



FINANCIAL STATEMENTS

As of and for the years ended
March 31, 2024 and 2023

THE MARKETING ALLIANCE, INC.

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Financial Statements	
Consolidated Balance Sheets	3
Consolidated Statements of Operations	4
Consolidated Statements of Shareholders' Equity	5
Consolidated Statements of Cash Flows	6
Notes to the Consolidated Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders
The Marketing Alliance, Inc.

Opinion

We have audited the accompanying consolidated financial statements of The Marketing Alliance, Inc. and subsidiaries, which comprise the consolidated balance sheets as of March 31, 2024 and 2023 (as restated), and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Marketing Alliance, Inc. and subsidiaries as of March 31, 2024 and 2023 (as restated), and the results of its consolidated operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Marketing Alliance, Inc. and subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Correction of Error

As discussed in Note 17 to the consolidated financial statements, certain errors resulting in overstatement of amounts previously reported for accounts payable and accrued expenses, prepaid expenses and other current assets and distributor bonuses and commissions and understatement of income tax expense and net income were discovered by management of the Company during the current year. Accordingly, amounts reported for such items have been restated in the 2024 consolidated financial statements now presented, and an adjustment has been made to retained earnings as of March 31, 2023, to correct the error. Our opinion is not modified with respect to this comparative matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Marketing Alliance, Inc. and subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Marketing Alliance, Inc. and subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Marketing Alliance, Inc. and subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

UHY LLP

Albany, New York
July 1, 2024

THE MARKETING ALLIANCE, INC.
CONSOLIDATED BALANCE SHEETS
As of March 31, 2024 and 2023

	2024	2023 (Restated)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,949,323	\$ 1,994,763
Equity securities	2,837,506	4,109,381
Restricted cash	573,841	554,525
Accounts receivable	7,492,812	7,766,243
Current portion of notes receivable	548,552	125,297
Prepaid expenses and other current assets	506,456	366,025
Total current assets	<u>14,908,490</u>	<u>14,916,234</u>
PROPERTY AND EQUIPMENT , net	<u>829,680</u>	<u>642,180</u>
OTHER ASSETS		
Notes receivable, net of allowance and current portion	63,614	571,557
Restricted cash	1,523,812	2,050,737
Operating lease right-of-use assets	179,218	321,340
Total other assets	<u>1,766,644</u>	<u>2,943,634</u>
	<u>\$ 17,504,814</u>	<u>\$ 18,502,048</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 6,181,797	\$ 6,582,465
Current portion of notes payable	938,068	831,787
Current portion of finance lease liability	36,174	41,044
Current portion of operating lease liability	95,305	154,280
Liabilities related to discontinued operations	677	677
Total current liabilities	<u>7,252,021</u>	<u>7,610,253</u>
LONG-TERM LIABILITIES		
Lines of credit payable	675,000	600,000
Notes payable, net of debt issuance costs	2,359,132	2,908,521
Finance lease liability, net of current portion	103,200	142,602
Operating lease liability, net of current portion	78,982	155,987
Deferred taxes	313,000	190,000
Total long-term liabilities	<u>3,529,314</u>	<u>3,997,110</u>
Total liabilities	<u>10,781,335</u>	<u>11,607,363</u>
COMMITMENTS AND CONTINGENCIES (NOTE 13)		
SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 10,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, no par value; 50,000,000 shares authorized, 8,081,266 shares issued and outstanding respectively	1,025,341	1,025,341
Retained earnings	5,698,138	5,869,344
Total shareholders' equity	<u>6,723,479</u>	<u>6,894,685</u>
	<u>\$ 17,504,814</u>	<u>\$ 18,502,048</u>

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended March 31, 2024 and 2023

	2024	2023 (Restated)
Insurance commission and fee revenue	\$ 17,756,951	\$ 15,224,236
Construction revenue	1,284,021	2,016,248
Other insurance revenue	544,800	699,605
Total revenues	19,585,772	17,940,089
Insurance distributor related expenses:		
Distributor bonuses and commissions	12,137,471	9,370,001
Business processing and distributor costs	1,780,758	1,863,575
Depreciation	9,382	11,834
	13,927,611	11,245,410
Costs of construction:		
Direct and indirect costs of construction	757,064	1,129,623
Depreciation	245,925	192,284
	1,002,989	1,321,907
Total costs of revenues	14,930,600	12,567,317
Net operating revenue	4,655,172	5,372,772
General and administrative expenses:		
Compensation	1,538,825	1,663,126
Administrative and other	526,869	572,582
Rent and occupancy	120,647	87,389
Professional fees	333,487	465,309
Technology	176,591	158,066
Insurance	307,440	296,506
Travel and meetings	278,113	251,178
Depreciation and amortization	33,950	47,325
Payroll related	91,014	112,169
Office	116,825	128,673
Postage	7,242	7,980
Telephone	22,402	34,638
Telemarketing, advertising and promotional	2,500	4,873
Total general and administrative expenses	3,555,905	3,829,814
Operating income from continuing operations	1,099,267	1,542,958
Other income (expense):		
Credit losses	(67,390)	-
Investment gains (losses), net	493,334	(304,488)
Interest	(196,620)	(199,817)
Income from continuing operations before provision for income taxes	1,328,591	1,038,653
Income tax expense	285,377	223,315
Income from continuing operations	1,043,214	815,338
Discontinued operations:		
Income from discontinued operations, net of income taxes	-	78,289
Net income from discontinued operations	-	78,289
Net Income	\$ 1,043,214	\$ 893,627

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Years Ended March 31, 2024 and 2023

	Common Stock		Retained	
	Shares	Amount	Earnings	Total
April 1, 2022	8,081,266	\$ 1,025,341	\$ 6,758,096	\$ 7,783,437
Dividends paid	-	-	(1,782,379)	(1,782,379)
Net income (Restated)	-	-	893,627	893,627
March 31, 2023 (Restated)	<u>8,081,266</u>	<u>\$ 1,025,341</u>	<u>\$ 5,869,344</u>	<u>\$ 6,894,685</u>
Dividends paid	-	-	(1,214,420)	(1,214,420)
Net income	-	-	1,043,214	1,043,214
March 31, 2024	<u>8,081,266</u>	<u>\$ 1,025,341</u>	<u>\$ 5,698,138</u>	<u>\$ 6,723,479</u>

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended March 31, 2024 and 2023

