cost of revenue for the year ended September 30, 2023, was $20,982,933, an increase of $1,532,535, or 8%, from $19,450,398 for the year ended September 30, 2022. This increase in cost of revenue was primarily due to an increase in fees due under our revenue share arrangements resulting from an increase in ad revenue received and an increase in fees due under new fixed-fee content arrangements. Other factors include increased music license and flat fee amortization fees and music minimums, costs associated with a full year of operating our Partner Platforms business compared to less than half of a year in the previous fiscal year and increased music and publishing royalties, partially offset by reductions due to accounting for Loop Players as fixed assets instead of inventory.

We have turned our attention to improving our margins by changing the mix of premium content that we play on our O&O Platform. In addition, in recent months, we have negotiated new content licenses for certain of our non-music video content, which has allowed us to lower the cost of existing channels and create new lower cost channels. As these agreements took effect and we drove viewers to these channels, we saw improved margins for our non-music video channels as a group in the second half of our fiscal year ended September 30, 2023.

Our customer acquisition cost is primarily influenced by the cost of our digital marketing, as a significant portion of our Loop Player distribution is reliant on OOH locations responding to our online advertisements. In recent months we have placed renewed focus on our affiliate network, which compensates third parties upon the successful installation and operation of our Loop Players and services, allowing us to defer payment for acquiring new customers until they are acquired.

Gross Profit Margin

Our gross profit margin for the year ended September 30, 2023, was $10,659,360, a decrease of $723,038, or 6%, from $11,382,398 for the year ended September 30, 2022. This decrease in gross profit margin was primarily due to increased music license and flat fee amortization fees and music minimums, the establishment of the Partner Platforms business and increased music and publishing royalties.

Our gross profit margin as a percentage of total revenue for the year ended September 30, 2023, is approximately 34% compared to 37% for the year ended September 30, 2022. The 3% decrease was primarily driven by the revenue mix

as the year ended September 30, 2022, had a lower allocation of Partner Platform business, which carries lower gross margin but a higher operating margin.

The relative contributions to total revenue of our O&O Platform and Partner Platforms businesses will impact our gross profit margin as a percentage of total revenue in future periods, as each of those businesses have different cost of revenue components with a lower gross profit margin in our Partner Platforms business. We curate the content and develop the infrastructure required to create advertising inventory available for purchase in the O&O Platform business. For the Partner Platforms business, the infrastructure is developed by the owners or operators of the third-party digital platforms, with Loop Media gaining access to such third-party platform for the delivery of advertising sales services by us to such owners and operators. We may also deliver curated content on the Partner Platforms, in instances where the owners or operators of such platform do not provide their own content for streaming on the platform.

Total Operating Expenses

Our operating expenses for the year ended September 30, 2023, were $39,444,972, an increase of $3,295,601, or 9%, from $36,149,371 for the year ended September 30, 2022. This increase in operating expenses was primarily due to an increase in sales, general and administrative expenses and restructuring costs, partially offset by a decrease in stock-based compensation, as follows:

Sales, General and Administrative Expenses

Our Sales, General and Administrative Expenses for the year ended September 30, 2023, were $29,427,139, an increase of $4,945,536, or 20%, from $24,481,603 in the year ended September 30, 2022. This increase in sales, general and administrative expenses was primarily due to increased marketing spend in the first half of fiscal 2023, greater customer acquisition and retention expenses, payroll costs and administration fees, partially offset by a slight decrease in professional fees. More specifically:

- Our payroll costs for the year ended September 30, 2023, were $12,837,599, an increase of $1,158,296 or 10% from $11,679,303 for the year ended September 30, 2022, primarily due to increased headcount and related employee benefits and payroll taxes.

- Our marketing costs for the year ended September 30, 2023, were $11,149,084, an increase of $3,893,122 or 54% from $7,255,962 for the year ended September 30, 2022, primarily due to increased advertising spend in the first half of fiscal 2023 to increase the market for our Loop Players, the rewards program for our customers and securing affiliate partnerships aimed at the distribution and activation of Loop Players, which was partially offset by a reduction in digital marketing and special audience spend.

- Our professional fees for the year ended September 30, 2023, were $1,791,585, a decrease of $133,253 or 7% from $1,924,838 for the year ended September 30, 2022, primarily due to a decrease in accounting, legal and recruiting fees.

- Our administration fees for the year ended September 30, 2023, were $1,403,869, an increase of $825,038 or 143% from $578,831 for the year ended September 30, 2022, primarily due to an increase in insurance premiums and board fees.

Sales, General and Administrative Expenses as a percentage of total revenue for the year ended September 30, 2023, was approximately 93% compared to 79% for the year ended September 30, 2022.

Stock-Based Compensation

Our stock-based compensation expense (non-cash) for the year ended September 30, 2023, was $7,997,849, a decrease of $1,357,493 or 15% from $9,355,342 for the year ended September 30, 2022, primarily due to the decrease in grants of stock option awards.

Restructuring Costs

Our restructuring costs for the year ended September 30, 2023, were $950,985 compared to $0 for the year ended September 30, 2022, primarily due to the reduction of headcount and the integration of Loop Media Studios into other areas of our business.

As previously disclosed, we undertook initiatives to increase efficiency and cut costs, while still maintaining our focus on, and dedication to, the continued growth of our business. We implemented cost cutting measures and adjustments across several aspects of our business starting in the second half of our fiscal year ended September 30, 2023. We reduced our overall SG&A costs by approximately 20%, including labor and various other operating costs, by eliminating some non-revenue generating headcount, while continuing to invest in expansion of our revenue and ad sales team.

Total Other Income (Expense)

Our other expenses for the year ended September 30, 2023, were $3,159,555, a decrease of $1,553,596 or 33% from $4,713,151 in the year ended September 30, 2022. This decrease in other expenses was primarily due to a reduction in expenses related to the extinguishment/conversion of debt and change in derivative, partially offset by employee retention credits.

The employee retention credits we received from the Internal Revenue Service includes refundable credits recognized under the provisions of the CARES Act and extension thereof. During the year ended September 30, 2023, we received and recorded credits in the amount of $645,919 compared to no employee retention credits for the year ended September 30, 2022.

Non-GAAP EBITDA

We believe that the presentation of EBITDA (as defined below), a financial measure that is not part of U.S. Generally Accepted Accounting Principles, or U.S. GAAP, provides investors with additional information about our financial results. EBITDA is an important supplemental measure used by our Board of Directors and management to evaluate our operating performance from period-to-period on a consistent basis and as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations. We define EBITDA as earnings before interest expense (income), income tax (expense)/benefit, depreciation and amortization.

EBITDA is not measured in accordance with, or as an alternative to, measures prepared in accordance with U.S. GAAP. In addition, this non-GAAP measure is not based on any comprehensive set of accounting rules or principles. As a non-GAAP measure, EBITDA has limitations in that it does not reflect all of the amounts associated with our results of operations as determined in accordance with U.S. GAAP. In particular:

- EBITDA does not reflect the amounts we paid in interest expense on our outstanding debt;
- EBITDA does not reflect the amounts we received in interest income on our investments;
- EBITDA does not reflect the amounts we paid in taxes or other components of our tax provision;
- EBITDA does not include depreciation expense from fixed assets; and
- EBITDA does not include amortization expense.

Because of these limitations, you should consider EBITDA alongside other financial performance measures including net income (loss) and our financial results presented in accordance with U.S. GAAP.

The following table provides a reconciliation of net loss to EBITDA for each of the periods indicated:

	Year ended September 30,	
	2023	2022
GAAP net loss	$ (31,963,679)	$ (29,479,448)
Adjustments to reconcile to EBITDA:		
Interest expense	3,802,346	3,620,212
Interest income	—	(200)
Depreciation and amortization expense*	4,015,403	1,592,458
Income Tax expense/(benefit)	18,512	(676)
EBITDA	$ (24,127,418)	$ (24,267,654)

*Includes amortization of content assets for cost of revenue and operating expenses and ATM facility.

Non-GAAP Adjusted EBITDA

We believe that the presentation of Adjusted EBITDA, a financial measure that is not part of U.S. GAAP, provides investors with additional information about our financial results. Adjusted EBITDA is an important supplemental measure used by our Board of Directors and management to evaluate our operating performance from period-to-period on a consistent basis and as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations.

We define Adjusted EBITDA as earnings before interest expense (income), income tax (expense)/benefit, depreciation and amortization, adjusted for stock-based compensation and other non-recurring income and expenses, if any.

Adjusted EBITDA is not measured in accordance with, or an alternative to, measures prepared in accordance with U.S. GAAP. In addition, this non-GAAP measure is not based on any comprehensive set of accounting rules or principles. As a non-GAAP measure, Adjusted EBITDA has limitations in that it does not reflect all of the amounts associated with our results of operations as determined in accordance with U.S. GAAP. In particular:

- Adjusted EBITDA does not reflect the amounts we paid in interest expense on our outstanding debt;
- Adjusted EBITDA does not reflect the amounts we paid in taxes or other components of our tax provision;
- Adjusted EBITDA does not include depreciation expense from fixed assets;
- Adjusted EBITDA does not include amortization expense;
- Adjusted EBITDA does not include the impact of stock-based compensation;
- Adjusted EBITDA does not include the impact of the gain on extinguishment of debt;
- Adjusted EBITDA does not include the impact of non-recurring expense;
- Adjusted EBITDA does not include the impact of restructuring costs for restructured revenue stream;
- Adjusted EBITDA does not include the impact of impairment of goodwill and intangible assets;
- Adjusted EBITDA does not include the impact of employee retention credits;

- Adjusted EBITDA does not include the impact of other income including foreign currency translation adjustments, realized foreign currency gains/losses and unrealized gains/losses; and

- Adjusted EBITDA does not include the impact of the change in fair value of derivative.

Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures including net income (loss) and our financial results presented in accordance with U.S. GAAP.

The following table provides a reconciliation of net loss to Adjusted EBITDA for each of the periods indicated:

	Year ended September 30,	
	2023	2022
GAAP net loss	$ (31,963,679)	$ (29,479,448)
Adjustments to reconcile to Adjusted EBITDA:		
Interest expense	3,802,346	3,620,212
Interest income	—	(200)
Depreciation and amortization expense *	4,015,403	1,592,458
Income tax expense (benefit)	18,512	(676)
Stock-based compensation**	7,997,849	9,355,342
Non-recurring expense	150,115	1,575,000
Restructuring costs	950,986	—
Impairment of goodwill and intangible assets	—	1,970,321
Gain (loss) on extinguishment of debt, net	—	1,607,782
Change in fair value of derivative	—	(514,643)
Employee retention credits	(645,919)	—
Other income	3,128	—
Adjusted EBITDA	$ (15,671,259)	$ (10,273,852)

* Includes amortization of content assets for cost of revenue and operating expenses and ATM facility.
** Includes options, restricted stock units (“RSUs”) and warrants.

Liquidity and Capital Resources

As of September 30, 2023, we had cash of $3,068,696. The following table provides a summary of our net cash flows from operating, investing, and financing activities.

	September 30,	
	2023	2022
Net cash used in operating activities	$ (14,595,226)	$ (10,744,298)
Net cash used in investing activities	(1,969,447)	(2,015,097)
Net cash provided by (used in) financing activities	5,561,455	22,668,761
Change in cash	(11,003,218)	9,909,366
Cash, beginning of period	14,071,914	4,162,548
Cash, end of period	$ 3,068,696	$ 14,071,914

Cash Flows for the Years Ended September 30, 2023, and 2022

Net Cash Flow from Operating Activities

Our net cash used for operating activities during the year ended September 30, 2023, was $14,595,226, an increase of $3,850,928, or 36%, from $10,744,298 during the year ended September 30, 2022.

Historically, our principal sources of cash used in operating activities have included revenues from our operations, proceeds from the issuance of our common stock, preferred stock and warrants and proceeds from the issuance of debt. The primary driver of the reduction in cash flows was increased expenses related to SG&A due to investments in expanding our Loop Player distribution footprint. The overall net impact was lower cash flows period over period.

Although historically we have reported significant recurring losses as well as negative cash flows used in operations, we intend to meet future cash requirements and maintain operations by reducing overall operating expenses, continuing to focus on increasing the scope and size of the Loop Platform and explore alternative revenue generating sources to generate cash through operations while continuing to fund through financing activities, including sales of common stock under our ATM Sales Agreement, through the use of equity and debt instruments available to us.

Net Cash Flow from Investing Activities

Our net cash used in investing activities during the year ended September 30, 2023, was $1,969,447, a decrease of $45,650, or 2%, from $2,015,097 during the year ended September 30, 2022. The decrease in net cash used in investing activities was primarily due to a slight reduction in the purchase of property and equipment of $1,969,447.

Net Cash Flow from Financing Activities

Net cash provided by financing activities during the year ended September 30, 2023, was $5,561,455, a decrease of $17,107,306, or 75%, from $22,668,761 during the year ended September 30, 2022.

Net cash provided by financing activities in the year ended September 30, 2023, was from proceeds of $46,237,319 from lines of credit, $8,724,855 from the issuance of common stock, proceeds of $64,061 from the exercise of stock options, $5,000 for shares issued for capital raise costs and proceeds of $1,201 for short swing profit recovery offset by repayments of $47,906,217 on our revolving and non-revolving lines of credit; deferred costs of $809,905; debt issuance costs of $313,149; payment of acquisition-related consideration of $250,128; common stock issuance costs of $105,252 and other issuance costs of $86,330.

Net cash provided by financing activities in the year ended September 30, 2022, was primarily from net proceeds of $12,060,933 raised in the September 2022 Offering; net proceeds of $10,766,546 from our non-revolving lines of credit; proceeds of $2,079,993 from the issuance of convertible debt and proceeds of $1,250,000 from the issuance of common stock from a prior year, as partially offset by the repayment of $2,715,583 of convertible debt and $685,481in expenses related to the September 2022 Offering.

As a result of the above activities, we recorded a net decrease in cash provided by financing of $17,107,306 for the year ended September 30, 2023. See " - Future Capital Requirements."

As a result of the above activities, we recorded a net decrease in cash of $11,003,218 for the year ended September 30, 2023, and had a cash balance of $3,068,696 as of September 30, 2023.

Future Capital Requirements

We have generated limited revenue, and as of September 30, 2023, our cash totaled $3,068,696, and we had an accumulated deficit of $128,285,543. We believe that our existing cash, sales of our common stock under our ATM Sales Agreement (as defined below) as well as funds available under our borrowing facilities will enable us to fund our operations for at least twelve months from the date of this Report. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we expect. We anticipate that we will continue to incur net losses for the foreseeable future; however, changing circumstances may cause us to expend cash significantly faster than we currently anticipate, and we may need to spend more cash than currently expected because of circumstances beyond our control.

Historically, our principal sources of cash have included proceeds from the issuance of our common stock, preferred stock and warrants and proceeds from the issuance of debt. Our principal uses of cash have included cash used in operations, payments for license rights and payments relating to purchases of property and equipment. We expect that the principal uses of cash in the future will be for continuing operations and general working capital requirements. We expect that as our operations continue to grow, we will need to raise additional capital to sustain operations and growth.

Revolving Lines of Credit

Excel Revolving Line of Credit

Effective as of December 14, 2023, we entered into a Revolving Line of Credit Loan Agreement with Excel (the "Excel Revolving Line of Credit Agreement") for up to a principal sum of $2,500,000, under which we may pay down and re-borrow up to the maximum amount of the $2,500,000 limit (the "Excel Revolving Line of Credit"). Our drawdown on the Excel Revolving Line of Credit is limited to no more than twenty-five percent (25%) of the last three full months' revenue, not to exceed $1,250,000 in any quarter, and not to exceed in aggregate the outstanding debt amount of $2,500,000.The Excel Revolving Line of Credit is a perpetual loan, with a maturity date that is twelve (12) months from the date of formal notice of termination by Excel, and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to ten percent (10%) per year. Under the Excel Revolving Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the May 2023 Secured Line of Credit (each as defined below), but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement (each as defined in "Future Capital Requirements" below). *See " – Future Capital Requirements."*

Under the terms of the Excel Revolving Line of Credit Agreement, on December 14, 2023, we issued to Excel a warrant to purchase up to an aggregate of 3,125,000 shares of our common stock. Each warrant has an exercise price of $0.80 per share, which was the closing price of our common stock on December 13, 2023, expires on December 14, 2026, and is exercisable at any time prior to such date, to the extent that after giving effect to such exercise, Excel and its affiliates would beneficially own, for purposes of Section 13(d) of the Exchange Act, no more than 29.99% of the outstanding shares of our common stock.

GemCap Revolving Line of Credit Agreement

Effective as of July 29, 2022, we entered into a Loan and Security Agreement with Industrial Funding Group, Inc. (the "Initial Lender") for a revolving loan credit facility for the initial principal sum of up to $4,000,000, and through the exercise of an accordion feature, a total sum of up to $10,000,000 (the "GemCap Revolving Line of Credit Agreement"), evidenced by a Revolving Loan Secured Promissory Note, also effective as of July 29, 2022 (the "GemCap Revolving Line of Credit"). Shortly after the effective date of the GemCap Revolving Line of Credit Agreement, the Initial Lender assigned the GemCap Revolving Line of Credit Agreement, and the loan documents related thereto, to GemCap Solutions, LLC ("GemCap" or the "Senior Lender"). Availability for borrowing under the GemCap Revolving Line of Credit is dependent upon our assets in certain eligible accounts and measures of revenue, subject to reduction for reserves that the Senior Lender may require in its discretion, and the accordion feature is a provision whereby we may request that the Senior Lender increase availability under the GemCap Revolving Line of Credit, subject to its sole discretion. Effective as of October 27, 2022, we entered into Amendment Number 1 to the Loan and Security Agreement and to the Revolving Loan Agreement Schedule, and the Amended and Restated Secured Promissory Note (Revolving Loans) with the Senior Lender to increase the principal sum available under the GemCap Revolving Line of Credit Agreement from $4,000,000 to $6,000,000. The GemCap Revolving Line of Credit matures on July 29, 2024, and began accruing interest on the unpaid principal balance of advances, payable monthly in arrears, on September 7, 2022, at an annual rate equal to the greater of (I) the sum of (i) the "Prime Rate" as reported in the "Money Rates" column of The Wall Street Journal, adjusted as and when such Prime Rate changes, plus (ii) zero percent (0.00%), and (II) four percent (4.00%).

Under the GemCap Revolving Line of Credit Agreement, we have granted to the Senior Lender a first-priority security interest in all of our present and future property and assets, including products and proceeds thereof. In connection with the loan, our existing secured lenders, some of whom are the RAT Lenders under our RAT Non-Revolving Line of

Credit (each as defined below) (collectively, the "Subordinated Lenders") delivered subordination agreements (the "GemCap Subordination Agreements") to the Senior Lender. We are permitted to make regularly scheduled payments, including payments upon maturity, to such subordinated lenders and potentially other payments subject to a measure of cash flow and receiving certain financing activity proceeds, in accordance with the terms of the GemCap Subordination Agreements. In connection with the delivery of the GemCap Subordination Agreements by the Subordinated Lenders, on July 29, 2022, we issued warrants to each Subordinated Lender on identical terms for an aggregate of up to 296,329 shares of our common stock (each, a "Subordination Agreement Warrant"). Each Subordination Agreement Warrant has an exercise price of $5.25 per share, expires on July 29, 2025, and is exercisable at any time prior to such date. One warrant for 191,570 warrant shares was issued to Eagle Investment Group, LLC, an entity managed by Bruce Cassidy, Chairman of our Board of Directors ("Mr. Cassidy"), as directed by its affiliate, Excel Family Partners, LLLP ("Excel"), an entity also managed by Mr. Cassidy, one of the Subordinated Lenders. The Subordinated Lenders receiving warrants for the remaining 104,759 warrant shares were also entitled to receive a cash payment of $22,000 six months from the date of the GemCap Subordination Agreements, representing one percent (1.00%) of the outstanding principal amount of the loan held by such Subordinated Lenders. This cash payment was made to those Subordinated Lenders on January 25, 2023.

The GemCap Revolving Line of Credit had a balance, including accrued interest, amounting to $3,757,074 and $4,587,255 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the GemCap Revolving Line of Credit in the amount of $1,379,673 and $225,345 for the twelve months ended September 30, 2023, and 2022.

Non-Revolving Lines of Credit

Excel Non-Revolving Line of Credit

On February 23, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement (the "Prior Excel Line of Credit Agreement") with Excel Family Partners, LLLP ("Excel"), an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for aggregate principal amount of $1,500,000, which was amended on April 13, 2022, to increase the aggregate principal amount to $2,000,000 (the "$2m Line of Credit"). Effective as of April 25, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement with Excel (the "Excel Non-Revolving Line of Credit Agreement") for an aggregate principal amount of $4,022,986 (the "Excel Non-Revolving Line of Credit"). The Excel Non-Revolving Line of Credit matured eighteen (18) months from the date of the Excel Non-Revolving Line of Credit Agreement and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. On April 25, 2022, we used $2,000,000 of the proceeds of the Excel Non-Revolving Line of Credit to prepay all of the remaining outstanding principal and interest of the $2m Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such prepayment. Under the Excel Non-Revolving Line of Credit Agreement, we granted to the lender a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof (which was subsequently subordinated in connection with our GemCap Revolving Line of Credit Agreement (as defined above). In connection with the Excel Non-Revolving Line of Credit Agreement, on April 25, 2022, we issued a warrant to Excel for an aggregate of up to 383,141 shares of our common stock. The warrant has an exercise price of $5.25 per share, expires on April 25, 2025, and is exercisable at any time prior to the expiration date. Effective as of December 14, 2022, we entered into a Non-Revolving Line of Credit Agreement Amendment and a Non-Revolving Line of Credit Promissory Note Amendment with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from eighteen (18) months to twenty-four (24) months from the date of the Excel Non-Revolving Line of Credit Agreement. Effective as of May 10, 2023, we entered into a Non-Revolving Line of Credit Agreement Amendment No. 2 and a Non-Revolving Line of Credit Promissory Note Amendment No. 2 with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from twenty-four (24) months to twenty-five (25) months from the date of the Excel Non-Revolving Line of Credit Agreement.

As of September 12, 2023, $4,444,060 of principal and interest on the Excel Non-Revolving Line of Credit was outstanding (the "Excel Non-Revolving Line of Credit Pay Off Amount"). On September 12, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel Non-Revolving Note Conversion Agreement"), pursuant to which Excel agreed to convert the Excel Non-Revolving Line of Credit Amount owed under the Excel Non-Revolving Line of Credit Agreement into 6,005,487 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.74. The Excel Non-Revolving Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel Non-Revolving Line of Credit Pay Off Amount and the

issuance of the shares, there was no principal or interest remaining under the Excel Non-Revolving Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such conversion.

The Excel Non-Revolving Line of Credit had a balance, including accrued interest, amounting to $0 and $4,226,181 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel Non-Revolving Line of Credit in the amount of $1,304,807 and $820,051 for the twelve months ended September 30, 2023, and 2022.

RAT Non-Revolving Line of Credit

Effective as of May 13, 2022, we entered into a Secured Non-Revolving Line of Credit Loan Agreement (the "RAT Non-Revolving Line of Credit Agreement") with several institutions and individuals (each a "RAT Lender" and collectively, the "RAT Lenders") and RAT Investment Holdings, LP, as administrator of the loan (the "Loan Administrator") for an aggregate principal amount of $2,200,000 (the "RAT Non-Revolving Line of Credit"), evidenced by a Non-Revolving Line of Credit Promissory Note (the "RAT Note"), also effective as of May 13, 2022. Pursuant to the terms of the RAT Non-Revolving Line of Credit Agreement, the RAT Non-Revolving Line of Credit matured eighteen (18) months from the effective date of the RAT Non-Revolving Line of Credit Agreement (the "Line of Credit Maturity Date") and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. Under the RAT Non-Revolving Line of Credit Agreement, we granted to the RAT Lenders a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the Excel Revolving Line of Credit Agreement (as defined above) and the May 2023 Secured Line of Credit Agreement (as defined below) and (each of which are subordinated in connection with our GemCap Revolving Line of Credit Agreement (as defined above)).

In connection with the RAT Non-Revolving Line of Credit Agreement, on May 13, 2022, we issued a warrant to each RAT Lender (collectively, the "RAT Loan Warrants") for an aggregate of up to 209,522 shares of our common stock. Each RAT Loan Warrant had an exercise price of $5.25 per share, expires on May 13, 2025, and is exercisable at any time prior to the expiration date.

Effective as of November 13, 2023, we entered into a Non-Revolving Line of Credit Loan Agreement Amendment (the "RAT Non-Revolving Line of Credit Agreement Amendment") with the RAT Lenders to: (i) extend the maturity date from eighteen (18) months to twenty-seven (27) months from the date of the RAT Non-Revolving Line of Credit Agreement, or August 13, 2024; and (ii) amend the payment terms of the RAT Non-Revolving Line of Credit such that no payment of interest or principal under the RAT Non-Revolving Line of Credit Agreement or the RAT Note will be due and payable from November 13, 2023, to the Line of Credit Maturity Date, as extended by the RAT Non-Revolving Line of Credit Agreement Amendment, except for (a) one payment of $374,000 on November 13, 2023, (comprised of accrued interest of $132,000 due through November 13, 2023, an initial payment of principal of $220,000 and $22,000 as consideration to extend the Line of Credit Maturity Date); and (b) nine (9) monthly payments of principal of $220,000 plus accrued interest, commencing December 13, 2023. In consideration for the extension of the Line of Credit Maturity Date, we agreed to amend the terms of the RAT Loan Warrants as well as the Subordination Agreement Warrants issued to the RAT Lenders in connection with the GemCap Subordination Agreements described above to reduce the respective exercise prices thereof to $1.00. *See "—GemCap Revolving Line of Credit."* We also agreed to apply one-third (1/3) of the net proceeds of any capital raise that takes place subsequent to the date of the RAT Non-Revolving Line of Credit Agreement Amendment, other than proceeds from an equity offering under our ATM Sales Agreement or from an affiliate or insider, toward paying down the then outstanding principal amount due under the RAT Non-Revolving Line of Credit. Pursuant to the RAT Non-Revolving Line of Credit Agreement Amendment, each RAT Lender agreed to enter into a lock-up agreement restricting the disposal of any shares of our common stock that are issued in connection with the exercise of the RAT Loan Warrants or the Subordination Agreement Warrants for a period of twelve (12) months from the date of the RAT Non-Revolving Line of Credit Agreement Amendment.

The RAT Non-Revolving Line of Credit had a balance, including accrued interest, amounting to $2,300,899 and $2,301,260 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the RAT Non-Revolving Line of Credit in the amount of $894,251 and $346,847 for the twelve months ended September 30, 2023, and 2022.

May 2023 Secured Line of Credit

Effective as of May 10, 2023, we entered into a Secured Non-Revolving Line of Credit Loan Agreement (the "May 2023 Secured Line of Credit Agreement") with several individuals and institutional lenders for aggregate loans of up to $4.0 million (the "May 2023 Secured Line of Credit"), evidenced by the Secured Non-Revolving Line of Credit Promissory Notes (each a "May 2023 Secured Note" and collectively, the "May 2023 Secured Notes"), also effective as of May 10, 2023. The May 2023 Secured Line of Credit matures twenty-four (24) months from the date of the May 2023 Secured Line of Credit and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. We granted to the lenders under the May 2023 Secured Line of Credit Agreement a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the Excel Revolving Line of Credit Agreement, but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement. *See "— GemCap Revolving Line of Credit Agreement."*

In connection with the May 2023 Secured Line of Credit, on May 10, 2023, we agreed to issue to each lender under the May 2023 Secured Line of Credit Agreement, upon a drawdown, a warrant to purchase up to an aggregate of 369,517 shares of our common stock. Each warrant has an exercise price of $4.33 per share, expires on May 10, 2026, and is exercisable at any time prior to such date.

As of May 10, 2023, Excel, an entity managed by Mr. Cassidy, had committed to be a lender under the May 2023 Secured Line of Credit Agreement for an aggregate loan of $2.65 million, and as of September 11, 2023, Excel had not loaned any funds under the May 2023 Secured Line of Credit. Pursuant to the terms of a Pay Off Letter Agreement with Excel dated September 12, 2023, we refinanced the outstanding principal and interest of the Excel $2.2M Line of Credit (as defined below) to be included as part of the obligations of the May 2023 Secured Line of Credit Agreement. As a result, as of September 12, 2023, Excel had loaned $2,266,733 under the May 2023 Secured Line of Credit Agreement and received a warrant to purchase 209,398 shares of our common stock. *See "—Excel $2.2M Line of Credit."*

The May 2023 Secured Line of Credit had a balance, including accrued interest, amounting to $3,214,769 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the May 2023 Secured Line of Credit in the amount of $144,392 and $0 for the twelve months ended September 30, 2023, and 2022, respectively.

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount") of the total aggregate principal and interest outstanding under the May 2023 Secured Line of Credit of $3,262,817. On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit.

As of December 15, 2023, a total principal amount of $900,000 had been drawn on the May 2023 Secured Line of Credit, and we had issued warrants for a total of 292,540 warrant shares to the lenders thereunder.

Excel $2.2M Line of Credit

On May 31, 2023, we entered into a Secured Non-Revolving Line of Credit Loan Agreement ("Excel $2.2M Secured Line of Credit Agreement") with Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for an aggregate principal amount of up to $2,200,000 (the "Excel $2.2M Line of Credit"), evidenced by a Non-Revolving Line of Credit Promissory Note (the "Excel $2.2M Note"). The Excel $2.2M Line of Credit matured ninety (90) days from the date of the Excel $2.2M Secured Line of Credit Agreement and accrues interest, payable in arrears on the Excel $2.2M Line of Credit maturity date, at a fixed rate of interest equal to ten-and-one-half percent (10.5%) per year. Effective as of August 29, 2023, we entered into a letter agreement (the "Excel $2.2M Line of Credit Amendment Letter

Agreement") with Excel to amend the Excel $2.2M Line of Credit Agreement and the Excel $2.2M Note to extend the maturity date of the Excel $2.2M Secured Line of Credit from ninety (90) days to one hundred twenty (120) days from the date of the Excel $2.2M Secured Line of Credit Agreement, or September 28, 2023.

Under the Excel $2.2M Secured Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest was *pari passu* with the RAT Non-Revolving Line of Credit Agreement, but subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement.

On September 12, 2023, we entered into a Pay Off Letter Agreement with Excel, pursuant to which we agreed to pay off the principal and interest outstanding under the $2.2M Line of Credit, amounting to $2,266,733 (the "$2.2M Line of Credit Pay Off Amount") by refinancing the $2.2M Line of Credit Pay Off Amount to be included as part of the obligations under the May 2023 Secured Line of Credit Agreement. Under the terms of the May 2023 Secured Line of Credit Agreement, Excel was issued a warrant to purchase 209,398 shares of our common stock, which has an exercise price of $4.33 per share, expires on May 10, 2026, and is exercisable at any time prior to such date. As a result of such refinancing, there was no principal or interest remaining under the Excel $2.2M Secured Line of Credit, and the Excel $2.2M Secured Line of Credit Agreement was terminated.

The Excel $2.2M Line of Credit had a balance, including accrued interest, amounting to $0 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel $2.2M Line of Credit in the amount of $66,733 and $0 for the twelve months ended September 30, 2023, and 2022.

Shelf Registration ($50 Million ATM)

On December 22, 2022, we filed a Shelf Registration Statement on Form S-3 that has been declared effective by the SEC. On May 12, 2023, we entered into an At Market ("ATM") Issuance Sales Agreement (the "ATM Sales Agreement") with B. Riley Securities, Inc. (the "Agent") pursuant to which we may offer and sell, from time to time through the Agent, shares of our common stock, for aggregate gross proceeds of up to $50,000,000. As of the date of this Report, however, we are now subject to the limitations of General Instruction I.B.6. of Form S-3, and in accordance with the terms of the ATM Sales Agreement, the amount of shares of our common stock available for sale thereunder is now limited to one-third of the aggregate market value of our common stock held by non-affiliates of the Company, as calculated pursuant to General Instruction I.B.6. of Form S-3, or $16,830,804.

During the twelve months ended September 30, 2023, we issued 3,109,843 shares of our common stock under the ATM Sales Agreement, resulting in cash proceeds of $8,724,544, net of placement agent's commission and related fees of $269,600 but before deducting issuance costs of $105,253. We have not raised any funds through sales under our ATM Sales Agreement from October 1, 2023, through the date of this Report.

Our future use of operating cash and capital requirements will depend on many forward-looking factors, including the following:

- our ability to attract and retain management with experience in digital media including digital video music streaming, and similar emerging technologies;
- our ability to negotiate, finalize and maintain economically feasible agreements with the major and independent music labels, publishers and performance rights organizations;
- our expectations regarding market acceptance of our products in general, and our ability to penetrate digital video music streaming in particular;
- volatility in digital programmatic advertising spend which can affect our revenues;
- the scope, validity and enforceability of our and third-party intellectual property rights;

- the intensity of competition;
- changes in the political and regulatory environment and in business and fiscal conditions in the United States and overseas;
- our ability to attract prospective users and to retain existing users;
- our dependence upon third-party licenses for sound recordings and musical compositions;
- our lack of control over the providers of our content and their effect on our access to music and other content;
- our ability to comply with the many complex license agreements to which we are a party;
- our ability to accurately estimate the amounts payable under our license agreements;
- the limitations on our operating flexibility due to the minimum guarantees required under certain of our license agreements;
- our ability to obtain accurate and comprehensive information about music compositions in order to obtain necessary licenses or perform obligations under our existing license agreements;
- potential breaches of our security systems;
- assertions by third parties of infringement or other violations by us of their intellectual property rights;
- our ability to generate sufficient revenue to be profitable or to generate positive cash flow on a sustained basis;
- our ability to accurately estimate our user metrics;
- risks associated with manipulation of stream counts and user accounts and unauthorized access to our services;
- our ability to maintain, protect and enhance our brand;
- risks relating to the acquisition, investment and disposition of companies or technologies;
- dilution resulting from additional share issuances;
- tax-related risks;
- the concentration of voting power among our founders who have and will continue to have substantial control over our business; and
- risks associated with accounting estimates, currency fluctuations and foreign exchange controls.

We have evaluated and expect to continue to evaluate a wide array of strategic transactions as part of our plan to acquire or license and develop additional products and services to augment our current business operations. Strategic transaction opportunities that we may pursue could materially affect our liquidity and capital resources and may require us to incur additional indebtedness, seek equity capital or both. Accordingly, we expect to continue to opportunistically seek access to additional capital to license or acquire additional products, services or companies to expand our operations, or for general corporate purposes. Strategic transactions may require us to raise additional capital through one or more

public or private debt or equity financings or could be structured as a collaboration or partnering arrangement. We have no arrangements, agreements, or understandings in place at the present time to enter into any acquisition, licensing or similar strategic business transaction.

If we raise additional funds by issuing equity securities, our stockholder will experience dilution. Debt financing, if available, would result in increased fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends. Any debt financing or additional equity that we raise may contain terms, such as liquidation and other preferences that are not favorable to us or our stockholder.

As of September 30, 2023, our cash totaled $3,068,696. During the year ended September 30, 2023, we incurred a net loss of $31,963,679 and used $14,595,226 of cash in operations. We have incurred significant operating losses in the past and, as of September 30, 2023, we had an accumulated deficit of $128,285,543. We do not expect to experience positive cash flows from operations in the near future as we continue to invest in the distribution of our Loop Players and the expansion of our Partner Platforms business. We also expect to incur significant additional legal and financial expenditures in meeting the regulatory requirements of an NYSE American listed public company.

There is uncertainty regarding our ability to grow our business without additional financing. Our long-term future growth and success are dependent upon our ability to continue selling our services, generate cash from operating activities and obtain additional financing. We may be unable to continue selling our products and services, generate sufficient cash from operations, sell additional shares of common stock or borrow additional funds. Our inability to obtain additional cash could have a material adverse effect on our ability to grow our business to a greater extent than we can with our existing financial resources.

Based on our current operating plan, we believe that our existing cash, sales of our common stock under our ATM Sales Agreement as well as funds available under our borrowing facilities will enable us to fund our operations for at least the twelve months from the date of this Report. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we expect.

Critical Accounting Policies and Use of Estimates

Use of Estimates and Assumptions

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions used in the revenue recognition of performance obligations, fair value of stock-based compensation awards and income taxes.

Revenue Recognition

We recognize revenue in accordance with ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). Our revenue recognition disclosure reflects our updated accounting policies that are affected by this new standard. We applied the "modified retrospective" transition method for open contracts for the implementation of ASC 606. As sales are and have been primarily from delivery of streaming services, delivery of subscription content services in customized formats, and delivery of hardware and ongoing content delivery through software and we have no significant post-delivery obligations, this new standard did not result in a material recognition of revenue on our consolidated financial statements for the cumulative impact of applying this new standard. Therefore, there was no cumulative effect adjustment required.

We recognize revenue when it satisfies a performance obligation by transferring control over a product to a customer. Revenue is measured based on the consideration we expect to receive in exchange for those products. In

instances where final acceptance of the product is specified by the customer, revenue is deferred until all acceptance criteria have been met. For example, we bill subscription services in advance of when the service is performed and revenue is treated as deferred revenue until the service is performed and/or the performance obligation is satisfied. Revenues are recognized under ASC 606 in a manner that reasonably reflects the delivery of our products and services to clients in return for expected consideration and includes the following elements:

- executed contracts with our clients that we believe are legally enforceable;
- identification of performance obligations in the respective contract;
- determination of the transaction price for each performance obligation in the respective contract;
- allocation the transaction price to each performance obligation; and
- recognition of revenue only when we satisfy each performance obligation.

Our revenue can be categorized into two revenue streams: Advertising revenue and Legacy and other revenue.

The following table disaggregates our revenue by major type for each of the periods indicated:

	Twelve months ended September 30,	
	2023	**2022**
Advertising revenue	$ 28,740,623	$ 26,060,885
Legacy and other revenue	2,901,670	4,771,911
Total	$ 31,642,293	$ 30,832,796

Advertising revenue is generated by us by selling advertising impressions on the Loop Platform, consisting of both the O&O Platform and the Partner Platforms. Our advertising sales team works across both platforms, selling ad impressions for both platforms to the same DSPs and other demand sources. Revenue recognition for both Platforms is the same. Legacy and other revenue includes streaming services, subscription content services, and hardware delivery, as further described below.

We consider ourselves the principal on all advertising transactions in which we sell ad impressions, and thus report revenues on a gross basis (net of advertising agency fees and commissions retained by advertising demand sources). We have evaluated ASC 606-10-50-5 and determined that there are no significant differences in the type of goods or services, geographical region, market or type of customer, contract type, contract duration, timing of transfer and sales channel between the O&O Platform and Partner Platforms, and therefore would not require additional disaggregation of advertising revenue.

Performance Obligations and Significant Judgments

Our performance obligations and recognition patterns for each revenue stream are as follows:

Advertising Revenue

For the twelve months ended September 30, 2023, advertising revenue accounts for 91% of our revenue and includes revenue from direct and programmatic advertising as well as sponsorships.

For all advertising revenue sources, we evaluate whether we should be considered the principal (i.e., report revenues on a gross basis) or an agent (i.e., report revenues on a net basis). Our role as principal or agent differs based on our performance obligation for each revenue share arrangement.

