

UNITED STATES BANKRUPTCY COURT

DISTRICT OF Delaware

In Re. SBG

Universe Brands, LLC

Debtor(s)

§  
§  
§  
§

Case No. 21-11209

Lead Case No. 21-11194

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 10/31/2021

Petition Date: 08/31/2021

Months Pending: 2

Industry Classification: 5 3 3 1

Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☒ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Timothy P. Cairns

Signature of Responsible Party

11/18/2021

Date

Timothy P. Cairns

Printed Name of Responsible Party

919 N Market St 17th Fl Wilmington DE 19801

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore § 1320.4(a)(2) applies.



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Debtor's Name SBG  
Universe Brands, LLC

Case No. 21-11209

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$1,650,382	
b. Total receipts (net of transfers between accounts)	\$3,578,537	\$5,772,798
c. Total disbursements (net of transfers between accounts)	\$670,809	\$1,221,349
d. Cash balance end of month (a+b-c)	\$4,558,110	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$670,809	\$1,221,349

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$433,467
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$5,731,230
e. Total assets	\$186,687,890
f. Postpetition payables (excluding taxes)	\$43,574,279
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$32,878,189
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$76,452,468
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$0
n. Total liabilities (debt) (j+k+l+m)	\$76,452,468
o. Ending equity/net worth (e-n)	\$110,235,422

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$158,467	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$158,467	
d. Selling expenses	\$24,011	
e. General and administrative expenses	\$510,436	
f. Other expenses	\$226,590	
g. Depreciation and/or amortization (not included in 4b)	\$6,869	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-609,440	\$-1,065,165

Debtor's Name SBG  
Universe Brands, LLC

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**Part 5: Professional Fees and Expenses**

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
		Firm Name	Role			
	i					
	ii					

b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i			\$0	\$0	\$0	\$0
	ii						
c.	All professional fees and expenses (debtor & committees)						

**Part 6: Postpetition Taxes**

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b. Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c. Postpetition employer payroll taxes accrued	\$0	\$0
d. Postpetition employer payroll taxes paid	\$0	\$0
e. Postpetition property taxes paid	\$0	\$0
f. Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g. Postpetition other taxes paid (local, state, and federal)	\$0	\$0

**Part 7: Questionnaire - During this reporting period:**

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐

Debtor's Name SBG  
Universe Brands, LLC

Case No. 21-11209

- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

### Part 8: Individual Chapter 11 Debtors (Only)

- |  |   |     |
|--|---|-----|
| a. Gross income (receipts) from salary and wages   | _____   | \$0 |
| b. Gross income (receipts) from self-employment  | _____   | \$0 |
| c. Gross income from all other sources   | _____   | \$0 |
| d. Total income in the reporting period (a+b+c)  | _____   | \$0 |
| e. Payroll deductions  | _____   | \$0 |
| f. Self-employment related expenses  | _____   | \$0 |
| g. Living expenses   | _____   | \$0 |
| h. All other expenses  | _____   | \$0 |
| i. Total expenses in the reporting period (e+f+g+h)  | _____   | \$0 |
| j. Difference between total income and total expenses (d-i)                                    | _____   | \$0 |
| k. List the total amount of all postpetition debts that are past due                           | _____   | \$0 |
| l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes <input type="radio"/> No <input checked="" type="radio"/>                           |     |
| m. If yes, have you made all Domestic Support Obligation payments?                             | Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/> |     |

### Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: [http://www.justice.gov/ust/eo/rules\\_regulations/index.htm](http://www.justice.gov/ust/eo/rules_regulations/index.htm). Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

**I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.**

/s/ Lorraine DiSanto  
\_\_\_\_\_  
Signature of Responsible Party  
Chief Financial Officer  
\_\_\_\_\_  
Title

Lorraine DiSanto  
\_\_\_\_\_  
Printed Name of Responsible Party  
11/18/2021  
\_\_\_\_\_  
Date