	2024	2023 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 1,043,214	\$ 893,627
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	289,257	251,443
Amortization of right-of-use asset	142,122	(82,881)
Realized and unrealized investment (gains) losses	(372,743)	347,653
Credit losses	67,390	-
Deferred taxes	123,000	(10,000)
Debt issuance costs amortization	5,956	7,539
Changes in operating assets and liabilities:		
Accounts receivable	206,041	3,137,565
Prepaid expenses and other current assets	(140,431)	(76,284)
Accounts payable and accrued expenses	(410,320)	(2,751,125)
Operating lease liability	(135,980)	62,175
Net cash provided by operating activities	<u>817,506</u>	<u>1,779,712</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(476,757)	(14,930)
Principal payments received on promissory notes	84,688	61,402
Proceeds from sale of investments	2,628,578	1,520,058
Purchases of investments	(983,960)	(1,012,367)
Net cash provided by investing activities	<u>1,252,549</u>	<u>554,163</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,214,420)	(1,782,379)
Proceeds from notes payable	426,809	-
Principal payments on finance lease	(34,620)	(66,970)
Principal payments on notes payable	(875,873)	(809,303)
Net advances under lines of credit	75,000	75,000
Net cash used in financing activities	<u>(1,623,104)</u>	<u>(2,583,652)</u>
Change in cash and cash equivalents, and restricted cash	446,951	(249,777)
Cash and cash equivalents, and restricted cash beginning of period	4,600,025	4,849,802
Cash and cash equivalents, and restricted cash end of period	<u>\$ 5,046,976</u>	<u>\$ 4,600,025</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION		
Cash paid during the period for:		
Interest	<u>\$ 196,620</u>	<u>\$ 199,817</u>
Income taxes	<u>\$ 301,427</u>	<u>\$ 376,150</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Forgiveness of paycheck protection program loans	<u>\$ -</u>	<u>\$ 5,299</u>

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Marketing Alliance, Inc. (the “Company”) is a consortium of independent life insurance general agents located throughout the United States. Headquartered in St. Louis, Missouri, the Company provides the benefits of pooled production and resources, including access to carriers and services, that otherwise may not be available to the agents.

The Company, through a subsidiary, provides construction, heavy equipment and trenching services in Iowa.

Significant Accounting Policies

Basis of accounting and principles of consolidation:

The Company's policy is to prepare its financial statements on the accrual basis. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries:

Entity	Year operations began
TMA Marketing, Inc. (“Marketing”)	2004
Empire Construction and Trenching (“Empire”)	2011
TMA Realty, Inc. (“Realty”)	2014
TMA Play Pines, Inc.	Inactive
TMA Play Gastonia, Inc.	Inactive
TMA Play Pineville, Inc.	Inactive
TMA Play University Inc.	Inactive
TMA Play Matthews, Inc.	Inactive
TMA Play Rivers, Inc.	Inactive
TMA Play MO, Inc.	Inactive
TMA Play IL, Inc.	Inactive
TMA Play Sunrise, Inc.	Inactive
TMA Technologies, Inc. (“Technologies”)	Inactive
Felton McCrary Brokerage, Inc. (“Felton”)	Inactive

All significant intercompany accounts and transactions have been eliminated.

Discontinued operations:

As of March 31, 2021, all Monkey Joe’s locations were closed. The impact of the COVID-19 pandemic forced the closing of all Monkey Joe locations.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Discontinued operations: (Continued)

The major components of cash flows related to discontinued operations are summarized below for the years ended March 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash used in operating activities of discontinued operations	\$ -	\$ (484,362)
Non-cash: PPP forgiveness	\$ -	\$ 5,299

Revenue recognition:

All of the Company's sources of revenue are separately presented in the consolidated statements of operations. Revenue is recognized when obligations under the terms of a contract with a customer are satisfied. Sales and other government taxes we collect concurrent with revenue-producing activities are excluded from revenue. Incidental items that are not material in the context of the contract are recognized as expense.

Commission and fee income from insurance carriers, including production bonuses and deferred first year commissions, is earned as of the effective date of coverage. Commission income is recognized when the policy has been placed and collection of the premium is probable. At this point all performance obligations have been satisfied. The Company recognizes commissions on premiums directly billed by carriers as revenue when we have obtained the data necessary to reasonably determine such amounts. Historically, we have not been able to reasonably determine these types of commission revenues until we have received the cash or other specific information from the carriers.

Construction revenue from contracts with customers from long-term contracts primarily on a cost-to-cost measure of progress method of accounting for fixed price construction contracts or on the cost-plus fee contract method. Under the fixed price method, revenue is determined by applying the percentage-of-completion of contracts in each year to estimated final revenue on a ratio of costs incurred to date to total estimated costs. Revenue under the cost-plus fee method is recognized on the basis of costs incurred during the period plus the fee earned, measured by the cost-to-cost method. That method is used because management considers total cost to be the best available measure of progress on the contracts. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term. Costs of construction include all direct material and labor costs and those indirect costs related to contract performance. Provisions for estimated losses on uncompleted contracts, if any, are made in the period in which such losses are determined. Change orders are not recognized in revenue until recovery is probable and collectability is probable. Revenues recognized in excess of amounts billed are included in accounts receivable. Contracts normally have only one performance obligation.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Cash, cash equivalents, and restricted cash:

The Company considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents. From time to time, the Company has on deposit with certain banks and brokerage firms, cash and cash equivalents which exceed the amount subject to Federal Deposit Insurance Corporation ("FDIC") or Securities Investor Protection Corporation ("SIPC") limits. The Company attempts to mitigate this risk by depositing its cash and cash equivalents with high credit quality institutions.

Restricted cash consists of amounts held in restricted accounts as collateral for our line of credit and term note with a bank. Our restricted cash accounts are invested in money market accounts and must be a minimum deposit of 67% of all outstanding principal balance on the term note. The Company is permitted to make withdrawals of cash in excess of the required deposits from the restricted cash upon consent of the bank providing no event of default has occurred within fifteen days of June 30th and December 31st of each year. Current portion of restricted cash represents 67% of current portion of principal payments expected to be made on the term note assuming no events of default. Restricted cash totals \$2,097,653 and \$2,605,262 as of March 31, 2024 and 2023, respectively.

The following table provides a summary of cash, cash equivalents, and restricted cash that constitute the total amounts shown in the consolidated statements of cash flows:

	2024	2023
Cash and cash equivalents	\$ 2,949,323	\$ 1,994,763
Restricted cash - current assets	573,841	554,525
Restricted cash - other assets	1,523,812	2,050,737
	<u>\$ 5,046,976</u>	<u>\$ 4,600,025</u>

Equity securities:

Equity securities consist principally of common stock, fixed income securities, limited partnership interests, and stock warrants. Equity securities with readily determinable fair values are measured at fair value. Equity securities without readily determinable fair values are measured at cost minus impairment, if any. Net realized gains and losses from the sales of investments, as well as unrealized gains and losses, are reflected in the statements of operations.