For both the O&O and Platform Partner businesses, advertising inventory provided to advertisers through the use of an advertising demand partner or agency, whose fees or commission is calculated based on a stated percentage of gross advertising spending, we are considered the agent and our revenues are reported net of agency fees and commissions. We are considered the agent because the demand partner or agency controls all aspects of the transaction (pricing risk, inventory risk, obligation for fulfillment) except for the devices used to show the advertisements, therefore we report this advertising revenue net of agency fees and commissions.

We are considered the principal in our arrangements with content providers in our O&O Platform business and with our arrangements with our third-party partners in our Partner Platforms business and thus report revenues on a gross basis (net of agency fees and commissions), wherein the amounts billed to our advertising demand partners, advertising agencies, and direct advertisers and sponsors are recorded as revenues, and amounts paid to content providers and third-party partners are recorded as expenses. We are considered the principal because we control the advertising space, are primarily responsible to our advertising demand partners and other parties filling our advertising inventory, have discretion in pricing and advertising fill rates and typically have an inventory risk.

For advertising revenue, we recognize revenue at the time the digital advertising impressions are filled and the advertisements are played and, for sponsorship revenue, we generally recognize revenue ratably over the term of the sponsorship arrangement as the sponsored advertisements are played.

Legacy and Other Business Revenue

For the twelve months ended September 30, 2023, legacy and other business revenue accounts for the remaining 9% of total revenue and includes streaming services, subscription content services, and hardware delivery, as described below:

- Delivery of streaming services including content encoding and hosting. We recognize revenue over the term of the service based on bandwidth usage. Revenue from streaming services is insignificant.

- Delivery of subscription content services in customized formats. We recognize revenue straight-line over the term of the service.

- Delivery of hardware for ongoing subscription content delivery through software. We recognize revenue at the point of hardware delivery. Revenue from hardware sales is insignificant.

Transaction prices for performance obligations are explicitly outlined in relevant contractual agreements; therefore, we do not believe that significant judgments are required with respect to the determination of the transaction price, including any variable consideration identified.

Stock-Based Compensation

Stock-based compensation awarded to employees is measured at the award date, based on the fair value of the award, and is recognized as an expense over the requisite vesting period. We measure the fair value of the stock-based compensation issued to non-employees using the stock price observed in the trading market (for stock transactions) or the fair value of the award (for non-stock transactions), which were more reliably determinable measures of fair value than the value of the services being rendered. The measurement date is the earlier of (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete.

Content Assets

On January 1, 2020, we adopted the guidance in Accounting Standards Update ("ASU") 2019-02, *Entertainment—Films—Other Assets—Film Costs (Subtopic 926-20) and Entertainment—Broadcasters—Intangibles—Goodwill and Other (Subtopic 920-350): Improvements to Accounting for Costs of Films and License Agreements for Program Materials*, on a prospective basis. We capitalize the fixed content fees and our corresponding liability when the license period begins, the cost of the content is known, and the content is accepted and available for streaming. If the licensing fee is not determinable or reasonably estimable, no asset or liability is recorded, and licensing costs are expenses as incurred. We amortize licensed content assets into cost of revenue, using the straight-line method over the contractual period of availability. The liability is paid in accordance with the contractual terms of the arrangement. Internally-developed content costs are capitalized in the same manner as licensed content costs, when the cost of the content is known and the content is ready and available for streaming. We amortize internally-developed content assets into cost of revenue, using the straight-line method over the estimated period of streaming.

Income Taxes

We account for income taxes in accordance with ASC 740. ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effect of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. We have no material uncertain tax positions for any of the reporting periods presented.

We recognize accrued interest and penalties related to unrecognized tax benefits as part of income tax expense. We have also made a policy election to treat the income tax with respect to global intangible low-tax income as a period expense when incurred.

In December 2019, the FASB issued ASU No. 2019-12, Simplifying the Accounting for Income Taxes, as part of its initiative to reduce complexity in accounting standards. The amendments in the ASU are effective for fiscal years beginning after December 15, 2020, including interim periods therein. The adoption of this standard in the first quarter of 2022 had no impact on our consolidated financial statements.

Recently Adopted Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, *Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)*. This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock. As well as amend the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. In addition, this ASU improves and amends the related EPS guidance. The ASU is effective for interim and annual periods beginning after December 15, 2021, with early adoption permitted for periods beginning after December 15, 2020. Adoption of the ASU can either be on a modified retrospective or full retrospective basis. We adopted this ASU as of October 1, 2022, and there is no material impact on our financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The financial statements and supplementary data required by Item 8 are listed in Item 15 – "Exhibits and Financial Statement Schedules" of this Report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIALS DISCLOSURES.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act"), consisting of controls and other procedures designed to give reasonable assurance that information we are required to disclose in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding such required disclosure. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Our Chief Executive Officer and Chief Financial Officer have evaluated such disclosure controls and procedures as of the end of the period covered by this annual Report on Form 10-K and have determined that such disclosure controls and procedures are effective.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Internal control over financial reporting is a process designed to provide reasonable assurance of the reliability of financial reporting and of the preparation of financial statements for external reporting purposes, in accordance with U.S. generally accepted accounting principles.

Internal control over financial reporting includes policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and disposition of assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with the authorization of its management and directors; and (3) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Under the supervision and with the participation of our management, including our CEO and CFO, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in the framework in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of September 30, 2023.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Controls over Financial Reporting

There was no change in our internal control over financial reporting during the fourth quarter of 2023 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

Appointment of COO and CMO

As previously disclosed in our Current Report on Form 8-K filed with the Securities and Exchange Commission on December 15, 2023, on December 11, 2023, our Board of Directors appointed Randy Greenberg as Chief Operating Officer and Chief Marketing Officer, effective as of the date of this Report. For Mr. Greenberg's biography, please see "*Part III, Item 10 of this Report* "*Directors, Executive Officers and Corporate Governance – Executive Officers*."

Excel Revolving Line of Credit

Effective as of December 14, 2023, we entered into a Revolving Line of Credit Loan Agreement with Excel (the "Excel Revolving Line of Credit Agreement") for up to a principal sum of $2,500,000, under which we may pay down and re-borrow up to the maximum amount of the $2,500,000 limit (the "Excel Revolving Line of Credit"). Our drawdown on the Excel Revolving Line of Credit is limited to no more than twenty-five percent (25%) of the last three full months' revenue, not to exceed $1,250,000 in any quarter, and not to exceed in aggregate the outstanding debt amount of $2,500,000.The Excel Revolving Line of Credit is a perpetual loan, with a maturity date that is twelve (12) months from the date of formal notice of termination by Excel, and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to ten percent (10%) per year. Under the Excel Revolving Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the May 2023 Secured Line of Credit, but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Future Capital Requirements – Revolving Lines of Credit."*

Under the terms of the Excel Revolving Line of Credit Agreement, on December 14, 2023, we issued to Excel a warrant to purchase up to an aggregate of 3,125,000 shares of our common stock. Each warrant has an exercise price of $0.80 per share, which was the closing price of our common stock on December 14, 2023, expires on December 14, 2026, and is exercisable at any time prior to such date, to the extent that after giving effect to such exercise, Excel and its affiliates would beneficially own, for purposes of Section 13(d) of the Exchange Act, no more than 29.99% of the outstanding shares of our common stock.

As of the date of this Report, we had not drawn down any funds from the Excel Revolving Line of Credit.

Excel May 2023 Secured Line of Credit Note Conversion Agreement

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount") of the total aggregate principal and interest outstanding under the May 2023 Secured Line of Credit of $3,262,817. On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Future Capital Requirements – Non-Revolving Lines of Credit – May 2023 Secured Line of Credit."*

Repricing and Exercise of Certain Existing Warrants

On December 14, 2023, we agreed to offer to amend certain existing warrants exercisable for an aggregate of up to 4,055,240 shares of the Company's common stock (each such warrant an "Existing Warrant") to reduce the respective exercise prices thereof to $0.80 per share (such new price being referred to as the "Amended Warrant Exercise Price"), which was the closing price per share of our common stock as quoted on the NYSE American on December 13, 2023, on the condition that the holder of each Existing Warrant will commit to exercise the Existing Warrant within eight (8) business days from the date the warrant holder enters into a binding agreement, or some other number of days to be agreed by the Existing Warrant holder (the "Warrant Reprice Letter Agreement"), to exercise, paying the aggregate Amended Warrant Exercise Price of each respective Existing Warrant in cash to the Company (the "Warrant Repricing"). Holders of Existing Warrants have until December 31, 2023, to enter into a Warrant Reprice Letter Agreement by 4:00 p.m., Eastern Time, on December 31, 2023, after which time the original per share warrant exercise price of Existing Warrants will remain unchanged. Existing Warrants exercisable for an aggregate of up to 786,482 shares of our common stock are held by Excel Family Partners, LLLP, and Eagle Investment Group, LLC, entities managed by Bruce Cassidy, Sr., Chairman of our Board of Directors. Existing Warrants exercisable for an aggregate of up to 443,332 shares of our common stock are held by Denise Penz, a member of our Board of Directors. As of the date of this Report, each of Mr. Cassidy and Ms. Penz had entered into a Warrant Reprice Letter Agreement to exercise their Existing Warrants, which will result in net proceeds to the Company of $983,851. As of the date of this Report, we have total commitments, including those from Mr. Cassidy and Ms. Penz, from holders of Existing Warrants to reprice and exercise Existing Warrants for an aggregate of 1,828,147 shares at an aggregate exercise price of $1,462,518. There is no assurance that other Existing Warrant holders (who are not officers or directors of the Company) will agree to the repricing and exercise of their Existing Warrants.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Directors and Executive Officers

The following table sets forth the names, ages, and positions of our executive officers and directors as of the date of this Report:

Name	Age	Position
Jon M. Niermann	58	Chief Executive Officer, Director
Neil Watanabe	69	Chief Financial Officer
Liam McCallum	42	Chief Product and Technical Officer
Bob Gruters	55	Chief Revenue Officer
Justis Kao	42	Chief Content Officer
Randy Greenberg	57	Chief Operating Officer and Chief Marketing Officer
Bruce A. Cassidy	73	Chairman of the Board
Denise M. Penz	55	Director
Sonya Zilka	54	Director
David Saint-Fleur	38	Director

The business address of each of Mr. Cassidy, Ms. Penz, Ms. Zilka, Mr. Saint-Fleur, Mr. Niermann, Mr. Watanabe, Mr. McCallum, Mr. Gruters, Mr. Kao and Mr. Greenberg is 2600 West Olive Avenue, Suite 5470, Burbank, California 91505. The following is a brief biography of each of our executive officers and directors:

Executive Officers

Jon M. Niermann is our Co-Founder, has been Chief Executive Officer since May 2016, and until November 2022, served as Chairman of the Board of Directors. Mr. Niermann is responsible for guiding our vision and strategy and leading our management team. Mr. Niermann concurrently serves as President of Retail Media TV, Inc. ("RMTV"), one of our wholly-owned subsidiaries. Prior to founding Loop Media in 2016, Mr. Niermann founded FarWest Entertainment, a global platform bridging the Asia-Pacific region and the West through multimedia entertainment and strategic partnerships and served as its Chief Executive Officer and Executive Producer from 2010 to 2015. From 2008 to 2011, Mr. Niermann was a late-night talk show host for the Fox International Channel's "Asia Uncut." He served as President of Electronic Arts Asia from 2003 to 2010, where he helped move the company's game portfolio into online gaming, and spent fifteen years, from 1988-2003, with The Walt Disney Company, including as Managing Director and President, Asia Pacific, of Walt Disney International from 2001 to 2003. Mr. Niermann holds a Bachelor of Science and Arts in Finance and Marketing from the University of Denver, and an MBA from UCLA's Anderson School of Management. Mr. Niermann was chosen to serve as a member of our Board of Directors due to his extensive experience in the entertainment industry, as well as the perspective he brings as our Co-Founder and CEO.

Neil Watanabe has served as our Chief Financial Officer since September 2021. He is responsible for overseeing our financial affairs. Mr. Watanabe concurrently serves as Treasurer of RMTV. Prior to joining Loop Media, Mr. Watanabe was most recently Principal of Watanabe Associates where he provided senior financial and accounting leadership to various companies, including Value Village Inc. (d.b.a "Savers") and High Times Holding Corp. From 2015 to 2019, Mr. Watanabe was Chief Financial Officer of CarParts.com, Inc., (NASDAQ: PRTS), a publicly traded American online retailer of automotive parts and accessories for cars, vans, trucks, and sport utility vehicles. Mr. Watanabe also served as EVP & Chief Financial Officer of PetSmart Inc. (NASDAQ: PETM). Mr. Watanabe also worked in various financial and

operational leadership roles at National Stores, Inc. and Shoe Pavilion (previously listed on Nasdaq while Mr. Watanabe was employed), and Mac Frugal' s Bargains — Closeouts Inc. (d.b.a. "Pic N' Sav"), (previously listed on NYSE while Mr. Watanabe was employed). Mr. Watanabe served as EVP and Chief Financial Officer of Anna's Linens, Inc. from June 2006 until April 2014, when he voluntarily resigned. Anna's Linens, Inc. filed a petition under Chapter 11 of the U.S. Bankruptcy Code on June 13, 2015. Mr. Watanabe is currently a board member of the National Corvette Museum and Reality Venture International and received his CPA certification in the State of Illinois. Mr. Watanabe holds a Bachelor of Arts from University of California, Los Angeles and a CPA Certification from University of Illinois at Urbana-Champaign.

Liam McCallum is our Co-Founder and has been Chief Product and Technical Officer since May 2016. He oversees our product strategy, design, and development across mobile, TV and out-of-home, along with our technical operations. Mr. McCallum founded Encoder Farm, a video encoding Software-as-a-Service platform for developers, in 2017, and served as its Chief Executive Officer from 2017 to 2020. He served as an advisor to Motorola Outdoor from 2015 to 2016; he was the Founder and Chief Technology Officer of cloud media company Hive Cloud Ltd from 2014 to 2015 and was a Senior Advisor to FarWest Entertainment from 2010 to 2015. Prior to 2015, Mr. McCallum was the Founder and Chief Executive Officer of QVIVO, a global enterprise cloud media platform backed by SingTel Innov8 from 2010 to 2014, and from 2000 to 2010, was at Electronic Arts, eventually becoming Asia Pacific's Head of Online Technology.

Bob Gruters has served as our Chief Revenue Officer since May 2021. As our Chief Revenue Officer, he is responsible for the monetization of proprietary Loop assets across digital out-of-home, connected television and mobile app activities. Additionally, Mr. Gruters is also responsible for the growth and expansion of our overall revenue and Loop player network. In addition to his role as Chief Revenue Officer at Loop Media, Mr. Gruters also concurrently serves as a Director of RMTV and as a strategic advisor for MetaVRSE, a universal interactive web- based platform. Prior to this, from 2018 to 2021, Mr. Gruters was the Chief Revenue Officer of the Digital Trends Media Group, leading all on-platform and off-platform revenue creation initiatives with a high- performing sales and marketing team. Mr. Gruters also held P&L oversight and directed sales function, corporate development, marketing, pricing, and revenue management. From 2014 to 2018, Mr. Gruters served as Facebook's Group Head of Sales Emerging Entertainment & Technology where he led the rapid growth and sustainable development of multiple vertical industries. Mr. Gruters served as EVP Sales & Marketing of REVOLT MEDIA & TV from 2013 to 2014, and spent four years, from 2009-2013, as SVP of Client Development at Univision Communications. From 2005 to 2009, Mr. Gruters served as Vice President of Business Development for MTV Networks' Entertainment Group, which included Comedy Central, CMT, Spike TV, and TV Land. From 2002 to 2005, Mr. Gruters was the Director of Marketing Services for The New Yorker and spent three years as a Media Director of Sony Electronics from 1999 to 2002. Prior to 2002, Mr. Gruters led sales & marketing for JC Decaux's airport advertising division in the US. Mr. Gruters holds a Bachelor of Arts in Communications and Advertising from Rowan University.

Justis Kao was on the founding team of Loop Media and was appointed to serve as our Chief Content Officer as of the date of this Report. In addition to his role as Chief Content Officer, Mr. Kao concurrently serves as a director of our wholly-owned subsidiary, EON Media Group Pte. Ltd. ("EON Media") and has served as Head of EON Media's radio show, "Asia Pop40," since May 2021. Mr. Kao oversees our content licensing, content strategy and in-house studio production of our music and non-music content. Prior to being named Chief Content Officer, Mr. Kao held several positions at Loop Media, including Chief of Staff from Sept 2022 until May 2023; Chief Communications Officer from 2016 until Sept 2022; Head of Industry Relations from September 2021 to September 2023; Head of Investor Relations from January 2016 to December 2019 and Head of Human Resources from May 2016 to December 2019. Prior to joining the founding team at Loop Media, Mr. Kao was Managing Partner and Chief Operating Officer of Circle 77 Holdings, LLC, from 2015 to 2016, and he served as Creative Director at FarWest Entertainment from 2012 to 2015. Mr. Kao holds a Bachelor of Music from Berklee College of Music.

Randy Greenberg's appointment to serve as our Chief Operating Officer and our Chief Marketing Officer became effective as of the date of this Report. As our Chief Operating Officer, he is responsible for overseeing daily operations across our business, and as our Chief Marketing Officer, he is responsible for developing marketing strategies, building brand awareness, collaborating with teams across our business and driving revenue growth. Mr. Greenberg joined Loop Media as Head of Operations and Marketing in July 2023. In addition to his roles as Chief Operating Officer and Chief Marketing Officer, Mr. Greenberg concurrently serves as chairman of the board of Hyype Space, LLC, a marketing technology app founded in 2022, where prior to joining Loop, he served as its Chief Executive Officer. Prior to Hyype

Space, Mr. Greenberg was the founder, executive producer, advisor, and entertainment consultant at The Greenberg Group, a global entertainment content and investment advisory company, where, from 2013 to 2023, he provided commercial and operational advice and services to various entertainment companies and investors. While at The Greenberg Group, Mr. Greenberg was an executive producer on several films including "The Meg" and "Meg 2: The Trench," in addition to being a co-executive producer on the Netflix TV series, "A Tale Dark & Grimm." Prior to founding The Greenberg Group, Mr. Greenberg was involved in the business strategy, marketing and executive operations of various companies, including the Resolution Talent Agency, where he was co-founder and Co-Head of Operations from August 2011 to October 2013. From 2006 to 2011, Mr. Greenberg served as Executive Vice President of Worldwide Marketing and Business Affairs at Platinum Studios, a publicly traded comic book entertainment company. Prior to that, from 2001 to 2004, Mr. Greenberg was SVP and Head of International Theatrical Marketing and Distribution at Universal Pictures, where he was responsible for the profit and loss at the billion-dollar division, served on its motion picture greenlight committee and was a member of the board of directors of its international theatrical joint venture. Mr. Greenberg has taught the course “The Business of Entertainment” at UCLA Extension since 2014 and started his media career as an intern in accounting at Warner Brothers. Mr. Greenberg holds a Bachelor of Science and Arts in Marketing from the University of Denver.

Non-Employee Directors

Bruce A. Cassidy has been a member of our Board of Directors since December 2019 and has served as Chairman of the Board since November 2022. In addition to his role on our Board of Directors, Mr. Cassidy currently serves on the boards for various companies, including as chairman of the board of each of Assisted 4 Living, Inc., KeyStar Corporation (d/b/a Zensports) and the Sarasota Green Group, and as a member of the board of Oragenics, Inc. He was also the founding investor and served on the board of directors of Ohio Legacy Corp. Previously, Mr. Cassidy was the founder and CEO of Excel Mining Systems from 1991 until its sale in 2007 to Orica Mining Services, and from 2008 to 2009, he served as the President and CEO of one of its subsidiaries, Minora North & South Americas. He is currently the President of The Concession Golf Club in Sarasota, Florida. Mr. Cassidy was chosen to serve as a member of our Board of Directors due to his extensive leadership and business experience in the entertainment and media industry and as a CEO of a large company, as well as his service on other boards of directors.

Denise M. Penz has been a member of our Board of Directors since October 2021. In addition to her role on our Board of Directors, Ms. Penz concurrently serves as the Chief Executive Officer and Vice Chairman of The Preferred Legacy National Trust Bank, a nationally-chartered trust company which Ms. Penz also founded. Ms. Penz served as Founder, Executive Vice President, Chief Operating Officer and Wealth Manager of Premier Bank & Trust / Ohio Legacy Corp for nine years from 2010 to 2019. In this role, Ms. Penz was responsible for four major sales divisions in retail banking, mortgage banking, private banking, and wealth services (including trust and investments). From 2008 to 2010, Ms. Penz founded Excel Financial / Excel Bancorp and led a group of private equity investors to create a community bank and trust company. Lastly, Ms. Penz was the Senior Vice President & Trust and Investment Services Director of the Belmont National Bank / Sky Bank / Huntington Bank from 1996 to 2008, where she managed the trust and investment departments, developed strategic planning initiatives and was directly responsible to the CEO and Board of Directors. Ms. Penz holds a Bachelor of Science in Management and Accounting from West Liberty State College, and an MBA from Wheeling Jesuit University. Ms. Penz was chosen to serve as a member of our Board of Directors due to her considerable leadership experience in the financial sector along with proven success in raising capital, strategic planning and organizational growth.

Sonya Zilka has been a member of our Board of Directors since October 2021. In addition to her role on our Board of Directors, Ms. Zilka currently serves as the President & Chair of The Beyond Benefits Life Sciences Board of Trustees, a position she has held since 2020. Furthermore, since 2019, Ms. Zilka has served as the Chief People Officer at the Chan Zuckerberg Biohub where she leads HR functions and spearheads internal communications. From 2013 through 2015, and again in 2018, Ms. Zilka was an Executive Coach and Organizational Development/ Human Resource consultant at ZHR Consulting, a firm specializing in independent organizational development and human capital consulting. From 2013 to 2015, and again in 2018, Ms. Zilka served as Vice President of Human Resources at Actelion Pharmaceuticals, where she led human resources, corporate communications and facilities for the United States. Ms. Zilka holds a Bachelor of Science in Psychology from Washington State University, and a Master’s Degree in Organizational Psychology from

Columbia University. Ms. Zilka was chosen to serve as a member of our Board of Directors for her proven leadership and extensive experience in human capital consulting and human resources.

David Saint-Fleur has been a member of our Board of Directors since September 2022. In addition to his role on our Board of Directors, Mr. Saint-Fleur currently serves in a senior role in Global Artists & Repertoire ("A&R") at Atlantic Records, a position he has held since June 2021. Prior to this, Mr. Saint-Fleur was in a senior role in Global A&R at Warner Music Group from 2017 to 2021. Mr. Saint-Fleur also serves as a music producer and songwriter at Saint Productions, LLC, his own production company, which he started in 2007. In his role at Saint Productions LLC, Mr. Saint-Fleur has produced and written for various notable artists, including (but not limited to) David Guetta, Bebe Rexha, Dolly Parton, Jason Derulo and Little Mix. Mr. Saint-Fleur was chosen to serve as a member of our Board of Directors for his considerable experience in the music industry, particularly in artist relations, and his proven track record in producing and developing emerging and established talent.

Family Relationships

There are no family relationships among our directors or executive officers.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and executive, officers, and persons who are beneficial owners of more than 10% of a registered class of our equity securities, to file reports of ownership and changes in ownership with the SEC. These persons are required by SEC regulations to furnish us with copies of all Section 16(a) forms they file.

Based solely upon our review of copies of Forms 3, 4 and 5 furnished to us, we believe that all of our directors, executive officers and any other applicable stockholders timely filed all reports required by Section 16(a) of the Exchange Act during the fiscal year ended September 30, 2023, except for the following: (i) we filed a Form 4 for Jon M. Niermann and Pioneer Productions, LLC on October 6, 2023, covering a transaction that required a Form 4 filing due on October 21, 2022; (ii) we filed a Form 3 for the Jon Maxwell Niermann Living Trust on October 6, 2023, covering a transaction that required a Form 3 filing due on October 29, 2022.

Director Independence

Our common stock was listed on the NYSE American, effective September 22, 2022. Under the rules of the NYSE American, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3 of the Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries.

Our Board of Directors has determined that Mr. Cassidy, Ms. Penz, Ms. Zilka and Mr. Saint-Fleur are "independent directors" as such term is defined under the applicable rules of the NYSE American.

We have established an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. Our Board of Directors has determined that Ms. Penz is an "audit committee financial expert," as defined under the applicable rules of the SEC, and that all members of the Audit Committee are "independent" within the meaning of the applicable NYSE American rule and the independence standards of Rule 10A-3 of the Exchange Act. Each of the members of the Audit Committee meets the requirements for financial literacy under the applicable rules and regulations of the SEC and the NYSE American.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to our directors, officers and employees. The purpose of the Code of Business Conduct and Ethics is to deter wrongdoing and to provide guidance to our directors, officers and employees to help them recognize and deal with ethical issues, to provide mechanisms to report unethical or illegal conduct and to contribute positively to our culture of honesty and accountability. Our Code of Business Conduct and Ethics is publicly available on our website at https://www.loop.tv. If we make any substantive amendments to the Code of Business Conduct and Ethics or grants any waiver, including any implicit waiver from a provision of the Code of Business Conduct and Ethics to our directors or executive officers, we will disclose the nature of such amendments or waiver on our website or in a current report on Form 8-K.

Board Leadership Structure and Role in Risk Oversight

Our Chief Executive Officer, Mr. Niermann, is also a Board member and until November 2022, was the Chairman of the Board, at which time Mr. Bruce Cassidy was appointed Chairman of the Board. Periodically, our Board of Directors assesses these roles and the Board of Directors leadership structure to ensure the our interests and our stockholders are best served. The Board recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure, so as to provide independent oversight of management. The Board understands that there is no single, generally accepted approach to providing Board leadership and that given the dynamic and competitive environment in which we operate, the right Board leadership structure may vary as circumstances warrant. Consistent with this understanding, the Nominating and Corporate Governance Committee periodically considers the Board's leadership structure. This consideration includes the pros and cons of alternative leadership structures in light of our operating and governance environment at the time, with the goal of achieving the optimal model for effective oversight of management by the Board.

Although our Chief Executive Officer historically also served as Chairman of the Board, we do not have a specific policy regarding the separation of the offices of Chairman of the Board and the Chief Executive Officer. The Board believes that this separation is presently appropriate as it allows the Chief Executive Officer to focus primarily on leading our day-to-day operations while the Chairman of the Board can focus on leading the Board in the performance of its duties. We acknowledge, however, that there may be circumstances in the future when it is in our best interests to combine the positions of Chairman of the Board and the Chief Executive Officer.

While management is responsible for assessing and managing our risks, our Board of Directors is responsible for overseeing management's efforts to assess and manage risk. This oversight is conducted primarily by our full Board of Directors, primarily through the following:

- the Board's review and approval of our plans for our business (presented to the Board by the Chief Executive Officer and other management), including the projected opportunities and challenges facing our business;
- the Board's periodic review of our business developments and financial results;
- our Audit Committee's oversight of our internal controls over financial reporting and its discussions with management and the independent accountants regarding the quality and adequacy of our internal controls and financial reporting; and
- our Compensation Committee's review and recommendations to the Board regarding our executive compensation and its relationship to our business goals.

Our Board of Directors believes that full and open communication between management and the Board of Directors is essential for effective risk management and oversight.

Committees of the Board of Directors

Our Board of Directors has established an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee. Our Board of Directors may establish other committees to facilitate the management of our business. The composition and functions of each committee are described below. Members serve on these committees until their resignation or until otherwise determined by our Board of Directors. Each of these committees operates under a charter that has been approved by our Board of Directors, which is available on our website.

Audit Committee. Our Audit Committee consists of Denise Penz, Sonya Zilka, and Bruce Cassidy, with Denise Penz serving as the Chair of the Audit Committee. Our Board of Directors has determined that the directors that serve on our Audit Committee are independent within the meaning of the NYSE American listing rules and Rule 10A-3 under the Exchange Act. In addition, our Board of Directors has determined that Denise Penz qualifies as an "audit committee financial expert" within the meaning of SEC regulations and the NYSE American rules.

The Audit Committee oversees and monitors our financial reporting process and internal control system, reviews and evaluates the audit performed by our registered independent public accountants and reports to the Board of Directors any substantive issues found during the audit. The Audit Committee is directly responsible for the appointment, compensation and oversight of the work of our registered independent public accountants. The Audit Committee reviews and approves all transactions with affiliated parties.

Compensation Committee. Our Compensation Committee consists of Denise Penz and Sonya Zilka, with Sonya Zilka serving as the Chairman of the Compensation Committee. Our Board of Directors has determined that the directors that serve on our Compensation Committee are independent under the listing standards, are "non-employee directors" as defined in rule 16b-3 promulgated under the Exchange Act and are "outside directors" as that term is defined in Section 162(m) of the Internal Revenue Code of 1986, as amended.

The Compensation Committee provides advice and makes recommendations to the Board of Directors in the areas of employee salaries, benefit programs and director compensation. The Compensation Committee also reviews and approves corporate goals and objectives relevant to the compensation of our President, Chief Executive Officer, and other officers and makes recommendations in that regard to the Board of Directors as a whole.

Nominating and Corporate Governance Committee. Our Nominating and Corporate Governance Committee consists of Denise Penz, David Saint-Fleur and Bruce Cassidy, with Bruce Cassidy serving as the Chairman of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee nominates individuals to be elected to the Board of Directors by our stockholders. The Nominating and Corporate Governance Committee considers recommendations from stockholders if submitted in a timely manner in accordance with the procedures set forth in our Amended and Restated Bylaws (the "Bylaws") and will apply the same criteria to all persons being considered. All members of the Nominating and Corporate Governance Committee are independent directors as defined under the NYSE American rules.

Board Composition

Our Board currently consists of five members. Our directors hold office until their successors have been elected and qualified or until the earlier of their resignation or removal. We have no formal policy regarding board diversity. Our priority in selection of board members is identification of members who will further the interests of our stockholders through his or her established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, knowledge of our business and understanding of the competitive landscape. In accordance with NYSE corporate governance requirements, we are required to hold an annual meeting within one year after our fiscal year end.

ITEM 11. EXECUTIVE COMPENSATION.

Executive and Director Compensation

All decisions regarding compensation for our executive officers and executive compensation programs are reviewed, discussed and approved by the Compensation Committee. Prior to the establishment of the Compensation Committee in December 2021, decisions regarding executive compensation were made by the full Board. All compensation decisions are determined following a detailed review and assessment of the executive's leadership and operational performance and contributions to our success; any significant changes in role or responsibility; our financial resources, results of operations and financial projections; the nature, scope and level of the executive's responsibilities; and internal equity of pay relationships.

The Compensation Committee determines each element of compensation for our CEO. When making determinations about each element of compensation for our other executive officers, the Compensation Committee also considers recommendations from our CEO. Additionally, at the Compensation Committee's request, our executive officers may assess the design of, and make recommendations related to, our compensation and benefit programs, including recommendations related to the performance measures used in our incentive programs. The Compensation Committee is under no obligation to implement these recommendations.

The following table summarizes information concerning the compensation awarded to, earned by, or paid to, our Chief Executive Officer ("Principal Executive Officer") and our two most highly compensated executive officers other than the Principal Executive Officer (collectively, the "Named Executive Officers") during fiscal years ended September 30, 2023, and 2022.

Name & Principal Position	Fiscal Year Ended	Salary ($)	Bonus ($)	Option Awards ($)	Restricted Stock Option Awards ($)	Total ($)
Jon M. Niermann	**2023**	565,417 (1)	— (2)	—	—	565,417
Chief Executive Officer& Director	**2022**	364,479	925,000 (3)	1,750,000 (4)	1,750,000 (5)	4,214,479
Liam McCallum	**2023**	393,333 (1)	— (2)	—	—	393,333
Chief Product and Technology Officer	**2022**	—	—	—	—	—
Bob Gruters	**2023**	916,263 (1) (6)	— (2)	—	—	916,263
Chief Revenue Officer	**2022**	1,380,466 (7)	—	750,000 (4)	750,000 (5)	2,880,466

(1) Effective as of September 1, 2023, members of our senior management, including each Named Executive Officer, agreed to reduce their salaries for an indefinite period as part of our efforts to reduce our overall SG&A costs. While such reductions are not intended to be permanent, they were still in place as of the date of this Report.

(2) No bonuses were or will be paid in respect of fiscal 2023.

(3) Mr. Niermann received a bonus upon the closing of the September 2022 Offering and a performance-based bonus for the fiscal year ended September 30, 2022.

(4) The fair value of stock options is estimated as of the date of grant using the Black-Scholes-Merton option-pricing model. We use the simplified method to estimate the expected term of options due to insufficient history and high turnover in the past. Further information regarding assumptions made in calculating the grant date fair value of options can be found in "Note 12 — Stock Options, Restricted Stock Units and Warrants" to our financial statements included in this Report.

(5) The number of restricted stock units granted to each Named Executive Officer is equal to the dollar amount noted in the table above, divided by $5.00, which was the public offering price per share sold in the September 2022 Offering.

(6) Mr. Gruters' salary for the fiscal year ended September 30, 2023, includes $548,763 in sales commissions paid in accordance with the terms of the CRO Employment Letter Agreement, as defined below. *See "—Employment Agreements – Bob Gruters – Employment Letter Agreement."*

(7) Mr. Gruters' salary for the fiscal year ended September 30, 2022, includes $1,097,705 in sales commissions paid in accordance with the terms of the CRO Employment Letter Agreement, as defined below. *See "—Employment Agreements – Bob Gruters – Employment Letter Agreement."*

As of the fiscal year ended September 30, 2023, we had no plans in place and had never maintained any plans that provided for the payment of retirement benefits or benefits that will be paid primarily following retirement including, but not limited to, tax qualified deferred benefit plans, supplemental executive retirement plans, tax-qualified deferred contribution plans and nonqualified deferred contribution plans.

Employment Agreements

Jon Niermann – Employment Agreement

We entered into an employment agreement with Jon Niermann, the Chief Executive Officer (the "CEO Employment Agreement"), effective as of March 1, 2021. Pursuant to the CEO Employment Agreement, the term of employment is three (3) years, renewable every three (3) years, unless terminated. Until September 2022, Mr. Niermann was entitled to receive an annual base salary of $350,000 as well as discretionary bonuses as may be awarded from time to time by the Compensation Committee of the Board, if one exists, or by our Board. Mr. Niermann received a bonus of $350,000 upon the closing of the September 2022 Offering. Mr. Niermann is eligible to participate in all benefit plans that we offer to our executive officers, including any incentive compensation plans. Effective upon the last pay cycle of fiscal year 2022, Mr. Niermann's salary was increased to $575,000 per year. He was also granted retention equity grants under the Amended and Restated 2020 Equity Incentive Plan consisting of (i) 350,000 restricted stock units ("RSUs"), based on a value of $1,750,000 and a per share price of $5.00, vesting 25% upon one year from the grant date and the remainder in equal quarterly installments over three years, and (ii) options to purchase 707,070 shares of common stock, at an exercise price of $4.95 per share, vesting 100% on grant date. *See "—Outstanding Equity Awards at Fiscal Year-End."* Effective September 1, 2023, Mr. Neirmann's monthly base salary was reduced from $47,917 to $38,333 for an indefinite period of time as part of our efforts to reduce our overall SG&A costs. This reduction was still in place as of the date of this Report.

The CEO Employment Agreement terminates upon death or disability and may be terminated by us with or without cause, and by Mr. Niermann with or without good reason (all as defined in the CEO Employment Agreement). If the CEO Employment Agreement is terminated upon the death or disability of Mr. Niermann, he will receive unpaid and accrued base salary through date of termination, unpaid and accrued bonus, and payment of pro rata portion of yearly bonus (if any). In addition, upon termination for disability, Mr. Niermann will receive twelve (12) months' severance.

If we terminate Mr. Niermann for cause or Mr. Niermann resigns without good reason, Mr. Niermann will receive only unpaid and accrued base salary through the date of termination and any unpaid and accrued bonus. Should Mr. Niermann be terminated without cause or resign with good reason, Mr. Niermann is entitled to receive unpaid and accrued base salary and unpaid and accrued bonus through the date of termination, payment of the pro rata portion of yearly bonus of at least one year's base salary, a lump sum payment of twenty-four (24) months' salary, payment of his base salary for

the remaining term of the CEO Employment Agreement or a period of twelve (12) months, whichever is longer, and full vesting of all stock grants.

If at any time during the term of the CEO Employment Agreement Mr. Niermann's employment is terminated after a "Change in Control" (as defined in the CEO Employment Agreement), compensation is similar to that in a termination without cause or resignation for good reason. In addition, Mr. Niermann will be entitled to receive a lump sum payment equal to the sum of (i) ten (10) times his base salary, bonuses, and the value of certain annual fringe benefits specified in the CEO Employment Agreement for the year in which Mr. Niermann's term of employment terminates, and (ii) the value of the portion of his benefits under any savings, pension, profit sharing or deferred compensation plans that are forfeited under those plans by reason of the termination of his employment.

Mr. Niermann's right to receive any severance benefit under the CEO Employment Agreement is subject to the execution and delivery to us of a general release of claims in substantially the form attached to the CEO Employment Agreement.

The CEO Employment Agreement contains customary non-compete, non-solicitation, and other restrictive covenants to which Mr. Niermann is subject during the term of his employment and for a 12-month period following termination for cause or resignation without good reason.

Liam McCallum – Employment Agreement

We entered into an employment agreement with Liam McCallum, the Chief Product and Technical Officer (the "CPTO Employment Agreement"), which is effective as of April 1, 2021. Pursuant to the CPTO Employment Agreement, the term of employment is three (3) years, renewable every three (3) years, unless terminated. Mr. McCallum is entitled to receive an annual base salary of $275,000 as well as discretionary bonuses as may be awarded from time to time by the Compensation Committee of the Board, if one exists, or by our Board, and he is entitled to an up-list bonus of $250,000 upon the listing of our common stock on a national securities exchange. Mr. McCallum is eligible to participate in all benefit plans that we offer to our executive officers, including any incentive compensation plans. Effective September 1, 2023, Mr. McCallum's monthly base salary was reduced from $33,333 to $26,666 for an indefinite period of time as part of our efforts to reduce our overall SG&A costs. This reduction was still in place as of the date of this Report.

The CPTO Employment Agreement terminates upon death or disability and may be terminated by us with or without cause, and by Mr. McCallum with or without good reason (all as defined in the CPTO Employment Agreement). If the CPTO Employment Agreement is terminated upon the death or disability of Mr. McCallum, he will receive unpaid and accrued base salary through date of termination, unpaid and accrued bonus, and payment of pro rata portion of yearly bonus (if any). In addition, upon termination for disability, Mr. McCallum will receive six (6) months' severance.

If we terminate Mr. McCallum for cause or Mr. McCallum resigns without good reason, Mr. McCallum will receive only unpaid and accrued base salary through the date of termination and any unpaid and accrued bonus. Should Mr. McCallum be terminated without cause or resign with good reason, Mr. McCallum is entitled to receive unpaid and accrued base salary and unpaid and accrued bonus through termination of the CPTO Employment Agreement, payment of the pro rata portion of yearly bonus, a lump sum payment of six (6) months' salary, and full vesting of all stock grants.