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Sequential Brand Group, Inc and Subsidiaries					
Balance Sheet					
As of October 31, 2021					
		Galaxy			
		SBG			
TAB		Universe			
	Current Assets				
Cash	Cash and cash equivalents	\$5,158,110			
Cash	Restricted cash				
Lic Inc	Accounts receivable, license agreements	433,467	*no AR over 90 days old		
Lic Inc	Unbilled AR				
	Intercompany				
Avaml for sale	Available for sale securities				
Prepamd	Prepaid expenses and other current assets	80,000			
	Deferred tax asset - current				
	Disc Ops				
Intangibles	Held-for-sale - Intangibles, net of accumulated amortization	59,653			
	Total Current Assets	\$5,731,230			
Fixed Assets	Property and equipment, net of acc deprec and amort	5,449			
LT Rec	Accounts receivable, license agreements, long term				
LT Rec	Long Term Receivables				
Lease	Right of use - asset - operating leases				
	Investment in subsidiaries	180,951,211			
Goodwill	Goodwill				
	Deferred tax asset				
DFC	Deferred financing costs, net and other assets				
	Total assets	\$186,687,890			
	Liabilities and Stockholders' Equity				
	Current Liabilities:				
Acc Exp	Accounts payable and accrued expenses	32,868			
Lic Inc	Deferred license revenue, current portion				
Lic Inc	Unearned revenue				
Debt	Note payable - short term portion				
Lease	Other liabilities - current (lease)				
	Intercompany	43,541,411			
	Disc Ops				
	Total current liabilities	43,574,279			
	Long-Term Liabilities:				
Other LT Liab	Other long-term liabilities				
	Deferred license revenue, long term portion				
Tax accts	Deferred tax liability	32,878,189	post petiton tax payable		
Debt	Notes Payable				
	Total long-term liabilities	32,878,189			
	Total liabilities	76,452,468	43,574,279	post petition payable	
	Stockholders' equity (deficit):				
Equity	Common stock, \$0.01 par value				
Equity	Additional paid-in capital	283,681,129			
Equity	Other comprehensive income (loss)				
Equity	Retained earnings	(169,324,120)			
Equity	Current year - income (loss)	(4,121,587)			
Equity	Less: Treasury stock, at cost				
	Total stockholders' equity (deficit) - SQBG	110,235,422			
Equity	Noncontrolling interest				
	Total equity (deficit)	110,235,422			
	Total liabilities and stockholders' equity (deficit)	186,687,890			
		-			

		<u>30-Sep</u>	<u>Receipts</u>
BOA	WITH YOU LLC	1,461,892.34	
BOA	SBG UNIVERSE BRANDS LLC	1,650,381.99	
BOA	SEQUENTIAL BRANDS GROUP INC	5,722,981.30	
BOA	BRAND MATTER LLC	248,888.29	24,000.00
BOA	DVS FOOTWEAR INTERNATIONAL LLC	4,835.83	
BOA	SEQUENTIAL LICENSING INC	1,332,390.11	1,287,500.00
BOA	SEQUENTIAL LICENSING INC PPP PROCEEDS (2502)	-	
BOA	SEQUENTIAL BRANDS GROUP INC COLLATERAL ACCT (531	52,500.00	
IDB	SEQUENTIAL BRANDS GROUP IDB CHECKING	-	
Chase	SEQUENTIAL LICENSING CHASE HEALTHCARE	-	
<b>GRAND TOTAL - ALL CASH ACCTS</b>		<b>10,473,869.86</b>	<b>1,311,500.00</b>

**Non-restricted available cash**

		<u>30-Sep</u>	<u>Receipts</u>
BOA	WITH YOU LLC	913,682.72	-
BOA	SBG UNIVERSE BRANDS LLC	2,250,381.99	-
BOA	SEQUENTIAL BRANDS GROUP INC	5,722,981.30	-
BOA	BRAND MATTER LLC	248,888.29	24,000.00
BOA	DVS FOOTWEAR INTERNATIONAL LLC	3,143.31	-
BOA	SEQUENTIAL LICENSING INC	1,332,390.11	1,287,500.00
IDB	SEQUENTIAL BRANDS GROUP IDB CHECKING	-	-
BOA	SEQUENTIAL BRANDS GROUP INC COLLATERAL ACCT (531	52,500.00	
BOA	SEQUENTIAL LICENSING INC PPP PROCEEDS (2502)	-	-
<b>SUBTOTAL- Non-Restricted available cash</b>		<b>10,523,967.72</b>	<b>1,311,500.00</b>