Fair value measurements:

The Company follows the accounting for fair value measurements and disclosures for financial assets and liabilities, which defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles, and requires disclosures about fair value measurements. Fair value is a market-based measurement, not an entity-specific measurement, and fair value measurements should be determined based on assumptions that market participants would use in pricing an asset or liability.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Fair value measurements: (Continued)

The accounting for fair value measurements and disclosures for financial assets and liabilities establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three general levels: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs include data points that are observable such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) such as interest rates and yield curves that are observable for the asset and liability, either directly or indirectly; Level 3 inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

Accounts receivable:

Accounts receivable are carried at original invoice amount less an estimate made for credit losses based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for credit losses by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions. The allowance for credit losses was zero at both March 31, 2024 and 2023. Accounts receivable are written off when they are deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

Income taxes:

The Company follows guidance issued by the Financial Accounting Standards Board ("FASB") regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement.

None of the Company's federal or state income tax returns is currently under examination by the Internal Revenue Service ("IRS") or state authorities.

Deferred taxes are provided on the asset and liability method 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 and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. A tax valuation allowance is established as needed, to reduce net deferred tax assets to the amount expected to be realized.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Property and equipment:

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is provided utilizing straight line and accelerated methods over estimated useful lives or lease term ranging from 5 to 40 years.

Leases:

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, current portion of operating lease liability, and operating lease liability in our consolidated balance sheets. Finance leases are included in property and equipment, current portion of finance lease, and finance lease liabilities in our consolidated balance sheets.

ROU assets represent our 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 generally use our incremental borrowing rate based on the estimated rate of interest over a similar term of the lease payments at commencement date. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Operating lease ROU assets are amortized to lease expense on a straight-line basis over the lease term.

We have lease agreements with lease and non-lease components, which are generally accounted for separately.

Notes receivable:

Notes receivable are stated at unpaid principal balances, less an allowance for credit losses. Interest is recognized over the term of the note, and is calculated using the simple interest method on principal amounts outstanding. Notes are considered impaired when based on current information or factors, it is probable that the Company will not collect the principal and interest payments according to the loan agreement. Notes are placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the notes are impaired or collection of interest is doubtful. At March 31, 2024 and 2023 there was an allowance for credit losses of \$67,000.

Long-lived asset impairment:

Long-lived assets include property and equipment. Property and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Management uses considerable judgement to determine key assumptions, including projected revenue, and appropriate discount rates. Our annual asset impairment test is conducted as of our fiscal year end.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Recent accounting pronouncements:

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments-Credit Losses, which requires financial assets (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. ASU 2016-13 also requires credit losses relating to accounts receivable to be recorded through an allowance for credit losses. The Company adopted ASU 2016-13 effective April 1, 2023 and the adoption did not have a material impact on the Company's financial statements.

Estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassifications:

Certain amounts where appropriate have been reclassified in the prior year to conform to the current year presentation.

Subsequent events:

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through July 1, 2024, the date the financial statements were available for issuance.

The Company announced on April 5, 2024, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record April 23, 2024. The dividend, totaling \$405,513, was paid on May 1, 2024.

NOTE 2 — EQUITY SECURITIES

Equity securities are comprised of the following at March 31:

	2024	2023
Equity securities at fair value	\$ 1,837,506	\$ 3,109,381
Equity Investment, recorded at cost	1,000,000	1,000,000
	<u>\$ 2,837,506</u>	<u>\$ 4,109,381</u>

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 2 — EQUITY SECURITIES (Continued)

Net investment income is as follows for the years ended March 31:

	2024	2023
Interest and dividend income	\$ 151,880	\$ 86,875
Realized losses on investments, net	(29,143)	(564,645)
Unrealized gains on investments, net	401,886	216,992
Investment management fees	(31,289)	(43,710)
Net investment income (loss)	<u>\$ 493,334</u>	<u>\$ (304,488)</u>

Equity securities are pledged as collateral pursuant to margin and loan agreements entered into by the Company. At March 31, 2024 and 2023 no amounts were outstanding under the margin and loan agreements.

The Company follows ASU 2016-01 to account for non-marketable securities. The Company adjusts the carrying value of non-marketable equity securities to fair value upon observable transactions for identical or similar investments of the same issuer or impairment (referred to as the measurement alternative). All gains and losses on non-marketable equity securities, realized and unrealized, are recognized in other income (expense), net in the consolidated statements of operations. No adjustment of the nonmarketable securities was required for the years ended March 31, 2024 and 2023 in the consolidated statements of operations.

The impairment model for equity investments subject to this election is a single-step model. Under the single-step model, the Company is required to perform a qualitative assessment each reporting period to identify impairment. When a qualitative assessment indicates an impairment exists, the Company would estimate the fair value of the investment and recognize in current earnings an impairment loss equal to the difference between the fair value and the carrying amount of the equity investment. There were no qualitative indicators noted as of March 31, 2024, and 2023 that would indicate any impairment.

Equity securities without readily determinable fair value at cost less impairment and when available include adjustments for observable price changes are carried:

	2024	2023
Equity Investment, recorded at cost	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

The Company holds investments of \$1,000,000 in the common stock of a private company at both March 31, 2024 and 2023. The Company's investment represented less than 10% of the private company's issued and outstanding common stock at both March 31, 2024 and 2023.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 3 — FAIR VALUE MEASUREMENTS

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

Common stock and fixed income securities: Valued at the closing price reported on the active market on which the individual securities are traded. Securities traded on inactive markets are valued by reference to similar instruments categorized in Level 2. Securities which are not traded on active or inactive markets and no comparable assets exist are categorized in Level 3 and are valued using internal models.

Limited partnership investment: There is one limited partnership investment. The investment is valued using data provided by the general partner. This limited partnership actively trades and invests (by establishing both "long" and "short" positions) in domestic and foreign equity securities and options, equity futures contracts and options, other private placement investments, and securities issued or guaranteed by the United States government and related instruments.