In addition, if at any time during the term of the CPTO Employment Agreement Mr. McCallum's employment is terminated after a "Change in Control" (as defined in the CPTO Employment Agreement), compensation is similar to that in a termination without cause or resignation for good reason. In addition, Mr. McCallum will be entitled to receive a lump sum payment equal to the sum of: (i) two (2) times his base salary, bonuses, and the value of certain annual fringe benefits specified in the CPTO Employment Agreement for the year in which Mr. McCallum's term of employment terminates, and (ii) the value of the portion of his benefits under any savings, pension, profit sharing or deferred compensation plans that are forfeited under those plans by reason of the termination of his employment.

Mr. McCallum's right to receive any severance benefit under the CPTO Employment Agreement is subject to the execution and delivery to us of a general release of claims in substantially the form attached to the CPTO Employment Agreement.

The CPTO Employment Agreement contains customary non-compete, non-solicitation, and other restrictive covenants to which Mr. McCallum is subject during the term of his employment and for a 12-month period following termination for cause or resignation without good reason.

Bob Gruters

We entered into an employment letter agreement with Bob Gruters, Chief Revenue Officer (the "CRO Employment Letter Agreement"), which was effective as of May 3, 2021. Pursuant to the CRO Employment Letter Agreement, Mr. Gruters' employment does not have a fixed term and he is employed on an "at will" basis. Through fiscal year 2022, Mr. Gruters was entitled to receive an annual base salary of $275,000, as well as sales commission of five percent (5%) of all advertising and sponsorship revenue brought in by him or his sales team, payable on a quarterly basis and as determined with reference to revenue actually recognized by and paid to us, and subject to industry standard terms and practice, as agreed between Mr. Gruters and the CEO, and approved by the Board. Mr. Gruters is eligible to participate in all customary benefit plans and programs. Effective upon the last pay cycle of fiscal year 2022, Mr. Gruters' salary was increased to $365,000 per year. He was also granted retention equity grants under the Amended and Restated 2020 Equity Incentive Plan consisting of (i) 150,000 RSUs based on a value of $750,000 and a price per share of $5.00, vesting 25% upon one year from the grant date and the remainder in equal quarterly installments over three years and (ii) options to purchase 303,030 shares of common stock, with an exercise price of $4.95 per share, vesting 25% upon one year from the grant date and the remainder in equal monthly installments over three years. *See "—Outstanding Equity Awards at Fiscal Year-End."* Effective September 1, 2023, Mr. Gruter's monthly base salary was reduced from $31,250 to $25,000 for an indefinite period of time as part of our efforts to reduce our overall SG&A costs. This reduction was still in place as of the date of this Report.

For fiscal year 2023, in addition to his base salary, Mr. Gruters was entitled to earn sales commission of one percent (1%) of all advertising and sponsorship revenue brought in by him or his sales team, payable on a quarterly basis, and subject to established performance goals being met.

The CRO Employment Letter Agreement contains customary non-solicitation, and other restrictive covenants to which Mr. Gruters is subject during the term of his employment and for a 24-month period following termination for any reason.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth certain information concerning outstanding stock awards held by the Named Executive Officers and our directors as of September 30, 2023:

Name	Number of securities underlying unexercised options (#) Unexercisable	Number of securities underlying unexercised options (#) Exercisable	Option Exercise Price ($)	Option Expiration Date	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested ($)
Jon M. Niermann	52,084 (1)	364,582 (1)	3.30	November 10, 2030	262,500 (3)	1,312,500 (4)
CEO	— (2)	707,070 (2)	4.95	September 22, 2032		
Liam McCallum	—	668,917 (5)	1.98	September 30, 2028	67,500 (8)	337,500 (4)
CPTO	20,834 (6)	145,832 (6)	3.30	November 10, 2030		
	— (7)	181,820 (7)	4.95	September 22, 2032		
Bob Gruters	44,445 (9)	155,555 (9)	8.25	May 3, 2031	112,500 (11)	562,500 (4)
CRO	227,273 (10)	75,757 (10)	4.95	September 22, 2032		

(1) Of Mr. Niermann's 416,666 options, 364,582 options had vested as of September 30, 2023.

(2) Mr. Niermann's 707,070 options fully vested and became exercisable on September 22, 2022, the date the award was granted.

(3) Of Mr. Niermann's 350,000 restricted stock units ("RSUs"), 262,500 had not vested as of September 30, 2023.

(4) RSUs were issued to each Named Executive Officer at $5.00 per share, the public offering price per share sold in the September 2022 Offering.

(5) Mr. McCallum's 668,917 options fully vested and became exercisable on October 31, 2018, the date the award was granted.

(6) Of McCallum's 166,666 options, 145,832 had vested as of September 30, 2023.

(7) Mr. McCallum's 181,820 options fully vested and became exercisable on September 22, 2022, the date the award was granted.

(8) Of Mr. McCallum's 90,000 RSUs, 67,500 had not vested as of September 30, 2023.

(9) Of Mr. Gruters' 200,000 options, 155,555 had vested as of September 30, 2023.

(10) Of Mr. Gruters' 303,030 options, 75,757 had vested as of September 30, 2023.

(11) Of Mr. Gruter's 150,000 RSUs, 112,500 had not vested as of September 30, 2023.

Director Compensation

The following table summarizes the compensation paid to each of our non-employee directors for the fiscal year ended September 30, 2023:

Name	Fees earned or paid in cash ($)	Stock awards ($)	Option awards ($)	Total ($)
Bruce Cassidy, Chairman	94,000	—	—	94,000
Denise Penz	75,750	—	22,777	98,527
Sonya Zilka	67,500	—	22,777	90,277
David Saint-Fleur	49,000	—	—	49,000

Our non-employee directors had the following outstanding equity awards as of September 30, 2023:

Name	Number of securities underlying unexercised options (#) Unexercisable	Number of securities underlying unexercised options (#) Exercisable	Option Exercise Price ($)	Option Expiration Date	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested ($)
Bruce Cassidy, Chairman	—	—	—	—	36,616	203,200
	—	—	—	—	20,385	127,000
Denise Penz	—	14,366 (1)	6.90	October 11, 2031	36,616	203,200
	—	7,183 (2)	6.23	January 3, 2033	20,385	127,000
Sonya Zilka	—	14,366 (3)	6.90	October 11, 2031	36,616	203,200
	—	7,183 (4)	6.23	January 3, 2033	20,385	127,000
David Saint-Fleur	—	—	—	—	36,616	203,200
	—	—	—	—	20,385	127,000

(1) Ms. Penz's 14,366 options had fully vested as of September 30, 2023.

(2) Ms. Penz's 7,183 options had fully vested as of September 30, 2023.

(3) Ms. Zilka's 14,366 options had fully vested as of September 30, 2023.

(4) Ms. Zilka's 7,183 options had fully vested as of September 30, 2023.

In September 2022, we adopted a compensation policy pursuant to which our Board members may receive cash and equity remuneration for their services as directors, as set forth below. All equity awards to be granted under this policy will be granted pursuant to the Amended and Restated 2020 Equity Incentive Plan, including vesting periods, which may vary and are determined by the Board or a committee of the Board. *See "Item 12 - Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters— The Loop Media, Inc. Amended and Restated 2020 Equity Incentive Compensation Plan."*

- Each non-employee director is entitled to receive an annual fee from us of $44,000;
- each chair of our audit committee, compensation committee and nominating and corporate governance committee will receive an annual fee from us of $20,000, $13,500 and $10,000, respectively;
- each non-chairperson member of our audit committee, compensation committee and nominating and corporate governance committee will receive an annual fee from us of $10,000, $6,750 and $5,000, respectively;
- the non-executive chairperson, if any, will receive an annual fee from us of $30,000;
- the lead independent director, if any, will receive an annual fee from us of $15,000;
- each non-employee director is entitled to receive an initial equity grant in the form of RSUs with a value of $203,200, vesting over time subject to continued service; and
- each non-employee director is entitled to receive an annual equity grant in the form of RSUs with a value of $127,000, vesting over time subject to continued service.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

As of December 15, 2023, there were 70,691,228 shares of common stock outstanding.

The following table sets forth, as of December 15, 2023, ownership of our voting securities that are beneficially owned by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of any class of our voting securities;
- each of our Named Executive Officers;
- each of our directors; and
- all of our executive officers and directors as a group.

Information relating to beneficial ownership of the voting securities by our principal stockholders and management is based upon each person's information using "beneficial ownership" concepts under the SEC rules. Under these rules, a person is deemed to be a beneficial owner of a security if that person has or shares voting power, which includes the power to vote or direct the voting of the security, or investment power, which includes the power to vote or direct the voting of the security. For purposes of computing the number and percentage of shares beneficially owned by a security holder, any shares which such person has the right to acquire within sixty (60) days of December 15, 2023, are deemed to be outstanding, but those shares are not deemed to be outstanding for the purpose of computing the percentage ownership of any other security holder.

Under the SEC rules, more than one person may be deemed to be a beneficial owner of the same securities and a person may be deemed to be a beneficial owner of securities as to which he or she may not have any pecuniary beneficial interest. Except as noted below, ownership consists of sole ownership, voting and investment rights, and the address for each stockholder listed is c/o Loop Media, Inc., 2600 West Olive Avenue, Suite 5470, Burbank, CA 91505.

Name and Address of Beneficial Holder	Amount and Nature of Beneficial Ownership of Common Stock	
	Number of Shares Owned	Percent of Class
5% Stockholders		
Dreamcatcher, LLC 1879 Hazelton Drive Germantown, TN 38138	3,878,988	5.6 %
Running Wind, LLC 1879 Hazelton Drive Germantown, TN 38138	3,878,989	5.6 %
Bruce A. Cassidy 2013 Irrevocable Trust Dated June 18, 2013, an Ohio Legacy Trust Company (1) 103 Plaza Drive, Suite B, St. Clairsville, OH 43950	3,889,254	5.6 %
Jeremy Boczulak (2) 1345 Sweetwater Drive Brentwood, TN 37027	3,544,576	5.0 %
Named Executive Officers and Directors		
Jon Niermann, *Chief Executive Officer and Director* (3)	7,891,097	11.3 %
Liam McCallum, *Chief Product & Technology Officer* (4)	2,375,389	3.4
Bob Gruters, *Chief Revenue Officer*	—	*
Bruce A. Cassidy, *Chairman* (5)(6)	19,270,653	26.5 %
Denise A. Penz, *Director* (7)(8)	696,755	1.0 %
Sonya Zilka, *Director*	—	*
David Saint-Fleur, *Director*	—	*
All Executive Officers and Directors as a Group	31,850,911	41.3 %

* Indicates less than 1% of class.

(1) The beneficial ownership of the Bruce A. Cassidy 2013 Irrevocable Trust Dated June 18, 2013, an Ohio Legacy Trust Company (the "Cassidy Trust") includes: (i) 3,866,527 shares of common stock and (ii) 22,727 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023.

(2) Mr. Boczulak's beneficial ownership includes (A) (i) 1,000,000 shares of common stock held in his name; (B) 1,817,835 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023, held by Sake TN, LLC, of which Mr. Boczulak is the sole owner and Manager; (C) (i) 1,237 shares of common stock and (ii) 266,649 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023, held by Sunnybrook Investment LLC, of which Mr. Boczulak is the sole owner and Manager; (D) 112,445 shares of common stock held by West End Builders, of which Mr. Boczulak is the Director; (E) 346,076 shares of common stock held jointly by Mr. Boczulak and his spouse, over which Mr. Boczulak has shared power to vote and invest; and (F) 334 shares of common stock held by Mr. Boczulak's child, over which Mr. Boczulak has shared power to vote and invest.

(3) Mr. Niermann's beneficial ownership includes (A) (i) 707,070 shares of common stock underlying an option, which is fully vested and exercisable within sixty (60) days of December 15, 2023, at an exercise price of $4.95 per share; (ii) 407,985 shares of common stock underlying a stock option exercisable within sixty (60) days of December 15, 2023, at an exercise price of $3.30 per share; and (iii) 109,375 shares of common stock underlying vested restricted stock units ("RSUs") that are vested or will vest within sixty (60) days of December 15, 2023, held directly by Mr. Niermann; (B) 6,666,666 shares of common stock held directly by The Jon Maxwell Niermann Living Trust, of which Mr. Niermann is the Trustee, and (C) one (1) share of common stock held by Pioneer Productions, 420 8th Street, Huntington Beach, CA 92648, of which Mr. Niermann is the Sole Member. Excludes 8,681 shares of common stock underlying a stock option and that are not exercisable within sixty (60) days of December 15, 2023, and 240,625 shares of common stock underlying unvested RSUs held by Mr. Niermann.

(4) Mr. McCallum's beneficial ownership includes (i) 1,333,334 shares of common stock; (i) 181,820 shares of common stock underlying a stock option exercisable within sixty (60) days of December 15, 2023, at an exercise price of $4.95 per share; (ii) 163,193 shares of common stock underlying a stock option exercisable within sixty (60) days of December 15, 2023, at an exercise price of $3.30 per share; (iii) 668,917 shares of common stock underlying an option, which is fully vested and exercisable within sixty (60) days of December 15, 2023, at an exercise price of $1.98 per share, and (iv) 28,125 shares of common stock underlying RSUs that are vested or will vest within sixty (60) days of December 15, 2023. Excludes 3,473 shares of common stock underlying a stock option that are not exercisable within sixty (60) days of December 15, 2023, and 61,875 shares of common stock underlying unvested RSUs held by Mr. McCallum.

(5) Mr. Cassidy's beneficial ownership includes (A) (i) 12,730,632 shares of common stock and (ii) 3,772,593 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023, held by Excel Family Partnership LLLP ("Excel"), of which Mr. Cassidy is the Manager of Excel's general partner; (B) (i) 2,600,000 shares of common stock and (ii) 138,889 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023, held by Eagle Investment Group, LLC, of which Mr. Cassidy is the Manager; and (C) 28,539 shares of common stock underlying RSUs vested or will vest within sixty (60) days of December 15, 2023, held directly by Mr. Cassidy. Excludes 24,462 shares of common stock underlying unvested RSUs held by Mr. Cassidy.

(6) In connection with the December 14, 2023, Warrant Repricing, Mr. Cassidy entered into a Warrant Reprice Letter Agreement to exercise certain Existing Warrants held by Excel for an aggregate of 647,593 shares of our common stock, and the Existing Warrant held by Eagle for an aggregate of 138,889 shares of our common stock. Upon the closing of the Warrant Repricing, and effective December 14, 2023, Mr. Cassidy's beneficial ownership held by Excel includes (i) 13,378,225 shares of common stock and (ii) 3,125,000 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023, and Mr. Cassidy's beneficial ownership of our common stock held by Eagle increased to 2,738,889 shares. *See "Item 9B – Repricing and Exercise of Certain Existing Warrants."*

(7) Ms. Penz's beneficial ownership includes (A) (i) 176,668 shares of common stock; (ii) 443,332 shares of common stock issuable upon exercise of warrants exercisable within sixty (60) days of December 15, 2023; (iii) 14,366 shares of common stock underlying a stock option, exercisable within sixty (60) days of December 15, 2023, at an exercise price of $6.90 per share; (iv) 7,183 shares of common stock underlying a stock option exercisable within sixty (60) days of December 15, 2023, at an exercise price of $6.23 per share; and (v) 28,539 shares of common stock underlying vested RSUs, all held directly by Ms. Penz; and (B) 26,667 shares of common stock held by Ms. Penz in a Self-Directed Traditional IRA. Excludes 24,462 shares of common stock underlying unvested RSUs held by Ms. Penz.

(8) In connection with the December 14, 2023, Warrant Repricing, Ms. Penz entered into a Warrant Reprice Letter Agreement to exercise all Existing Warrants held by her for an aggregate of 443,332 shares of our common stock. Upon the closing of the Warrant Repricing, and effective December 14, 2023, Ms. Penz's beneficial ownership of our common stock held directly by her increased to 620,000 shares. *See "Item 9B – Repricing and Exercise of Certain Existing Warrants."*

Securities Authorized for Issuance Under Equity Compensation Plans

As of September 30, 2023, a total of 11,419,060 shares of common stock were authorized and reserved for Awards (as defined below) to be made under the Amended and Restated 2020 Equity Incentive Plan (also referred to in this section as the "Plan"), and as of September 30, 2023, 1,413,357 shares remained available for issuance under the Plan. The Amended and Restated 2020 Equity Incentive Plan automatically increases the number of shares available for issuance under the Plan on the first day of each fiscal year by an amount equal to five percent (5%) of the total number of shares of common stock outstanding on the last day of the preceding fiscal year, unless the Board votes for it not to increase. *See —"The Loop Media, Inc. Amended and Restated 2020 Equity Incentive Plan."* As a result of this "evergreen" feature, the number of shares available for issuance under the Plan was increased by 3,281,008 shares on October 1, 2023, for a total of 14,700,068 shares of common stock authorized for issuance of Awards. As of December 15, 2023, a total of 4,628,337 shares remained available for issuance under the Amended and Restated 2020 Equity Incentive Plan.

Options granted in the future under the Amended and Restated 2020 Equity Incentive Plan are within the discretion of our Board of Directors. The following table summarizes the number of shares of our common stock authorized for issuance under our equity compensation plans as of September 30, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plans under equity compensation (excluding) securities reflected in column (a) (c)
Equity compensation plans approved by security holders [(1)]	10,005,703 [(1)] [(2)]	$ 3.84	1,413,357
Equity compensation plans not approved by security holders	—	—	—
Total	10,005,703	$ 3.84	1,413,357

(1) Includes:

a) 8,849,306 shares issuable upon the exercise of outstanding options;

b) 1,156,397 shares issuable upon the vesting of restricted stock units; and

c) 1,885,681 shares underlying stock option awards that were granted under the Loop Media, Inc. Amended and Restated 2016 Equity Incentive Plan, which was adopted by the Board and approved by stockholders on June 7, 2016, and amended and restated by the Board and approved by stockholders October 4, 2016. No further awards of any type available under this plan may be granted. *See —"The Loop Media, Inc. Amended and Restated 2016 Equity Incentive Plan."*

(2) Does not include outstanding shares issuable upon the exercise of warrants, which are not issued under our Amended and Restated 2020 Equity Incentive Plan.

(3) The weighted-average exercise price does not consider the shares issuable upon vesting of outstanding RSUs, which have no exercise price.

(4) All securities remaining available for future issuance will be made in accordance with the Amended and Restated 2020 Equity Incentive Plan, which was ratified by the holders of a majority of our outstanding voting stock (the "Majority Stockholders") pursuant to the Majority Written Consent of Stockholders in Lieu of Annual Meeting dated April 27, 2021 (the "April 2021 Written Consent"), and further amended and restated by the Board on September 18, 2022. *See — "The Loop Media, Inc. Amended and Restated 2020 Equity Incentive Plan."*

The Loop Media, Inc. Amended and Restated 2020 Equity Incentive Compensation Plan

Our Board and management believe that the effective use of stock-based long-term incentive compensation is vital to our ability to achieve strong performance in the future. The Amended and Restated 2020 Equity Incentive Plan (also referred to in this section as the "Plan") was originally adopted by the Board on June 15, 2020, amended by the Board on November 10, 2020, and further amended and restated on April 27, 2021, to set the total number of shares of common stock available under the Plan at 4,866,666. On April 27, 2021, pursuant to the April 2021 Written Consent, the Majority Stockholders ratified the Plan. The Amended and Restated 2020 Equity Incentive Plan was further amended and restated by the Board on September 18, 2022, to, among other things, increase the number of shares of our common stock available under the 2020 Equity Incentive Plan to 8,600,000 and to add an "evergreen" feature to automatically increase the number of shares of common stock available under our Amended and Restated 2020 Equity Incentive Plan as described further below.

The Board, at any time, may amend or terminate the Amended and Restated 2020 Equity Incentive Plan as it shall deem advisable; provided, however, no amendment shall be effective unless approved by our stockholders to the extent stockholder approval is required by applicable law, regulation, or stock exchange rule. It is expressly contemplated in the Amended and Restated 2020 Equity Incentive Plan that the Board may amend the Amended and Restated 2020 Equity Incentive Plan in any respect the Board deems necessary or advisable to provide eligible employees, consultants and directors with the maximum benefits provided or to be provided under the provisions of the Internal Revenue Code of 1986 and the regulations promulgated thereunder (the "Code") relating to Incentive Stock Options or to the non-qualified deferred compensation provisions of Section 409A of the Code and/or to bring the Amended and Restated 2020 Equity Incentive Plan and/or Awards granted under it into compliance therewith.

Summary of the Amended and Restated 2020 Equity Incentive Plan

The following is a summary of the material features of the Amended and Restated 2020 Equity Incentive Plan and is qualified in its entirety by reference to the full text of the Amended and Restated 2020 Equity Incentive Plan. Capitalized terms used in this summary and not otherwise defined shall have the meaning set forth in the Amended and Restated 2020 Equity Incentive Plan.

The Amended and Restated 2020 Equity Incentive Plan is intended as an incentive to enable us to (a) attract and retain the types of employees, consultants and directors who will contribute to our long- range success; (b) provide incentives that align the interests of employees, consultants, and directors with those of our stockholders; and (c) promote the success of our business. Awards that may be granted under the Plan include: (a) Incentive Stock Options; (b) Non-qualified Stock Options (Incentive Stock Options and Non-qualified Stock Options together referred to as "Options"); (c) Stock Appreciation Rights; (d) Restricted Awards; (e) Performance Share Awards; (f) Cash Awards; and (g) Other Equity-Based Awards (all as defined in the Plan, and collectively, "Awards").

The Amended and Restated 2020 Equity Incentive Plan allows a total share reserve of no more than 8,600,000 shares of common stock for the grant of Awards. Pursuant to the Plan's "evergreen" feature, the number of shares of common stock reserved for issuance will automatically increase on the first day of each fiscal year commencing with October 1, 2022, and on the first day of each fiscal year thereafter until the date the Amended and Restated 2020 Equity Incentive Plan expires, by an amount equal to five percent (5%) of the total number of shares of our common stock outstanding on the last day of the preceding fiscal year (or September 30), unless the Board determines before an annual increase takes effect that no increase will be made or a lesser increase. The Amended and Restated 2020 Equity Incentive Plan includes customary terms for adjustments to the number of shares of common stock reserved for issuance or subject to Awards due to changes to the common stock, such as due to a stock split or reorganization.

The Amended and Restated 2020 Equity Incentive Plan is administered by a committee appointed by the Board, or in the Board's sole discretion, by the Board. The committee has full authority to establish rules and regulations for the proper administration of the Amended and Restated 2020 Equity Incentive Plan, including to determine the persons to whom and the time or times at which Awards shall be granted; to determine the type and number of Awards to be granted; to determine the number of shares of common stock to which an Award may relate and the terms, conditions, restrictions and performance criteria of Awards. The committee has authority to modify (reprice) the purchase price or the exercise price of any outstanding Award.

Awards may be granted to our employees, consultants and directors and such other individuals designated by the committee who are reasonably expected to become employees, consultants, and directors after the receipt of Awards. Incentive Stock Options may be granted only to our employees, while Awards other than Incentive Stock Options may be granted to our employees, consultants, and directors. As of December 15, 2023, we had four (4) non-employee directors, approximately 78 employees and approximately 20 consultants who would be eligible for grants under the Amended and Restated 2020 Equity Incentive Plan.

The maximum number of shares of common stock subject to Awards granted during a single fiscal year to any non-employee director, together with any cash fees paid to such non-employee director during the fiscal year cannot exceed

a total value of $500,000 (calculating the value of any equity Awards based on the grant date fair value for financial reporting purposes).

The Amended and Restated 2020 Equity Incentive Plan provides that no more than 3,333,333 shares of common stock may be issued in the aggregate pursuant to the exercise of Incentive Stock Options. An award of Incentive Stock Options grants the Optionholder the right to purchase a certain number of shares of common stock during a specified term in the future, after a vesting period and/or specific performance conditions, at an exercise price equal to at least 100% of the fair market value (as defined below) of the common stock on the grant date. Such options expire ten years after the grant date. In addition, to the extent that the aggregate fair market value (determined at the time of grant) of common stock with respect to which Incentive Stock Options are exercisable for the first time by any option holder during any calendar year exceeds $100,000, the options or portions thereof which exceed such limit shall be treated as Non-qualified Stock Options. The exercise price for Incentive Stock Options granted to any stockholder who is designated to be a "Ten Percent Shareholder" under the Amended and Restated 2020 Equity Incentive Plan shall be at least 110% of the fair market value of the common stock on the date of the grant and such options expire five years after the grant date.

If the common stock is listed on any established stock exchange or a national market system, or is the subject of broker-dealer quotes on an SEC-registered Alternative Trading System, the "fair market value" shall be the closing price of a share of common stock (or if no sales were reported the closing price on the date immediately preceding such date) as quoted on such exchange or system on the day of determination, as reported by such exchange or system. In the absence of an established market for the common stock, the "fair market value" shall be determined in good faith by the committee and such determination shall be conclusive and binding on all persons.

Incentive Stock Options are not transferable (except as specifically provided in the Amended and Restated 2020 Equity Incentive Plan in the event of the death of the option holder) and may, during his or her lifetime, only be exercised by the option holder. Non-qualified Stock Options may, in the sole discretion of the committee, be transferable.

The Amended and Restated 2020 Equity Incentive Plan does not provide for any specific vesting periods. The committee may, at the time of grant of an Option, determine when that Option will become exercisable and any applicable vesting periods, and may determine that that Option will be exercisable in installments. The Option may be subject to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the committee may deem appropriate. The vesting provisions of individual Options may vary.

Unless otherwise provided in an Award Agreement or in an employment agreement, the terms of which have been approved by the committee, in the event an Optionholder's Continuous Service (as defined in the Amended and Restated 2020 Equity Incentive Plan) terminates (other than upon the Optionholder's death or disability), the Optionholder may exercise his or her Option (to the extent that the Optionholder was entitled to exercise such Option as of the date of termination) but only within such period of time ending on the earlier of: (a) the date three months following the termination of the Optionholder's Continuous Service; or (b) the expiration of the term of the Option as set forth in the Award Agreement. Notwithstanding anything to the contrary contained in the Plan, if the termination of Continuous Service is by us for Cause, all outstanding Options (whether or not vested) shall immediately terminate and cease to be exercisable. If, after termination, the Optionholder does not exercise his or her Option within the time specified in the Award Agreement, the Option shall terminate.

In accordance with the Amended and Restated 2020 Equity Incentive Plan, subject to the terms of any Award agreement, a participant's Awards granted prior to September 18, 2022, will fully vest in the event that the recipient's employment or service is involuntarily terminated without cause within twelve months following a Change in Control (as defined in the Amended and Restated 2020 Equity Incentive Plan). With respect to Awards granted on or after September 18, 2022, the committee may take one or more of the following actions in connection with a Change in Control: (i) cause any or all outstanding awards to become vested, (ii) cancel any option or stock appreciation right in exchange for a substitute option or right; (iii) cancel any restricted award, performance award or performance shares in exchange for restricted stock or performance shares of or stock or performance units in respect of the capital stock of any successor corporation; (iv) redeem any restricted stock held by a participant affected by the Change in Control for cash and/or other substitute consideration with a value equal to the fair market value of an unrestricted share of common stock on the date

of the Change in Control; (v) terminate any award in exchange for an amount of cash and/or property equal to the amount, if any, that would have been attained upon the exercise of such award or realization of the participant's rights as of the date of the occurrence of the Change in Control, but if the Change in Control consideration with respect to any option or stock appreciation right does not exceed its exercise price, the committee may cancel the option or stock appreciation right without payment; and/or (vi) take any other action necessary or appropriate to carry out the terms of any definitive agreement controlling the terms and conditions of the Change in Control.

Notwithstanding any other provisions in the Amended and Restated 2020 Equity Incentive Plan, we may cancel any Award, require reimbursement of any Award by a participant, and effect any other right of recoupment of equity or other compensation provided under the Plan in accordance with any Company policies that may be adopted and/or modified from time to time (the "Clawback Policy"). In addition, a participant may be required to repay to us previously paid compensation, whether provided pursuant to the Plan or an Award agreement, in accordance with the Clawback Policy.

The Board, at any time, may amend or terminate the Amended and Restated 2020 Equity Incentive Plan as it shall deem advisable; provided, however, no amendment shall be effective unless approved by our stockholders to the extent stockholder approval is required by applicable law, regulation, or stock exchange rule. It is expressly contemplated in the Amended and Restated 2020 Equity Incentive Plan that the Board may amend the Plan in any respect the Board deems necessary or advisable to provide eligible employees, consultants and directors with the maximum benefits provided or to be provided under the provisions of the Internal Revenue Code of 1986 and the regulations promulgated thereunder (the "Code") relating to Incentive Stock Options or to the non-qualified deferred compensation provisions of Section 409A of the Code and/or to bring the Amended and Restated 2020 Equity Incentive Plan and/or Awards granted under it into compliance therewith.

The committee at any time, and from time to time, may amend the terms of any one or more Awards; provided, however, that the committee may not affect any amendment which would otherwise constitute an impairment of the rights under any Award unless: (a) we request the consent of the participant; and (b) the participant consents in writing.

The Amended and Restated 2020 Equity Incentive Plan also contains provisions with respect to payment of exercise prices, vesting and expiration of Awards, treatment of Awards upon the sale of the Company, transferability of Awards, and tax withholding requirements. Various other terms, conditions, and limitations apply, as further described in the Plan.

The 2020 Equity Incentive Plan became effective as of June 15, 2020 (the "Effective Date"). The terms of the 2020 Equity Incentive Plan provided that no Award shall be exercised (or, in the case of a stock Award, shall be granted) unless and until the 2020 Equity Incentive Plan has been approved by our stockholders, which approval was obtained on April 27, 2021, by the Majority Stockholders pursuant to the April 2021 Written Consent. The Amended and Restated 2020 Equity Incentive Plan shall terminate automatically ten years from the Effective Date. No Award shall be granted pursuant to the Amended and Restated 2020 Equity Incentive Plan after such date, but Awards theretofore granted may extend beyond that date. No Awards may be granted under the Amended and Restated 2020 Equity Incentive Plan while it is suspended or after it is terminated.

Giving effect to the "evergreen" increase on October 1, 2023, of 3,281,008 in the number of shares available for issuance of awards under the Amended and Restated 2020 Equity Incentive Plan, as of December 15, 2023, 4,628,377 shares of common stock remained available for future Awards.

The Loop Media, Inc. Amended and Restated 2016 Equity Incentive Plan

Prior to us adopting the Amended and Restated 2020 Equity Incentive Plan, we issued awards under the Loop Media, Inc. Amended and Restated 2016 Equity Incentive Plan, which was adopted by the Board and approved by stockholders June 7, 2016, and amended and restated by the Board and stockholders October 4, 2016 (the "2016 Equity Incentive Plan"). The total number of shares reserved and available for grant under the 2016 Equity Incentive Plan was 3,333,333 shares of common stock.

At the time of the Merger with Predecessor Loop, Predecessor Loop stockholders received one newly issued share of our common stock in exchange for each share of Predecessor Loop common stock. According to the Merger Agreement, each option to purchase shares of Predecessor Loop common stock pursuant to the 2016 Equity Incentive Plan that was outstanding immediately prior to the time that the Merger took effect ceased to be outstanding and was converted into and exchanged for an option to purchase an equivalent number of shares of our common stock pursuant to the terms of the 2016 Equity Incentive Plan, which was assumed by us. *See "Item I – Business – Corporate History."*

As a result of the Merger, no further awards of any type available under the 2016 Equity Incentive Plan may be granted. As of December 15, 2023, there were outstanding options exercisable for an aggregate of 1,855,681 shares of common stock pursuant to the 2016 Equity Incentive Plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Related Party Transactions

SEC rules require us to disclose any transaction since the beginning of our last fiscal year, or any currently proposed transaction, in which we are a participant and in which any related person has or will have a direct or indirect material interest involving the lesser of $120,000 or one percent (1%) of the average of our total assets as of the end of last two completed fiscal years. A related person is any executive officer, director, nominee for director or holder of 5% or more of our common stock, or an immediate family member of any of those persons.

Excel Revolving Line of Credit

Effective as of December 14, 2023, we entered into a Revolving Line of Credit Loan Agreement with Excel (the "Excel Revolving Line of Credit Agreement") for up to a principal sum of $2,500,000, under which we may pay down and re-borrow up to the maximum amount of the $2,500,000 limit (the "Excel Revolving Line of Credit"). Our drawdown on the Excel Revolving Line of Credit is limited to no more than twenty-five percent (25%) of the last three full months' revenue, not to exceed $1,250,000 in any quarter, and not to exceed in aggregate the outstanding debt amount of $2,500,000.The Excel Revolving Line of Credit is a perpetual loan, with a maturity date that is twelve (12) months from the date of formal notice of termination by Excel, and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to ten percent (10%) per year. Under the Excel Revolving Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the May 2023 Secured Line of Credit (each as described below), but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement (as described below).

Under the terms of the Excel Revolving Line of Credit Agreement, on December 14, 2023, we agreed to issue to Excel, a warrant to purchase up to an aggregate of 3,125,000 shares of our common stock. Each warrant has an exercise price of $0.80 per share, which was the closing price of our common stock on December 14, 2023, expires on December 14, 2026, and is exercisable at any time prior to such date, to the extent that after giving effect to such exercise, Excel and its affiliates would beneficially own, for purposes of Section 13(d) of the Exchange Act, no more than 29.99% of the outstanding shares of our common stock.

As of the date of this Report, we had not drawn down any funds from the Excel Revolving Line of Credit. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments."*

Repricing and Exercise of Certain Warrants

On December 14, 2023, we agreed to offer to amend certain existing warrants exercisable for an aggregate of up to 4,055,240 shares of the Company's common stock (each such warrant an "Existing Warrant") to reduce the respective exercise prices thereof to $0.80 per share (such new price being referred to as the "Amended Warrant Exercise Price"), which was the closing price per share of our common stock as quoted on the NYSE American on December 13, 2023, on

the condition that the holder of each Existing Warrant will commit to exercise the Existing Warrant within eight (8) business days from the date the warrant holder enters into a binding agreement, or some other number of days to be agreed by the Existing Warrant holder (the "Warrant Reprice Letter Agreement"), to exercise, paying the aggregate Amended Warrant Exercise Price of each respective Existing Warrant in cash to the Company (the "Warrant Repricing"). Existing Warrants exercisable for an aggregate of up to 786,482 shares of our common stock are held by Excel Family Partners, LLLP, and Eagle Investment Group, LLC, entities managed by Bruce Cassidy, Sr., Chairman of our Board of Directors. Existing Warrants exercisable for an aggregate of up to 443,332 shares of our common stock are held by Denise Penz, a member of our Board of Directors. As of the date of this Report, each of Mr. Cassidy and Ms. Penz had entered into a Warrant Reprice Letter Agreement to exercise their Existing Warrants, which will result in net proceeds to the Company of $983,851. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments."*

Excel Non-Revolving Line of Credit

On February 23, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement (the "Prior Excel Line of Credit Agreement") with Excel Family Partners, LLLP ("Excel"), an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for aggregate principal amount of $1,500,000, which was amended on April 13, 2022, to increase the aggregate principal amount to $2,000,000 (the "$2m Line of Credit"). Effective as of April 25, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement with Excel (the "Excel Non-Revolving Line of Credit Agreement") for an aggregate principal amount of $4,022,986 (the "Excel Non-Revolving Line of Credit"). The Excel Non-Revolving Line of Credit matured eighteen (18) months from the date of the Excel Non-Revolving Line of Credit Agreement and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. On April 25, 2022, we used $2,000,000 of the proceeds of the Excel Non-Revolving Line of Credit to prepay all of the remaining outstanding principal and interest of the $2m Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such prepayment. Under the Excel Non-Revolving Line of Credit Agreement, we granted to the lender a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof (which was subsequently subordinated in connection with our GemCap Revolving Line of Credit Agreement (as defined above). In connection with the Excel Non-Revolving Line of Credit, on April 25, 2022, we issued a warrant to Excel for an aggregate of up to 383,141 shares of our common stock. The warrant has an exercise price of $5.25 per share, expires on April 25, 2025, and is exercisable at any time prior to the expiration date. Effective as of December 14, 2022, we entered into a Non-Revolving Line of Credit Agreement Amendment and a Non-Revolving line of Credit Promissory Note Amendment with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from eighteen (18) months to twenty-four (24) months from the date of the Excel Non-Revolving Line of Credit Agreement. Effective as of May 10, 2023, we entered into a Non-Revolving Line of Credit Agreement Amendment No. 2 and a Non-Revolving Line of Credit Promissory Note Amendment No. 2 with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from twenty-four (24) months to twenty-five (25) months from the date of the Excel Non-Revolving Line of Credit Agreement.

As of September 12, 2023, $4,444,060 of principal and interest on the Excel Non-Revolving Line of Credit was outstanding (the "Excel Non-Revolving Line of Credit Pay Off Amount"). On September 12, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel Non-Revolving Note Conversion Agreement"), pursuant to which Excel agreed to convert the Excel Non-Revolving Line of Credit Amount owed under the Excel Non-Revolving Line of Credit Agreement into 6,005,487 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.74. The Excel Non-Revolving Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel Non-Revolving Line of Credit Pay Off Amount and the issuance of the shares, there was no principal or interest remaining under the Excel Non-Revolving Line of Credit Agreement, and the Prior Excel Line of Credit Agreement was terminated in connection with such conversion.

The Excel Non-Revolving Line of Credit had a balance, including accrued interest, amounting to $0 and $4,226,181 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel Non-Revolving Line of Credit in the amount of $1,304,807 and $820,051 for the twelve months ended September 30, 2023, and 2022.

GemCap Revolving Line of Credit Agreement and Warrants

Effective as of July 29, 2022, we entered into the GemCap Revolving Line of Credit Agreement. In connection with the loan under the GemCap Revolving Line of Credit, the Subordinated Lenders delivered the GemCap Subordination Agreements to GemCap, or the Senior Lender. In connection with the delivery of the GemCap Subordination Agreements by the Subordinated Lenders, on July 29, 2022, we issued warrants to each Subordinated Lender on identical terms for an aggregate of up to 296,329 shares of our common stock. Each warrant has an exercise price of $5.25 per share, expires on July 29, 2025. One warrant for 191,570 warrant shares was issued to Eagle Investment Group, LLC, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, as directed by its affiliate, Excel, one of the Subordinated Lenders. *See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Future Capital Requirements – Revolving Lines of Credit."*

May 2023 Secured Line of Credit

As of May 10, 2023, Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, had committed to be a lender under the May 2023 Secured Line of Credit Agreement for an aggregate loan of $2.65 million, and as of September 11, 2023, Excel had not loaned any funds under the May 2023 Secured Line of Credit. Pursuant to the terms of a Pay Off Letter Agreement with Excel dated September 12, 2023, we refinanced the outstanding principal and interest of the Excel $2.2M Line of Credit (as described below) to be included as part of the obligations of the May 2023 Secured Line of Credit Agreement. As a result, as of September 12, 2023, Excel had loaned $2,266,733 under the May 2023 Secured Line of Credit Agreement and received a warrant to purchase 209,398 shares of our common stock.

The May 2023 Secured Line of Credit had a balance, including accrued interest, amounting to $3,214,769 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the May 2023 Secured Line of Credit in the amount of $144,392 and $0 for the twelve months ended September 30, 2023, and 2022, respectively.