The following table presents the fair value hierarchy for the Company's financial assets and liabilities measured at fair value on a recurring basis as of March 31:

Equity Securities	2024			
	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Common stocks	\$1,206,382	\$ -	\$ 63,401	\$1,269,783
Limited partnership	-	-	567,723	567,723
Total assets at fair value	<u>\$1,206,382</u>	<u>\$ -</u>	<u>\$ 631,124</u>	<u>\$1,837,506</u>

Equity Securities	2023			
	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Common stocks	\$2,466,202	\$ -	\$ 63,401	\$2,529,603
Limited partnership	-	-	579,778	579,778
Total assets at fair value	<u>\$2,466,202</u>	<u>\$ -</u>	<u>\$ 643,179</u>	<u>\$3,109,381</u>

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 3 — FAIR VALUE MEASUREMENTS (Continued)

The following is a roll-forward of Level 3 fair value instruments for the years ended March 31, 2024 and 2023:

	Limited Partnership Interest	Common Stocks	Fixed Income
Balance, April 1, 2022	\$ 514,810	\$ 63,401	\$ 88,877
Unrealized gain relating to instruments still held at the reporting date	64,968	-	-
Redemptions	-	-	(88,877)
Balance, March 31, 2023	<u>\$ 579,778</u>	<u>\$ 63,401</u>	<u>\$ -</u>
Unrealized loss relating to instruments still held at the reporting date	(12,055)	-	-
Balance, March 31, 2024	<u>\$ 567,723</u>	<u>\$ 63,401</u>	<u>\$ -</u>

Quantitative information about Level 3 Fair Value Investments:

	Fair Value March 31, 2024	Fair Value March 31, 2023	Valuation Techniques	Unobservable Input
Common stocks	\$ 63,401	\$ 63,401	Conversion rate of recent private transaction	Recent private transaction rates
Limited partnership investment	\$567,723	\$579,778	See (A) below	See (A) below

(A) Securities that are listed on a national securities exchange or NASDAQ or over-the-counter market are valued at the last reported sales price on the last day of the year or quarter, or the last reported bid and asked price. Securities for which market quotations are not readily available are valued at their fair value as determined in good faith under consistently applied procedures established by the General Partner, such as pricing models, discounted cash flow methodologies or similar techniques.

The nature and risk of certain investments by major category at March 31, 2024 are presented as follows:

	Fair Value	Redemption Provisions
Limited Partnership	\$567,723	Quarterly with 30 days notice

The Company has various processes and controls in place to ensure that fair value is reasonably estimated. The Company's investment committee, which reports to the Board of Directors, sets the valuation policies for investments and is responsible for the determination of fair value.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 3 — FAIR VALUE MEASUREMENTS (Continued)

The investment committee, together with independent investment advisors, (1) compares price changes between periods to current market conditions, (2) compares trade prices of securities to fair value estimates, (3) compares prices from multiple pricing sources, and (4) performs ongoing due diligence to confirm that independent pricing services use market-based parameters for valuation. Valuation approaches are reviewed on an ongoing basis and revised as necessary based on changing market conditions to ensure values represent a reasonable exit price.

NOTE 4 — ACCOUNTS RECEIVABLE

Accounts receivable at March 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Commissions receivable and insurance related	\$ 1,791,455	\$ 1,553,680
Deferred first year commissions	5,552,858	6,048,197
Construction receivables	148,499	164,366
	<u><u>\$ 7,492,812</u></u>	<u><u>\$ 7,766,243</u></u>

NOTE 5 — NOTES RECEIVABLE

Notes receivable at March 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Distributor notes receivable, in aggregate monthly installments of approximately \$3,900 including interest at a rate of 5% per annum, final maturity in February 2026. The notes are generally collateralized by amounts payable pursuant to individual distribution agreements and security interests in certain assets of the distributors. Certain notes are personally guaranteed by principals of the distributors.	<u>\$ 612,166</u>	<u>\$ 629,464</u>
Total notes receivable	612,166	696,854
Less current portion	<u>(548,552)</u>	<u>(125,297)</u>
Long-term portion	<u><u>\$ 63,614</u></u>	<u><u>\$ 571,557</u></u>

The Company loans money to its distributor agencies primarily to provide them with working capital.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 5 — NOTES RECEIVABLE

Estimated future principal payments to be received as of March 31, 2024 are as follows:

2025	\$ 548,552
2026	<u>63,614</u>
	<u>\$ 612,166</u>

NOTE 6 — PROPERTY AND EQUIPMENT

Net property and equipment is comprised of the following at March 31:

	2024	2023
Office equipment, furniture and fixtures	\$ 1,296,250	\$ 1,293,726
Construction equipment	2,161,462	1,687,229
Building	216,000	216,000
Leasehold improvements	7,579	7,579
Land	<u>29,604</u>	<u>29,604</u>
	3,710,895	3,234,138
Less accumulated depreciation	<u>(2,881,215)</u>	<u>(2,591,958)</u>
	<u>\$ 829,680</u>	<u>\$ 642,180</u>

Depreciation expense was \$289,257 and \$251,443 for the years ended March 31, 2024 and 2023, respectively.

NOTE 7 — LINES OF CREDIT

The Company has one secured line of credit for borrowings up to \$1,000,000 due on demand. There was \$675,000 and \$600,000 outstanding at March 31, 2024 and 2023, respectively. The line of credit bears interest at the Secured Overnight Financing Rate ("SOFR") plus 2.12% with a 3% floor. As of March 2024, and 2023, the interest rate was 7.18% and 6.38%, respectively. The line of credit is collateralized by all bank deposits in bank, accounts receivable, inventory, and property and equipment.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 8 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at March 31, 2024 and 2023 are summarized as follows:

	2024	2023 (Restated)
Accounts	\$ 148,704	\$ 258,412
Technology benefits	133,646	180,037
Distributor commissions	1,458,013	1,213,641
Deferred first year commissions	4,318,146	4,391,963
Accrued compensation	27,846	26,668
Dividends	-	404,663
Other	95,442	107,081
	<u>\$ 6,181,797</u>	<u>\$ 6,582,465</u>

NOTE 9 — INCOME TAXES

Income tax expense for the years ended March 31, 2024, and 2023 is summarized as follows:

	2024	2023 (Restated)
Current	\$ 162,377	\$ 148,609
Deferred	123,000	(10,000)
	<u>\$ 285,377</u>	<u>\$ 138,609</u>

Deferred tax assets and liabilities at March 31, 2024 and 2023 were attributable to the following:

	2024	2023 (Restated)
Deferred Tax Assets:		
Intangible assets	\$ 3,940	\$ 5,490
Accrued vacation	3,760	3,450
Impairment on investment other than temporary	21,060	21,060
Total gross deferred tax assets	<u>28,760</u>	<u>30,000</u>
Deferred Tax Liabilities:		
Unrealized gains on investments	(204,610)	(124,300)
Property and equipment	(137,150)	(95,700)
Total gross deferred tax liabilities	<u>(341,760)</u>	<u>(220,000)</u>
Total net deferred tax liabilities	<u>\$ (313,000)</u>	<u>\$ (190,000)</u>

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 9 — INCOME TAXES (Continued)

The reconciliation of income tax (benefit) expense calculated at the Federal tax statutory rate to the Company's effective rate is set forth below:

	2024		2023 (Restated)	
	\$	%	\$	%
Tax at federal statutory rate	\$ 279,004	21%	\$ 234,558	21%
State income taxes, net of federal benefit	53,144	4%	36,328	4%
Permanent differences	(9,323)	-1%	(4,196)	0%
Other	(37,448)	-3%	(55,152)	-5%
	<u>\$ 285,377</u>	<u>21%</u>	<u>\$ 211,538</u>	<u>20%</u>

NOTE 10 — LEASES

The following table presents the components of our right-of-use assets and liabilities related to leases and their classification in our consolidated balance sheets at March 31, 2024 and 2023:

Components of lease balances	March 31, 2024	March 31, 2023
Operating Leases		
Operating lease right-of-use-asset	<u>\$179,218</u>	<u>\$321,340</u>
Current portion of operating lease liability	\$ 95,305	\$154,280
Operating lease liability, net of current portion	<u>78,982</u>	<u>155,987</u>
Total operating lease liabilities	<u>\$174,287</u>	<u>\$310,267</u>
Finance Lease		
Property and equipment, at cost	\$388,738	\$388,738
Accumulated depreciation	<u>(304,511)</u>	<u>(226,764)</u>
Property and equipment, net	<u>\$ 84,227</u>	<u>\$161,974</u>
Current portion of finance lease liability	\$ 36,174	\$ 41,044
Finance lease liability	<u>103,200</u>	<u>142,602</u>
Total finance lease liability	<u>\$139,374</u>	<u>\$183,646</u>

The Company determines if an arrangement is a lease at inception of the contract. Our right-of-use assets represent our right to use the underlying assets for the lease term and our lease liabilities represent our obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. We use our estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. Our incremental borrowing rates are based on rates our bank would provide us with at a fixed rate over the term of the lease.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 10 — LEASES (Continued)

Operating leases were primarily for real estate for office space and equipment. Finance lease amounts are for equipment used in our construction company. Our real estate lease agreements typically have initial terms of five to ten years, and our equipment lease agreements typically have initial terms of three to five years. Leases with an initial term of 12 months or less (“short-term leases”) are expensed as incurred.

Real estate leases may include one or more options to renew, with renewals that can extend the lease term usually for five years. The exercise of lease renewal options is at the Company’s sole discretion. In general, the Company does not consider renewal options to be reasonably likely to be exercised, therefore renewal options are generally not recognized as part of our right-of-use assets and lease liabilities. Certain leases also include options to purchase the leased property. The useful life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The majority of the Company’s equipment leases have terms of three years.

Certain of our lease agreements for real estate include payments based on actual common area maintenance expenses and others include rental payments adjusted periodically for inflation. These variable lease payments are recognized in other operating expenses, net, but are not included in the right-of-use asset or liability balances. Our lease agreements do not contain any material residual value guarantees, restrictions or covenants.

We have elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes. We have also elected the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases.

The following table presents the components of our operating lease expense and their classification in our Consolidated Statements of Operations for the year ended March 31, 2024 and 2023:

Components of lease expense	Classification on Consolidated Statements of Operations	2024	2023
Operating lease cost			
Operating lease expense	Rent and occupancy	\$ 120,647	\$ 87,389
Operating lease expense	Business processing and distributor costs	54,214	48,928
		<u>\$ 174,861</u>	<u>\$ 136,317</u>
Operating lease expense - equipment	Office	<u>\$ 15,639</u>	<u>\$ 26,393</u>
Finance lease cost			
Amortization of equipment	Depreciation	\$ 77,748	\$ 77,748
Interest on lease liability	Interest	6,534	8,315
Total finance lease cost		<u>\$ 84,282</u>	<u>\$ 86,063</u>

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 10 — LEASES (Continued)

The weighted-average lease terms and discount rates for operating leases are presented in the following table:

	March 31, 2024	March 31, 2023
Weighted-average remaining lease term (years)		
Operating Leases	1.95	1.56
Finance Lease	1.00	2.00
Weighted-average discount rate		
Operating Leases	1.74%	2.86%
Finance Lease	3.72%	3.72%

Cash flow and other information related to leases is included in the following table:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows for operating leases	\$ 154,280	\$ 175,934
Operating cash outflows for finance lease	\$ 6,534	\$ 8,315
Financing cash outflows for finance lease	\$ 34,620	\$ 66,970

Future maturities of lease liabilities at March 31, 2024 are presented in the following table:

	Operating Leases	Finance Lease
2025	\$ 92,990	\$ 40,377
2026	48,590	103,671
2027	44,334	-
Total lease payments	185,914	144,048
Less: Imputed interest	(11,627)	(4,674)
Total lease obligation	174,287	139,374
Less: Current portion	(95,305)	(36,174)
Long-term lease obligation	<u>\$ 78,982</u>	<u>\$ 103,200</u>

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 11 — LONG-TERM DEBT

Long-term debt as of March 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Note payable to NBT Bank, payable in 60 monthly principal and interest payments of \$78,900, payments commenced on July 3, 2020. The interest rate on the note is fixed at 3.35%. The note matures on June 3, 2025 with a balloon payment due of \$1,913,000. The note is collateralized by all bank deposits accounts receivable, inventory and property and equipment and contains both financial and non-financial covenants. The Company was in compliance with all covenants at March 31, 2024. The Company did not meet one financial covenant at March 31, 2023, for which the Bank issued a waiver.	\$2,920,100	\$3,751,838
Note payable to NBT Bank, payable in 60 monthly principal and interest payments of \$8,391, payments commenced in September 2023. The interest rate on the note is fixed at 6.70%. The note matures in August 2028. The note is collateralized by all bank deposits, accounts receivable, inventory and property and equipment and contains both financial and non-financial covenants. The Company was in compliance with all covenants at March 31, 2024.	<u>382,674</u>	<u>-</u>
Total notes payable	3,302,774	3,751,838
Less unamortized debt issuance costs	(5,574)	(11,530)
Less current portion	<u>(938,068)</u>	<u>(831,787)</u>
Long-term portion	<u><u>\$2,359,132</u></u>	<u><u>\$2,908,521</u></u>

Future principal maturities at March 31, 2024 are as follows:

<u>Period Ending March 31,</u>	
2025	\$ 938,068
2026	2,141,988
2027	88,359
2028	94,465
2029	<u>39,894</u>
	<u><u>\$3,302,774</u></u>

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 11 — LONG-TERM DEBT (Continued)

The Company received various notes payable totaling approximately \$543,000 pursuant to the PPP under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Company used the majority of the loan for qualifying payroll expenses. All notes were either forgiven or paid back by March 31, 2022. The Company must retain all such documentation in its files for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of SBA, including representatives of its Office of Inspector General, to access such files upon request.