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount") of the total aggregate principal and interest outstanding under the May 2023 Secured Line of Credit of $3,262,817. On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit. *See " – Excel $2.2M Line of Credit" and "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Future Capital Requirements – May 2023 Secured Line of Credit."*

Excel $2.2M Line of Credit

On May 31, 2023, we entered into a Secured Non-Revolving Line of Credit Loan Agreement ("Excel $2.2M Secured Line of Credit Agreement") with Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for principal amount of up to $2,200,000 (the "Excel $2.2M Line of Credit"), evidenced by a Non-Revolving Line of Credit Promissory Note (the "Excel $2.2M Note"). The Excel $2.2M Line of Credit matured ninety (90) days from the date of the Excel $2.2M Secured Line of Credit Agreement and accrues interest, payable in arrears on the Excel $2.2M Line of Credit maturity date, at a fixed rate of interest equal to ten and one-half percent 10.5%) per year. Effective as of August 29, 2023, we entered into a letter agreement (the "Excel $2.2M Line of Credit Amendment Letter Agreement") with Excel to amend the Excel $2.2M Line of Credit Agreement and the Excel $2.2M Note to extend the maturity date of the Excel $2.2M Secured Line of Credit from ninety (90) days to one hundred twenty (120) days from the date of the Excel $2.2M Secured Line of Credit Agreement, or September 28, 2023.

Under the Excel $2.2M Secured Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and

proceeds thereof, which security interest was *pari passu* with the RAT Non-Revolving Line of Credit Agreement, but subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement.

On September 12, 2023, we entered into a Pay Off Letter Agreement with Excel, pursuant to which we agreed to pay off the principal and interest outstanding under the $2.2M Line of Credit, amounting to $2,266,733 (the "$2.2M Line of Credit Pay Off Amount") by refinancing the $2.2M Line of Credit Pay Off Amount to be included as part of the obligations under the May 2023 Secured Line of Credit Agreement. Under the terms of the May 2023 Secured Line of Credit Agreement, Excel was issued a warrant to purchase 209,398 shares of our common stock, which has an exercise price of $4.33 per share, expires on May 10, 2026, and is exercisable at any time prior to such date. As a result of such refinancing, there was no principal or interest remaining under the Excel $2.2M Secured Line of Credit, and the Excel $2.2M Secured Line of Credit Agreement was terminated.

The Excel $2.2M Line of Credit had a balance, including accrued interest, amounting to $0 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel $2.2M Line of Credit in the amount of $66,733 and $0 for the twelve months ended September 30, 2023, and 2022.

500 Limited

For the years ended September 30, 2023, and 2022, we paid 500 Limited $394,300 and $413,469, respectively, for programming services provided to Loop. 500 Limited is an entity controlled by Liam McCallum, our Chief Product and Technology Officer.

Related Person Transaction Approval Policy

We have in place a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock, any members of the immediate family of any of the foregoing persons and any firms, corporations or other entities in which any of the foregoing persons is employed or is a partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest, or related parties, are not permitted to enter into a transaction with us without the prior consent of our Board of Directors acting through the audit committee or, in certain circumstances, the chairman of the audit committee. Any request for us to enter into a transaction with a related party, in which the amount involved exceeds $120,000 and such related party would have a direct or indirect interest must first be presented to our audit committee, or in certain circumstances the chairman of our audit committee, for review, consideration and approval. In approving or rejecting any such proposal, our audit committee is to consider the material facts of the transaction, including, but not limited to, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances, the extent of the benefits to us, the availability of other sources of comparable products or services and the extent of the related person's interest in the transaction.

Director Independence

Our common stock is listed on the NYSE American. Under the rules of the NYSE American, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3 of the Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries.

Our Board of Directors has determined that Mr. Cassidy, Ms. Penz, Ms. Zilka and Mr. Saint-Fleur are "independent directors" as such term is defined under the applicable rules of the NYSE American.

We have established an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. Our Board of Directors has determined that Ms. Penz is an "audit committee financial expert," as defined

under the applicable rules of the SEC, and that all members of the Audit Committee are "independent" within the meaning of the applicable NYSE American rule and the independence standards of Rule 10A-3 of the Exchange Act. Each of the members of the Audit Committee meets the requirements for financial literacy under the applicable rules and regulations of the SEC and the NYSE American.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Audit Fees

The aggregate fees billed to us by our principal accountants, Marcum LLP, for professional services rendered during the twelve months ended September 30, 2023, and 2022, are set forth in the table below:

Fee Category	Twelve months ending September 30, 2023	Twelve months ending September 30, 2022
Audit fees (1)	$ 342,680	$ 323,420
Audit-related fees (2)	—	—
Tax fees (3)	—	—
All other fees (4)	—	—

(1) Audit fees consist of fees incurred for professional services rendered for the audit of financial statements, for reviews of our interim consolidated financial statements included in our quarterly reports on Form 10-Q, and for services that are normally provided in connection with statutory or regulatory filings or engagements.
(2) Audit-related fees consist of fees billed for professional services that are reasonably related to the performance of the audit or review of our financial statements but are not reported under "Audit fees."
(3) Tax fees consist of fees billed for professional services relating to tax compliance, tax planning, and tax advice.
(4) All other fees consist of fees billed for services not associated with audit or tax.

Pre-Approval Practices and Procedures

In December 2021, we established an Audit Committee, the purpose of which is to assist the Board of Directors in fulfilling its responsibilities related to our financial accounting, reporting and controls. The Audit Committee's principal functions are to assist the Board of Directors in its oversight of:

- the integrity of our accounting and financial reporting processes and the audits of our financial statements by our independent auditors (the "Independent Auditors");
- the periodic reviews of the adequacy of the accounting and financial reporting processes and systems of internal control that are conducted by the Independent Auditors and our senior management;
- the independence and performance of the Independent Auditors; and
- our compliance with legal and regulatory requirements.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

Exhibits

Exhibit No.	Exhibit Description
2.1	Agreement and Plan of Merger with Interlink Plus, Inc., Loop Media Acquisition, Inc. and Loop Media, Inc. dated January 3, 2020 (previously filed on January 6, 2020, as Exhibit 2.1 of the Current Report on Form 8-K)
2.2	Purchase Agreement by and between Interlink Plus, Inc. and Zixiao Chen, dated February 6, 2020, (previously filed on February 7, 2020, as Exhibit 2.2 of the Current Report on Form 8-K)
2.3	Plan of Merger between Interlink Plus, Inc. and Loop Media, Inc. dated May 22, 2020, (previously filed on June 11, 2020, as Exhibit 2.1 of the Current Report on Form 8-K)
2.4	Certificate of Ownership and Merger filed with the Delaware Secretary of State on June 8, 2020, (previously filed on June 11, 2020, as Exhibit 2.2 of the Current Report on Form 8-K)
2.5	Articles of Merger filed with the Nevada Secretary of State on June 9, 2020, (previously filed on June 11, 2020, as Exhibit 3.2 of the Current Report on Form 8-K)
2.6	Asset Acquisition Agreement by and between Loop Media, Inc., SPKR Inc. and PTK Investments, LLC (dba PTK Capital), in its capacity as the Seller Representative dated October 13, 2020, (previously filed on October 19, 2020, as Exhibit 2.1 of the Current Report on Form 8-K)
2.7	Share Purchase Agreement by and between Loop Media, Inc., Ithaca EMG Holdco LLC, and Ithaca Holdings, LLC, dated December 1, 2020, (previously filed on December 7, 2020, as Exhibit 2.1 of the Current Report on Form 8-K)
3.1	Certificate of Restated Articles of Incorporation of Loop Media, Inc. (previously filed on January 21, 2022, as Exhibit 3.1 of the Company's Transition Report on Form 10-KT)
3.2	Amended and Restated Bylaws of Loop Media, Inc. (previously filed on January 21, 2022, as Exhibit 3.2 of the Company's Transition Report on Form 10-KT)
3.3	Certificate of Change and Certificate of Correction filed with the Nevada Secretary of State dated September 19, 2022 (previously filed on September 21, 2022, as Exhibit 3.1 of the Current Report on Form 8-K)
3.4	Certificate of Amendment to the Restated Articles of Incorporation of Loop Media, Inc., dated August 15, 2023 (previously filed on August 16, 2023, as Exhibit 3.1 of the Current Report on Form 8-K)
4.1	Form of Warrant (previously filed on February 7, 2020, as Exhibit 4.1 of the Current Report on Form 8-K)
4.2	Form of First Amended and Restated Convertible Promissory Note (previously filed on February 7, 2020, as Exhibit 4.2 of the Current Report on Form 8-K)
4.3	Form of Senior Secured Promissory Note (previously filed on April 15, 2021, as Exhibit 4.4 of the Company's Annual Report on Form 10-K)

Exhibit No.	Exhibit Description
4.4	Form of Common Stock Certificate (previously filed on August 20, 2021, as Exhibit 4.7 of the Company's Registration Statement on Form S-8)
4.5	Form of Warrant (previously filed on October 5, 2021, as Exhibit 4.1 of the Company's Current Report on Form 8-K)
4.6	Form of Amended Eagle Warrant (previously filed on March 1, 2022, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
4.7	Form of Amended Cassidy Warrant (previously filed on March 1, 2022, as Exhibit 10.2 of the Company's Current Report on Form 8-K)
4.8	Form of Warrant, dated April 25, 2022 (previously filed on April 29, 2022, as Exhibit 4.1 of the Company's Current Report on Form 8-K)
4.9	Form of Warrant, dated May 13, 2022 (previously filed on May 19, 2022, as Exhibit 4.1 of the Company's Current Report on Form 8-K)
4.10	Form of Warrant, dated May 10, 2023 (incorporated by reference to Exhibit 4.1 to the Quarterly Report on Form 10-Q filed on May 15, 2023)
4.11*	Form of Warrant, dated December 14, 2023
4.12**	Form of Underwriter Warrant (previously filed on September 19, 2022, as Exhibit 4.10 of the Company's Registration Statement on Form S-1/A)
4.13*	Description of Loop Media, Inc.'s Securities
10.1	Restricted Stock Purchase Agreement by and between Interlink Plus, Inc. and Bruce A Cassidy 2013 Irrevocable Trust, dated February 5, 2020, (previously filed on February 7, 2020, as Exhibit 10.1 of the Current Report on Form 8-K)
10.2	Promissory Note made by Interlink Plus, Inc. in favor of Bruce Cassidy 2013 Irrevocable Trust, dated November 20, 2019, (previously filed on November 25, 2019, as Exhibit 99.1 of the Current Report on Form 8-K)
10.3†	Loop Media, Inc. Amended and Restated 2020 Equity Incentive Compensation Plan (previously filed on August 10, 2021, as Exhibit 4.6 of the Company's Registration Statement on Form S-8)
10.4†	Employment Agreement by and between Jon Niermann and Loop Media, Inc., effective March 1, 2021 (previously filed on April 15, 2021, as Exhibit 10.4 of the Company's Annual Report on Form 10-K)
10.5†	Employment Agreement by and between Liam McCallum and Loop Media, Inc., effective April 1, 2021, (previously filed on April 15, 2021, as Exhibit 10.5 of the Company's Annual Report on Form 10-K)
10.6†	Employment Agreement by and between Andy Schuon and Loop Media, Inc., effective April 1, 2021, (previously filed on April 15, 2021, as Exhibit 10.6 of the Company's Annual Report on Form 10-K)
10.7	Share Purchase Agreement by and between Loop Media, Inc., Ithaca EMG Holdco LLC, and Ithaca Holdings, LLC, dated April 27, 2021, (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on May 3, 2021)

Exhibit No.	Exhibit Description
10.8	Share Purchase Agreement by and between Loop Media, Inc., Robert J. Graham, and Far West Entertainment HK Limited, dated April 27, 2021, (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on May 3, 2021)
10.9	Convertible Note and Warrant Purchase and Security Agreement by and between Loop Media, Inc., and Excel Family Partnership, LLP, dated as of April 1, 2020, (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on May 3, 2021)
10.10	Senior Secured Promissory Note issued in the name of Excel Family Partnership, LLP, dated as of April 1, 2021, (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on May 3, 2021)
10.11	Form of Purchase Agreement (previously filed on October 5, 2021, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
10.12	Form of Lock-Up Agreement (previously filed on October 5, 2021, as Exhibit 10.2 of the Company's Current Report on Form 8-K)
10.13†	Employment Agreement, dated September 29, 2021, between Loop Media, Inc. and Neil Watanabe (previously filed on October 5, 2021, as Exhibit 10.3 of the Company's Current Report on Form 8-K)
10.14†	Letter Agreement, dated September 29, 2021, between Loop Media, Inc. and Jim Cerna (previously filed on October 5, 2021, as Exhibit 10.4 of the Company's Current Report on Form 8-K)
10.15	Non-Revolving Line of Credit Loan Agreement, effective as of April 25, 2022, by and between the Company and Excel Family Partners, LLLP (previously filed on April 29, 2022, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
10.16	Non-Revolving Line of Credit Promissory Note, dated April 25, 2022, by and between the Company and Excel Family Partners, LLLP (previously filed on April 29, 2022, as Exhibit 10.2 of the Company's Current Report on Form 8-K)
10.17	Non-Revolving Line of Credit Loan Agreement Amendment, dated as of December 14, 2022, by and between the Company and Excel Family Partners, LLLP (previously filed on December 12, 2022, as Exhibit 10.17 of the Company's Annual Report on Form 10-K)
10.18	Non-Revolving Line of Credit Promissory Note Amendment, dated as of December 14, 2022, by and between the Company and Excel Family Partners, LLLP (previously filed on December 12, 2022, as Exhibit 10.17 of the Company's Annual Report on Form 10-K)
10.19	Non-Revolving Line of Credit Loan Agreement, effective as of May 13, 2022, by and between the Company, RAT Investment Holdings, LP, as administrator of the loan, and the institutions and individuals identified as lenders therein (previously filed on May 19, 2022, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
10.20	Non-Revolving Line of Credit Promissory Note, dated May 13, 2022, executes by the Company for the benefit of the lenders under the Non-Revolving Line of Credit Loan Agreement, effective as of the same date (previously filed on May 19, 2022, as Exhibit 10.2 of the Company's Current Report on Form 8-K)

Exhibit No.	Exhibit Description
10.21	Loan and Security Agreement, dated July 29, 2022, by and between the Company and Industrial Funding Group, Inc. (previously filed on August 4, 2022, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
10.22	Amendment Number 1 to the Loan and Security Agreement and to the Loan Agreement Schedule, dated October 27, 2022, by and between the Company and GemCap Solutions, LLC, as successor and assign to Industrial Funding Group, Inc. (previously filed on November 2, 2022, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
10.23	Amended and Restated Secured Promissory Note (Revolving Loans), dated October 27, 2022, executed by the Company for the benefit of GemCap Solutions, LLC, as successor and assign to Industrial Funding Group, Inc. (previously filed on November 2, 2022, as Exhibit 10.2 on the Company's Current Report on Form 8-K)
10.24	Non-Revolving Line of Credit Loan Agreement Amendment, dated as of December 14, 2022, by and between the Company and Excel Family Partners, LLLP (previously filed on December 20, 2022, as Exhibit 10.17 of the Company's Annual Report on Form 10-K)
10.25	Non-Revolving Line of Credit Promissory Note Amendment, dated as of December 14, 2022, by and between the Company and Excel Family Partners, LLLP (previously filed on December 20, 2022, as Exhibit 10.17 of the Company's Annual Report on Form 10-K)
10.26	Secured Non-Revolving Line of Credit Loan Agreement, effective as of May 10, 2023, by and between the Company and several individual and institutional lenders (previously filed on May 15, 2023, as Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q).
10.27	Form of Secured Non-Revolving Line of Credit Promissory Note, effective as of May 10, 2023 (previously filed on May 15, 2023, as Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q)
10.28	Form of Subordination Agreement, dated May 10, 2023 (previously filed on May 15, 2023, as Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q)
10.29	Non-Revolving Line of Credit Loan Agreement Amendment No. 2, effective as of May 10, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on May 15, 2023, as Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q)
10.30	Non-Revolving Line of Credit Promissory Note Amendment No. 2, effective as of May 10, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on May 15, 2023, as Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q)
10.31	At Market Issuance Sales Agreement, dated May 12, 2023, between Loop Media, Inc. and B. Riley Securities, Inc. (previously filed on May 12, 2023, as Exhibit 10.1 to the Company's Current Report on Form 8-K)
10.32	Form of Secured Non-Revolving Line of Credit Loan Agreement Amendment, effective as of May 31, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on June 5, 2023, as Exhibit 10.1 to the Company's Current Report on Form 8-K)
10.33	Form of Secured Non-Revolving Line of Credit Promissory Note Amendment, effective as of May 31, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on June 5, 2023, as Exhibit 10.2 to the Company's Current Report on Form 8-K)

Exhibit No.	Exhibit Description
10.34	Form of Subordination Agreement, effective as of May 31, 2023, by and between the Company, Retail Media TV, Inc., Excel Family Partners, LLLP and GemCap Solutions, LLC (previously filed on June 5, 2023, as Exhibit 10.3 to the Company's Current Report on Form 8-K)
10.35	Amendment Letter Agreement, effective as of August 29, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on September 5, 2023, as Exhibit 10.1 to the Company's Current Report on Form 8-K)
10.36	Note Conversion Agreement, dated September 12, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on September 13, 2023, as Exhibit 10.1 to the Company's Current Report on Form 8-K)
10.37	Pay Off Agreement, dated September 12, 2023, by and between the Company and Excel Family Partners, LLLP (previously filed on September 13, 2023, as Exhibit 10.2 to the Company's Current Report on Form 8-K)
10.38	Non-Revolving Line of Credit Loan Agreement Amendment, effective as of November 13, 2023, by and between the Company, RAT Investment Holdings, LP, as administrator of the loan, and the institutions and individuals identified as lenders therein (previously filed on November 17, 2023, as Exhibit 10.1 of the Company's Current Report on Form 8-K)
10.39	Amended and Restated Non-Revolving Line of Credit Promissory Note, dated November 13, 2023, executed by the Company for the benefit of the lenders under the Non-Revolving Line of Credit Loan Agreement Amendment, effective as of the same date (previously filed on November 17, 2023, as Exhibit 10.2 of the Company's Current Report on Form 8-K)
10.40*	Secured Revolving Line of Credit Loan Agreement, effective as of December 14, 2023, by and between the Company and Excel Family Partners, LLLP
10.41*	Secured Revolving Line of Credit Promissory Note, effective as of December 14, 2023, executed by the Company for the benefit of Excel Family Partners, LLLP under the Secured Revolving Line of Credit Loan Agreement, effective as of the same date
10.42*	Form of Warrant Reprice Letter Agreement
10.43*	Note Conversion Agreement, dated December 14, 2023, by and between the Company and Excel Family Partners, LLLP
10.44†	Employment Letter Agreement between Loop Media, Inc. and Randy Greenberg, effective July 1, 2023 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 15, 2023)
21.1*	Subsidiaries of the Company
23.1*	Consent of Marcum LLP
24.1	Power of Attorney (included on the signature page)
31.1*	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities and Exchange Act of 1934, as amended

Exhibit No.	Exhibit Description
31.2*	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities and Exchange Act of 1934, as amended
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97*	Loop Media Compensation Recovery Policy
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

*** Filed herewith; portions of the exhibit have been omitted pursuant to Item 601(b)(10) of Regulation S-K. A copy of any omitted portions will be furnished to the Securities and Exchange Commission upon request.

The schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon request.

† Indicates a management contract or compensation plan, contract or arrangement.

Financial Statements

The following documents are filed as part of this Form 10-K, as set forth on the Index to Financial Statements found on page F-1.

- Report of Independent Registered Public Accounting Firm (Marcum LLP)
- Consolidated Balance Sheets as of September 30, 2023, and 2022
- Consolidated Statements of Operations for the twelve months ended September 30, 2023, and 2022
- Consolidated Statement of Changes in Stockholders' Equity for the twelve months ended September 30, 2023, and 2022

- Consolidated Statements of Cash Flows for the twelve months ended September 30, 2023, and 2022
- Notes to Consolidated Financial Statements

Financial Statement Schedules

All financial statement schedules are omitted because they are not applicable, or the required information is shown in the financial statements or notes thereto.

ITEM 16. FORM 10-K SUMMARY.

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

Loop Media, Inc., a Nevada corporation
(Registrant)

December 19, 2023

By: /s/ Jon Niermann
Jon Niermann
Chief Executive Officer
(Principal Executive Officer)

December 19, 2023

By: /s/ Neil Watanabe
Neil Watanabe
Chief Financial Officer
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jon Niermann Jon Niermann	Chief Executive Officer and Director	December 19, 2023
/s/ Neil Watanabe Neil Watanabe	Chief Financial Officer (Principal Financial and Accounting Officer)	December 19, 2023
/s/ Bruce Cassidy Bruce Cassidy	Chairman of the Board	December 19, 2023
/s/ Denise Penz Denise Penz	Director	December 19, 2023
/s/ David Saint-Fleur David Saint-Fleur	Director	December 19, 2023
/s/ Sonya Zilka Sonya Zilka	Director	December 19, 2023

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

LOOP MEDIA, INC. AUDITED CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
Loop Media, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet**s** of Loop Media, Inc. (the "Company") as of September 30, 2023 and September 30, 2022, the related consolidated statements of operations, changes in stockholders' equity (deficit) and cash flows for each of the two years in the period ended September 30, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2023 and September 30, 2022, and the results of its operations and its cash flows for each of the two years in the period ended September 30, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

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

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments.

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of Going Concern

As disclosed in Note 1 to the consolidated financial statements, the Company has incurred significant recurring losses resulting in an accumulated deficit. The Company anticipates further losses in the foreseeable future. The Company also had negative cash flows from operations during the year ended September 30, 2023. All of these caused management to

evaluate if those factors raised substantial doubt about the Company's ability to continue as a going concern which could be mitigated through management's plan, which are also described in Note 1.

We identified the evaluation of the Company's ability to continue as a going concern as a critical audit matter due to the nature and extent of audit effort required to obtain sufficient appropriate audit evidence to address the risk of material misstatement related to the disclosure of the Company's liquidity and ability to continue as a going concern for at least the next twelve months in the consolidated financial statements. The nature and extent of audit effort required to address the matter included significant involvement of more experienced team members.

The primary procedures we performed to address the critical audit matter included the following:

- Obtained an understanding of management's process and related internal controls in conducting the evaluation of going concern, including preparing projections.
- Obtained an understanding of management's projected financial information.
- Performed an independent assessment of the projected financial information of the Company using known information and trends.
- Examined various loan agreements as well as the At The Money Agreement to determine available sources of liquidity.
- Concluded on the probability of success of management's plans.

/s/ Marcum LLP

Marcum LLP

We have served as the Company's auditor since 2020.

Costa Mesa, California
December 19, 2023

LOOP MEDIA, INC.
CONSOLIDATED BALANCE SHEETS

	September 30, 2023	September 30, 2022
ASSETS		
Current assets		
Cash	$ 3,068,696	$ 14,071,914
Accounts receivable, net	6,211,815	12,590,970
Prepaid expenses and other current assets	987,605	1,496,566
Content assets - current	2,218,894	745,633
Total current assets	12,487,010	28,905,083
Non-current assets		
Deposits	12,054	63,889
Content assets - non current	448,726	678,659
Deferred costs - non current	744,408	—
Property and equipment, net	2,711,558	1,633,169
Operating lease right-of-use assets	—	76,696
Intangible assets, net	477,889	590,333
Total non-current assets	4,394,635	3,042,746
Total assets	$ 16,881,645	$ 31,947,829
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	$ 4,978,920	$ 7,453,801
Accrued liabilities	3,546,338	5,620,873
Accrued royalties and revenue share	4,930,329	4,559,088
Payable on acquisition	—	250,125
License content liabilities - current	489,157	1,092,819
Deferred Income	—	140,764
Lease liability - current	—	75,529
Revolving line of credit, current	2,985,298	—
Non-revolving line of credit	2,124,720	—
Total current liabilities	19,054,762	19,192,999
Non-current liabilities		
License content liabilities - non current	208,000	—
Non-revolving line of credit	475,523	1,494,469
Non-revolving line of credit, related party	1,959,693	2,575,753
Revolving line of credit	—	3,030,516
Total non-current liabilities	2,643,216	7,100,738
Total liabilities	21,697,978	26,293,737
Commitments and contingencies (Note 9)	—	—
Stockholders' equity (deficit)		
Common Stock, $0.0001 par value, 150,000,000 shares authorized, 65,620,151 and 56,381,209 shares issued and outstanding as of September 30, 2023 and September 30, 2022, respectively	6,562	5,638
Additional paid in capital	123,462,648	101,970,318
Accumulated deficit	(128,285,543)	(96,321,864)
Total stockholders' equity (deficit)	(4,816,333)	5,654,092
Total liabilities and stockholders' equity (deficit)	$ 16,881,645	$ 31,947,829

See the accompanying notes to the consolidated financial statements

LOOP MEDIA, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Years ended September 30, 2023	2022
Revenue	$ 31,642,293	$ 30,832,796
Cost of revenue		
Cost of revenue - Advertising and Legacy and other revenue	18,036,529	18,200,045
Cost of revenue - depreciation and amortization	2,946,404	1,250,353
Total cost of revenue	20,982,933	19,450,398
Gross profit	10,659,360	11,382,398
Operating expenses		
Sales, general and administrative	29,427,139	24,481,603
Stock-based compensation	7,997,849	9,355,342
Depreciation and amortization	1,068,999	342,105
Restructuring costs	950,985	—
Impairment of goodwill and intangible assets	—	1,970,321
Total operating expenses	39,444,972	36,149,371
Loss from operations	(28,785,612)	(24,766,973)
Other income (expense)		
Interest income	—	200
Interest expense	(3,802,346)	(3,620,212)
Loss on extinguishment of debt	—	(2,097,833)
Gain on extinguishment of debt	—	490,051
Change in fair value of derivatives	—	514,643
Employee retention credits	645,919	—
Other expense	(3,128)	—
Total other income (expense)	(3,159,555)	(4,713,151)
Loss before income taxes	(31,945,167)	(29,480,124)
Income tax (expense)/benefit	(18,512)	676
Net loss	$ (31,963,679)	$ (29,479,448)
Basic and diluted net loss per common share	$ (0.56)	$ (0.61)
Weighted average number of basic and diluted common shares outstanding	57,502,870	48,167,932

See the accompanying notes to the consolidated financial statements

LOOP MEDIA, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED September 30, 2023 and 2022
1 for 3 share reverse stock split reflected for all years presented

	Preferred Stock Series B		Common Stock		Additional Paid	Accumulated	
	Shares	Amount	Shares	Amount	in Capital	Deficit	Total
Balances, September 30, 2021	**200,000**	**$ 20**	**44,490,003**	**$ 4,449**	**$ 69,833,650**	**$ (66,842,416)**	**$ 2,995,703**
Payment in kind interest stock issuance	—	—	23,151	2	176,998	—	177,000
Stock-based compensation	—	—	—	—	8,988,681	—	8,988,681
Warrants issued for consulting fees	—	—	—	—	366,661	—	366,661
Beneficial conversion feature of convertible debenture	—	—	—	—	2,079,993	—	2,079,993
Conversion of Series B preferred stock	(200,000)	(20)	6,666,666	667	(647)	—	—
Warrants issued in conjunction with debt	—	—	—	—	4,322,984	—	4,322,984
Conversion of convertible debenture	—	—	1,988,266	199	5,313,153	—	5,313,352
Cashless exercise of warrants	—	—	578,847	57	(57)	—	—
Shares issued as part of uplist allotment	—	—	232,700	23	(23)	—	—
Shares issued for cash	—	—	2,400,000	240	10,888,925	—	10,889,165
Adjustment for fractional shares	—	—	1,576	1	—	—	1
Net loss	—	—	—	—	—	(29,479,448)	(29,479,448)
Balances, September 30, 2022	**—**	**$ —**	**56,381,209**	**$ 5,638**	**$ 101,970,318**	**$ (96,321,864)**	**$ 5,654,092**
Stock-based compensation	—	—	—	—	8,594,779	—	8,594,779
Short swing profit recovery	—	—	—	—	1,201	—	1,201
Issuance costs from uplist of stock	—	—	—	—	(86,330)	—	(86,330)
Warrants issued in conjunction with debt	—	—	—	—	447,897	—	447,897
Shares issued for cash under ATM, net	—	—	3,109,843	311	8,619,292	—	8,619,603
Shares issued upon option exercises	—	—	37,462	4	64,057	—	64,061
Shares issued for vested RSUs	—	—	79,393	8		—	8
Shares issued for debt	—	—	6,005,487	600	3,846,435	—	3,847,035
Shares issued for capital raise costs	—	—	6,757	1	4,999	—	5,000
Net loss	—	—	—	—	—	(31,963,679)	(31,963,679)
Balances, September 30, 2023	**—**	**$ —**	**65,620,151**	**$ 6,562**	**$ 123,462,648**	**$ (128,285,543)**	**$ (4,816,333)**

See the accompanying notes to the consolidated financial statements

LOOP MEDIA, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended September 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (31,963,679)	$ (29,479,448)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discount	6,721,476	2,691,617
Depreciation and amortization expense	1,068,999	342,105
Amortization of content assets	2,946,403	1,250,353
Amortization of right-of-use assets	76,696	160,398
Bad debt expense	630,629	441,223
Gain on extinguishment of debt	—	(490,051)
Loss on early extinguishment of convertible debt	—	2,097,833
Change in fair value of derivative	—	(514,643)
Stock-based compensation	7,997,849	9,355,342
Restructuring costs, stock-based compensation	596,938	—
Payment in kind for interest stock issuance	—	177,000
Impairment of goodwill and intangible assets	—	1,970,321
Change in operating assets and liabilities:		
Accounts receivable	5,748,526	(11,460,966)
Prepaid income tax	—	(3,569)
Inventory	3,593	205,379
Prepaid expenses	505,370	(1,062,487)
Deposit	51,835	(29,600)
Accounts payable	(2,474,881)	5,611,133
Accrued liabilities	(2,074,535)	5,445,805
Accrued royalties and revenue share	371,241	3,925,625
License content liability	(4,585,393)	(1,160,000)
Operating lease liabilities	(75,529)	(167,101)
Deferred income	(140,764)	(50,567)
NET CASH USED IN OPERATING ACTIVITIES	(14,595,226)	(10,744,298)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capitalized internally-developed content	—	(191,204)
Purchase of property and equipment	(1,969,447)	(1,823,893)
NET CASH USED IN INVESTING ACTIVITIES	(1,969,447)	(2,015,097)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock, ATM	8,724,855	1,250,000
Proceeds from issuance of convertible debt	—	2,079,993
Proceeds from non-revolving line of credit	—	10,766,546
Proceeds from line of credit	46,237,319	—
Proceeds from exercise of stock options	64,061	—
Common stock issuance cost	(105,252)	—
Deferred costs	(809,905)	—
Payment of acquisition related consideration	(250,128)	—
Repayments on lines of credit	(47,906,217)	—
Debt issuance costs	(313,149)	(87,646)
Shares issued for capital raise costs	5,000	—
Proceeds from public offering, net of underwriting discount	—	12,060,933
Public offering issuance cost	(86,330)	(685,481)
Repayment of convertible debt	—	(2,715,583)
Short swing profit recovery	1,201	—
NET CASH PROVIDED BY FINANCING ACTIVITIES	5,561,455	22,668,761
Change in cash and cash equivalents	(11,003,218)	9,909,366
Cash, beginning of period	14,071,914	4,162,548
Cash, end of period	$ 3,068,696	$ 14,071,914
SUPPLEMENTAL DISCLOSURES OF CASH FLOW STATEMENTS		
Cash paid for interest	$ 1,536,370	$ 194,591
Cash paid for income taxes	$ —	$ 1,051
SUPPLEMENTAL DISCLOSURES OF NON CASH INVESTING AND FINANCING ACTIVITIES		
Shares issued for debt, recorded as debt discount	$ 3,847,035	$ —
Warrants issued in conjunction with debt	$ 447,897	$ 4,322,984
Unpaid additions to property and equipment	$ 319,696	$ —
Unpaid additions to licensed content and internally developed content	$ 265,749	$ —
Unpaid deferred costs	$ 129,667	$ 486,286
Conversion of convertible debenture to common stock	$ —	$ 5,313,352
Beneficial conversion feature recorded as discounted debt	$ —	$ 2,097,833
Payment in kind common stock payment	$ —	$ 177,000
Conversion of Preferred Class A stock to common stock	$ —	$ 667
Unpaid debt issuance costs	$ —	$ 215,224

See the accompanying notes to the consolidated financial statements

LOOP MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2023 and 2022

NOTE 1 – BUSINESS

Loop Media, Inc., a Nevada corporation, (collectively, "Loop Media," the "Company," "we," "us" or "our") is a multichannel digital video platform media company that uses marketing technology, or "MarTech," to generate our revenue and offer our services. Our technology and vast library of videos and licensed content enable us to curate and distribute short-form videos to out-of-home ("OOH") dining, hospitality, retail, convenience stores and other locations and venues to enable them to inform, entertain and engage their customers. Our technology provides third-party advertisers with a targeted marketing and promotional tool for their products and services and, in certain instances, allows us to measure the number of potential viewers of such advertising and promotional materials. We also allow our OOH clients to access our service without advertisements by paying a monthly subscription fee.

We offer hand-curated music video content licensed from major and independent record labels, including Universal Music Group ("Universal"), Sony Music Entertainment ("Sony"), and Warner Music Group ("Warner" and collectively with Universal and Sony, the "Music Labels"), as well as non-music video content, which is predominantly licensed or acquired from third parties, including action sports clips, drone and atmospheric footage, trivia, news headlines, lifestyle channels and kid-friendly videos, as well as movie, television and video game trailers, amongst other content. We distribute our content and advertising inventory to digital screens located in OOH locations primarily through (i) our owned and operated platform (the "O&O Platform") of Loop Media-designed "small-box" streaming Android media players ("Loop Players") and legacy ScreenPlay computers and (ii) through screens ("Partner Screens") on digital platforms owned and operated by third parties (each a "Partner Platform" and collectively, the "Partner Platforms," and together with the O&O Platform, the "Loop Platform").

Liquidity and management's Plan

As shown in the accompanying consolidated financial statements, we have incurred significant recurring losses resulting in an accumulated deficit. We anticipate further losses in the foreseeable future. We also had negative cash flows used in operations. These factors raise substantial doubt about our ability to continue as a going concern.

On December 22, 2022, we filed a Shelf Registration Statement on Form S-3 that has been declared effective by the Securities and Exchange Commission ("SEC"). On May 12, 2023, we entered into an At The Market ("ATM") Issuance Sales Agreement (the "Sales Agreement") with B. Riley Securities, Inc. (the "Agent") pursuant to which we may offer and sell, from time to time through the Agent, shares of our common stock, par value $0.0001 per share, for aggregate gross proceeds of up to $50,000,000.

During the twelve months ended September 30, 2023, we issued 3,109,843 shares of our common stock under the Sales Agreement, resulting in cash proceeds of $8,724,544, net of placement agent's commission and related fees of $269,600 but before deducting issuance costs of $105,253. We have not raised any funds through sales under our ATM Sales Agreement from October 1, 2023, through the date of this Report.

Based on the available cash balance at September 30, 2023, and these new sources of funding, we believe that we will have sufficient resources to fund our operations for at least twelve months from the date these financial statements were issued and that the substantial doubt in connection with our ability to continue as a going concern is alleviated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements include our accounts and our wholly-owned subsidiary, EON Media Group Pte. Ltd. ("EON Media") and Retail Media TV, Inc. These consolidated financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP"). All inter-company transactions and balances have been eliminated on consolidation.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions used in the revenue recognition of performance obligations, allowance for doubtful accounts, fair value of stock-based compensation awards, income taxes and going concern.

Segment reporting

We report as one reportable segment. Our business activities, revenues and expenses are evaluated by management as one reportable segment.

Cash

Cash and cash equivalents include all highly liquid monetary instruments with original maturities of three months or less when purchased. These investments are carried at cost, which approximates fair value. Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash deposits. We maintain our cash in institutions insured by the Federal Deposit Insurance Corporation ("FDIC"). At times, our cash and cash equivalent balances may be uninsured or in amounts that exceed the FDIC insurance limits. We have not experienced any losses on such accounts. On September 30, 2023, and 2022, we had no cash equivalents.

As of September 30, 2023, and 2022, approximately $2,818,696 and $13,821,914 of cash exceeded the FDIC insurance limits, respectively.

Accounts receivable

Accounts receivable represent amounts due from customers. We assess the collectability of receivables on an ongoing basis. A provision for the impairment of receivables involves significant management judgement and includes the review of individual receivables based on individual customers, current economic trends and analysis of historical bad debts. As of September 30, 2023, and 2022, we had recorded an allowance for doubtful accounts of $630,629 and $646,013, respectively.

Concentration of credit risk

During the twelve-months ended September 30, 2023, we had two customers which each individually comprised greater than 10% of net revenue. These customers represented 14%, and 12% of net revenue, respectively. No other customer accounted for more than 10% of net revenue during the periods presented.

During the twelve-months ended September 30, 2022, we had two customers which each individually comprised greater than 10% of net revenue. These customers represented 15%, and 11% of net revenue, respectively. No other customer accounted for more than 10% of net revenue during the periods presented.

As of September 30, 2023, one customer accounted for a total of 18% of our accounts receivable balance. No other customer accounted for more than 10% of total accounts receivable.

As of September 30, 2022, three customers accounted for a total of 49% of our accounts receivable balance or 21%, 17%, and 11%, respectively. No other customer accounted for more than 10% of total accounts receivable.

We grant credit in the normal course of business to our customers. Periodically, we review past due accounts and make decisions about future credit on a customer-by-customer basis. Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation.

Prepaid expenses

Expenditures paid in one accounting period which will not be consumed until a future period such as insurance premiums and annual subscription fees are accounted for on the balance sheet as a prepaid expense. When the asset is eventually consumed, it is charged to expense.

Content Asset

We capitalize the fixed content fees and corresponding liability when the license period begins, the cost of the content is known, and the content is accepted and available for streaming. If the licensing fee is not determinable or reasonably estimable, no asset or liability is recorded, and licensing costs are expensed as incurred. We amortize licensed content assets into cost of revenue, using the straight-line method over the contractual period of availability. The liability is paid in accordance with the contractual terms of the arrangement. Internally-developed content costs are capitalized in the same manner as licensed content costs, when the cost of the content is known and the content is ready and available for streaming. We amortize internally-developed content assets into cost of revenue, using the straight-line method over the estimated period of streaming.

Long-lived assets

We evaluate the recoverability of long-lived assets, including intangible assets, for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Conditions that would necessitate an impairment assessment include a significant decline in the observable market value of an asset, a significant change in the extent or manner that an asset is used, or a significant adverse change that would indicate that the carrying amount of an asset or group of assets is not recoverable. For long-lived assets to be held and used, we recognize an impairment loss only if their carrying amount is not recoverable through the undiscounted cash flows. The impairment loss is based on the difference between the carrying amount and estimated fair value as determined by discounted future cash flows. Our finite long-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, which range from two to nine years.

Property and equipment, net

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated using the straight-line method over the asset's estimated useful life. Our capitalization policy is to capitalize property and equipment purchases greater than $3,000, as well as internally-developed software enhancements. Expenditures for maintenance and repairs are expensed as incurred. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition is reflected in earnings.

Loop Players are capitalized as fixed assets and depreciated over the estimated period of use.

See below for estimated useful lives:

Loop Players	3 years
Equipment	3-5 years
Software	3 years

Operating leases

We determine if an arrangement is a lease at inception. Operating lease right-of-use assets ("ROU assets") and short-term and long-term lease liabilities are included on the face of the consolidated balance sheet.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we use an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. We have lease agreements with lease and non-lease components, which are accounted for as a single lease component. For lease agreements with terms less than twelve months, we have elected the short-term lease measurement and recognition exemption, and we recognize such lease payments on a straight-line basis over the lease term.

Fair value measurement

We determine the fair value of our assets and liabilities using a hierarchy established by the accounting guidance that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements). The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology included quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets in inactive markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology is one or more unobservable inputs which are significant to the fair value measurement.

The carrying amount of our financial instruments, including cash, accounts receivable, deposits, short-term portion of notes receivable and notes payable, and current liabilities approximate fair value due to their short-term nature. We do not have financial assets or liabilities that are required under US GAAP to be measured at fair value on a recurring basis. We have not elected to use fair value measurement option for any assets or liabilities for which fair value measurement is not presently required.

We record assets and liabilities at fair value on a nonrecurring basis as required by US GAAP. Assets recognized or disclosed at fair value in the condensed consolidated financial statements on a nonrecurring basis include items such as property and equipment, operating lease assets, goodwill, and other intangible assets, which are measured at fair value if determined to be impaired.

On September 26, 2022, our convertible debentures converted to Common Stock as part of our public offering and uplist to The NYSE American, LLC, in accordance with the terms of the original debt agreements. As of September

30, 2022, the remaining balance of the Derivative Liability was written off as part of the conversion to equity. Thus, there is no fair value measurement of the Derivative Liability balance as of September 30, 2023.

Advertising costs

We expense all advertising costs as incurred. Advertising and marketing costs for the twelve months ended September 30, 2023, and 2022, were $11,149,084 and $7,255,962, respectively.

Revenue recognition

We recognize revenue in accordance with ASC 606, Revenue from Contracts with Customers, when it satisfies a performance obligation by transferring control over a product to a customer. Revenue is measured based on the consideration we expect to receive in exchange for those products. In instances where final acceptance of the product is specified by the client, revenue is deferred until all acceptance criteria have been met. For example, we bill subscription services in advance of when the service is performed and revenue is treated as deferred revenue until the service is performed and/or the performance obligation is satisfied. Revenues are recognized under Topic 606 in a manner that reasonably reflects the delivery of our products and services to clients in return for expected consideration and includes the following elements:

- executed contracts with our customers that we believe are legally enforceable;
- identification of performance obligations in the respective contract;
- determination of the transaction price for each performance obligation in the respective contract;
- allocation of the transaction price to each performance obligation; and
- recognition of revenue only when we satisfy each performance obligation.

Our revenue can be categorized into two revenue streams: Advertising revenue and Legacy and other revenue.

The following table disaggregates our revenue by major type for each of the periods indicated:

	Twelve months ended September 30,	
	2023	2022
Advertising revenue	$ 28,740,623	$ 26,060,885
Legacy and other revenue	2,901,670	4,771,911
Total	$ 31,642,293	$ 30,832,796

Performance obligations and significant judgments

Our performance obligations and recognition patterns for each revenue stream are as follows:

Advertising revenue

For the twelve months ended September 30, 2023, advertising revenue accounts for 91% of our revenue and includes revenue from direct and programmatic advertising as well as sponsorships.

For all advertising revenue sources, we evaluate whether we should be considered the principal (i.e., report revenues on a gross basis) or an agent (i.e., report revenues on a net basis). Our role as principal or agent differs based on our performance obligation for each revenue share arrangement.

For both the O&O and Partner Platforms businesses, advertising inventory provided to advertisers through the use of an advertising demand partner or agency, with whose fees or commission is calculated based on a stated percentage of gross advertising spending, we are considered the agent and our revenues are reported net of agency fees and commissions. We are considered the agent because the demand partner or agency controls all aspects of the transaction (pricing risk, inventory risk, obligation for fulfillment) except for the devices used to show the advertisements, therefore we report this advertising revenue net of agency fees and commissions.

We are considered the principal in our arrangements with content providers in our O&O Platform business and with our arrangements with our third-party partners in our Partner Platforms business and thus report revenues on a gross basis (net of agency fees and commissions), wherein the amounts billed to our advertising demand partners, advertising agencies, and direct advertisers and sponsors are recorded as revenues, and amounts paid to content providers and third-party partners are recorded as expenses. We are considered the principal because we control the advertising space, are primarily responsible to our advertising demand partners and other parties filling our advertising inventory, have discretion in pricing and advertising fill rates and typically have an inventory risk.

For advertising revenue, we recognize revenue at the time the digital advertising impressions are filled and the advertisements are played and, for sponsorship revenue, we generally recognize revenue ratably over the term of the sponsorship arrangement as the sponsored advertisements are played.

Legacy and other business revenue

For the twelve months ended September 30, 2023, legacy and other business revenue accounts for the remaining 9% of total revenue and includes streaming services, subscription content services, and hardware delivery, as described below:

- Delivery of streaming services including content encoding and hosting. We recognize revenue over the term of the service based on bandwidth usage. Revenue from streaming services is insignificant.
- Delivery of subscription content services in customized formats. We recognize revenue straight-line over the term of the service.
- Delivery of hardware for ongoing subscription content delivery through software. We recognize revenue at the point of hardware delivery. Revenue from hardware sales is insignificant.

Transaction prices for performance obligations are explicitly outlined in relevant agreements; therefore, we do not believe that significant judgments are required with respect to the determination of the transaction price, including any variable consideration identified.

Customer acquisition costs

Customer acquisition costs consist of marketing costs and affiliate fees associated with the O&O Platform business. They are included in operating expenses and expensed as incurred.

Cost of revenue

Cost of revenue for the O&O Platform and legacy businesses represents the amortized cost of ongoing licensing and hosting fees, which is recognized over time based on usage patterns. The depreciation expense associated with the Loop Players is not included in cost of sales.

Cost of revenue for the Partner Platforms business represents hosting fees, amortized costs of internally-developed content, and the revenue share with third party partners (after deduction of allocated infrastructure costs). The cost of revenue is higher with partners within the Partner Platforms versus those within the O&O Platform because we

leverage our Partner Platforms partners' network of customers and their screens to deliver content and advertising inventory, rather than using our own Loop Players.

Deferred income

As of September 30, 2023, we no longer bill subscription services in advance of when the service period is performed. The deferred income recorded at September 30, 2022, represents our accounting for the timing difference between when the subscription fees are received and when the performance obligation is satisfied.

Net loss per share

We account for net loss per share in accordance with ASC subtopic 260-10, Earnings Per Share ("ASC 260-10"), which requires presentation of basic and diluted earnings per share ("EPS") on the face of the statement of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS.

Basic net loss per share is computed by dividing net loss attributable to common stockholders by the weighted average number of shares of Common Stock outstanding during each period. It excludes the dilutive effects of any potentially issuable common shares.

Diluted net loss per share is calculated by including any potentially dilutive share issuances in the denominator.

The following securities are excluded from the calculation of weighted average diluted shares at September 30, 2023, and 2022, respectively, because their inclusion would have been anti-dilutive.

	September 30,	
	2023	2022
Options to purchase common stock	8,849,305	8,174,583
Warrants to purchase common stock	5,592,573	5,300,033
Restricted Stock Units (RSUs)	1,156,397	890,000
Series A preferred stock	—	—
Series B preferred stock	—	—
Convertible debentures	—	—
Total common stock equivalents	15,598,275	14,364,616

Shipping and handling costs

Loop Players are provided as part of the charge for service to our customers. Loop Media absorbs any associated costs of shipping and handling and records as an operational expense at the time of service.

Income taxes

We account for income taxes in accordance with ASC Topic 740, Income Taxes ("ASC 740"). ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effect of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting

the "more likely than not" test, no tax benefit is recorded. We have no material uncertain tax positions for any of the reporting periods presented.

We recognize accrued interest and penalties related to unrecognized tax benefits as part of income tax expense. We have also made a policy election to treat the income tax with respect to global intangible low-tax income as a period expense when incurred.

In December 2019, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2019-12, Simplifying the Accounting for Income Taxes, as part of its initiative to reduce complexity in accounting standards. The amendments in the ASU are effective for fiscal years beginning after December 15, 2020, including interim periods therein. The adoption of this standard in the first quarter of 2022 had no impact on our consolidated financial statements.

Stock-based compensation

Stock-based compensation issued to employees is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. We measure the fair value of the stock-based compensation issued to non-employees using the stock price observed in the trading market (for stock transactions) or the fair value of the award (for non-stock transactions), which were more reliably determinable measures of fair value than the value of the services being rendered.

Deferred costs

Deferred costs represent legal, accounting and other direct costs related to our efforts to raise capital through a public or private sale of our Common Stock. Costs related to the public sale of our Common Stock are deferred until the completion of the applicable offering, at which time such costs are reclassified to additional paid-in-capital as a reduction of the proceeds. Costs related to the private sale of our Common Stock are deferred until the completion of the applicable offering, at which time such costs are amortized over the term of the applicable purchase agreement.

Employee retention credits

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act was signed into law, providing numerous tax provisions and other stimulus measures, including the Employee Retention Credit ("ERC"): a refundable tax credit against certain employment taxes. The Taxpayer Certainty and Disaster Tax Relief Act of 2020 and the American Rescue Plan Act of 2021 extended and expanded the availability of the ERC. We qualified for the ERC in the third and fourth quarters of 2020 and the first, second and third quarters of 2021. During the twelve months ended September 30, 2023, we recorded an aggregate benefit of $645,919 in our condensed combined income statement to reflect the ERC.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation. These reclassifications have no effect on the previously reported financial position, results of operations, or cash flows. Previously reported accounts payable and accrued liabilities have now been disaggregated into accounts payable, accrued liabilities, and accrued royalty. Further, stock-based compensation and depreciation and amortization expenses have now been segregated from sales, general and administrative expenses and separately reported within operating expenses.

Restructuring costs

We undertook initiatives to increase efficiency and cut costs, while still maintaining our focus on, and dedication to, the continued growth of our business. During the twelve months ended September 30, 2023, we made cuts and adjustments across several aspects of our business. We completed a plan to reduce our overall SG&A costs by approximately 20%, including labor and various other operating costs. Part of this reduction included eliminating some non-revenue generating headcount, while continuing to invest in expansion of our revenue and ad sales team.

Our restructuring costs for the year ended September 30, 2023, were $950,986 compared to $0 for the year ended September 30, 2022, primarily due to the reduction of headcount and the integration of Loop Media Studios division into other areas of our business.

Recently adopted accounting pronouncements

In August 2020, the FASB issued ASU 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40). This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock as well as amend the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. In addition, this ASU improves and amends the related EPS guidance. The ASU is effective for interim and annual periods beginning after December 15, 2021, with early adoption permitted for periods beginning after December 15, 2020. Adoption of the ASU can either be on a modified retrospective or full retrospective basis. We adopted this ASU as of October 1, 2022, and there is no material impact to our financial statements.

Recent accounting pronouncements

In September 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This guidance requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. This guidance also requires enhanced disclosures regarding significant estimates and judgments used in estimating credit losses. The new guidance is effective for fiscal years beginning after December 15, 2022. We are currently evaluating the impact of this standard on our condensed consolidated financial statements and related disclosures.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, that would enhance disclosures for significant segment expenses for all public entities required to report segment information in accordance with ASC 280. ASC 280 requires a public entity to report for each reportable segment a measure of segment profit or loss that its chief operating decision maker ("CODM") uses to assess segment performance and to make decisions about resource allocations. The amendments in ASU 2023-07 improve financial reporting by requiring disclosure of incremental segment information on an annual and interim basis for all public entities to enable investors to develop more useful financial analyses. Currently, Topic 280 requires that a public entity disclose certain information about its reportable segments. For example, a public entity is required to report a measure of segment profit or loss that the CODM uses to assess segment performance and make decisions about allocating resources. ASC 280 also requires other specified segment items and amounts such as depreciation, amortization and depletion expense to be disclosed under certain circumstances. The amendments in ASU 2023-07 do not change or remove those disclosure requirements. The amendments in ASU 2023-07 also do not change how a public entity identifies its operating segments, aggregates those operating segments, or applies the quantitative thresholds to determine its reportable segments. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. A public entity should apply the amendments in ASU 2023-07 retrospectively to all prior periods presented in the financial statements. We are currently evaluating the impact of this standard on our condensed consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 address investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. ASU 2023-09 will be effective for us in the annual period beginning October 1, 2025, though early adoption is permitted. We are still evaluating the presentational effect that ASU 2023-09 will have on our consolidated financial statements, but we expect considerable changes to our income tax footnote.

NOTE 3 –CONTENT ASSETS

Content Assets

The content we stream to our users is generally acquired by securing the intellectual property rights to the content through licenses from, and paying royalties or other consideration to, rights holders or their agents. The licensing can be for a fixed fee or can be a revenue sharing arrangement. The licensing arrangements specify the period when the content is available for streaming, the territories, the platforms, the fee structure and other standard content licensing terms defining the rights and/or restrictions for how the licensed content can be used by Loop Media. We also develop original content internally, which is capitalized when the content is ready and available for streaming, and generally amortized over a period of two to three years.

As of September 30, 2023, content assets were $2,218,894 recorded as Content asset, net – current and $448,726 recorded as Content asset, net – noncurrent, of which $140,862 was internally-developed content asset, net.

We recorded amortization expense in cost of revenue, in the consolidated statements of operations, related to capitalized content assets:

	September 30,	
	2023	2022
Licensed Content Assets	$ 2,882,106	$ 1,236,933
Internally-Developed Assets	64,297	13,420
Total	$ 2,946,403	$ 1,250,353

Our content license contracts are typically two to three years. The amortization expense for the next three years for capitalized content assets as of September 30, 2023:

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
Licensed Content Assets	$ 2,218,894	$ 210,463	$ 97,402
Internally-Developed Assets	72,860	59,440	8,563
Total	$ 2,291,754	$ 269,903	$ 105,965

License Content Liabilities

On September 30, 2023, we had $926,656 of obligations comprised of $489,157 in license content liability – current, $208,000 in license content liability - noncurrent and $229,499 in accounts payable on our Consolidated Balance Sheets. Payments for content liabilities for the twelve months ended September 30, 2023, were $4,508,517. The expected timing of payments for these content obligations is $399,157 payable in fiscal year 2024, $98,000 payable in fiscal year 2025 and $110,000 payable in fiscal year 2026.

NOTE 4. PROPERTY AND EQUIPMENT

Our property and equipment, net consisted of the following as of September 30, 2023, and 2022:

	September 30,	
	2023	2022
Loop Players	$ 2,536,937	$ 1,259,402
Equipment	801,301	703,341
Software	854,966	404,058
	4,193,204	2,366,801
Less: accumulated depreciation	(1,481,646)	(733,632)
Total property and equipment, net	$ 2,711,558	$ 1,633,169

For the twelve months ended September 30, 2023, and 2022, depreciation expense, calculated using straight line method, charged to operations amounted to $891,058 and $229,661, respectively.

NOTE 5. INTANGIBLE ASSETS

Our other intangible assets, each definite lived assets, consisted of the following as of September 30, 2023, and 2022:

		September 30,	
	Useful life	2023	2022
Customer relationships	nine years	$ 1,012,000	$ 1,012,000
Content library	two years	198,000	198,000
Total intangible assets, gross		1,210,000	1,210,000
Less: accumulated amortization		(732,111)	(619,667)
Total		(732,111)	(619,667)
Total intangible assets, net		$ 477,889	$ 590,333

Amortization expense charged to operations amounted to $112,444 and $112,444, respectively, for the twelve months ended September 30, 2023, and 2022.

Annual amortization expense for the next five years and thereafter is estimated to be $112,444, $112,444, $112,444, $112,444, and $28,113, respectively. The weighted average life of the intangible assets subject to amortization is 4.2 years on September 30, 2023.

NOTE 6 – OPERATING LEASES

Operating leases

As of September 30, 2023, we no longer have operating leases for office space and office equipment in excess of one year. Many of our prior leases included one or more options to renew, some of which include options to extend the leases for a long-term period, and some leases include options to terminate the leases within 30 days. In certain of our lease agreements, the rental payments are adjusted periodically to reflect actual charges incurred for capital area maintenance, utilities, inflation and/or changes in other indexes.

Our lease liability consisted of the following as of September 30, 2023:

	September 30, 2023	September 30, 2022
Short term portion	$ —	$ 75,529
Long term portion	—	—
Total lease liability	$ —	$ 75,529

We recorded lease expense in sales, general and administration expenses in the consolidated statement of operations:

	Twelve months ended September 30, 2023	Twelve months ended September 30, 2022
Operating lease expense	$ 79,434	$ 177,776
Short-term lease expense	113,590	9,000
Total lease expense	$ 193,024	$ 186,776

For the twelve months ended September 30, 2023, cash payments against lease liabilities totaled $77,929 and accretion on lease liability of $2,737.

For the twelve months ended September 30, 2022, cash payments against lease liabilities totaled $184,480 and accretion on lease liability of $17,379.

NOTE 7 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following as of September 30, 2023, and 2022:

	September 30, 2023	September 30, 2022
Accounts payable	$ 4,978,920	$ 7,453,801
Performance bonuses	1,262,000	2,970,000
Interest payable	175,094	348,150
Professional fees	449,944	505,169
Marketing	800,165	344,309
Commissions	—	425,321
Insurance liabilities	552,000	602,970
Other accrued liabilities	307,135	424,954
Accrued liabilities	3,546,338	5,620,873
Accrued royalties and revenue share	4,930,329	4,559,088
Total accounts payable and accrued expenses	$ 13,455,587	$ 17,633,762

NOTE 8 – DEBT

Lines of Credit as of September 30, 2023:

Related party lines of credit:	Net Carrying Value Current	Net Carrying Value Long Term	Unpaid Principal Balance	Contractual Interest Rates Cash	Contractual Maturity Date	Warrants issued
$4,000,000 non-revolving line of credit, May 10, 2023	$ —	$ 1,959,693	$ 2,266,733	12%	5/10/2025	209,398
Total related party lines of credit, net	$ —	$ 1,959,693	$ 2,266,733			
Lines of credit:						
$2,200,000 non-revolving line of credit, May 13, 2022	$ 2,124,720	$ —	$ 2,200,000	12%	11/13/2023	314,286
$6,000,000 revolving line of credit, July 29, 2022	2,985,298	—	3,730,914	Greater of 4% or Prime	7/29/2024	—
$4,000,000 non-revolving line of credit, May 10, 2023	—	475,523	900,000	12%	5/10/2025	83,142
Total lines of credit, net	$ 5,110,018	$ 475,523	$ 6,830,914			

Lines of Credit as of September 30, 2022:

Related party lines of credit:	Net Carrying Value Current	Net Carrying Value Long Term	Unpaid Principal Balance	Contractual Interest Rates Cash	Contractual Maturity Date	Warrants issued
$4,022,986 non-revolving line of credit, April 25, 2022	$ —	$ 2,575,753	$ 4,022,986	12%	10/25/2023	383,141
Total related party lines of credit, net	$ —	$ 2,575,753	$ 4,022,986			
Lines of credit:						
$2,200,000 non-revolving line of credit, May 13, 2022	$ —	$ 1,494,469	$ 2,200,000	12%	11/13/2023	314,286
$6,000,000 revolving line of credit, July 29, 2022	—	3,030,516	4,543,560	Greater of 4% or Prime	7/29/2024	—
Total lines of credit, net	$ —	$ 4,524,985	$ 6,743,560			

The following table presents the interest expense related to the contractual interest coupon and the amortization of debt discounts on the convertible debentures:

	Twelve months ended September 30,	
	2023	2022
Interest expense	$ 1,363,314	$ 919,372
Amortization of debt discounts	2,426,544	2,691,617
Total	$ 3,789,858	$ 3,610,989

Maturity analysis under the line of credit agreements for the fiscal years ended September 30,	
2024	$ 5,930,914
2025	3,166,733
2026	—
2027	—
2028	—
Lines of credit, related and non-related party	9,097,647
Less: Debt discount on lines of credit payable	(1,552,413)
Total Lines of credit payable, related and non-related party, net	$ 7,545,234

Revolving Lines of Credit

GemCap Revolving Line of Credit Agreement

Effective as of July 29, 2022, we entered into a Loan and Security Agreement with Industrial Funding Group, Inc. (the "Initial Lender") for a revolving loan credit facility for the initial principal sum of up to $4,000,000, and through the exercise of an accordion feature, a total sum of up to $10,000,000 (the "GemCap Revolving Line of Credit Agreement"), evidenced by a Revolving Loan Secured Promissory Note, also effective as of July 29, 2022 (the "GemCap Revolving Line of Credit"). Shortly after the effective date of the GemCap Revolving Line of Credit, the Initial Lender assigned the GemCap Revolving Line of Credit Agreement, and the loan documents related thereto, to the GemCap Solutions, LLC ("GemCap" or "Senior Lender.") Availability for borrowing under the GemCap Revolving Line of Credit is dependent upon our assets in certain eligible accounts and measures of revenue, subject to reduction for reserves that the Senior Lender may require in its discretion, and the accordion feature is a provision whereby we may request that the Senior Lender increase availability under the GemCap Revolving Line of Credit, subject to its sole discretion. Effective as of October 27, 2022, we entered into Amendment Number 1 to the Loan and Security Agreement and to the Revolving Loan Agreement Schedule, and the Amended and Restated Secured Promissory Note (Revolving Loans) with the Senior Lender to increase the principal sum available under the GemCap Revolving Line of Credit Agreement from $4,000,000 to $6,000,000. The GemCap Revolving Line of Credit matures on July 29, 2024, and began accruing interest on the unpaid principal balance of advances, payable monthly in arrears, on September 7, 2022, at an annual rate equal to the greater of (I) the sum of (i) the "Prime Rate" as reported in the "Money Rates" column of The Wall Street Journal, adjusted as and when such Prime Rate changes, plus (ii) zero percent (0.00%), and (II) four percent (4.00%).

Under the GemCap Revolving Line of Credit Agreement, we have granted to the Senior Lender a first-priority security interest in all of our present and future property and assets, including products and proceeds thereof. In connection with the loan, our existing secured lenders, some of whom are the RAT Lenders under our RAT Non-Revolving Line of Credit (each as defined below) (collectively, the "Subordinated Lenders") delivered subordination agreements (the "GemCap Subordination Agreements") to the Senior Lender. We are permitted to make regularly scheduled payments, including payments upon maturity, to such subordinated lenders and potentially other payments subject to a measure of cash flow and receiving certain financing activity proceeds, in accordance with the terms of the GemCap Subordination Agreements. In connection with the delivery of the GemCap Subordination Agreements by the Subordinated Lenders, on July 29, 2022, we issued warrants to each Subordinated Lender on identical terms for an aggregate of up to 296,329 shares of our common stock (each, a "Subordination Agreement Warrant"). Each Subordination Agreement Warrant has an exercise price of $5.25 per share, expires on July 29, 2025, and is exercisable at any time prior to such date. One warrant for 191,570 warrant shares was issued to Eagle Investment Group, LLC, an entity managed by Bruce Cassidy, Chairman of our Board of Directors ("Mr. Cassidy"), as directed by its affiliate, Excel Family Partners, LLLP ("Excel"), an entity also managed by Mr. Cassidy, one of the Subordinated Lenders. The Subordinated Lenders receiving warrants for the remaining 104,759 warrant shares were also entitled to receive a cash payment of $22,000 six months from the date of the GemCap Subordination Agreements, representing one percent (1.00%) of the outstanding principal amount of the loan held by such Subordinated Lenders. This cash payment was made to those Subordinated Lenders on January 25, 2023.

The GemCap Revolving Line of Credit had a balance, including accrued interest, amounting to $3,757,074 and $4,587,255 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the GemCap Revolving Line of Credit in the amount of $1,379,673 and $225,345 for the twelve months ended September 30, 2023, and 2022.

Non-Revolving Lines of Credit

Excel Non-Revolving Line of Credit

On February 23, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement (the "Prior Excel Line of Credit Agreement") with Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for aggregate principal amount of $1,500,000, which was amended on April 13, 2022, to increase the aggregate principal amount to $2,000,000 (the "$2m Line of Credit"). Effective as of April 25, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement with Excel (the "Excel Non-Revolving Line of Credit Agreement") for an aggregate principal amount of $4,022,986 (the "Excel Non-Revolving Line of Credit"). The Excel Non-Revolving Line of Credit matured eighteen (18) months from the date of the Excel Non-Revolving Line of Credit Agreement and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. On April 25, 2022, we used $2,000,000 of the proceeds of the Excel Non-Revolving Line of Credit to prepay all of the remaining outstanding principal and interest of the $2m Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such prepayment. Under the Excel Non-Revolving Line of Credit Agreement, we granted to the lender a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof (which was subsequently subordinated in connection with our GemCap Revolving Line of Credit Agreement (as defined above)). In connection with the Excel Non-Revolving Line of Credit, on April 25, 2022, we issued a warrant to Excel for an aggregate of up to 383,141 shares of our common stock. The warrant has an exercise price of $5.25 per share, expires on April 25, 2025, and is exercisable at any time prior to the expiration date. Effective as of December 14, 2022, we entered into a Non-Revolving Line of Credit Agreement Amendment and a Non-Revolving Line of Credit Promissory Note Amendment with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from eighteen (18) months to twenty-four (24) months from the date of the Excel Non-Revolving Line of Credit Agreement. Effective as of May 10, 2023, we entered into a Non-Revolving Line of Credit Agreement Amendment No. 2 and a Non-Revolving Line of Credit Promissory Note Amendment No. 2 with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from twenty-four (24) months to twenty-five (25) months from the date of the Excel Non-Revolving Line of Credit Agreement.

As of September 12, 2023, $4,444,060 of principal and interest on the Excel Non-Revolving Line of Credit was outstanding (the "Excel Non-Revolving Line of Credit Pay Off Amount"). On September 12, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel Non-Revolving Note Conversion Agreement"), pursuant to which Excel agreed to convert the Excel Non-Revolving Line of Credit Amount owed under the Excel Non-Revolving Line of Credit Agreement into 6,005,487 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.74. The Excel Non-Revolving Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel Non-Revolving Line of Credit Pay Off Amount and the issuance of the shares, there was no principal or interest remaining under the Excel Non-Revolving Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such conversion.

The Excel Non-Revolving Line of Credit had a balance, including accrued interest, amounting to $0 and $4,226,181 as of September 30, 2023, and September 30, 2022, respectively. We incurred interest expense for the Excel Non-Revolving Line of Credit in the amount of $1,304,807 and $820,051 for the twelve months ended September 30, 2023, and 2022, respectively.

RAT Non-Revolving Line of Credit

Effective as of May 13, 2022, we entered into a Secured Non-Revolving Line of Credit Loan Agreement (the "RAT Non-Revolving Line of Credit Agreement") with several institutions and individuals (each a "RAT Lender" and collectively, the "RAT Lenders") and RAT Investment Holdings, LP, as administrator of the loan (the "Loan Administrator") for an aggregate principal amount of $2,200,000 (the "RAT Non-Revolving Line of Credit"), evidenced by a Non-Revolving Line of Credit Promissory Note (the "RAT Note"), also effective as of May 13, 2022. Pursuant to the terms of the RAT Non-Revolving Line of Credit Agreement, the RAT Non-Revolving Line of Credit matured eighteen (18) months from the effective date of the RAT Non-Revolving Line of Credit (the "Line of Credit Maturity Date") and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. Under the RAT Non-Revolving Line of Credit Agreement, we granted to the RAT Lenders a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the Excel Revolving Line of Credit Agreement (as defined above) and the May 2023 Secured Line of Credit Agreement (as defined below) and (each of which are subordinated in connection with our GemCap Revolving Line of Credit Agreement (as defined above)).

In connection with the RAT Non-Revolving Line of Credit Agreement, on May 13, 2022, we issued a warrant (collectively, the "RAT Loan Warrants") to each RAT Lender for an aggregate of up to 209,522 shares of our common stock. Each RAT Loan Warrant had an exercise price of $5.25 per share, expires on May 13, 2025, and is exercisable at any time prior to the expiration date.

Effective as of November 13, 2023, we entered into a Non-Revolving Line of Credit Loan Agreement Amendment (the "RAT Non-Revolving Line of Credit Agreement Amendment") with the RAT Lenders to: (i) extend the maturity date from eighteen (18) months to twenty-seven (27) months from the date of the RAT Non-Revolving Line of Credit Agreement, or August 13, 2024; and (ii) amend the payment terms of the RAT Non-Revolving Line of Credit such that no payment of interest or principal under the RAT Non-Revolving Line of Credit Agreement or the RAT Note will be due and payable from November 13, 2023, to the Line of Credit Maturity Date, as extended by the RAT Non-Revolving Line of Credit Agreement Amendment, except for (a) one payment of $374,000 on November 13, 2023, (comprised of accrued interest of $132,000 due through November 13, 2023, an initial payment of principal of $220,000 and $22,000 as consideration to extend the Line of Credit Maturity Date); and (b) nine (9) monthly payments of principal of $220,000 plus accrued interest, commencing December 13, 2023. In consideration for the extension of the Line of Credit Maturity Date, we agreed to amend the terms of the RAT Loan Warrants as well as the Subordination Agreement Warrants issued to the RAT Lenders in connection with the GemCap Subordination Agreements described above to reduce the warrant exercise price to $1.00. *See "—GemCap*

Revolving Line of Credit." We also agreed to apply one-third (1/3) of the net proceeds of any capital raise that takes place subsequent to the date of the RAT Non-Revolving Line of Credit Agreement Amendment, other than proceeds from an equity offering under our ATM Sales Agreement or from an affiliate or insider, toward paying down the then outstanding principal amount due under the RAT Non-Revolving Line of Credit. Pursuant to the RAT Non-Revolving Line of Credit Agreement Amendment, each RAT Lender agreed to enter into a lock-up agreement restricting the disposal of any shares of our common stock that are issued in connection with the exercise of the RAT Loan Warrants or the Subordination Agreement Warrants for a period of twelve (12) months from the date of the RAT Non-Revolving Line of Credit Agreement Amendment.

The RAT Non-Revolving Line of Credit had a balance, including accrued interest, amounting to $2,300,899 and $2,301,260 as of September 30, 2023, and September 30, 2022, respectively. We incurred interest expense for the RAT Non-Revolving Line of Credit in the amount of $894,251 and $346,847 for the twelve months ended September 30, 2023, and 2022, respectively.

May 2023 Secured Line of Credit

Effective as of May 10, 2023, we entered into a Secured Non-Revolving Line of Credit Loan Agreement (the "May 2023 Secured Line of Credit Agreement") with several individuals and institutional lenders for aggregate loans of up to $4.0 million (the "May 2023 Secured Line of Credit"), evidenced by Secured Non-Revolving Line of Credit Promissory Notes (each a "May 2023 Secured Note" and collectively, the "May 2023 Secured Notes"), also effective as of May 10, 2023. The May 2023 Secured Line of Credit matures twenty-four (24) months from the date of the May 2023 Secured Line of Credit Agreement and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. We granted to the lenders under the May 2023 Secured Line of Credit Agreement a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the Excel Revolving Line of Credit Agreement, but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement. *See "— GemCap Revolving Line of Credit Agreement."*

In connection with the May 2023 Secured Line of Credit, on May 10, 2023, we agreed to issue to each lender under the May 2023 Secured Line of Credit Agreement, upon drawdown, a warrant to purchase up to an aggregate of 369,517 shares of our common stock. The warrants have an exercise price of $4.33 per share, expire on May 10, 2026, and is exercisable at any time prior to such date.

As of May 10, 2023, Excel, an entity managed by Mr. Cassidy, had committed to be a lender under the May 2023 Secured Line of Credit Agreement for an aggregate loan of $2.65 million, and as of September 11, 2023, Excel had not loaned any funds under the May 2023 Secured Line of Credit. Pursuant to the terms of a Pay Off Letter Agreement with Excel dated September 12, 2023, we refinanced the outstanding principal and interest of the Excel $2.2M Line of Credit (as defined below) to be included as part of the obligations of the May 2023 Secured Line of Credit Agreement. As a result, as of September 12, 2023, Excel had loaned $2,266,733 under the May 2023 Secured Line of Credit Agreement and received a warrant to purchase 209,398 shares of our common stock. *See "Excel $2.2M Line of Credit."*

The May 2023 Secured Line of Credit had a balance, including accrued interest, amounting to $3,214,769 and $0 as of September 30, 2023, and September 30, 2022, respectively. We incurred interest expense for the May 2023 Secured Line of Credit in the amount of $144,392 and $0 for the twelve months ended September 30, 2023, and 2022, respectively.

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount"). On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line

of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit.

As of December 15, 2023, a total principal amount of $900,000 had been drawn on the May 2023 Secured Line of Credit, and we had issued warrants for a total of 292,540 warrant shares to Lenders in connection with the May 2023 Secured Line of Credit.

Excel $2.2M Line of Credit

On May 31, 2023, we entered into a Secured Non-Revolving Line of Credit Loan Agreement ("Excel $2.2M Secured Line of Credit Agreement") with Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for an aggregate principal amount of up to $2,200,000 (the "Excel $2.2M Line of Credit"), evidenced by a Non-Revolving Line of Credit Promissory Note (the "Excel $2.2M Note"). The Excel $2.2M Line of Credit matured ninety (90) days from the date of the Excel $2.2M Secured Line of Credit Agreement and accrues interest, payable in arrears on the Excel $2.2M Line of Credit maturity date, at a fixed rate of interest equal to ten and one half percent (10.5%) per year. Effective as of August 29, 2023, we entered into a letter agreement (the "Excel $2.2M Line of Credit Amendment Letter Agreement") with Excel to amend the Excel $2.2M Line of Credit Agreement and the Excel $2.2M Note to extend the maturity date of the Excel $2.2M Secured Line of Credit from ninety (90) days to one hundred twenty (120) days from the date of the Excel $2.2M Secured Line of Credit Agreement, or September 28, 2023.

Under the Excel $2.2M Secured Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest was *pari passu* with the RAT Non-Revolving Line of Credit Agreement, but subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement.

On September 12, 2023, we entered into a Pay Off Letter Agreement with Excel, pursuant to which we agreed to pay off the principal and interest outstanding under the $2.2M Line of Credit, amounting to $2,266,733 (the "$2.2M Line of Credit Pay Off Amount") by refinancing the $2.2M Line of Credit Pay Off Amount to be included as part of the obligations under the May 2023 Secured Line of Credit Agreement. Under the terms of the May 2023 Secured Line of Credit Agreement, Excel was issued a warrant to purchase 209,398 shares of our common stock, which has an exercise price of $4.33 per share, expires on May 10, 2026, and is exercisable at any time prior to such date. As a result of such refinancing, there was no principal or interest remaining under the Excel $2.2M Secured Line of Credit, and the Excel $2.2M Secured Line of Credit Agreement was terminated.

The Excel $2.2M Line of Credit had a balance, including accrued interest, amounting to $0 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel $2.2M Line of Credit in the amount of $66,733 and $0 for the twelve months ended September 30, 2023, and 2022, respectively.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

We may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. There are no such loss contingencies that are included in the financial statements as of September 30, 2023.

NOTE 10 – RELATED PARTY TRANSACTIONS

Related parties are natural persons or other entities that have the ability, directly or indirectly, to control another party or exercise significant influence over the party making financial and operating decisions. Related parties include other parties that are subject to common control or that are subject to common significant influences.

GemCap Revolving Line of Credit Agreement and Warrants

Effective as of July 29, 2022, we entered into the GemCap Revolving Line of Credit Agreement. In connection with the loan under the GemCap Revolving Line of Credit, the Subordinated Lenders delivered the GemCap Subordination Agreements to GemCap, or the Senior Lender. In connection with the delivery of the GemCap Subordination Agreements by the Subordinated Lenders, on July 29, 2022, we issued warrants to each Subordinated Lender on identical terms for an aggregate of up to 296,329 shares of our common stock. Each warrant has an exercise price of $5.25 per share, expires on July 29, 2025. One warrant for 191,570 warrant shares was issued to Eagle Investment Group, LLC, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, as directed by its affiliate, Excel, one of the Subordinated Lenders.

Excel Non-Revolving Loan Agreement

On February 23, 2022, we entered into a Non-Revolving Line of Credit Loan Agreement (the "Prior Excel Line of Credit Agreement") with Excel Family Partners, LLLP ("Excel"), an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for aggregate principal amount of $1,500,000, which was amended on April 13, 2022, to increase the aggregate principal amount to $2,000,000 (the "$2m Line of Credit"). Effective as of April 25, 2022, we entered into a Non-Revolving Line of Credit Agreement with Excel (the "Excel Non-Revolving Line of Credit Agreement") for an aggregate principal amount of $4,022,986 (the "Excel Non-Revolving Line of Credit"). The Excel Non-Revolving Line of Credit matured eighteen (18) months from the date of the Excel Non-Revolving Line of Credit Agreement and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to twelve percent (12%) per year. On April 25, 2022, we used $2,000,000 of the proceeds of the Excel Non-Revolving Line of Credit to prepay all of the remaining outstanding principal and interest of the $2m Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such prepayment. Under the Excel Non-Revolving Line of Credit Agreement, we granted to the lender a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof (which was subsequently subordinated in connection with our GemCap Revolving Line of Credit Agreement (as defined above)). In connection with the Excel Non-Revolving Line of Credit, on April 25, 2022, we issued a warrant to Excel for an aggregate of up to 383,141 shares of our common stock. The warrant has an exercise price of $5.25 per share, expires on April 25, 2025, and is exercisable at any time prior to the expiration date. Effective as of December 14, 2022, we entered into a Non-Revolving Line of Credit Agreement Amendment and a Non-Revolving line of Credit Promissory Note Amendment with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from eighteen (18) months to twenty-four (24) months from the date of the Excel Non-Revolving Line of Credit Agreement. Effective as of May 10, 2023, we entered into a Non-Revolving Line of Credit Agreement Amendment No. 2 and a Non-Revolving Line of Credit Promissory Note Amendment No. 2 with Excel to extend the maturity date of the Excel Non-Revolving Line of Credit from twenty-four (24) months to twenty-five (25) months from the date of the Excel Non-Revolving Line of Credit Agreement.

As of September 12, 2023, $4,444,060 of principal and interest on the Excel Non-Revolving Line of Credit were outstanding (the "Excel Non-Revolving Line of Credit Pay Off Amount"). On September 12, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel Non-Revolving Note Conversion Agreement"), pursuant to which Excel agreed to convert the Excel Non-Revolving Line of Credit Amount owed under the Excel Non-Revolving Line of Credit

Agreement into 6,005,487 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.74. The Excel Non-Revolving Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel Non-Revolving Line of Credit Pay Off Amount and the issuance of the shares, there was no principal or interest remaining under the Excel Non-Revolving Line of Credit and the Prior Excel Line of Credit Agreement was terminated in connection with such conversion.

The Excel Non-Revolving Line of Credit had a balance, including accrued interest, amounting to $0 and $4,226,181 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel Non-Revolving Line of Credit in the amount of $1,304,807 and $820,051 for the twelve months ended September 30, 2023, and 2022, respectively.