NOTE 12 — SHAREHOLDERS' EQUITY

The Company announced on June 10, 2022, that its Board of Directors authorized a dividend of \$0.07 per share for shareholders of record June 30, 2022. The dividend was paid on July 12, 2022.

The Company announced on September 13, 2022, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record September 23, 2022. The dividend was paid on October 15, 2022.

The Company announced on December 9, 2022, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record December 23, 2022. The dividend was paid on January 16, 2023.

The Company announced on March 6, 2023, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record March 24, 2023. The dividends were paid on April 21, 2023. The Company recorded dividends payable totaling \$404,663, which are included in balance sheet at March 31, 2023 in accounts payable and accrued expenses.

The Company announced on June 19, 2023, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record June 30, 2023. The dividend was paid on July 18, 2023.

The Company announced on September 11, 2023, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record September 25, 2023. The dividend was paid on October 18, 2023.

The Company announced on December 18, 2023, that its Board of Directors authorized a dividend of \$0.05 per share for shareholders of record December 29, 2023. The dividend was paid on January 24, 2024.

NOTE 13 — COMMITMENTS AND CONTINGENCIES

Legal Contingency

From time to time, the Company is involved in routine litigation that arises in the ordinary course of business. There are no pending significant legal proceedings to which the Company is a party to which management believes the ultimate outcome would have a material adverse effect on the Company's financial position.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 13 — COMMITMENTS AND CONTINGENCIES (Continued)

Surety Bond

Empire, as a condition for entering into some of its construction contracts, had outstanding surety bonds of \$1.4 million and \$2.2 million as of March 31, 2024 and 2023, respectively. These surety bonds are collateralized by certain contracts receivable and are guaranteed by the Company.

NOTE 14 — CONCENTRATIONS

At March 31, 2024 and 2023, the Company derived approximately 70% and 75% of its accounts receivable from two and four insurance carriers, respectively. During the years ended March 31, 2024 and 2023, the Company derived approximately 55% and 47% of its commission income from two insurance carriers, respectively.

NOTE 15 — BENEFIT PLANS

Profit Sharing Plan

The Company has a qualified profit-sharing plan with 401(k) deferred compensation provisions. Substantially all employees are eligible to participate in the plan. The plan provides for both matching and discretionary contributions determined by the Board of Directors. Contributions under the plan were approximately \$46,000 and \$56,000 for the years ended March 31, 2024, and 2023, respectively.

NOTE 16 — RELATED PARTY TRANSACTIONS

The Company has entered into a service agreement with an entity owned by the stockholders of the Company for bookkeeping and other administrative services provided for the benefit of the Company. Administrative service fees and rent paid to the affiliated entity approximated \$473,000 and \$504,700 for the years ended March 31, 2024, and 2023, respectively.

The Company compensates its Board of Directors for attendance at meetings. In addition, the Company compensates its Directors for work performed on behalf of the Company outside of their duties as Board members. Such compensation, which is computed and paid at an hourly rate commensurate with experience and expertise as determined by the Board of Directors, is classified as a component of compensation in the accompanying consolidated statements of operations and approximated \$417,000 and \$433,000 for the years ended March 31, 2024 and 2023, respectively.

NOTE 17 — RESTATEMENT OF 2023

In June 2024, the Company determined that commissions previously accrued at March 31, 2023 totaling approximately \$325,000 were not incurred and payable. The Company has accounted for this change as a correction of an error and restated its financial statements as of and for the year ended March 31, 2023 in accordance with ASC 250, *Accounting Changes and Error Corrections*.

THE MARKETING ALLIANCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 and 2023

NOTE 17 — RESTATEMENT OF 2023 (Continued)

The following are the previously stated and as restated balances in the consolidated balance sheet, statement of operations, statement of shareholders' equity and statement of cash flows as of and for the year ended March 31, 2024:

	As of March 31, 2023		
	As Previously Reported	Correction	As Restated
Balance Sheet:			
Prepaid expenses and other current assets	450,731	(84,706)	366,025
Total current assets	15,000,940		14,916,234
Total assets	18,586,754		18,502,048
Accounts payable and accrued expenses	6,907,579	(325,114)	6,582,465
Total current liabilities	7,935,367		7,610,253
Total liabilities	11,932,477		11,607,363
Retained earnings	5,628,936		5,869,344
Total shareholders' equity	6,654,277		6,894,685
Statement of Operations:			
	For the year ended March 31, 2023		
Distributor bonuses and commissions	9,695,115	(325,114)	9,370,001
Total costs of revenue	12,892,431		12,567,317
Net operating revenue	5,047,658		5,372,772
Operating income from continuing operations	1,217,844		1,542,958
Income from continuing operations before provision for income taxes	713,539		1,038,653
Income tax expense	138,609	84,706	223,315
Income from continuing operations	574,930		815,338
Net income	653,219		893,627
Statement of Shareholders Equity:			
	For the year ended March 31, 2023		
Net income	653,219		893,627
Statement of Cash Flows:			
	For the year ended March 31, 2023		
Net income	653,219		893,627
Prepaid expenses and other current assets	(160,991)	72,930	(88,061)
Accounts payable and accrued expenses	(2,426,011)	(325,114)	(2,751,125)

Alternative Reporting Standard: Disclosure Guidelines for the Pink® Market

Federal and state securities laws require issuers to provide *current information* to the public markets. With a view to facilitating compliance with these laws, OTC Markets Group has created these Disclosure Guidelines ("Guidelines")¹ that set forth the disclosure obligations that make up the "Alternative Reporting Standard" for Pink companies. Companies on the Pink Market that do not make disclosure directly to the SEC (via EDGAR), a banking regulator, or a non-U.S. regulatory authority may provide disclosure under our "Alternative Reporting Standard." We use information provided by companies under these Guidelines to designate the appropriate tier in the Pink Market: Current Information or Limited Information.²

Pink Current Information Tier

To qualify for the Current Information Tier:

1. **Subscribe to the OTC Disclosure & News Service:** To submit an application, visit [Gateway](#) to sign in or create a new account. Allow OTC Markets Group 2-4 weeks to process your application and provide authorized user credentials to OTCIQ.
2. **Publish Initial Disclosure:** Upload the following documents through OTCIQ:
 - Annual Report for the most recently completed fiscal year.
 - All Quarterly Reports for the Current Fiscal Year.