May 2023 Secured Line of Credit

As of May 10, 2023, Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, had committed to be a lender under the May 2023 Secured Line of Credit Agreement for an aggregate loan of $2.65 million, and as of September 11, 2023, Excel had not loaned any funds under the May 2023 Secured Line of Credit. Pursuant to the terms of a Pay Off Letter Agreement with Excel dated September 12, 2023, we refinanced the outstanding principal and interest of the Excel $2.2M Line of Credit (as described below) to be included as part of the obligations of the May 2023 Secured Line of Credit Agreement. As a result, as of September 12, 2023, Excel had loaned $2,266,733 under the May 2023 Secured Line of Credit Agreement and received a warrant to purchase 209,398 shares of our common stock.

The May 2023 Secured Line of Credit had a balance, including accrued interest, amounting to $3,214,769 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the May 2023 Secured Line of Credit in the amount of $144,392 and $0 for the twelve months ended September 30, 2023, and 2022, respectively.

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount"). On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit.

Excel $2.2M Line of Credit

On May 31, 2023, we entered into a Secured Non-Revolving Line of Credit Loan Agreement ("Excel $2.2M Secured Line of Credit Agreement") with Excel, an entity managed by Bruce Cassidy, Chairman of our Board of Directors, for principal amount of up to $2,200,000 (the "Excel $2.2M Line of Credit"), evidenced by a Non-Revolving Line of Credit Promissory Note (the "Excel $2.2M Note"). The Excel $2.2M Line of Credit matured ninety (90) days from the date of the Excel $2.2M Secured Line of Credit Agreement and accrues interest, payable in arrears on the Excel $2.2M Line of Credit maturity date, at a fixed rate of interest equal to ten and one half percent (10.5%) per year. Effective as of August 29, 2023, we entered into a letter agreement (the "Excel $2.2M Line of Credit Amendment Letter Agreement") with Excel to amend the Excel $2.2M Line of Credit Agreement and the Excel $2.2M Note to extend the maturity date of the Excel $2.2M Secured Line of Credit from ninety (90) days to one hundred twenty (120) days from the date of the Excel $2.2M Secured Line of Credit Agreement, or September 28, 2023.

Under the Excel $2.2M Secured Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest was *pari passu* with the RAT Non-Revolving Line of Credit Agreement, but subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement.

On September 12, 2023, we entered into a Pay Off Letter Agreement with Excel, pursuant to which we agreed to pay off the principal and interest outstanding under the $2.2M Line of Credit, amounting to $2,266,733 (the "$2.2M Line of Credit Pay Off Amount") by refinancing the $2.2M Line of Credit Pay Off Amount to be included as part of the obligations under the May 2023 Secured Line of Credit Agreement. Under the terms of the May 2023 Secured Line of Credit Agreement, Excel was issued a warrant to purchase 209,398 shares of our common stock, which has an exercise price of $4.33 per share, expires on May 10, 2026, and is exercisable at any time prior to such date. As a result of such refinancing, there was no principal or interest remaining under the Excel $2.2M Secured Line of Credit, and the Excel $2.2M Secured Line of Credit Agreement was terminated.

The Excel $2.2M Line of Credit had a balance, including accrued interest, amounting to $0 and $0 as of September 30, 2023, and 2022, respectively. We incurred interest expense for the Excel $2.2M Line of Credit in the amount of $66,733 and $0 for the twelve months ended September 30, 2023, and 2022, respectively.

500 Limited

For the twelve months ended September 30, 2023, and 2022, we paid 500 Limited $394,300 and $413,469, respectively, for programming services provided to Loop. 500 Limited is an entity controlled by Liam McCallum, our Chief Product and Technology Officer.

NOTE 11 –STOCKHOLDERS' EQUITY (DEFICIT)

Change in Number of Authorized and Outstanding Shares

On August 15, 2023, the Loop stockholders voted at our 2023 Annual Meeting of Stockholders to approve an amendment to our Restated Articles of Incorporation to increase the number of shares of common stock, par value of $0.0001 per share ("Common Stock"), authorized for issuance thereunder from 105,555,556 shares to 150,000,000 shares.

On September 26, 2022, a 1 for 3 reverse stock split of our Common stock became effective. All share and per share information in the accompanying consolidated financial statements and footnotes has been retroactively adjusted for the effects of the reverse split for all periods presented.

Common stock

Our authorized capital stock consists of 150,000,000 shares of common stock, $0.0001 par value per share, 3,333,334 shares of Series A preferred stock, $0.0001 par value per share and 3,333,334 shares of Series B preferred stock, $0.0001 par value per share. As of September 30, 2023, and 2022, there were 65,620,151 and 56,381,209, respectively, shares of common stock issued and outstanding.

Twelve months ended September 30, 2023

We filed a Shelf Registration Statement on Form S-3 that has been declared effective by the SEC. On May 12, 2023, we entered into an At Market ("ATM") Issuance Sales Agreement (the "Sales Agreement") with B. Riley Securities, Inc. (the "Agent") pursuant to which we may offer and sell, from time to time through the Agent, shares of our Common Stock, for aggregate gross proceeds of up to $50,000,000. During the twelve months ended September 30, 2023, we issued 3,109,843 shares of Common Stock under the Sales Agreement, resulting in cash proceeds of $8,724,544, net of placement agent's commission and related fees of $269,600 but before deducting issuance costs of $105,253.

As of December 15, 2023, we have approximately $41,000,000 available under the ATM Sales Agreement.

During the twelve months ended September 30, 2023, we issued 37,462 shares of Common Stock upon the exercise of stock options.

During the twelve months ended September 30, 2023, we issued 6,005,487 shares of Common Stock to a board member upon the conversion of non-revolving line of credit plus accrued interest totaling $4,444,060.

During the twelve months ended September 30, 2023, we issued 6,757 shares of Common Stock for capital raise costs.

See Note 12 – Stock Options and Warrants for stock compensation discussion.

Twelve months ended September 30, 2022

During the twelve months ended September 30, 2022, we issued 23,151 shares of common stock with a value of $177,000 as payment in kind for accrued interest due on certain convertible notes. Of this amount, 55,329 shares of common stock at a value of $141,000 was issued to a board member.

During the twelve months ended September 30, 2022, we issued 6,666,666 shares of common stock to a board member upon conversion of 200,000 shares of Series B Preferred Stock.

During the twelve months ended September 30, 2022, we issued an aggregate of 2,634,145 shares of common stock for gross cash proceeds of $13,163,500 and incurred $2,274,335 of issuance costs and underwriters discount, in a public offering.

During the twelve months ended September 30, 2022, we converted convertible notes plus accrued interest in the amount of $5,313,352 into 1,988,266 shares of common stock.

During the twelve months ended September 30, 2022, we issued 578,847 shares of common stock in connection with the exercise of warrants.

NOTE 12 – STOCK OPTIONS, RESTRICTED STOCK UNITS (RSUs) AND WARRANTS

Options

Option valuation models require the input of highly subjective assumptions. The fair value of stock-based payment awards was estimated using the Black-Scholes option model with a volatility figure derived from using our historical stock prices. We account for the expected life of options based on the contractual life of options for non-employees. For employees, we account for the expected life of options in accordance with the "simplified" method, which is used for "plain-vanilla" options, as defined in the accounting standards codification. The risk-free interest rate was determined from the implied yields of U.S. Treasury zero-coupon bonds with a remaining life consistent with the expected term of the options.

The following table summarizes the stock option activity for the twelve months ended September 30, 2023:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at September 30, 2022	8,174,563	$ 3.78	8.05	$ 91,888,491
Grants	839,996	4.59	—	—
Exercised	(37,462)	1.71	—	—
Expired	—	—	—	—
Forfeited	(127,792)	5.81	—	—
Outstanding at September 30, 2023	8,849,305	$ 3.84	6.35	$ —
Exercisable at September 30, 2023	7,348,076	$ 3.64	5.82	$ —

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on options with an exercise price greater than our stock price of $0.50 as of September 30, 2023, and $4.46 as of September 30, 2022, which would have been received by the option holders had those option holders exercised their options as of that date.

We recognize compensation expense for all stock options granted using the fair value-based method of accounting. During the twelve months ended September 30, 2023, we issued 839,996 options valued at $4.59 per option. As of September 30, 2023, the total compensation cost related to nonvested awards not yet recognized is $4,561,372 and the weighted average period over which expense is expected to be recognized in months is 26.8.

We calculated the fair value of options issued using the Black-Scholes option pricing model, with the following assumptions:

	September 30, 2023
Weighted average fair value of options granted	$ 4.59
Expected life	5.88
Risk-free interest rate	3.97 %
Expected volatility	52.30 %
Expected dividends yield	— %
Forfeiture rate	— %

The stock-based compensation expense related to option grants was $6,326,055 and $8,889,474, for the twelve months ended September 30, 2023, and 2022, respectively.

Restricted stock units

On September 18, 2022, the Compensation Committee of our Board of Directors approved Restricted Stock Unit ("RSU") awards to certain officers and key employees pursuant to the terms of the Loop Media, Inc. Amended and Restated 2020 Equity Incentive Compensation Plan (the "2020 Plan").

On September 22, 2022, we granted an aggregate of 890,000 RSUs, which vest over time subject to continued service. Each RSU was valued at the public offering price during our initial public offering of $5.00 per share, and twenty-five percent (25%) of the RSUs vest on the one-year anniversary of the grant date and the remainder in equal quarterly installments over the following three-year period.

On January 3, 2023, the Compensation Committee of our Board of Directors approved RSU awards as compensation to members of our Board of Directors pursuant to the 2020 Plan.

On January 3, 2023, we granted an aggregate of 212,004 RSUs which vest over time subject to continued service. Each RSU was valued at $6.23 per share. Twenty-five percent (25%) of 130,464 RSUs vest on the one-year anniversary of the grant date and the remainder in equal quarterly installments over the following three-year period. One hundred percent (100%) of 81,540 RSUs vest on the day after the end of the fiscal year in which the grant was made.

On July 1, 2023, we granted an aggregate of 54,393 RSUs which vested one hundred percent (100%) on the grant date. Each RSU was valued at $2.39 per share.

The following table summarizes the RSU activity for the twelve months ended September 30, 2023:

	Number of RSUs	Weighted Average Fair Value	Aggregate Intrinsic Value
Outstanding at September 30, 2022	890,000	$ 5.00	$ 442,330
Granted	266,397	5.45	105,366
Vested	(295,643)	4.52	119,901
Expired	—	—	—
Forfeited	—	—	—
Outstanding at September 30, 2023	860,754	$ 5.30	$ 427,795

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on our stock price of $0.50 as of September 30, 2023, and $4.46 as of September 30, 2022, which would have been received by the RSU holders as of that date.

The stock-based compensation expense related to RSU grants was $1,755,995 and $27,356, for the twelve months ended September 30, 2023, and 2022, respectively.

As of September 30, 2023, the total compensation cost related to nonvested RSU awards not yet recognized was $3,881,303 and the weighted average period over which expense is expected to be recognized is 36.3 months.

Warrants

The following table summarizes the warrant activity for the twelve months ended September 30, 2023:

	Number of shares	Weighted average exercise price per share
Outstanding at September 30, 2022	5,300,033	$ 5.82
Issued	292,540	4.43
Exercised	—	—
Expired	—	—
Outstanding at September 30, 2023	5,592,573	$ 5.74

We record all warrants granted using the fair value-based method of accounting.

During the twelve months ended September 30, 2023, we issued 292,540 warrants in conjunction with debt. We allocated the fair value of the warrants at inception as debt discount and recorded the straight-line amortization ratably over the life of the debt as interest expense. During the twelve months ended September 30, 2023, we recorded $447,897 as debt discount and amortized as interest expense.

We recorded consulting expense of $276,610 as a result of current period vesting of previously issued warrants to various companies for consulting services.

We calculated the fair value of warrants issued using the Black-Scholes option pricing model, with the following assumptions:

	September 30, 2023
Weighted average fair value of warrants granted	$ 4.33
Expected life	2.79 years
Risk-free interest rate	4.56 %
Expected volatility	47.63 %
Expected dividends yield	- %
Forfeiture rate	- %

NOTE 13 - INCOME TAX

The Inflation Reduction Act of 2022 (the “Act”) was signed into U.S. law on August 16, 2022. The Act includes various tax provisions, including an excise tax on stock repurchases, expanded tax credits for clean energy incentives, and a corporate alternative minimum tax that generally applies to U.S. corporations with average adjusted annual financial statement income over a three-year period in excess of $1 billion. We do not expect the Act to materially impact our financial statements.

Effective beginning in fiscal 2022, the U.S. Tax Cuts and Job Act of 2017 requires us to deduct U.S. and international research and development expenditures ("R&D") for tax purposes over 5 to 15 years, instead of in the current fiscal year. We concurrently record a deferred tax benefit for the future amortization of the research and development for tax purposes. The requirement to expense R&D as incurred is unchanged for U.S. GAAP purposes and the impact to pre-tax R&D expense is not affected by this provision.

The components of income (loss) before the provision (benefit) for income taxes are as follows:

	Twelve months ended September 30,	
	2023	2022
Domestic Operations	$ (31,452,978)	$ (29,123,800)
Foreign Operations	(492,189)	(356,324)
Total	$ (31,945,167)	$ (29,480,124)

The provision for income taxes consists of the following:

	Twelve months ended September 30,	
	2023	2022
Current:		
Federal	$ —	$ —
State	18,512	(676)
Foreign	—	—
Total Current provision (benefit)	18,512	(676)
Deferred:		
Federal	—	—
State	—	—
Foreign	—	—
Total Deferred provision (benefit)	—	—
Total provision (benefit)	$ 18,512	$ (676)

The effective tax rate differs from the U.S. income tax rate as follows:

	September 30,	
	2023	2022
U.S. federal statutory rate	21.00 %	21.00 %
State income taxes, net of federal benefit	7.62 %	1.65 %
Goodwill impairment	— %	(1.40)%
Non-deductible items	(1.23)%	(0.12)%
Change in valuation allowance	(33.13)%	(18.08)%
Change in tax rates	4.10 %	(0.18)%
US effects of foreign operations	(0.07)%	(0.04)%
Deferred tax true-up	(0.79)%	(2.79)%
Other	2.43 %	(0.04)%
Effective tax rate	(0.07)%	0.00 %

Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting and tax purposes. Significant components of our deferred tax assets and liabilities are as follows:

	September 30,	
	2023	2022
Deferred tax assets:		
Net operating losses	$ 16,532,642	$ 10,045,027
Allowance for doubtful accounts	133,539	189,124
Stock-based compensation	6,766,029	3,982,495
Accrued expenses	382,321	4,806
Intangible book/tax basis difference	1,900,189	1,695,480
Other	10,436	—
Total deferred tax assets, net	25,725,156	15,916,932
Less: reserve for allowance	(25,237,534)	(14,748,164)
Total deferred tax assets, net of valuation allowance	$ 487,622	$ 1,168,768
Deferred tax liabilities:		
Fixed assets book/ tax basis difference	(22,606)	(298,437)
Operating right of use assets	—	(277)
Debt discount	(462,873)	(870,054)
Other	(2,143)	—
Total deferred tax liabilities	$ (487,622)	$ (1,168,768)
Total deferred tax liabilities, net	$ —	$ —

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that the deferred tax assets will be realized. The ultimate realization of deferred tax assets is based on the assessment of available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit the utilization of existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred over the prior three-year period ended September 30, 2023. Such objective evidence limits the ability to consider subject evidence such as our projections for future growth. Based on this assessment, we maintained a full valuation allowance against our net deferred tax assets as of September 30, 2023, and 2022. If these estimates and assumptions change in the future, we may be required to reduce our existing valuation allowance resulting in less income tax expense.

For the year ended September 30, 2023, the valuation allowance increased by approximately $10.5 million from the prior year primarily from current year operating losses for which no tax benefit was provided.

As of September 30, 2023, we have federal net operating loss carryforwards of $59.9 million of which $1.6 million expire between 2036 and 2037 and available to offset 100% of future taxable income. The remaining $58.3 million of federal net operating losses have an indefinite carryforward period but is available to offset only 80% of future taxable income. Our ability to use our federal net operating carryforwards may be limited if we experience an “ownership change” as defined in Section 382 (“Section 382”) of the Internal Revenue Code of 1986, as amended. As we are continuing to generate taxable losses, we have not completed an analysis under Section 382 to determine whether any such limitations have been triggered as of September 30, 2023.

As of September 30, 2023, we have state net operating loss carryforwards of $57 million. The state NOLs begin to expire in 2037. We have Singapore net operating loss carryforwards of $2.2 million which have an indefinite carryforward period.

We applied the applicable authoritative guidance which prescribes a comprehensive model for the manner in which a company should recognize, measure, present and disclose in its financial statements all material uncertain tax

positions that it has taken or expects to take on a tax return. As of September 30, 2023, and 2022, we had no uncertain tax positions. We do not expect that our unrecognized tax benefits will significantly increase or decrease within twelve months.

We file income tax returns in the U.S., Singapore and various U.S. state jurisdictions. As of September 30, 2023, the U.S. federal tax years open to examination by the Internal Revenue Service are 2019 through 2022. The Singapore and various U.S. state returns remain open to examination for 2018 through 2022.

NOTE 14 – SUBSEQUENT EVENTS

We have evaluated all subsequent events through the date of this Report on Form 10-K with the SEC, to ensure that this filing includes appropriate disclosure of events both recognized in the financial statements as of September 30, 2023, and events which occurred after September 30, 2023, but which were not recognized in the financial statements.

Excel Revolving Line of Credit

Effective as of December 14, 2023, we entered into a Revolving Line of Credit Loan Agreement with Excel (the "Excel Revolving Line of Credit Agreement") for up to a principal sum of $2,500,000, under which we may pay down and re-borrow up to the maximum amount of the $2,500,000 limit (the "Excel Revolving Line of Credit"). Our drawdown on the Excel Revolving Line of Credit is limited to no more than twenty-five percent (25%) of the last three full months' revenue, not to exceed $1,250,000 in any quarter, and not to exceed in aggregate the outstanding debt amount of $2,500,000.The Excel Revolving Line of Credit is a perpetual loan, with a maturity date that is twelve (12) months from the date of formal notice of termination by Excel, and accrues interest, payable semi-annually in arrears, at a fixed rate of interest equal to ten percent (10%) per year. Under the Excel Revolving Line of Credit Agreement, we granted to Excel a security interest in all of our present and future assets and properties, real or personal, tangible or intangible, wherever located, including products and proceeds thereof, which security interest is *pari passu* with the RAT Non-Revolving Line of Credit Agreement and the May 2023 Secured Line of Credit (each as described above), but is subordinate in rights to GemCap under the GemCap Revolving Line of Credit Agreement (as described above).

Under the terms of the Excel Revolving Line of Credit Agreement, on December 14, 2023, we agreed to issue to Excel a warrant to purchase up to an aggregate of 3,125,000 shares of our common stock. Each warrant has an exercise price of $0.80 per share, which was the closing price of our common stock on December 14, 2023, expires on December 14, 2026, and is exercisable at any time prior to such date, to the extent that after giving effect to such exercise, Excel and its affiliates would beneficially own, for purposes of Section 13(d) of the Exchange Act, no more than 29.99% of the outstanding shares of our common stock.

As of the date of this Report, we had not drawn down any funds from the Excel Revolving Line of Credit.

Excel May 2023 Secured Line of Credit Note Conversion Agreement

As of December 14, 2023, the outstanding principal and interest on Excel's portion of the May 2023 Secured Line of Credit was $2,328,617 (the "Excel May 2023 Secured Line of Credit Pay Off Amount") of the total aggregate principal and interest outstanding under the May 2023 Secured Line of Credit of $3,262,817. On December 14, 2023, we entered into a Note Conversion Agreement with Excel (the "Excel May 2023 Secured Line of Credit Note Conversion Agreement") pursuant to which Excel agreed to convert the Excel May 2023 Secured Line of Credit Amount owed under the May 2023 Secured Line of Credit Agreement into 2,910,771 shares of our common stock, par value $0.0001 per share, at a conversion price per share of $0.80. The Excel May 2023 Secured Line of Credit Note Conversion Agreement contains customary representations, warranties, agreements and obligations of the parties. After the conversion of the Excel May 2023 Secured Line of Credit Pay Off Amount and the issuance of the shares to Excel, $934,200 in principal and interest remained under the May 2023 Secured Line of Credit.

Repricing and Exercise of Certain Existing Warrants

On December 14, 2023, we agreed to offer to amend certain existing warrants exercisable for an aggregate of up to 4,055,240 shares of the Company's common stock (each such warrant an "Existing Warrant") to reduce the respective

exercise prices thereof to $0.80 per share (such new price being referred to as the "Amended Warrant Exercise Price"), which was the closing price per share of our common stock as quoted on the NYSE American on December 13, 2023, on the condition that the holder of each Existing Warrant will commit to exercise the Existing Warrant within eight (8) business days from the date the warrant holder enters into a binding agreement, or some other number of days to be agreed by the Existing Warrant holder (the "Warrant Reprice Letter Agreement"), to exercise, paying the aggregated Amended Warrant Exercise Price of each respective Existing Warrant in cash to the Company (the "Warrant Repricing"). Holders of Existing Warrants have until December 31, 2023, to enter into a Warrant Reprice Letter Agreement by 4:00 p.m., Eastern Time, on December 31, 2023, after which time the original per share warrant exercise price of Existing Warrants will remain unchanged. Existing Warrants exercisable for an aggregate of up to 786,482 shares of our common stock are held by Excel Family Partners, LLLP, and Eagle Investment Group, LLC, entities managed by Bruce Cassidy, Sr., Chairman of our Board of Directors. Existing Warrants exercisable for an aggregate of up to 443,332 shares of our common stock are held by Denise Penz, a member of our Board of Directors. As of the date of this Report, each of Mr. Cassidy and Ms. Penz had entered into a Warrant Reprice Letter Agreement to exercise their Existing Warrants, which will result in net proceeds to the Company of $983,851. As of the date of this Report, we have total commitments, including those from Mr. Cassidy and Ms. Penz, from holders of Existing Warrants to reprice and exercise Existing Warrants for an aggregate of 1,828,147 shares at an aggregate exercise price of $1,462,518. There is no assurance that other Existing Warrant holders (who are not officers or directors of the Company) will agree to the repricing and exercise of their Existing Warrants.

Exhibit 4.11

NEITHER THIS WARRANT, NOR THE SECURITIES ISSUABLE UPON EXERCISE HEREOF, HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT OF 1933"), OR QUALIFIED UNDER THE CALIFORNIA CORPORATE SECURITIES LAW OF 1968 OR OTHER APPLICABLE SECURITIES LAWS ("STATE SECURITIES LAWS"), AND THIS WARRANT HAS BEEN, AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF, WILL BE, ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR FOR RESALE IN CONNECTION WITH, ANY DISTRIBUTION THEREOF. NO SUCH SALE OR OTHER DISPOSITION MAY BE MADE WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 AND QUALIFICATION UNDER STATE SECURITIES LAWS RELATED THERETO OR AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY (AS THAT TERM IS DEFINED BELOW) AND ITS COUNSEL, THAT SAID REGISTRATION AND QUALIFICATION ARE NOT REQUIRED UNDER THE SECURITIES ACT OF 1933 AND STATE SECURITIES LAWS, RESPECTIVELY, OR UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT OF 1933.

LOOP MEDIA, INC.

COMMON STOCK WARRANT

Aggregate Exercise Price: $2,500,000.62
Aggregate Exercisable Warrant Shares: 2,192,983

Issue Date: December 11, 2023
Warrant Number: CSW-23-006

This certifies that **Excel Family Partners, LLLP** ("**Investor**"), or any party to whom this Common Stock Warrant (this "**Warrant**") is assigned in compliance with the terms hereof (Investor and any such assignee being hereinafter sometimes referenced as "**Holder**"), is entitled to subscribe for and purchase the number of shares of fully paid and nonassessable Warrant Stock (as such term is described below) of Loop Media, Inc., a Nevada corporation (the "**Company**"), that has an aggregate purchase price equal to the Aggregate Exercise Price (as defined below). The purchase price of each such share of Warrant Stock shall be equal to the Warrant Exercise Price (as defined below). This Warrant may be exercised during the period commencing upon the date first written above and ending on December 11, 2026.

ARTICLE I DEFINITIONS

1.1 "**Affiliate**" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

1.2 **"Aggregate Exercise Price"** means $2,500,000.62.

1.3 **"Change of Control"** means the consummation of: (a) a sale, transfer, exclusive license or other disposition, in one transaction or a series of related transactions, of all or substantially all of the Company's and its subsidiaries' assets, taken as a whole (except where such sale, transfer, license or other disposition is to a wholly-owned subsidiary of the Company); (b) the merger or consolidation of the Company with or into another entity, except any merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold a majority of the voting power of the capital stock of the Company or the surviving or acquiring entity, (or, if the surviving or acquiring entity is a wholly owned subsidiary of another party immediately following such merger or consolidation, the parent entity of such surviving or acquiring entity); (c) the transfer (whether by merger, consolidation or otherwise), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an underwriter of the Company's securities), of the Company's securities if, after such consummation, such person or group of affiliated persons would hold 50% or more of the outstanding voting stock of the Company's (or the surviving or acquiring entity, or the parent entity of such surviving or acquiring entity); or (d) a liquidation, voluntary or involuntary dissolution or winding up of the Company.

1.4 "**Common Stock**" means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

1.5 "**Common Stock Equivalents**" means any securities of the Company which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

1.6 **"Holder"** shall have the meaning set forth in the introductory paragraph of this Warrant.

1.7 **"Investor"** shall have the meaning set forth in the introductory paragraph of this Warrant.

1.8 **"Other Stock"** means the securities of the Company into which Warrant Stock may be converted pursuant to the terms of Warrant Stock, which may include but not be limited to another class or series of common stock of the Company, but only if the terms of the Warrant Stock provide for such conversion.

1.9 **"Rights"** means any options, warrants, or rights to purchase common stock or convertible securities.

1.10 **"Securities Act"** shall have the meaning set forth in the introductory paragraph of this Warrant.

1.11 **"Warrant Exercise Price"** means $1.14.

1.12 **"Warrant Stock"** means the Company's Common Stock.

ARTICLE II EXERCISE AND PAYMENT

2.1 **Cash Exercise**. The purchase rights represented by this Warrant may be exercised by Holder, in whole or in part, by the surrender of this Warrant at the principal office of the Company, accompanied by the form of Notice of Exercise attached hereto as **Exhibit A-1**, and by the payment to the Company, by cash or by certified, cashier's or other check acceptable to the Company, of an amount equal to the aggregate Warrant Exercise Price (rounded up to the nearest whole cent) of the shares being purchased. If the Warrant Stock issuable under this Warrant has been automatically converted into Other Stock, this Warrant shall automatically convert into a right to purchase Other Stock, and the Warrant Exercise Price shall be divided by the number of shares of Other Stock which were received upon conversion of one share of such Warrant Stock at the time of such automatic conversion.

2.2 **Net Issue Exercise**. In lieu of exercising this Warrant pursuant to Section 2.1, this Warrant may be exercised in whole or in part by Holder by surrender of this Warrant to the Company, accompanied by the form of Notice of Net Issue (Cashless) Exercise attached hereto as **Exhibit A-2**. The number of shares Warrant Stock issuable upon the exercise shall be that having a value equal to the net value of this Warrant, computed as of the date of surrender of this Warrant to the Company, using the following formula:

$$X = Y(A-B)/A$$

Where:

X = the number of shares of Warrant Stock to be issued to Holder under this Section 2.2;

Y = the maximum number of shares of Warrant Stock purchasable upon cash exercise of this Warrant;

A = the fair market value per share of Warrant Stock at the date of exercise, as determined in Section 2.3 below;

B = the Warrant Exercise Price.

2.3 **Fair Market Value in Net Issue Exercise**. For purposes of Section 2.2, the fair market value per share of Warrant Stock shall be determined by the Company's Board of Directors (the "**Board**") in good faith. In the case of Net Issue Exercise in connection with and contingent upon the closing of the Company's Initial Public Offering, the fair market value per share of Warrant Stock shall be calculated by multiplying the gross offering price to the public (prior to deduction of underwriters' discounts and expenses) of a share of Other Stock by the number of shares of Other Stock into which each outstanding share of Warrant Stock then can be converted

or will be converted upon the offering.

2.4 Beneficial Ownership Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "**Attribution Parties**")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2.4, beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934 ("**Exchange Act**") and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith and the calculations required under this Section 2.4. To the extent that the limitation contained in this Section 2.4 applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2.4, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within one (1) trading day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "**Beneficial Ownership Limitation**" shall be 29.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2.4, provided that the Beneficial Ownership Limitation in no event exceeds 29.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2.4 shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this Section 2.4 shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2.4 to correct this Section 2.4 (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this Section 2.4 shall apply to a successor holder of this Warrant.

2.5 Automatic Conversion. If Warrant Stock has been automatically converted to Other Stock pursuant to the terms and conditions of the Warrant Stock, then this Warrant shall

automatically convert into a right to purchase Other Stock, pursuant to the formulas set forth in Sections 2.2 and 2.3 above, and the number of shares of the Company's common stock to which Holder shall be entitled to purchase shall be multiplied by that number of shares of Other Stock which were received upon conversion of one share of such Warrant Stock at the time of such automatic conversion.

2.6 Stock Certificates. In the event of any exercise of the rights represented by this Warrant, unless the Company's common stock is held in book-entry only form, in which case the Company's transfer agent shall provide a statement of holdings, certificates for the shares of Warrant Stock so purchased shall be delivered to Holder within a reasonable time and, unless this Warrant has been fully exercised or has expired, a new Warrant representing the remaining unexercised portion hereof shall also be issued to Holder at such time. Notwithstanding the date of the delivery of the certificate(s) for such Warrant Stock, the person in whose name the certificate(s) for such Warrant Stock are to be issued shall be deemed to have become a stockholder of record on the next succeeding day on which the transfer books are open after the date of the appropriate Notice of Exercise is received by the Company.

2.7 Stock Fully Paid; Reservation of Shares. The Company covenants and agrees that all Warrant Stock which may be issued upon the exercise of the rights represented by this Warrant (any Other Stock receivable upon any conversion of Warrant Stock) will, upon issuance, be fully paid and nonassessable and free from all taxes, liens and charges with respect to the issue thereof (excluding taxes based on the income of Holder). The Company further covenants and agrees that during the period within which the rights represented by this Warrant may be exercised, the Company will at all times use its best efforts to have authorized and reserved for issuance a sufficient number of shares of its Warrant Stock or other securities as would be required upon the full exercise of the rights represented by this Warrant.

2.8 Fractional Shares. No fractional share of Warrant Stock will be issued in connection with any exercise hereof; in lieu of a fractional share upon complete exercise hereof, Holder may purchase a whole share by delivering payment equal to the appropriate portion of the then effective Warrant Exercise Price.

2.9 Automatic Exercise. To the extent this Warrant is not previously exercised, and if the fair market value of one share of the Company's Warrant Stock issuable hereunder is greater than the Warrant Exercise Price, as adjusted, this Warrant shall be deemed automatically exercised in accordance with Section 2.2 hereof (even if not surrendered) immediately before its expiration. For purposes of such automatic exercise, the fair market value of one share of the Company’s Warrant Stock upon such expiration shall be the fair market value determined pursuant to Section 2.3 above. To the extent this Warrant or any portion thereof is deemed automatically exercised pursuant to this Section 2.9, the Company agrees to notify Holder within a reasonable period of time of the number of shares of the Company's Warrant Stock, if any, Holder is to receive by reason of such automatic exercise.

ARTICLE III
CERTAIN ADJUSTMENTS OF NUMBER OF SHARES PURCHASABLE AND WARRANT EXERCISE PRICE

The number and kind of securities purchasable upon the exercise of this Warrant and the Warrant Exercise Price shall be subject to adjustment from time to time upon the happening of certain events, as follows:

3.1 Reclassification, Consolidation or Merger. In case of, after the Warrant Stock is determinable: (a) any reclassification or change of outstanding securities issuable upon exercise of this Warrant; (b) any consolidation or merger of the Company with or into another corporation (other than a merger with another corporation in which the Company is a continuing corporation and which does not result in any reclassification, change or exchange of outstanding securities issuable upon exercise of this Warrant); or (c) any sale or transfer to another corporation of all, or substantially all, of the assets of the Company, in each case which does not constitute a Change of Control, then, and in each such event, the Company or such successor or purchasing corporation, as the case may be, shall execute a new Warrant of like form, tenor and effect and which will provide that Holder shall have the right to exercise such new Warrant and purchase upon such exercise, in lieu of each share of Warrant Stock theretofore issuable upon exercise of this Warrant, the kind and amount of securities, money and property receivable upon such reclassification, change, consolidation, merger, sale or transfer by a holder of one share of Warrant Stock issuable upon exercise of this Warrant had this Warrant been exercised immediately prior to such reclassification, change, consolidation, merger, sale or transfer. Such new Warrant shall be as nearly equivalent in all substantive respects as practicable to this Warrant and the adjustments provided in this Article III and the provisions of this Section 3.1, shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales and transfers.

3.2 Subdivision or Combination of Shares. If the Company shall at any time while this Warrant remains outstanding and less than fully exercised: (a) divide its Warrant Stock, the number of shares into which this Warrant shall be exercisable shall be proportionately increased and the Warrant Exercise Price shall be proportionately reduced; or (b) shall combine shares of its Warrant Stock, the number of shares into which this Warrant shall be exercisable shall be proportionately decreased and the Warrant Exercise Price shall be proportionately increased.

3.3 Adjustments for Dividends in Stock or other Securities or Property. If while this Warrant, or any portion hereof, remains outstanding and less than fully exercised Holders of the securities as to which purchase rights under this Warrant exist at the time shall have received, or, on or after the record date fixed for the determination of eligible stockholders, shall have become entitled to receive, without payment therefor, other or additional stock or other securities or property (other than cash) of the Company by way of dividend, then and in each case, this Warrant shall represent the right to acquire, in addition to the number of shares of the security receivable upon exercise of this Warrant, and without payment of any additional consideration therefor, the amount of such other or additional stock or other securities or property (other than cash) of the Company which such holder would hold on the date of such exercise had it been the holder of record of the security receivable upon exercise of this Warrant on the date hereof and had thereafter, during the period from the date hereof to and including the date of such event, retained such shares and/or all such other additional stock during such period, giving effect to all adjustments called for during such period by the provisions of this Section 3.3.

3.4 Time of Adjustments to the Warrant Exercise Price. All adjustments to the Warrant Exercise Price and the number of shares purchasable hereunder, unless otherwise specified herein, shall be effective as of the earlier of:

(a) the effective date of a division or combination of shares; and

(b) the record date of any action of holders of any class of the Company's equity taken for the purpose of entitling holders of Warrant Stock to receive a distribution or dividend payable in securities of the Company, provided that such division, combination, distribution or dividend actually occurs.

3.5 Notice of Adjustments. In each case of an adjustment in the Warrant Exercise Price and the number of shares purchasable hereunder, the Company, at its expense, shall cause the Chief Financial Officer of the Company to compute such adjustment and prepare a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Company shall mail a copy of each such certificate to Holder pursuant to Section 6.7 hereof.

3.6 Duration of Adjusted Warrant Exercise Price. Following each adjustment of the Warrant Exercise Price, such adjusted Warrant Exercise Price shall remain in effect until a further adjustment of the Warrant Exercise Price.

3.7 Adjustment of Number of Shares. Upon each adjustment of the Warrant Exercise Price pursuant to this Article III, the number of shares of Warrant Stock purchasable hereunder shall be adjusted to the nearest whole share, to the number obtained by dividing the Aggregate Exercise Price by the Warrant Exercise Price as adjusted.

ARTICLE IV TRANSFER, EXCHANGE AND LOSS

4.1 Transfers. Subject to applicable law, this Warrant is transferable on the books of the Company at its principal office by the registered Holder hereof upon surrender of this Warrant properly endorsed, subject to compliance with federal and state securities laws. The Company shall issue and deliver to the transferee a new Warrant or Warrants representing the Warrants so transferred. Upon any partial transfer, the Company will issue and deliver to Holder a new Warrant or Warrants with respect to the Warrants not so transferred, at Holder's cost and expense. Notwithstanding the foregoing, Holder shall not be entitled to transfer a number of shares or an interest in this Warrant representing less than fifty percent (50%) of the Aggregate Exercise Price initially covered by this Warrant. Any transferee shall be subject to the same restrictions on transfer with respect to this Warrant as the Investor.

4.2 Securities Laws. If required by the Company, in connection with each issuance of shares of Warrant Stock upon exercise of this Warrant, Holder will give: (a) assurances in writing, satisfactory to the Company, that such shares are being purchased solely for Holder's own account and not as a nominee for any other party, for investment and not with a view to the distribution thereof in violation of applicable laws, (b) sufficient information, in writing, to enable the Company to rely on exemptions from the registration or qualification requirements of applicable laws, if available, with respect to such exercise, and (c) its cooperation to the Company in connection with such compliance.

4.3 Exchange. This Warrant is exchangeable at the principal office of the Company for Warrants which represent, in the aggregate, Holder's rights to purchase the number of shares of Warrant Stock at the Warrant Exercise Price, as set forth above, subject to adjustment from time to time as set forth herein; each new Warrant to represent the right to purchase such portion thereof as Holder shall designate at the time of such exchange. Each new Warrant shall be identical in form and content to this Warrant, except for appropriate changes in the number of shares of Warrant Stock covered thereby and any other changes which are necessary in order to prevent the Warrant exchange from changing the respective rights and obligations of the Company and Holder as they existed immediately prior to such exchange.

4.4 Loss or Mutilation. Upon receipt by the Company of evidence satisfactory to it of the ownership of, and the loss, theft, destruction or mutilation of, this Warrant and (in the case of loss, theft, or destruction) of indemnity satisfactory to it, and (in the case of mutilation) upon

surrender and cancellation hereof, the Company will execute and deliver in lieu hereof a new Warrant.

ARTICLE V HOLDER RIGHTS

5.1 No Stockholder Rights Until Exercise. No Holder hereof, solely by virtue hereof, shall be entitled to any rights as a shareholder of the Company. Holder shall have all rights of a stockholder with respect to securities purchased upon exercise hereof as of the date set forth in Section 2.

ARTICLE VI MISCELLANEOUS

6.1 Governmental Approvals. The Company will from time to time take all action which may be necessary to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and securities acts filings under federal and state laws, which may be or become requisite in connection with the issuance, sale, and delivery of this Warrant, and the issuance, sale and delivery of the Warrant Stock or other securities or property issuable or deliverable upon exercise of this Warrant.

6.2 Governing Laws. This Warrant will be governed by and construed in accordance with the laws of the State of Nevada, excluding that body of laws pertaining to conflict of laws. If any provision of this Warrant is determined by a court of law to be illegal or unenforceable, such provision will be enforced to the maximum extent possible and the other provisions will remain effective and enforceable. If such clause or provision cannot be so enforced, such provision shall be stricken from this Warrant, as applicable, and the remainder of this Warrant, as applicable, shall be enforced as if such invalid, illegal or unenforceable clause or provision had (to the extent not enforceable) never been contained in this Warrant, as applicable.

6.3 Binding Upon Successors and Assigns. Subject to, and unless otherwise provided in, this Warrant, each and all of the covenants, terms, provisions, and agreements contained herein shall be binding upon, and inure to the benefit of the permitted successors, executors, heirs, representatives, administrators and assigns of the parties hereto.