Annual or Quarterly Reports are composed of:

- **Disclosure Statements:** Disclosure information pursuant to these Guidelines for the applicable period. Available as a fillable form beginning on page 4 of these Guidelines.
- **Financial Statements:** Qualifying Financial Statements in accordance with the Financial Statement Requirements specified in Item 9 of these Guidelines.

Qualifying Financial Statements include:

- Audit Letter, if audited
- Balance Sheet
- Statement of Income
- Statement of Cash Flows
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Notes to Financial Statements

¹ These Guidelines have been designed to encompass the "current information" requirements under state and federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 ("Exchange Act") as well as Rule 144 of the Securities Act of 1933 ("Securities Act"), and state Blue Sky laws. However, these Guidelines have not been reviewed by the U.S. Securities and Exchange Commission or any state securities regulator. These Guidelines do not constitute legal advice, and OTC Markets Group makes no assurance that compliance with our disclosure requirements will satisfy any legal requirements. These Guidelines may be amended from time to time, in the sole and absolute discretion of OTC Markets Group, with or without notice.

² OTC Markets Group may require companies with securities designated as "Caveat Emptor" or other compliance flags to make additional disclosures to qualify for the Pink Current Information tier.

3. **Publish Attorney Letter:** If financial statements are not audited by a PCAOB registered firm, companies must retain U.S. counsel to review their disclosure and provide a letter to OTC Markets Group with respect to adequate current information by providing the following:
 - Attorney Letter Agreement: The attorney for the company must submit a signed Attorney Letter Agreement according to the Attorney Letter Agreement Instructions.
 - Attorney Letter: After the attorney reviews the company's disclosure, publish the "Attorney Letter With Respect to Current Information" through OTCIQ. Attorney Letters must be in accordance with the Attorney Letter Guidelines.
4. **Verify Profile:** Verify the Company Profile through OTCIQ. This includes the complete list of current officers, directors, and service providers; outstanding shares; a business description; contact information; and the names of all company insiders and beneficial owners of 10% or more of the outstanding units or shares of any class of any equity security of the issuer.
5. **OTC Markets Group Processing of Reports:** Allow OTC Markets Group to process the posted documents (typically three to five business days) and provide any comments. Companies will only be evaluated for Current Information once all required documentation has been submitted. A new Attorney Letter is required upon amendment of any referenced report.
6. **Ongoing Requirements:** To qualify for Current Information on an ongoing basis, companies must:
 - Publish reports through OTCIQ on the following schedule:
 - Quarterly Report within **45 days** of the quarter end
 - Annual Report within **90 days** of the fiscal year end
 - Attorney Letter within **120 days** of the fiscal year end if financial statements are unaudited.
 - Maintain a Verified Profile. At least once every six months, review and verify the Company Profile through OTCIQ.
 - Maintain Transfer Agent Verified share data. If your transfer agent participates in the Transfer Agent Verified Shares Program, then your securities must have current share data verified by the transfer agent.
 - Maintain an Active standing in the Company's State of Incorporation.

Pink Limited Information Tier

Companies that do not meet the requirements of the Pink Current Information tier set forth above may still qualify for the Pink Limited Information Tier by meeting the following minimum disclosure requirements.

1. **Annual Financial Statements:** Publish one set of Qualifying Annual Financial Statements which cover the past 2 completed fiscal years, provided the most recently completed fiscal year is within the past 16 months.
2. **Verified Profile:** The Company must verify the Company Profile through OTCIQ, including, but not limited to, a complete list of officers, directors, and service providers; outstanding shares; a business description; contact information; and the name of all company insiders. "Company Insiders" shall include the beneficial owner of 10% or more of the outstanding units or shares of any class of any equity security of the issuer.
3. **Ongoing Requirements:** To qualify for Limited Information on an ongoing basis, companies must:
 - Publish reports on the following schedule:
 - Annual Financial Statements as outlined in Item 9 within 120 days of the fiscal year end. Should a change in FYE occur, no more than 16 months may elapse from the fiscal year end of the prior Annual Financial Statement.

- Review and Verify the Company's profile information through OTCIQ at least once every 12 months.
- Maintain Transfer Agent Verified share data. If your transfer agent participates in the Transfer Agent Verified Shares Program, then your securities must have current share data verified by the transfer agent.

Current Reporting of Material Corporate Events

In addition to the disclosure requirements above, all companies on the Pink market are expected to promptly release to the public any news or information regarding corporate events that may be material to the issuer and its securities (including adverse information). Persons with knowledge of such events are considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public. If not included in the issuer's previous public disclosure documents, or if the material events occurs after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a news release **within four (4) business days** following their occurrence and posting such news release through an Integrated Newswire or the OTC Disclosure & News Service.³

Material corporate events may include:

- Changes to the company's shell status. Please refer to our FAQ on Shell Companies
- Changes in control of issuer
- Departure of directors or principal officers; election of directors; appointment of principal officers
- Entry into or termination of a material definitive agreement or material agreement not made in the ordinary course of business
- Completion of an acquisition or disposition of assets, including but not limited to merger transactions
- Creation of a direct financial obligation or an obligation under an off-balance sheet arrangement of an issuer
- Triggering events that accelerate or increase a direct or contingent financial obligation including any default or acceleration of an obligation or an obligation under an off-balance sheet arrangement
- Costs associated with exit or disposal activities including material write-offs and restructuring; Material impairments
- Unregistered sales of equity securities
- Material modification to rights of security holders
- Changes in issuer's certifying accountant
- Non-reliance on previously issued financial statements or a related audit report or completed interim review
- Change in a company's fiscal year; Amendments to articles of incorporation or bylaws that were not previously disclosed in a proxy statement or other such disclosure statement.
- Amendments to the issuer's code of ethics, or waiver of a provision of the code of ethics
- Any changes to litigation the issuer may be involved in, or any new litigation surrounding the issuer
- Officer, director, or insider transactions in the issuer's securities
- Disclosure of investor relations, marketing, brand awareness, and stock promotion activities which might reasonably be expected to materially affect the market for its securities or otherwise deemed material by the issuer
- A company's bankruptcy or receivership
- Termination or reduction of a business relationship with a customer that constitutes a specified amount of the company's revenues
- Any material limitation, restriction, or prohibition, including the beginning and end of lock-out periods, regarding the company's employee benefits, retirement and stock ownership plan
- Earnings releases
- Other materially different information regarding key financial or operation trends from that set forth in periodic reports
- Other events the issuer determines to be material

³ "Integrated Newswire" shall mean a newswire service that is integrated with the OTC Disclosure & News Service and is included on OTC Markets Group's list of Integrated Newswires, as published on <https://www.otcmkt.com/corporate-services/ir-tools-services>

TheMarketingAlliance, Inc.