6.4 Severability. If any one or more provisions of this Warrant, or the application thereof, shall for any reason and to any extent be invalid or unenforceable, the remainder of this Warrant and the application of such provisions to other persons or circumstances shall be interpreted so as best to reasonably effect the intent of the parties hereto. The parties further agree to replace any such void or unenforceable provisions of this Warrant with valid and enforceable provisions which will achieve, to the extent possible, the economic, business and other purposes of the void or unenforceable provisions.

6.5 Amendments, Waivers, Modifications. This Warrant may be amended only by a written agreement executed by each of the parties hereto. No amendment of or waiver of, or modification of any obligation under this Warrant will be enforceable unless set forth in a writing signed by the party against which enforcement is sought. Any amendment effected in accordance with this section will be binding upon all parties hereto and each of their respective successors and assigns. The failure of any party to enforce any of the provisions hereof shall not be construed to be a waiver of the right of such party thereafter to enforce such provision as to that or any other

instance. No waiver granted under this Warrant as to any one provision herein shall constitute a subsequent waiver of such provision or of any other provision herein or therein, nor shall it constitute the waiver of any performance other than the actual performance specifically waived.

6.6 Attorneys' Fees. Should suit be brought to enforce or interpret any part of this Warrant, the prevailing party shall be entitled to recover, as an element of the costs of suit and not as damages, reasonable attorneys' fees to be fixed by the court (including without limitation, costs, expenses and fees on any appeal). The prevailing party shall be the party entitled to recover its costs of suit, regardless of whether such suit proceeds to final judgment. A party not entitled to recover its costs shall not be entitled to recover attorneys' fees. No sum for attorneys' fees shall be counted in calculating the amount of a judgment for purposes of determining if a party is entitled to recover costs or attorneys' fees.

6.7 Notices. Any notice, other communication or payment required or permitted hereunder shall be in writing and shall be deemed sufficient upon delivery, when delivered personally or by overnight courier or sent by e-mail or facsimile (upon customary confirmation of receipt), or forty- eight (48) hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address or fax number as set forth in the Company's records.

6.8 No Endorsement. Holder understands that no federal or state securities administrator has made any finding or determination relating to the fairness of investment in the Company or purchase of the Warrant Stock hereunder and that no federal or state securities administrator has recommended or endorsed the offering of securities by the Company hereunder.

6.9 Further Assurances. The Company and Holder each agree to cooperate fully with the other and to execute such further instruments, documents and agreements and to give such further written assurances, as may be reasonably requested by the other party to better evidence and reflect the transactions described herein and contemplated hereby, and to carry into effect the intents and purposes of this Warrant.

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INVESTOR ACKNOWLEDGES THAT IT HAS BEEN ADVISED TO CONSULT ITS OWN TAX ADVISOR WITH SPECIFIC REFERENCE TO ITS OWN TAX SITUATION AND THE POTENTIAL EFFECT OF APPLICABLE LAWS AND REGULATIONS. THE COMPANY HAS NOT AND DOES NOT PROVIDE ANY ADVICE CONCERNING ANY OF THE POTENTIAL TAX CONSIDERATIONS AND CONSEQUENCES RELATING TO THE ACQUISITION, OWNERSHIP OR DISPOSITION OF THIS WARRANT OR THE WARRANT STOCK. IN ADDITION, THE COMPANY HAS NOT OBTAINED, NOR DOES IT INTEND TO OBTAIN, A RULING FROM THE IRS OR AN OPINION OF COUNSEL WITH RESPECT TO ANY TAX CONSEQUENCES OF ACQUIRING, OWNING OR DISPOSING OF THIS WARRANT OR THE WARRANT STOCK.

THE COMPANY IS NOT RESPONSIBLE, NOR DOES IT DIRECTLY OR INDIRECTLY ASSUME RESPONSIBILITY, FOR THE TAX OR LEGAL CONSEQUENCES OF THIS WARRANT OR THE TRANSACTION TO INVESTOR. INVESTOR SHOULD CONSULT ITS OWN TAX AND LEGAL ADVISORS AS TO THE PARTICULAR TAX AND LEGAL CONSEQUENCES TO IT OF ACQUIRING, HOLDING OR DISPOSING OF THIS WARRANT OR THE WARRANT STOCK, INCLUDING THE EFFECT AND APPLICABILITY OF FEDERAL, STATE AND LOCAL TAX LAWS.

IN WITNESS WHEREOF, the parties hereto have executed this Common Stock Warrant as of the date first set forth above.

LOOP MEDIA, INC., a Nevada corporation

By: _____ Jon Niermann, CEO

Exhibit A-1

NOTICE OF EXERCISE OF COMMON STOCK WARRANT BY CASH PAYMENT OF WARRANT EXERCISE PRICE

[Date]

Loop Media, Inc.

Attention: Chief Executive Officer

Aggregate Exercise Price of Warrant Before Exercise: $ _____

Aggregate Exercise Price Being Exercised: $ _____

Warrant Exercise Price: $ _____ per share

Number of Shares of Warrant Stock to be Issued Under this Notice: _____

Remainder Aggregate Price (if any) After Issuance: $ _____

NOTICE OF EXERCISE

Ladies and Gentlemen:

The undersigned registered Holder of the Common Stock Warrant delivered herewith ("**Warrant**"), hereby irrevocably exercises such Warrant for, and purchases thereunder, shares of the Warrant Stock of Loop Media, Inc., a Nevada corporation, as provided below. Capitalized terms used herein, unless otherwise defined herein, shall have the meanings given in the Warrant. The portion of the Aggregate Exercise Price (as defined in the Warrant) to be applied toward the purchase of Warrant Stock pursuant to this Notice of Exercise is $_____, thereby leaving a remainder Aggregate Exercise Price (if any) equal to $_____. Such exercise shall be pursuant to the cash exercise provisions of Section 2.1 of the Warrant. Therefore, Holder makes payment

with this Notice of Exercise by way of check payable to the Company in the amount of $ _____. Such check is payment in full under the Warrant for _____shares of Warrant Stock based upon the Warrant Exercise Price as currently in effect under the Warrant.

Holder requests that the shares of Warrant Stock be issued in the name of _____and delivered to _____.

To the extent the foregoing exercise is for less than the full Aggregate Exercise Price, a Replacement Warrant representing the remainder of the Aggregate Exercise Price and otherwise of like form, tenor and effect should be delivered to Holder along with the share certificates evidencing the Warrant Stock issued in response to this Notice of Exercise.

Exhibit A-2

NOTICE OF EXERCISE OF COMMON STOCK WARRANT PURSUANT TO NET ISSUE ("CASHLESS") EXERCISE PROVISIONS

[Date]

Loop Media, Inc.

Attention: Chief Executive Officer

Aggregate Exercise Price of Warrant Before Exercise:	$_____
Aggregate Exercise Price Being Exercised:	$_____
Warrant Exercise Price: per share	$_____
Number of Shares of Warrant Stock to be Issued Under this Notice:	_____
Remainder Aggregate Price (if any) After Issuance:	$_____

CASHLESS EXERCISE

Ladies and Gentlemen:

The undersigned, registered Holder of the Common Stock Warrant delivered herewith ("**Warrant**"), hereby irrevocably exercises such Warrant for, and purchases thereunder, shares of the Warrant Stock of Loop Media, Inc., a Nevada corporation, as provided below. Capitalized terms used herein, unless otherwise defined herein, shall have the meanings given in the Warrant. The portion of the Aggregate Exercise Price (as defined in the Warrant) to be applied toward the purchase of Warrant Stock pursuant to this Notice of Exercise is $ _____, thereby leaving a remainder Aggregate Exercise Price (if any) equal to $_____. Such exercise shall be pursuant to the net issue exercise provisions of Section 2.2 of the Warrant; therefore, Holder makes no payment with this Notice of Exercise. The number of shares to be issued pursuant to this exercise shall be determined by reference to the formula in Section 2.2 of the Warrant which, by reference to Section 2.3, requires the use of the current per share fair market value of the Company's Warrant Stock. The current fair market value of one share of the Company's Warrant Stock shall be

determined in the manner provided in Section 2.3, which amount has been determined or agreed to by Holder and the Company to be $__, which figure is acceptable to Holder for calculations of the number of shares of Warrant Stock issuable pursuant to this Notice of Exercise. Holder

requests that the shares of Warrant Stock be issued in the name of and delivered to_____. To the extent the foregoing exercise is for less than the full Aggregate Exercise Price of the Warrant, a replacement Warrant representing the remainder of the Aggregate Exercise Price (and otherwise of like form, tenor and effect) shall be delivered to Holder along with the share certificate evidencing the Warrant Stock issued in response to this Notice of Exercise.

Exhibit 4.13

DESCRIPTION OF LOOP MEDIA, INC.'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

As of September 30, 2022, Loop Media, Inc. (the "Company") had two classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock, $0.0001 par value per share and preferred stock, par value $0.0001 per share.

DESCRIPTION OF CAPITAL STOCK

The following summary describes our capital stock.

The following description is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to (i) our Articles of Incorporation, as amended (the "Articles of Incorporation"), and (ii) our Bylaws, each of which are incorporated by reference as an exhibit to this report. We encourage you to read our Articles of Incorporation, our Bylaws and the applicable provisions of Chapter 78 of the Nevada Revised Statutes for additional information.

Authorized and Outstanding Capital Stock

On September 20, 2022, a one-for-three reverse split of our common stock became effective.

Our authorized capital stock consists of 105,555,556 shares of common stock, $0.0001 par value per share, and 16,666,667 shares of preferred stock, $0.0001 par value per share. As of December 1, 2022, there were 56,381,209 shares of our common stock issued and outstanding. In addition, as of such date, of the 16,666,667 shares of preferred stock authorized, we had designated (i) 3,333,334 shares of preferred stock as Series A Convertible Preferred Stock (the "Series A Preferred Stock") and (ii) 3,333,334 shares of preferred stock as Series B Preferred. As of December 1, 2022, there were (i) no shares of Series A Preferred Stock issued and outstanding, and (ii) no shares of Series B Preferred Stock issued and outstanding. Each share of Series A Preferred Stock has a liquidation preference of $0.15 per share, is entitled to 100 votes per share, and is convertible at any time at the discretion of the holder thereof into 100 shares of common stock. Each share of Series B Preferred Stock has a liquidation preference of $1.50 per share, is entitled to 100 votes per share and is convertible at any time at the discretion of the holder thereof into 100 shares of common stock.

Rights of shareholders

Voting Rights. In accordance with Nevada law and the Bylaws, the affirmative vote of holders representative of a majority of the shares cast at a duly held meeting at which a quorum is present shall be the act of the stockholders. The presence at the meeting, by person or by proxy, of the holders of record of not less than fifty percent (50%) of the outstanding shares of stock entitled to vote shall constitute a quorum for transacting business. Our stockholders do not have cumulative voting rights in the election of directors.

Common Stock. Holders of our common stock are entitled to one vote per share on all matters to be voted upon by stockholders.

Preferred Stock. Holders of our Series A Preferred Stock are entitled to 100 non-cumulative votes per share on all matters submitted to a vote of stockholders of our common stock, including the election of directors, and all other matters as required by law, and holders of our Series B Preferred Stock are entitled to 100 non-cumulative votes per share on all matters submitted to a vote of stockholders of our common stock, including the election of directors, and all other matters as required by law.

Liquidation Rights.

Common Stock. The liquidation rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Preferred Stock. In the event of a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, our creditors (including the holders of our convertible debt) and any holders of our preferred stock with preferential liquidation rights will be paid before any distribution to holders of common stock. Our Series A Preferred Stock has a liquidation preference of $0.15 per share and our Series B Preferred Stock has a liquidation preference of $1.50 per share. A sale of all or substantially all of the Company's assets or an acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, a reorganization, consolidated or merger) that results in the transfer of fifty percent (50%) or more of the outstanding voting power of the Company, shall be deemed to be a liquidation.

Dividend Rights.

Common Stock. The holders of our common stock are entitled to receive dividends when and as declared by our Board of Directors out of funds legally available for dividends, subject to the prior rights or preferences applicable to any preferred stock as may then be outstanding.

Preferred Stock. The Series A Preferred Stock and Series B Preferred Stock have no right to receive dividends except as declared by the Board of Directors in its sole and absolute discretion, out of funds legally available for that purpose.

The Company has not declared or paid any cash dividends on its common stock and the Company does not presently intend to pay any cash dividends in the foreseeable future.

Other Rights and Preferences. Shares of our common stock have no preemptive rights, no conversion rights, no redemption or sinking fund provisions, and are not liable for further call or assessment.

Listing. Our common stock currently trades on the NYSE American under the symbol "LPTV."

Anti-Takeover Provisions

Acquisitions of Controlling Interest. Nevada Revised Statutes sections 78.378 to 78.3793 provide state regulation over the acquisition of a controlling interest in certain Nevada corporations unless the articles of incorporation or bylaws of the corporation provide that the provisions of these sections do not apply. Our Articles of Incorporation and Bylaws state that these provisions do not apply. The statute creates a number of restrictions on the ability of a person or entity to acquire control of a Nevada company by setting down certain rules of conduct and voting restrictions in any acquisition attempt, among other things. The statute is limited to corporations that are organized in the state of Nevada and that have 200 or more stockholders of record, at least 100 of whom have addresses in the State of Nevada appearing on the stock ledger of the corporation, and does business in the State of Nevada directly or through an affiliated corporation.

Interested Stockholder Transactions. Nevada Revised Statutes sections 78.411 through 78.444 provide that a Nevada corporation with 200 or more stockholders of record generally may not engage in certain business combinations and transactions with an "interested stockholder" (in general, the beneficial owner of 10% or more of the corporation's voting power) or the interested stockholder's affiliates or associates during the two-year period after the stockholder first became an interested stockholder unless the combination meets all of the requirements of the corporation's articles of incorporation and either:

- The business combination or transaction by which the person first became an interested stockholder is approved by the board of directors before the stockholder first became an interested stockholder; or

- During the two-year period, the transaction is approved by the board of directors and by at least 60% of the disinterested stockholders at an annual or special meeting.

After that initial two-year period, corporations subject to these statutes may not engage in specified business combinations and transactions unless the combination meets all of the requirements of the articles of incorporation and either:

- The business combination or transaction by which the person first became an interested stockholder is approved by the board of directors before the stockholder first became an interested stockholder;

- The business combination is approved by a majority of the outstanding voting power of the resident domestic corporation not beneficially owned by the interested stockholder or any of the interested stockholder's affiliates or associates; or

- The combination meets specified statutory requirements.

A corporation may opt out of these provisions by expressly opting out in its original articles of incorporation or in an amendment of the articles approved by the majority vote of disinterested stockholders. Our Articles of Incorporation specifically opt out of these provisions.

Articles of Incorporation and Bylaws. In addition, some provisions of our Articles of Incorporation and Bylaws may be deemed to have an anti-takeover effect and may delay or prevent a tender offer or takeover attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders.

Cumulative Voting. Our Articles of Incorporation do not permit stockholders the right to cumulative voting in the election of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations. Our Bylaws provide that stockholders seeking to bring business before an annual meeting of stockholders, or to nominate candidates for election as directors at an annual meeting of stockholders, must provide timely notice in writing. To be timely, a stockholder's notice must be delivered to or mailed and received at our principal executive offices not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting. However, in the event that no annual meeting was held in the previous year or if the date of the annual meeting is advanced by more than twenty-five (25) days prior to or delayed by more than twenty-five (25) days after the one-year anniversary of the date of the previous year's annual meeting, then, for notice by the stockholder to be timely, it must be so received by the Secretary not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of (A) the ninetieth (90th) day prior to such annual meeting, or (B) the tenth (10th) day following the day on which public announcement of the date of such annual meeting is first made. Our Bylaws also specify requirements as to the form and content of a stockholder's notice. These provisions may preclude stockholders from bringing matters before an annual meeting of stockholders or from nominating directors at an annual meeting of stockholders.

Authorized but Unissued Shares. Our authorized but unissued shares of common stock and preferred stock are available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of the Company by means of a proxy contest, tender offer, merger or otherwise.

Amendments to Bylaws. Our Articles of Incorporation provide that the Board of Directors has the exclusive right to amend our Bylaws.

Limitation of Liability and Indemnification

The Nevada Revised Statutes provide that a corporation may indemnify its officers and directors against expenses actually and reasonably incurred in the event an officer or director is made a party or threatened to be made a party to an action (other than an action brought by or in the right of the corporation as discussed below) by reason of his or her official position with the corporation provided the director or officer (1) is not liable for the breach of any fiduciary duties as a director or officer involving intentional misconduct, fraud or a knowing violation of the law or (2) acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal actions, had no reasonable cause to believe his or her conduct was unlawful. A corporation may indemnify its officers and directors against expenses, including amounts paid in settlement, actually and reasonably incurred in the event an officer or director is made a party or threatened to be made a party to an action by or in the right of the corporation by reason of his or her official position with the corporation, provided the director or officer (1) is not liable for the breach of any fiduciary duties as a director or officer involving intentional misconduct, fraud or a knowing violation of the laws or (2) acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation. The Nevada Revised Statutes further provide that a corporation generally may not indemnify an officer or director if it is determined by a court that such officer or director is liable to the corporation or responsible for any amounts paid to the corporation in settlement, unless and only to the extent that court also determines that the officer or director is fairly and reasonably entitled to indemnification in light of all of the relevant facts and circumstances. The Nevada Revised Statutes require a corporation to indemnify an officer or director to the extent he or she is successful on the merits or otherwise successfully defends an action against the officer or director by reason of the fact that the person is or was an officer or director.

Our Articles of Incorporation and Bylaws provide liability of our directors and officers shall be eliminated or limited to the fullest extent not prohibited by Chapter 78 of the Nevada Revised Statutes, and that the Company also may indemnify its employees and agents as permitted by Chapter 78 of the Nevada Revised Statutes. Our Bylaws expressly authorize the Company to enter into individual indemnification agreements with any or all of its directors, officers, employees or agents, and to obtain insurance on behalf of any of the foregoing persons. The Company intends to maintain director and officer liability insurance, if available on reasonable terms. We have not entered into indemnification agreements with our directors, officers, employees or agents.

Exhibit 10.40

SECURED REVOLVING LINE OF CREDIT LOAN AGREEMENT

by and between

LOOP MEDIA, INC.

and

LENDER

Dated as of December 14, 2023

SECURED REVOLVING LINE OF CREDIT LOAN AGREEMENT

This Secured Revolving Line of Credit Loan Agreement (this "Agreement") is dated as of December 14, 2023 ("Effective Date"), by and between **LOOP MEDIA, INC.**, a Nevada corporation ("Borrower") and Excel Family Partners, LLLP (the "Lender").

BACKGROUND

A. Borrower desires to establish with Lender, and Lender is willing to make loans to Borrower, as a revolving line of credit not to exceed the sum of two and half million U.S. dollars ($2,500,000) in the aggregate, under the terms and provisions hereinafter set forth.

B. The parties are entering into this Agreement to define the terms and conditions of their relationship in writing.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION I. DEFINITIONS AND INTERPRETATION

1.1. Terms Defined: As used in this Agreement, the following terms (in addition to terms defined elsewhere in this Agreement) have the following respective meanings:

Advance(s) – Any monies advanced or credit extended to Borrower by Lender under the Line of Credit.

Affiliate – With respect to any Person, (a) any Person which, directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such Person, or (b) any Person who is a director or officer (i) of such Person, (ii) of any Subsidiary of such Person, or (iii) any person described in clause (a) above.

Authorized Officer – Any officer (or comparable equivalent) of Borrower authorized by specific resolution of Borrower to request Advances.

Bankruptcy Code – Title 11 of the United States Code entitled "Bankruptcy", as now or hereinafter in effect, or any successor statute.

Business Day – A day other than Saturday or Sunday when financial institutions are open for business in Florida.

Closing – December 14, 2023.

Collateral - all of Borrower's personal property, now owned or hereafter acquired, including without limitation, all accounts, chattel paper, commercial tort claims, deposit accounts, documents, equipment, general intangibles (including intellectual property, patents, copyrights, trademarks, and goodwill), goods, fixtures, instruments, inventory, financial assets, domain names, investment property, letter of credit rights, money, and all of Borrower's books and records with respect to any of the foregoing, and the computers and equipment containing said books and records; and all products and proceeds thereof, as defined in this Agreement and the Uniform Commercial Code.

Contract Rate – A fixed rate of interest equal to ten percent (10%) per annum.

Default - Any event, act, condition or occurrence which with notice, or lapse of time or both, would constitute an Event of Default hereunder.

Effective Date – The date set forth above.

Expenses – The meaning given such term in Section 8.6 hereof.

GemCap – GemCap Solutions, LLC, a Delaware limited liability company, together with its successors and assigns.

Governmental Authority - Any federal, state or local government or political subdivision, or any agency, authority, bureau, central bank, commission, department or instrumentality of either, or any court, tribunal, grand jury, or arbitration.

Indebtedness - All indebtedness created, assumed or incurred in any manner by a Person representing money borrowed (including by the issuance of debt securities) and all guarantees of such Person in respect of any of the foregoing.

Legal Requirement – Collectively, any treaty, statute, law, common law, rule, regulation, ordinance, license, permit, governmental approval, injunction, judgment, order, consent decree or other requirement of any Governmental Authority, whether federal, state, or local.

Lien - Any lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

Line of Credit – the line of credit facility established pursuant to the terms of this Agreement, the Note and any other Loan Document.

Line of Credit Maturity Date – the date that is twelve (12) months from the time of giving a Line of Credit Maturity Date Notice.

Line of Credit Maturity Date Notice – the twelve (12) months prior written notice given by either Party to the other Party calling for all outstanding amounts under the Line of Credit to come due and be payable and for the Line of Credit to terminate.Loans – Mean the unpaid balance of Advances under the Line of Credit.

Loan Documents – Collectively, this Agreement, the Note, and all agreements, instruments and documents executed and/or delivered in connection therewith, all as may be supplemented, restated, superseded, amended or replaced from time to time.

Material Adverse Effect - (a) A material adverse change in, or material adverse effect upon, the operations, business, Property or condition (financial or otherwise) of Borrower, (b) a material impairment of the ability of Borrower to perform its obligations under any Loan Document or (c) a material adverse effect upon the legality, validity, binding effect or enforceability of any Loan Document or the rights and remedies of the Lender thereunder.

Maximum Line of Credit Amount - The sum of Two and Half Million and 00/100 Dollars ($_2,500,000).

Maximum Quarterly Line of Credit – The sum of twent five percent (25%) of the total revenue of the Borrow over the last full three months, not to exceed One and a Quarter Million and 00/100 Dollars ($1,250,000).

Note – The Secured Revolving Line of Credit Promissory Note, dated the date hereof, by Borrower in favor of Lender.

Obligations – All obligations of the Borrower to pay principal and interest on the Loans, all fees and charges payable hereunder, and all other payment obligations of the Borrower arising under or in relation to any Loan Document, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

Person - An individual, partnership, corporation, trust, limited liability company, limited liability partnership, unincorporated association or organization, joint venture or any other entity.

Property - As to any Person, all types of real, personal, tangible, intangible or mixed property owned by such Person whether or not included in the most recent balance sheet of such Person and its subsidiaries under GAAP.

Responsible Officer - Of any Person, any executive officer or Financial Officer of such Person and any other officer, general partner or managing member or similar official thereof with responsibility for the administration of the obligations of such person in respect of this Agreement.

Revolving Credit Commitment Period – the period from the Closing Date to the Line of Credit Maturity Date.

Subordination Agreement – The Subordination Agreement dated as of May 12, 2023, among Lender, Borrower and GemCap, as senior lender, as may be supplemented, restated, superseded, amended or replaced from time to time.

Uniform Commercial Code - the Uniform Commercial Code as in effect from time to time in the state of Florida.

U.S. Dollars" and "$" - The lawful currency of the United States of America.

Warrant that certain Common Stock Warrant, dated as of the Effective Date issued by Borrower in favor of Lender, in such amounts and in the name set forth on **Exhibit A** attached hereto.

1.2. Interpretation: The foregoing definitions are equally applicable to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document

as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, and (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time. All references to time of day herein are references to Sarasota, Florida, time unless otherwise specifically provided.

SECTION II. THE LOAN

2.1. Line of Credit - Description:

a. Subject to the terms and conditions of this Agreement, Lender hereby establishes for the benefit of Borrower the Line of Credit, which shall include Advances extended by Lender to or for the benefit of Borrower from time to time hereunder. The aggregate principal amount of Advances, both outstanding and repaid, shall not exceed in the aggregate the Maximum Line of Credit Amount. Advances made and repaid may be reborrowed.

b. If the aggregate principal amount of unpaid Advances at any time exceeds the Maximum Line of Credit Amount (such excess referred to as "Overadvance"), Borrower shall, within five (5) Business Days, repay the Overadvance in full.

c. At Closing, Borrower shall execute and deliver the Note to Lender for the Maximum Line of Credit Amount. The Note shall evidence Borrower's unconditional obligation to repay Lender for all Advances made under the Line of Credit, with interest as herein provided. Each Advance under the Line of Credit shall be deemed evidenced by the Note, which is deemed incorporated herein by reference and made part hereof. The Note shall be in form and substance satisfactory to Lender.

d. The term of the Line of Credit shall expire on the Line of Credit Maturity Date. On such date, unless having been sooner accelerated by Lender pursuant to the terms hereof, all sums owing under the Line of Credit shall be due and payable in full, all without demand, notice, presentment or protest or further action of any kind, and as of and after such date Borrower shall not request and Lender shall not make any further Advances under the Line of Credit.

2.2. Advances and Payments:

a. Except to the extent otherwise set forth in this Agreement, all payments of principal and of interest on the Line of Credit, and all Expenses, fees, indemnification obligations and all other charges and any other Obligations of Borrower, shall be made to Lender to an account advised by Lender to Borrower from time to time. Any payments received prior to 2:00 p.m. Eastern Time on any Business Day shall be deemed received on such Business Day. Any payments (including any payment in full of the Obligations), received after 2:00 p.m. Eastern Time on any Business Day shall be deemed received on the immediately following Business Day.

b. Advances which may be made by Lender from time to time under the Line of Credit shall be made available by crediting such proceeds to Borrower's operating account at _____ Bank, Account Number _____.

i. All Advances requested by Borrower under the Line of Credit must be in the minimum amount of Fifty Thousand and 00/100 Dollars ($50,000.00) and integral multiples of Twenty Five Thousand and 00/100 Dollars ($25,000.00) in excess thereof.

ii. All Advances requested by Borrower under the Line of Credit are to be in writing pursuant to a written request ("Advance Request") executed by an Authorized Officer in the form of **Exhibit B** attached hereto.

iii. Requests for Advances must be requested by 11:00 a.m. Eastern Time, on the date such Advance is to be made. Upon receiving a request for an Advance in accordance with subparagraph (ii) above, Lender shall make the requested Advance available to Borrower within 10 Business Days.

c. During the Revolving Credit Commitment Period, subject to the terms and conditions hereof, the Lender agrees to make Advances to the Borrower in an aggregate amount up to but not exceeding the Maximum Line of Credit Amount; provided, however, that the Borrower may not request an amount that will cause outstanding Advances made during any fiscal quarter to exceed the Maximum Quarterly Line of Credit Amount for such quarter (to the extent any Advances are made in a given quarter are repaid during that quarter, Borrower may make an additional Advance Request during the quarter up to the aggregate amount of the Maximum Quarterly Line of Credit Amount outstanding for that quarter and up to the overall aggreagate amount equaliing the Maximum Line of Credit Amount.

d. Amounts borrowed pursuant to this Section 2.2 may be repaid and reborrowed during the Revolving Credit Commitment Period.

e. Lender’s commitment to provide Loans from time to time in the amount of the Maximum Line of Credit Amount shall terminate on the Line of Credit Maturity Date, and all Advances and all other amounts owed hereunder with respect to the Loans shall be paid in full no later than such date.

2.3. Interest:

a. The unpaid principal balance of Advances under the Line of Credit shall bear interest, subject to the terms hereof at a per annum rate equal to the Contract Rate.

b. Interest shall be due and payable semi-annually in arrears,as follows:

i. The first payment will be made on July 1, 2024;

ii. all future payments will be made in six month periods on July 1 and January 1 of each year and on the Line of Credit Maturity Date.

2.4. Additional Interest Provisions:

a. Interest shall be calculated on the basis of a year of three hundred sixty (360) days but charged for the actual number of days elapsed.

b. After the occurrence and during the continuance of an Event of Default hereunder (and after giving of any required notice and the expiration of any applicable cure period), the per annum effective rate of interest on all outstanding principal under the Loans, shall be increased by five hundred (500) basis points. All such increases may be applied retroactively to the date of the occurrence of such Event of Default. Borrower agrees that the default rate payable to Lender is a reasonable estimate of Lender's damages and is not a penalty.

c. All contractual rates of interest chargeable on outstanding principal under the Loans shall continue to accrue and be paid even after Default, an Event of Default, maturity, acceleration, judgment, bankruptcy, insolvency proceedings of any kind or the happening of any event or occurrence similar or dissimilar.

d. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest hereunder and charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such court determines Lender has charged or received interest hereunder in excess of the highest applicable rate, Lender shall apply, in its sole discretion, and set off such excess interest received by Lender against other Obligations due or to become due and such rate shall automatically be reduced to the maximum rate permitted by such law.

e. If any payment is more than ten (10) Business Days late, Borrower agrees to pay Lender a late charge equal to five percent (5.0%) of such Payment ("Late Fee"). The provisions of this Note establishing a Late Fee shall not be deemed to extend the time for any Payment due or to constitute a "grace period" giving Borrower a right to cure such default.

2.5. Prepayments: Borrower may prepay the Line of Credit in whole or in part at any time or from time to time upon one (1) Business Day prior notice to Lender without penalty or premium.

SECTION III. CONDITIONS PRECEDENT TO ADVANCES

3.1. Conditions for Advances: The making of Advances under the Line of Credit is subject to the following conditions precedent (all instruments, documents and agreements to be in form and substance satisfactory to Lender and its counsel):

a. This Agreement, the Warrant and each of the other Loan Documents shall be effective;

b. The Warrant shall have been issued and delivered to Lender.

c. No event or condition shall have occurred or become known to Borrower, or would result from the making of any requested Advance, which could have a Material Adverse Effect;

d. No Default or Event of Default then exists or after giving effect to the making of the Advance would exist;

e. Each Advance is within and complies with the terms and conditions of this Agreement;

f. The outstanding Advances for a given fiscal quarter of the Borrower does not, after giving effect to any requested Advance during the same quarter, exceed the Maximum Quarterly Line of Credit Amount (taking into account repayments of Advances during the quarter);

g. The outstanding Advances in aggregate do not, after giving effect to any requested Advance, exceed the Maximum Line of Credit Amount; and

h. Each representation and warranty set forth in Section V and any other Loan Document in effect at such time (as amended or modified from time to time) is then true and correct in all material respects as if made on and as of such date except to the extent such representations and warranties are made only as of a specific earlier date.

SECTION IV. GRANT OF SECURITY INTERST

4.1. To secure the payment and performance of the Obligations under this Agreement and the other Loan Documents, Borrower hereby grants Lender a continuing security interest in the Collateral. Borrower authorizes Lender to file one or more financing statements to perfect this security interest, and Borrower will take such actions at Borrower's own expense as Lender deems reasonably appropriate from time to time to perfect or continue the security interest granted hereunder. Borrower shall from time to time execute and deliver to Lender, at the request of Lender, all financing statements and other documents that Lender may reasonably request, in form satisfactory to Lender, to perfect and continue the perfection of Lender's security interests in the Collateral and in order to fully consummate all of the transactions contemplated hereunder, including any account control agreements with respect to Borrower's operating, depository or investment accounts, in form and substance satisfactory to Lender.

SECTION V. REPRESENTATIONS AND WARRANTIES

To induce Lender to complete the Closing and make the initial Advances under the Line of Credit Loans to Borrower, Borrower warrants and represents to Lender that:

5.1. Organization and Qualification: Borrower is duly organized, validly existing, and in good standing as a corporation under the laws of the jurisdiction in which it is organized, has full and adequate power to own its Property and conduct its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying, except where the failure to do so would not have a Material Adverse Effect.

5.2. Authority and Validity of Obligations: Borrower has full right and authority to enter into this Agreement, to make the borrowings herein provided for, and to perform all of its obligations hereunder and under any other Loan Documents executed by it. The Loan Documents delivered by Borrower have been duly authorized, executed, and delivered and constitute valid and binding obligations of Borrower enforceable against it in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

5.3. Use of Proceeds: The extensions of credit under and proceeds of the Line of Credit shall be used for repayment of existing indebtedness of the Borrower, working capital, and general corporate purposes.

5.4. Approvals: No authorization, consent, license or exemption from, or filing or registration with, any court or governmental department, agency or instrumentality, nor any approval or consent of any other Person, is or will be necessary to the valid execution, delivery or performance by Borrower of this Agreement, except for such approvals which have been obtained prior to the date of this Agreement and remain in full force and effect.

5.5. Solvency: After giving effect to the transactions contemplated hereby, Borrower is solvent, able to pay its debts as they become due, and has sufficient capital to carry on its business and all businesses in which it is about to engage.

5.6. No Default or Event of Default: No Default or Event of Default has occurred and is continuing.

SECTION VI. BORROWER'S COVENANTS

Borrower covenants that until all of the Obligations are paid and satisfied in full and the Line of Credit has been terminated, that:

6.1. Maintenance of Business: Borrower shall preserve and maintain its existence, and preserve and keep in force and effect all licenses, permits, franchises, approvals, patents, trademarks, trade names, trade styles, copyrights, and other proprietary rights necessary to the proper conduct of its business where the failure to do so could reasonably be expected to have a Material Adverse Effect.

6.2. Maintenance of Properties: Borrower shall maintain, preserve, and keep its property, plant, and equipment in good repair, working order and condition (ordinary wear and tear excepted), and shall from time to time make all needful and proper repairs, renewals, replacements, additions, and betterments thereto so that at all times the efficiency thereof shall be fully preserved and maintained, except to the extent that, in the reasonable business judgment of Borrower, any such Property is no longer necessary for the proper conduct of the business of Borrower.

6.3. Taxes and Assessments: Borrower shall duly pay and discharge all taxes, rates, assessments, fees, and governmental charges upon or against it or its Property, in each case before the same become delinquent and before penalties accrue thereon, unless and to the extent that the same are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves are provided therefor.

6.4. [Reserved].

6.5. [Reserved].

6.6. Compliance with Laws: Borrower shall comply in all respects with all Legal Requirements applicable to or pertaining to its Property or business operations, where

any non-compliance, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect upon any of its Property.

6.7. Modification of Material Documents: Borrower shall not amend or modify its articles of incorporation, charter, partnership agreement, certificate of formation, by-laws, operating agreement, or other organizational documents in any way which could reasonably be expected to materially adversely affect the interests of the Lender.

SECTION VII. DEFAULT

7.1. Events of Default: Each of the following events shall constitute an event of default ("Event of Default"):

a. default in the payment when due of all or any part of the principal of or interest on any Loan (whether at the stated maturity thereof or at any other time provided for in this Agreement) or other Obligation payable hereunder or under any other Loan Document and in respect of any interest payments, such default in payment is not cured within five (5) Business Days of such due date;

b. default in the observance or performance of any other provision hereof or of any other Loan Document which is not remedied within thirty (30) days after written notice thereof is given to the Borrower by the Lender;

c. any representation or warranty made herein or in any other Loan Document or in any certificate furnished to the Lender pursuant hereto or thereto proves untrue in any material respect as of the date of the issuance or making or deemed making thereof;

d. any of the Loan Documents, or any material provision thereof, shall for any reason not be or shall cease to be in full force and effect or is declared to be null and void, or Borrower takes any action for the purpose of terminating, repudiating or rescinding any Loan Document executed by it or any of its obligations thereunder;

e. default shall occur under any other Indebtedness of Borrower to the Lender;

f. (i) any judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes, shall be entered or filed against Borrower, or against any of their respective Property, in an aggregate amount for all such Persons in excess of $250,000 (except to the extent fully covered by insurance pursuant to which the insurer has accepted liability therefor in writing), and which remains undischarged, unvacated, unbonded or unstayed for a period of 30 days, or any action shall be legally taken by a judgment creditor to attach or levy upon any Property of Borrower to enforce any such judgment, or (ii) Borrower shall fail within thirty (30) days to discharge one or more non-monetary judgments or orders which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, which judgments or orders, in any such case, are not stayed on appeal or otherwise being appropriately contested in good faith by proper proceedings diligently pursued;

g. Borrower shall (i) have entered involuntarily against it an order for relief under the Bankruptcy Code, as amended, which order is undismissed or unstayed for a period of 60 days, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to or acquiesce

in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its Property, (v) institute any proceeding seeking to have entered against it an order for relief under the Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) take any corporate or similar action in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in this paragraph; or

h. a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for Borrower, or any substantial part of any of its Property, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of 60 days.

7.2. Rights and Remedies on Default:

a. In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), or otherwise available at law or in equity, upon or at any time after the occurrence and during the continuance of a Default or an Event of Default, Lender may, in its discretion, withhold or cease making Advances under the Line of Credit .

b. In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), or otherwise available at law or in equity, upon or at any time after the occurrence and during the continuance of an Event of Default, Lender may, in its discretion, terminate the Line of Credit and declare the Obligations, immediately due and payable, all without demand, notice, presentment or protest or further action of any kind (it also being understood that the occurrence of any of the events or conditions set forth in Sections 7.1 (g) or (h) shall automatically cause an acceleration of the Obligations).

c. For the avoidance of doubt, the exercise by Lender of any rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents, shall be subjectto the Subordination Agreement,

7.3. Nature of Remedies: All rights and remedies granted Lender hereunder and under the Loan Documents, or otherwise available at law or in equity, shall be deemed concurrent and cumulative, and not alternative remedies, and Lender may proceed with any number of remedies at the same time until all Obligations are satisfied in full. The exercise of any one right or remedy shall not be deemed a waiver or release of any other right or remedy, and Lender, upon or at any time after the occurrence of an Event of Default, may proceed against Borrower, at any time, under any agreement, with any available remedy and in any order.

SECTION VIII. MISCELLANEOUS

8.1. Governing Law: THIS AGREEMENT, AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND ALL RELATED AGREEMENTS AND DOCUMENTS, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF FLORIDA. THE PROVISIONS OF THIS

AGREEMENT AND ALL OTHER AGREEMENTS AND DOCUMENTS REFERRED TO HEREIN ARE TO BE DEEMED SEVERABLE, AND THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION SHALL NOT AFFECT OR IMPAIR THE REMAINING PROVISIONS WHICH SHALL CONTINUE IN FULL FORCE AND EFFECT.

8.2. Integrated Agreement: The Note and this Agreement shall be construed as integrated and complementary of each other, and as augmenting and not restricting Lender's rights and remedies. If, after applying the foregoing, an inconsistency still exists, the provisions of this Agreement shall constitute an amendment thereto and shall control.

8.3. Waiver: No omission or delay by Lender in exercising any right or power under this Agreement or any related agreements and documents will impair such right or power or be construed to be a waiver of any Default, or Event of Default or an acquiescence therein, and any single or partial exercise of any such right or power will not preclude other or further exercise thereof or the exercise of any other right, and as to Borrower no waiver will be valid unless in writing and signed by Lender and then only to the extent specified.