111 West Port Plaza, Suite
200, St Louis, MO, 63146

314-275-8713

<https://www.themarketingalliance.com>
info@themarketingalliance.com

Annual Report

For the period ending March 31, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

8,081,266 as of March 31, 2024 *(Current Reporting Period Date or More Recent Date)*

8,081,266 as of March 31, 2024 *(Most Recent Completed Fiscal Year End)*

Shell Status

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁴ "Change in Control" shall mean any events resulting in:

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

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

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

The Marketing Alliance, Inc.

Current State and Date of Incorporation or Registration: North Carolina

Standing in this jurisdiction: (e.g. active, default, inactive): active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None

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

None

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

None

Address of the issuer's principal executive office:

111 West Port Plaza, Suite 200, St Louis, MO, 63146

Address of the issuer's principal place of business:

X Check if principal executive office and principal place of business are the same address:

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

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

2) Security Information

Transfer Agent

Name: American Stock Transfer and Trust

Phone: 718-921-8293

Email: help@astfinancial.com

Address: 6201 15th Avenue, Brooklyn, NY, 11219

Publicly Quoted or Traded Securities:

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

Trading symbol:	MAAL	
Exact title and class of securities outstanding:	Common	
CUSIP:	57061m107	
Par or stated value:	no par	
Total shares authorized:	50,000,000	as of date: March 31, 2024
Total shares outstanding:	8,081,266	as of date: March 31, 2024
Total number of shareholders of record:	115 (est)	as of date: December 22, 2023

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

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

Exact title and class of the security:	_____	
Par or stated value:	_____	
Total shares authorized:	_____	as of date: _____
Total shares outstanding:	_____	as of date: _____
Total number of shareholders of record:	_____	as of date: _____

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Security Description:

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

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

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

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

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

3) Issuance History

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

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

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

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

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

Shares Outstanding Opening Balance:			*Right-click the rows below and select "Insert" to add rows as needed.						
Date _____	Common: _____	Preferred: _____							
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

Shares Outstanding on Date of This Report:	
Ending Balance:	
Date _____ Common: _____	
Preferred: _____	

Example: A company with a fiscal year end of December 31st 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

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

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

B. Promissory and Convertible Notes

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

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

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

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

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

4) Issuer’s Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company’s Profile on www.OTCMarkets.com.

A. Summarize the issuer’s business operations (If the issuer does not have current operations, state “no operations”)

Headquartered in St. Louis, MO, The Marketing Alliance, Inc. (TMA) operates two business segments. TMA provides support to independent insurance brokerage agencies, with a goal of providing members value-added services on a more efficient basis than they can achieve individually. The Company also owns an earth moving and excavating business.

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

See above

C. Describe the issuers' principal products or services.

The Marketing Alliance, Inc. (the "Company") is a consortium of independent life insurance general agents located throughout the United States. Headquartered in St. Louis, Missouri, the Company provides the benefits of pooled production and resources, including access to carriers and services, that otherwise may not be available to the agencies.

The Company, through a subsidiary, provides construction, heavy equipment and trenching services in Iowa.

5) Issuer's Facilities

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

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

	Operating Leases	Finance Lease
2025	\$ 92,990	\$ 40,377
2026	48,590	103,671
2027	64,234	-
Total lease payments	185,814	144,048
Less: Imputed interest	11,627	4,674
Total lease obligation	174,287	139,374
Less: Current portion	95,305	36,174
Long-term lease obligation	\$ 78,982	\$ 103,200

Components of lease expense	Classification on Consolidated Statement of Operations	2024	2023
Operating lease cost			
Operating lease expense	Rent and occupancy	\$ 120,647	\$ 87,389
Operating lease expense	Business processing and distributor costs	54,214	48,928
Variable lease expense	Rent and occupancy	-	-
		<u>\$ 174,861</u>	<u>\$ 136,317</u>
Operating lease expense - equipment	Office	<u>\$ 6,182</u>	<u>\$ 25,393</u>
Finance lease cost			
Amortization of equipment	Depreciation	\$ 77,748	\$ 77,748
Interest on lease liability	Interest	6,534	8,315
Total finance lease cost		<u>\$ 84,282</u>	<u>\$ 86,063</u>

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

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

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

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

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

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
Timothy M. Klusas, CEO	<u>CEO</u>	Glen Carbon, IL	<u>Less than 5%</u>	<u>Common</u>	_____	_____
<u>Art Jetter</u> , <u>Secretary</u>	<u>Secretary</u>	Benbrook, TX	<u>Less than 5%</u>	<u>Common</u>	_____	_____
<u>Jack Dewald</u> , <u>Chairman</u>	<u>Chairman</u>	Germantown, TN	<u>Less than 5%</u>	<u>Common</u>	_____	_____

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

7) Legal/Disciplinary History

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

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

None

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

None

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

None

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

None

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

None

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

None

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

None

8) Third Party Service Providers

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

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

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: LenEssig
Firm: LewisRice
Address 1: 600WashingtonAvenue
Address 2: St.Louis,MO,63101
Phone: 314-444-7651
Email: lessig@lewisrice.com

Accountant or Auditor

Name: PatrickFarrelly
Firm: UHYLLP
Address 1: 4 Tower Place, 7th Floor
Address 2: Albany, NY 12203
Phone: 518-449-3166
Email: pfarrelly@uhy-us.com

Investor Relations

Name: Jeremy Hellman
Firm: The Equity Group
Address 1: 800 Third Avenue, 36th Floor
Address 2: NY, NY 10022
Phone: 212-836-9626
Email: Jhellman@equityny.com

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other] _____

Other Service Providers

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

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____

Email: _____

9) Disclosure & Financial Information

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

Name: Jeremy Hellman
Title: Vice President
Relationship to Issuer: Outsourced consultant

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

☐ IFRS
☒ U.S. GAAP

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

Name: Sarah Walls
Title: CFO
Relationship to Issuer: Outsourced consultant

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

Provide the following qualifying financial statements:

- ☐ Audit letter, if audited;
- ☐ Balance Sheet;
- ☐ Statement of Income;
- ☐ Statement of Cash Flows;
- ☐ Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- ☐ Financial Notes

Financial Statement Requirements:

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

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

I, Timothy M. Klusas certify that:

1. I have reviewed this Disclosure Statement for The Marketing Alliance, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

6-30-2024

[Date]

Timothy M. Klusas

[CEO's Signature]

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

Principal Financial Officer:

I, Jack Dewald certify that:

1. I have reviewed this Disclosure Statement for The Marketing Alliance, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

06/30/24

[Date]

Jack Dewald

[Chairman's Signature]

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