8.4. Indemnity:

a. Borrower releases and shall indemnify, defend and hold harmless Lender and its Affiliates and their respective officers, employees and agents, of and from any claims, demands, liabilities, obligations, judgments, injuries, losses, damages and costs and Expenses (including, without limitation, reasonable legal fees) resulting from (i) acts or conduct of Borrower under, pursuant or related to this Agreement and the other Loan Documents, (ii) Borrower's breach or violation of any representation, warranty, covenant or undertaking contained in this Agreement or the other Loan Documents, (iii) Borrower's failure to comply with any Legal Requirement (including, without limitation, Environmental Laws, etc.), and (iv) any claim by any other creditor of Borrower against Lender or its Affiliates arising out of any transaction whether hereunder or in any way related to the Loan Documents and all costs, Expenses, fines, penalties or other damages resulting therefrom, unless resulting solely from acts or conduct of Lender or its Affiliates constituting willful misconduct or gross negligence as determined by a final, non-appealable order of a court of competent jurisdiction.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action by a third party, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof. The omission so to notify the indemnifying party shall relieve the indemnifying party from any liability which it may have to any indemnified party under such subsection only if the indemnifying party is unable to defend such actions as a result of such failure to so notify. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnified party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other Expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

8.5. Time: Whenever Borrower shall be required to make any payment, or perform any act, on a day which is not a Business Day, such payment may be made, or such act may be performed, on the next succeeding Business Day. Time is of the essence in Borrower's performance under all provisions of this Agreement and all related agreements and documents.

8.6. Expenses of Lender: At Closing and from time to time thereafter, Borrower will pay upon demand of Lender all reasonable costs, fees and expenses of Lender in connection with (i) the preparation, execution, administration, delivery and termination of this Agreement, and other Loan Documents and the documents and instruments referred to herein and therein, and any amendment, amendment and restatement, supplement, waiver or consent relating hereto or thereto, (ii) the enforcement of Lender's rights hereunder, or the collection of any payments owing from, Borrower under this Agreement and/or the other Loan Documents or the protection, preservation or defense of the rights of Lender hereunder and under the other Loan Documents, and (iii) any refinancing or restructuring of the credit arrangements provided under this Agreement and other Loan Documents in the nature of a "work-out" or of any insolvency or bankruptcy proceedings, or otherwise (including the reasonable fees and disbursements of counsel for Lender and, with respect to clauses (ii) and (iii), reasonable allocated costs of internal counsel) (collectively, the "Expenses");

8.7. Brokerage: This transaction was brought about and entered into by Lender and Borrower acting as principals and without any brokers, agents or finders being the effective procuring cause hereof.

8.8. Notices:

a. Loan Documents and notices under the Loan Documents may be transmitted and/or signed by facsimile or electronically, and by signatures delivered in "PDF" format by electronic mail or other electronic formats. The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as an original copy with manual signatures and shall be binding on Borrower and Lender. Lender may also require that any such documents and signature delivered by facsimile or "PDF" format by electronic mail be confirmed by a manually-signed original thereof; provided, however, that the failure to request or deliver any such manually-signed original shall not affect the effectiveness of any facsimile, electronic or "PDF" document or signature.

b. Any notices or consents required or permitted by this Agreement shall be in writing and shall be deemed given if delivered in person to the person listed below or if sent by electronic mail or by nationally recognized overnight courier, as follows, unless such address is changed by written notice hereunder:

If to Borrower to:

Loop Media, Inc.
2600 W. Olive Ave. #5470
Burbank, CA 91505

Attention: Jon Niermann (CEO) (jon@loop.tv)
w/ a copy to Neil Watanabe (CFO) (neil@loop.tv)

If to Lender to:

Excel Family Partners, LLLP
[ ]

Attention: Bruce Cassidy, Manager [x]

c. Any notice sent by Lender, or Borrower by any of the above methods shall be deemed to be given when so received.

d. Lender shall be fully entitled to rely upon any electronic transmission or other writing purported to be sent by any Authorized Officer (whether requesting an Advance or otherwise) as being genuine and authorized.

8.9. Headings: The headings of any paragraph or Section of this Agreement are for convenience only and shall not be used to interpret any provision of this Agreement.

8.10. Survival: All warranties, representations, and covenants made by Borrower herein, or in any agreement referred to herein or on any certificate, document or other instrument delivered by it or on its behalf under this Agreement, shall be considered to have been relied upon by Lender, and shall survive the delivery to Lender of the Note, regardless of any investigation made by Lender or on its behalf. All statements in any such certificate or other instrument prepared and/or delivered for the benefit of Lender shall constitute warranties and representations by Borrower hereunder. Except as otherwise expressly provided herein, all covenants made by Borrower hereunder or under any other agreement or instrument shall be deemed continuing until all Obligations are satisfied in full. All indemnification obligations under this Agreement shall survive the termination of this Agreement and payment of the Obligations for a period of two (2) years.

8.11. Successors and Assigns: This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. Except as otherwise agreed in writing, Borrower may not transfer, assign or delegate any of its duties or obligations hereunder and Lender shall not sell, assign or otherwise transfer any of its rights or obligations hereunder, or dispose of, realize, create any encumbrance over or enter into any agreement that will directly or indirectly constitute or be deemed as a disposal of any part of this Agreement.

8.12. Duplicate Originals: Two or more duplicate originals of this Agreement may be signed by the parties, each of which shall be an original but all of which together shall constitute one and the same instrument.

8.13. Modification: No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed by Borrower and Lender.

8.14. Signatories: Each individual signatory hereto represents and warrants that he is duly authorized to execute this Agreement on behalf of his principal and that he executes the Agreement in such capacity and not as a party.

8.15. Third Parties: No rights are intended to be created hereunder, or under any related agreements or documents for the benefit of any third party, creditor or incidental

beneficiary of Borrower. Nothing contained in this Agreement shall be construed as a delegation to Lender of Borrower's duty of performance, including, without limitation, Borrower's duties under any account or contract with any other Person.

8.16. Consent to Jurisdiction: Borrower and Lender each hereby irrevocably consent to the exclusive jurisdiction of the state and federal courts located in Sarasota County, Florida in any and all actions and proceedings whether arising hereunder or under any other agreement or undertaking. Borrower waives any objection which Borrower may have based upon lack of personal jurisdiction, improper venue or forum non conveniens. Borrower irrevocably agrees to service of process by certified mail, return receipt requested to the address of the appropriate party set forth herein.

8.17. Additional Documentation: Borrower shall execute and/or re-execute, and cause any other Person party to any Loan Document, to execute and/or re-execute and to deliver to Lender or Lender's counsel, as may be deemed appropriate, any document or instrument signed in connection with this Agreement which was incorrectly drafted and/or signed, as well as any document or instrument which should have been signed at or prior to the Closing, but which was not so signed and delivered. Borrower agrees to comply with any written request by Lender within ten (10) days after receipt by Borrower of such request.

8.18. Waiver of Jury Trial: BORROWER AND LENDER EACH HEREBY WAIVE ANY AND ALL RIGHTS IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION, PROCEEDING OR COUNTERCLAIM ARISING WITH RESPECT TO RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO OR UNDER THE LOAN DOCUMENTS OR WITH RESPECT TO ANY CLAIMS ARISING OUT OF ANY DISCUSSIONS, NEGOTIATIONS OR COMMUNICATIONS INVOLVING OR RELATED TO ANY PROPOSED RENEWAL, EXTENSION, AMENDMENT, MODIFICATION, RESTRUCTURE, FORBEARANCE, WORKOUT, OR ENFORCEMENT OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS.

8.19. Consequential Damages: Neither Lender nor agent or attorney of Lender, shall be liable for any special, punitive, incidental or consequential damages arising from any breach of contract, tort or other wrong relating to the establishment, administration or collection of the Obligations.

8.20. Lender's Collateral Agent: The Borrower and Lender hereby appoints _____ ("Lender's Collateral Agent") as its agent and attorney-in-fact for the purpose of signing and filing any uniform commercial code financing statements (and any amendments and/or continuations thereof) or other documents in any jurisdictions and filing offices as Lender's Collateral Agent considers necessary or appropriate to perfect or enhance the Lender's security interest in the Collateral granted hereunder and under the Note, or to deliver any notices required thereunder. Furthermore, and without limiting the foregoing, the Borrower shall execute and/or deliver, from time to time, any agreements, documents, instruments and writings, including, without limitation, financing statements, security agreements, pledge agreements, and amendments, continuations or supplements to any of the foregoing, as Lender's Collateral Agent, in its capacity as agent for the Lender, may reasonably require for the benefit of Lender to evidence, perfect or protect Lender's liens and security interests in the Collateral, in each case subject to the Subordination Agreement.

8.21. Subordination. The obligations of Borrower to Lender and the indebtedness evidenced by this Agreement and the other Loan Documents are subordinate and junior in right of payment to the indebtedness evidenced by that certain Loan and Security Agreement dated as of July 29, 2022, by and between the Borrower, GemCap Solutions, LLC, as successor and assign to Industrial Funding Group, Inc. (as may be amended, restated, supplemented or otherwise modified from time to time) and the other loan documents related thereto as more particularly described in the Subordination Agreement. GemCap shall have third-party beneficiary rights to enforce the provisions of this Section 8.21.

[***SIGNATURE PAGE FOLLOWS IMMEDIATELY AFTER THIS PAGE***]

WITNESS the due execution of this Agreement as a document under seal as of the date first written above.

BORROWER:

LOOP MEDIA, INC.

By: /s/ Neil T. Watanabe
Name: Neil T. Watanabe
Title: Chief Financial Officer

LENDER:

EXCEL FAMILY PARTNERS, LLLP
(Full Legal Name)

By: Fortress Holdings, LLC, its General Partner

By: /s/ Bruce A. Cassidy, Sr.
Name: Bruce A. Cassidy Sr.
Title: Manager

Address: Excel Family Partners, LLLP
[ ]

Email: [ ]

(Signature Page to Loan Agreement)

EXHIBIT A

WARRANT SCHEDULE

100% Warrant coverage for amount of loan not to exceed aggregate principal amount of two million five hundred thousand dollars ($2,500,000) for an aggregate of up to 3,125,000 Warrant Shares, with an expiration date of three (3) years from the Closing Date,
at an exercise price of $0.80 per Warrant Share.

HOLDER	LOAN AMOUNT	WARRANT SHARES
_Excel Family Partners, LLLP (NAME)	$2,5000,000	3,125,000

EXHIBIT B

FORM OF LINE OF CREDIT ADVANCE REQUEST

LOOP MEDIA, INC. ("Borrower")

To: [NAME]
("Lender")

Borrower hereby requests an Advance in the amount of $_[FULL AMOUNT] pursuant to Section 2.2 of that certain Revolving Line of Credit Loan Agreement by and among Borrower and Lender dated as of December 14, 2023 (as amended, restated or otherwise modified from time to time, the "Loan Agreement"). The proposed date of the Advance is _____, 202[ ].

Borrower hereby represents and warrants to Lender as follows:

a. There exists no Default or Event of Default under the Loan Agreement.
b. All representations, warranties and covenants made in the Loan Agreement are true and correct as of the date hereof.

c. The aggregate principal amount of all Advances outstanding under the Line of Credit (including those repaid) is $_[X]_.

LOOP MEDIA, INC.

By: _____
Name: Neil T. Watanabe
Title: Chief Financial Officer

Date: _____, 202[ ]

Exhibit 10.41

SECURED REVOLVING LINE OF CREDIT PROMISSORY NOTE

$2,500,000 December 14, 2023

FOR VALUE RECEIVED, Loop Media, Inc., a Nevada corporation ("**Borrower**"), promises to pay to the order of the Lender set out on Exhibit A to the Loan Agreement (defined below) (the "**Lender**"), the aggregate of such amounts Lender has disbursed to Borrower that has not been repaid during the period from the date first set forth above to the Maturity Date (defined below), up to TWO MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS ($2,500,000.00), in lawful money of the United States of America (the "**Loan**" or the "**Advances**"), together with all accrued interest on the principal amount of all Advances made hereunder from the date such Advances were made at a rate specified in that certain Secured Revolving Line of Credit Loan Agreement between the Lender and Borrower dated the same date as this Note ("**Loan Agreement**"). Capitalized terms used in this Secured Revolving Line of Credit Promissory Note (this "**Note**") that are not otherwise defined herein shall have the respective meanings set forth in the Loan Agreement.

This Note evidences the Loan incurred under the Loan Agreement to which reference is made for a statement of the terms and provisions thereof, including those under which such indebtedness may be declared to be immediately due and payable. This Note is entitled to the benefits of, inter alia, the Loan Agreement and the other Loan Documents.

On the Maturity Date, the then outstanding principal balance of the Loan, all accrued and unpaid interest, and any other amounts owed by Borrower to Lender pursuant to the Loan Agreement and other Loan Documents shall be due and payable in full. All payments made under this Note to Lender (collectively, a "**Payment**") shall be made payable to Lender by wire transfer or corporate check at the address provided next to its signature below.

For purposes of this Note, the maturity date shall be the date that is twelve (12) months from the time of giving a Line of Credit Maturity Date Notice.(the "**Maturity Date**"). "Line of Credit Maturity Date Notice" shall mean the twelve (12) months prior written notice given by Lender to Borrower calling for all outstanding amounts under the Line of Credit to come due and be payable and for the Line of Credit to terminate.

After the Maturity Date or due date on this Note (whether at the stated maturity, by acceleration, or otherwise), interest shall be charged on the respective principal amount remaining unpaid at a rate specified in the Loan Agreement, until paid.

Notwithstanding the foregoing, however, in no event shall the interest charged exceed the maximum rate of interest allowed by applicable law, as amended from time to time. Lender does not intend to charge any amount of interest, monthly renewal fee or other fees or charges in the nature of interest that exceeds the maximum rate allowed by applicable law. If any payment of interest or in the nature of interest hereunder would cause the foregoing interest rate limitation to be exceeded, then such excess payment shall be credited as a payment of principal.

If any Payment is more than ten (10) Business Days late, Borrower agrees to pay Lender a late charge equal to five percent (5.0%) of such Payment ("**Late Fee**"). The provisions of this Note establishing a Late Fee shall not be deemed to extend the time for any Payment due or to constitute a "grace period" giving Borrower a right to cure such default.

If any Payment becomes due and payable on a day other than a Business Day, the due date thereof shall be extended to the next succeeding Business Day.

Unless otherwise specified herein, a Payment shall be applied by Lender first to interest and lawful charges then accrued, and then to principal, unless otherwise determined by Lender in its discretion.

Borrower will have the right to prepay the Loan, in whole or in part, at any time upon one (1) Business Day prior notice to Lender, without penalty or premium payment.

Borrower shall be in default under this Note upon the occurrence of an Event of Default under the Loan Agreement.

The indebtedness evidenced by this Note is subordinate and junior in right of payment to the indebtedness evidenced by that certain Loan and Security Agreement dated as of July 29, 2022, by and between the Borrower, GemCap Solutions, LLC, as successor and assign to Industrial Funding Group, Inc. (as may be amended, restated, supplemented or otherwise modified from time to time, the"**GemCap LSA**") as more particularly described in that certain Subordination Agreement dated as of May 12, 2023, between Lender, GemCap Solutions, LLC and Borrower. For the avoidance of doubt, the indebtedness evidenced by this Note shall continue to be subordinated to obligations evidenced by the GemCap LSA (the "**Senior Debt**") even if the Senior Debt is deemed unsecured, under-secured, subordinated, avoided or disallowed under the United States Bankruptcy Code or other applicable law. GemCap shall have third party beneficiary rights to enforce the provisions of this paragraph.

Lender shall have, in addition to the rights and remedies contained in this Note and any other related documents, all of the rights and remedies of a creditor, now or hereafter available at law or in equity and under the Loan Agreement. Lender may, at its option, exercise any one or more of such rights and remedies individually, partially, or in any combination from time to time, including, to the extent applicable, before the occurrence of an event of default. No right, power, or remedy conferred upon Lender by the related documents shall be exclusive of any other right, power, or remedy referred to therein or now or hereafter available at law or in equity.

Without limiting the generality of the foregoing, if a default shall occur then Lender may declare the indebtedness owed to Lender by Borrower hereunder and any or all of any other indebtedness owed by Borrower to Lender, whether direct or indirect, contingent or certain, to be accelerated and due and payable at once, whereupon such indebtedness, together with interest thereon, shall forthwith become due and payable, all without presentment, demand, protest, or other notice of any kind from Lender, all of which are hereby expressly waived; and Lender may proceed to do other all things provided by law, equity, or contract to enforce its rights under such indebtedness and to collect all amounts owing to Lender.

All parties liable for any Payment agree to pay or reimburse Lender for all of its costs and expenses incurred in connection with the administration, supervision, collection, or enforcement of, or the preservation of any rights under, this Note or the obligation evidenced hereby, including without limitation, the fees and disbursements of counsel for Lender including attorneys' fees out of court, in trial, on appeal, in bankruptcy proceedings, or otherwise. All parties liable for any Payment agree to promptly pay, indemnify, and reimburse Lender for, and hold Lender harmless against any liability for, any and all documentary stamp taxes, nonrecurring intangible taxes, or other taxes, together with any interest, penalties, or other liabilities in connection therewith, that Lender now or hereafter determines are payable with respect to this Note or the obligations evidenced by this Note. The foregoing obligations shall survive Payment of this Note.

All notices, requests, and demands to or upon the parties hereto, shall be deemed to have been given or made when delivered by hand, or when deposited in the mail, postage prepaid by registered or certified

mail, return receipt requested, addressed to the address provided next to the signatures below or such other address as may be hereafter designated in writing by one party to the other.

This Note shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida, excluding those laws relating to the resolution of conflicts between laws of different jurisdictions.

In any litigation in connection with or to enforce this Note, any endorsement or guaranty of this Note, or any of the other related documents, Borrower irrevocably consents to and confers personal jurisdiction the state and federal courts located within Sarasota County, Florida, expressly waives any objections as to venue in any of such courts, and agrees that service of process may be made on Borrower by mailing a copy of the summons and complaint by registered or certified mail, return receipt requested, to its address set forth herein (or otherwise expressly provided in writing). Nothing contained herein shall, however, prevent Lender from bringing any action or exercising any rights within any other state or jurisdiction or from obtaining personal jurisdiction by any other means available by applicable law.

In the event that any one or more of the provisions of this Note is determined to be invalid, illegal, or unenforceable in any respect as to one or more of the parties, all remaining provisions nevertheless shall remain effective and binding on the parties thereto and the validity, legality, and enforceability thereof shall not be affected or impaired thereby. If any such provision is held to be illegal, invalid, or unenforceable, there will be deemed added in lieu thereof a provision as similar in terms to such provision as is possible, that is legal, valid, and enforceable. To the extent permitted by applicable law, Borrower hereby waives any law that renders any such provision invalid, illegal, or unenforceable in any respect.

The singular shall include the plural and any gender shall be applicable to all genders when the context permits or implies

No delay or omission on the part of Lender in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or of any other right or remedy and no single or partial exercise of any right or remedy shall preclude any other or further exercise of that or any other right or remedy. Presentment, demand, notice of nonpayment, notice of protest, protest, notice of dishonor and all other notices are hereby waived by Borrower.

This Note may not be modified or amended nor shall any provision of it be waived except by a written instrument signed by the party against whom such action is to be enforced.

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. Borrower may not transfer, assign or delegate any of its duties or obligations hereunder and Lender shall not assign or otherwise transfer any of its rights or obligations hereunder without the consent of Borrower. In the event Lender transfers or assigns its obligations hereunder, Lender shall be relieved of all liability therefor.

Time is of the essence in the performance of this Note.

This Note is entitled to the benefit of all of the provisions of the Loan Agreement.

Borrower and Lender (by its acceptance hereof) hereby knowingly, irrevocably, voluntarily, and intentionally waive any right to a trial by jury in respect of any litigation based on this Note or any other document executed in connection with this Note or arising out of, under, or in connection therewith, or any course of conduct, course of dealing, statements (whether oral or written), or actions of any party. This provision is a material inducement for Lender to enter into the transaction evidenced hereby.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Borrower has executed this Note as of the date first written above.

BORROWER:

Loop Media Inc., a Nevada corporation

By: /s/ Neil T. Watanabe
Name: Neil T. Watanabe
Title:Chief Financial Officer

Address:

2600 W. Olive Ave., Suite 5470
Burbank, CA 91505

Email Address: [X]

SCHEDULE A

Lender Payment Instructions

LENDER	PAYMENT INSTRUCTIONS
Excel Family Partners, LLLP	As provided by Lender to Borrower from time to time.

Exhibit 10.42

LOOP MEDIA, INC.

December 14, 2023

Repricing and Exercise of Warrants Previously Issued.

Re: Inducement Offer to Exercise Warrants Previously Issued

Dear Holder:

Loop Media, Inc. (the "Company") is pleased to offer to holders ("Holder," "you" or similar terminology) of certain existing common stock warrants of the Company that are listed in Annex B hereto (collectively, the "Existing Warrants") the opportunity to receive a reduction in the Warrant Exercise Price (as defined in the respective Existing Warrants) of the warrants to purchase shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") in consideration for exercising for cash all such Existing Warrants, as more particularly set forth on the signature page hereto. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Existing Warrants.

The Company desires to reduce the Warrant Exercise Price of the Existing Warrants to $0.80 per share (the "Reduced Exercise Price"). In consideration for cash exercising in full all of the Existing Warrants held by Holder as set forth on the Holder's signature page hereto (the "Warrant Exercise") on or before the Execution Time (as defined below), the Company offers to deliver to you shares of Common Stock (the "Warrant Shares"), which shares will contain customary restrictive legends and other language typical for restricted shares.

Holder may accept this offer by signing this letter agreement (the "Agreement") below, with such acceptance constituting Holder's exercise in full of the Holder's Existing Warrants for an aggregate exercise price set forth on the Holder's signature page hereto (the "Aggregate Warrant Exercise Price") on or before 4:00 p.m., Eastern Time, on December 31, 2023 (the "Execution Time").

Additionally, the Company agrees to the representations, warranties and covenants set forth on Annex A attached hereto. Holder represents and warrants that, as of the date hereof it is an "accredited investor" as defined in Rule 501 of Regulation D promulgated under the Securities Act. The Holder understands that the issuance of the Warrant Shares is not, and may never be, registered under the Securities Act, or the securities laws of any state and, accordingly, each certificate, if any, representing such securities shall bear a legend substantially similar to the following:

"THE OFFER AND SALE OF THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY

STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS."

Each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all transfer agent fees, stamp taxes and other taxes and duties levied in connection with the delivery of any Warrant Shares. This Agreement shall be governed by the laws of the State of New York without regard to the principles of conflict of law.

No later than the eighth (8th) Trading Day following the date hereof, or such other time period as agreed by the parties, not be extended past December 31, 2023, the closing ("Closing") shall occur at such location as the parties shall mutually agree. Unless otherwise agreed between the parties hereto, settlement of the Warrant Shares shall occur on the Closing Date (as defined below), the Company shall issue the Warrant Shares registered in the Holder's name and address provided to the Company in writing and released by the Company's transfer agent directly to the account(s) identified by the Holder; upon receipt of such Warrant Shares, the transfer agent shall promptly electronically deliver such Warrant Shares to the Holder, and payment therefor shall concurrently be made to the Company by wire transfer to the Company. The date of the Closing of the Warrant Exercise shall be referred to as the "Closing Date."

[Signatures appear on the following page]

Sincerely yours,

LOOP MEDIA, INC.

By:_____
Name: Neil Watanabe
Title: Chief Financial Officer

Accepted and Agreed to:

WARRANT HOLDER:

[X]

By:_____
Name: _____
Address: _____

Email: _____

Warrant Numbers (Original Issue Date): _____
Number of Existing Warrant Shares: _____
Aggregate Warrant Exercise Price at the Reduced Exercise Price being exercised contemporaneously with signing this letter agreement: _____

Annex A

Representations, Warranties and Covenants of the Company. The Company hereby makes the following representations and warranties to the Holder:

1) SEC Reports. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including pursuant to Section 13(a) or 15(d) thereof, for the one year preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein "SEC Reports"). As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Exchange Act and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Company is not currently an issuer identified in Rule 144(i) under the Securities Act.

2) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this letter agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this letter agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, its board of directors or its stockholders in connection herewith. This letter agreement has been duly executed by the Company and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions.

3) No Conflicts. The execution, delivery and performance of this letter agreement by the Company and the consummation by the Company of the transactions contemplated hereby do not and will not: (i) conflict with or violate any provision of the Company's certificate or articles of incorporation, bylaws or other organizational or charter documents; or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any liens, claims, security interests, other encumbrances or defects upon any of the properties or assets of the Company in connection with, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other material instrument (evidencing Company debt or otherwise) or other material understanding to which such Company is a party or by which any property or asset of the Company is bound or affected; or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company is bound or affected, except, in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a material adverse effect upon the business, prospects, properties, operations, condition (financial or otherwise) or results of operations of the Company, taken as a whole, or in its ability to perform its obligations under this letter agreement.

4) Trading Market. The transactions contemplated under this letter agreement comply with all the rules and regulations of the New York Stock Exchange, American.

5) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of this letter agreement, other than: (i) the filings required pursuant to this letter agreement, and (ii) the filing of Form D with the Commission and such filings as may be required to be made under applicable state securities laws.

Exhibit 10.43

NOTE CONVERSION AGREEMENT

This **Note Conversion Agreement** (this "**Agreement**") is made and entered into as of December 14, 2023 (the "**Effective Date**"), by and among Loop Media, Inc., a Nevada corporation (the "**Company**"), and Excel Family Partners, LLLP, a Florida limited liability limited partnership (the "**Holder**").

Recitals

Whereas, on May 10, 2023, the Company and the Holder entered into a Non-Revolving Line of Credit Loan Agreement (the "**2023 Loan Agreement**") under which $2,328,617.32 of principal and interest owed to Holder are outstanding as of the date of this Agreement (the "**Loan Amount**"); and

Whereas, the Company and the Holder desire to convert the Loan Amount, including outstanding interest thereon, into shares of the Company's common stock (the "**Common Stock**"), par value $0.0001 per share, at a conversion price per Share of $0.80 (the "**Conversion Price**").

Agreement

Now, Therefore, in consideration of the premises and the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Conversion. On the Effective Date, the Loan Amount shall be converted at the Conversion Price, resulting in the issuance by the Company to the Holder of 2,910,771 shares of Common Stock (the "**Shares**"). The Company and the Holder agree that after the conversion of the Loan Amount and the issuance of the Shares, there will be no principal or interest outstanding or due under the 2023 Loan Agreement.

2. Holder's Representations and Warranties. The Holder represents and warrants to the Company that:

(a) Understandings or Arrangements. The Holder is acquiring the Shares as principal for its own account and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Shares (this representation and warranty not limiting the Holder's right to sell the Shares in compliance with applicable federal and state securities laws). The Holder understands that the Shares are "restricted securities" and have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") or any applicable state securities law and is acquiring such Shares as principal for his, her or its own account and not with a view to or for distributing or reselling such Shares or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Shares in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Shares in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting the Holder's right to sell such Shares pursuant in compliance with applicable federal and state securities laws). The Holder is acquiring the Shares in the ordinary course of its business.

(b) Holder Status. At the time the Holder was offered the Shares, it was, and as of the date hereof it is an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12), or (a)(13) under the Securities Act.

3. Miscellaneous.

(a) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

(b) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of this Agreement), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such Proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

(c) Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by electronic mail, or otherwise by electronic transmission (including any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g.,www.docusign.com) evidencing an intent to sign this Agreement, such electronic mail or other electronic transmission shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original. Execution and delivery of this Agreement by electronic mail or other electronic transmission is legal, valid and binding for all purposes.

(d) Severability. In the event that any provision of this Agreement, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement shall continue in full force and effect and shall be interpreted so as reasonably to effect the intent of the parties hereto. The parties hereto further agree to use their commercially reasonable efforts to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that shall achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

(e) Entire Agreement. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their

commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(f) Amendment; Waiver. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Holder. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

(g) Rules of Construction. The parties agree that each of them and/or their respective counsel have reviewed and had an opportunity to revise this Agreement and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments thereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

In Witness Whereof, the Company and the Holder have executed this **Note Conversion Agreement** as of the date first set forth above.

COMPANY:

LOOP MEDIA, INC.

By: /s/ Neil Watanabe
Name: Neil T. Watanabe
Title: Chief Financial Officer

HOLDER:

EXCEL FAMILY PARTNERS, LLLP
By: Fortress Holdings, LLC, its General Partner

By: /s/ Bruce A. Cassidy, Sr.
Name: Bruce A. Cassidy, Sr.
Title: Manager

Exhibit 21.1
Subsidiaries of Loop Media, Inc.

Name:	Jurisdiction of Organization:
EON Media Group Pte. Ltd.	Singapore
Retail Media TV, Inc.	Nevada

Exhibit 23.1

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statements of Loop Media, Inc. on Form S-3 (File No. 333-268957) and Form S-8 (File Nos. 333-258983 and 333-269096) of our report dated December 19, 2023, with respect to our audits of the consolidated financial statements of Loop Media, Inc. as of September 30, 2023 and 2022 and for the years ended September 30, 2023 and 2022, which report is included in this Annual Report on Form 10-K of Loop Media, Inc. for the year ended September 30, 2023.

/s/ Marcum LLP

Marcum LLP
Costa Mesa, California
December 19, 2023

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Jon Niermann, certify that:

1. I have reviewed this annual report on Form 10-K of Loop Media, Inc.;

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a. all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: December 19, 2023

/s/ Jon Niermann
Jon Niermann
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Neil Watanabe, certify that:

1. I have reviewed this annual report on Form 10-K of Loop Media, Inc.;

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a. all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: December 19, 2023

/s/ Neil Watanabe
Neil Watanabe
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Loop Media, Inc. (the "Company") on Form 10-K for the fiscal year ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jon Niermann, the Principal Executive Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 19, 2023

/s/ *Jon Niermann*
Jon Niermann
Chief Executive Officer *(Principal Executive Officer)*

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Loop Media, Inc. (the "Company") on Form 10-K for the fiscal year ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Neil Watanabe, the Principal Financial and Accounting Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 19, 2023

/s/ *Neil Watanabe*
Neil Watanabe
Chief Financial Officer *(Principal Financial and Accounting Officer)*

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 97

LOOP MEDIA, INC.

COMPENSATION RECOVERY POLICY

(Adopted and approved on December 1, 2023)

1. Purpose

Loop Media, Inc. (collectively with its subsidiaries, the "**Company**"), is committed to promoting high standards of honest and ethical business conduct and compliance with applicable laws, rules and regulations. As part of this commitment, the Company has adopted this Compensation Recovery Policy (this "**Policy**"). This Policy is designed to comply with the requirements of Section 10D of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), Rule 10D-1 promulgated thereunder and the rules of the national securities exchange on which the Company's securities are traded and explains when the Company will pursue recovery of Incentive Compensation awarded or paid to a Covered Person. Please refer to Exhibit A attached hereto (the "**Definitions Exhibit**") for the definitions of capitalized terms used throughout this Policy.

2. Recovery of Recoverable Incentive Compensation

In the event of a Restatement, the Company will pursue, reasonably promptly, recovery of all Recoverable Incentive Compensation from a Covered Person without regard to such Covered Person's individual knowledge or responsibility related to the Restatement. Notwithstanding the foregoing, if the Company is otherwise required by this Policy to undertake a Restatement, the Company will not be required to recover the Recoverable Incentive Compensation if the Compensation Committee determines, after exercising a normal due process review of all the relevant facts and circumstances, that (a) a Recovery Exception exists and (b) it would be impracticable to seek such recovery under such facts and circumstances.

If such Recoverable Incentive Compensation was not awarded or paid on a formulaic basis, the Company will pursue recovery of the amount that the Compensation Committee determines in good faith should be recovered.

3. Other Actions

The Compensation Committee may, subject to applicable law, pursue recovery of Recoverable Incentive Compensation in the manner it chooses, including by pursuing reimbursement from the Covered Person of all or part of the compensation awarded or paid, by electing to withhold unpaid compensation, by set-off, or by rescinding or canceling unvested stock or option awards.

In the reasonable exercise of its business judgment under this Policy, the Compensation Committee may in its sole discretion determine whether and to what extent additional action is appropriate to address the

circumstances surrounding a Restatement to minimize the likelihood of any recurrence and to impose such other discipline as it deems appropriate.

4. No Indemnification or Reimbursement

As required by applicable law, notwithstanding the terms of any other policy, program, agreement or arrangement, in no event will the Company or any of its affiliates indemnify or reimburse a Covered Person for any loss of Recoverable Incentive Compensation under this Policy and, to the extent prohibited by law, neither the Company nor any of its affiliates will pay premiums on any insurance policy that would cover a Covered Person's potential obligations with respect to Recoverable Incentive Compensation under this Policy.

5. Administration of Policy

The Compensation Committee will have full authority to administer this Policy. The Compensation Committee will, subject to the provisions of this Policy and Rule 10D-1 of the Exchange Act, and the Company's applicable exchange listing standards, make such determinations and interpretations and take such actions in connection with this Policy as it deems necessary, appropriate or advisable. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act, Rule 10D-1 thereunder and any applicable rules or standards adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's securities are listed. All determinations and interpretations made by the Compensation Committee will be final, binding and conclusive.

6. Other Claims and Rights

The requirements of this Policy are in addition to, and not in lieu of, any legal and equitable claims the Company or any of its affiliates may have or any actions that may be imposed by law enforcement agencies, regulators, administrative bodies, or other authorities. Further, the exercise by the Compensation Committee of any rights pursuant to this Policy will not impact any other rights that the Company or any of its affiliates may have with respect to any Covered Person subject to this Policy.

7. Acknowledgement by Covered Persons; Condition to Eligibility for Incentive Compensation

The Company will provide notice and seek acknowledgement of this Policy from each Covered Person, provided that the failure to provide such notice or obtain such acknowledgement will have no impact on the applicability or enforceability of this Policy. After the Effective Date (and also with respect to any Incentive Compensation Received on or after October 2, 2023, pursuant to a preexisting contract or arrangement), any grant of Incentive Compensation to a Covered Person will be deemed to have been made subject to the terms of this Policy, whether or not such Policy is specifically referenced in the documentation relating to such grant and this Policy shall be deemed to constitute an integral part of the terms of any such grant. All Incentive Compensation subject to this Policy will remain subject to this policy, even if already paid, until the Policy ceases to apply to such Incentive Compensation and any other vesting conditions applicable to such Incentive Compensation are satisfied.

8. Amendment; Termination

The Board or the Compensation Committee may amend or terminate this Policy at any time. In the event that Section 10D of the Exchange Act, Rule 10D-1 thereunder, or the rules of the national securities exchange on which the Company's securities are traded are modified or supplemented, whether by law, regulation or legal interpretation, such modification or supplement shall be deemed to modify or supplement this Policy to the maximum extent permitted by applicable law.

9. Effectiveness

Except as otherwise determined in writing by the Compensation Committee, this Policy will apply to any Incentive Compensation that is Received by a Covered Person on or after the Effective Date. This Policy will survive and continue notwithstanding any termination of a Covered Person's employment with the Company and its affiliates.

10. Successors

This Policy shall be binding and enforceable against all Covered Persons and their successors, beneficiaries, heirs, executors, administrators, or other legal representatives.

Exhibit A

LOOP MEDIA, INC.

COMPENSATION RECOVERY POLICY

DEFINITIONS EXHIBIT

"**Applicable Period**" means the three completed fiscal years of the Company immediately preceding the earlier of (i) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes (or reasonably should have concluded) that a Restatement is required or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare a Restatement. The "Applicable Period" also includes any transition period (that results from a change in the Company's fiscal year) within or immediately following the three completed fiscal years identified in the preceding sentence.

"**Board**" means the Board of Directors of the Company.

"**Compensation Committee**" means the Company's committee of independent directors responsible for executive compensation decisions, or in the absence of such a committee, a majority of the independent directors serving on the Board.

"**Covered Person**" means any person who is, or was at any time, during the Applicable Period, an Executive Officer of the Company. For the avoidance of doubt, a Covered Person may include a former Executive Officer that left the Company, retired, or transitioned to an employee role (including after serving as an Executive Officer in an interim capacity) during the Applicable Period.

"**Effective Date**" means December 1, 2023.

"**Executive Officer**" means the Company's president, principal executive officer, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person (including an officer of the Company's parent(s) or subsidiaries) who performs similar policy-making functions for the Company.

"**Financial Reporting Measure**" means a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measure that is derived wholly or in part from such measure (including but not limited to, "non-GAAP" financial measures, such as those appearing in the Company's earnings releases or Management Discussion and Analysis). Stock price and total shareholder return (and any measures derived wholly or in part therefrom) shall be considered Financial Reporting Measures.

“**Recovery Exception:**” A recovery of Recoverable Incentive Compensation shall be subject to a “Recovery Exception” if the Compensation Committee determines in good faith that: (i) pursuing such recovery would violate home country law of the jurisdiction of incorporation of the Company where that law was adopted prior to November 28, 2022 and the Company provides an opinion of home country counsel to that effect acceptable to the Company’s applicable listing exchange; (ii) the direct expense paid to a third party to assist in enforcing this Policy would exceed the Recoverable Incentive Compensation and the Company has (A) made a reasonable attempt to recover such amounts and (B) provided documentation of such attempts to recover to the Company’s applicable listing exchange; or (iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“**Incentive Compensation**” means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive Compensation does not include any base salaries (except with respect to any salary increases earned wholly or in part based on the attainment of a Financial Reporting Measure performance goal); bonuses paid solely at the discretion of the Compensation Committee or Board that are not paid from a “bonus pool” that is determined by satisfying a Financial Reporting Measure performance goal; bonuses paid solely upon satisfying one or more subjective standards and/or completion of a specified employment period; non-equity incentive plan awards earned solely upon satisfying one or more strategic measures or operational measures; and equity awards that vest solely based on the passage of time and/or attaining one or more non-Financial Reporting Measures. Incentive Compensation includes any Incentive Compensation Received on or after October 2, 2023 pursuant to a preexisting contract or arrangement.

“**Received:**” Incentive Compensation is deemed “Received” in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

“**Recoverable Incentive Compensation**” means the amount of any Incentive Compensation (calculated on a pre-tax basis) Received by a Covered Person during the Applicable Period that is in excess of the amount that otherwise would have been Received if the calculation were based on the Restatement. For Incentive Compensation based on (or derived from) stock price or total shareholder return where the amount of Recoverable Incentive Compensation is not subject to mathematical recalculation directly from the information in the applicable Restatement, the amount will be determined by the Compensation Committee based on a reasonable estimate of the effect of the Restatement on the stock price or total shareholder return upon which the Incentive Compensation was Received (in which case, the Company will maintain documentation of such determination of that reasonable estimate and provide such documentation to the Company’s applicable listing exchange).

“**Restatement**” means an accounting restatement of any of the Company’s financial statements filed with the Securities and Exchange Commission under the Exchange Act, or the Securities Act of 1933, as amended, due to the Company’s material noncompliance with any financial reporting requirement under U.S. securities laws, regardless of whether the Company or Covered Person misconduct was the cause for such restatement. “Restatement” includes any required accounting restatement to correct an error in

previously issued financial statements that is material to the previously issued financial statements (commonly referred to as “Big R” restatements), or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (commonly referred to as “little r” restatements).