**Cash with restrictions**

		<u>30-Sep</u>	<u>Receipts</u>
BOA	WITH YOU LLC	548,209.64	-
BOA	DVS FOOTWEAR INTERNATIONAL LLC	1,692.52	-
Chase	SEQUENTIAL LICENSING CHASE HEALTHCARE	-	-
<b>SUBTOTAL- Cash with restrictions</b>		<b>549,902.16</b>	<b>-</b>
<b>GRAND TOTAL - ALL CASH ACCTS</b>		<b>11,073,869.88</b>	<b>1,311,500.00</b>

<u>Payments</u>	<u>Transfers</u>	<u>1-Oct</u>	<u>Receipts</u>	<u>Payments</u>
104,699.33		1,357,193.01	250,000.00	405.50
4,500.00		1,645,881.99	31,250.00	
		5,722,981.30		753,865.77
		272,888.29		
		4,835.83		
82,627.45		2,537,262.66	3,500.00	
		-		
		52,500.00		
		-		
		-		
<b>191,826.78</b>	<b>-</b>	<b>11,593,543.08</b>	<b>284,750.00</b>	<b>754,271.27</b>

<u>Payments</u>	<u>Transfers</u>	<u>1-Oct</u>	<u>Receipts</u>	<u>Payments</u>
65,437.08	-	848,245.64	156,250.00	253.44
4,500.00	-	2,245,881.99	31,250.00	-
-	-	5,722,981.30	-	753,865.77
-	-	272,888.29	-	-
-	-	3,143.31	-	-
82,627.45	-	2,537,262.66	3,500.00	-
-	-	-	-	-
		52,500.00		
	-	-	-	
<b>152,564.53</b>	<b>-</b>	<b>11,682,903.19</b>	<b>191,000.00</b>	<b>754,119.21</b>

<u>Payments</u>	<u>Transfers</u>	<u>1-Oct</u>	<u>Receipts</u>	<u>Payments</u>
39,262.25	-	508,947.39	93,750.00	152.06
-	-	1,692.52	-	-
-	-	-	-	-
<b>39,262.25</b>	<b>-</b>	<b>510,639.91</b>	<b>93,750.00</b>	<b>152.06</b>
<b>191,826.78</b>	<b>-</b>	<b>12,193,543.10</b>	<b>284,750.00</b>	<b>754,271.27</b>

<u>Transfers</u>	<u>4-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
	1,606,787.51	3,750.00	2,651.75	
	1,677,131.99			
	4,969,115.53			
	272,888.29			
	4,835.83			
	2,540,762.66			
	-			
	52,500.00			
	-			
	-			
-	<b>11,124,021.81</b>	<b>3,750.00</b>	<b>2,651.75</b>	-

<u>Transfers</u>	<u>4-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	1,004,242.20	2,343.75	1,657.34	-
-	2,277,131.99	-	-	-
-	4,969,115.53	-	-	-
-	272,888.29	-	-	-
-	3,143.31	-	-	-
-	2,540,762.66	-	-	-
-	-	-	-	-
	52,500.00			
-	-	-		-
-	<b>11,119,783.98</b>	<b>2,343.75</b>	<b>1,657.34</b>	-

<u>Transfers</u>	<u>4-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	602,545.33	1,406.25	994.41	-
-	1,692.52	-	-	-
-	-	-	-	-
-	<b>604,237.85</b>	<b>1,406.25</b>	<b>994.41</b>	-
-	<b>11,724,021.83</b>	<b>3,750.00</b>	<b>2,651.75</b>	-



<u>5-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>6-Oct</u>
1,607,885.76				1,607,885.76
1,677,131.99				1,677,131.99
4,969,115.53				4,969,115.53
272,888.29	7,500.00			280,388.29
4,835.83				4,835.83
2,540,762.66				2,540,762.66
-				-
52,500.00				52,500.00
-				-
-				-
<b>11,125,120.06</b>	<b>7,500.00</b>	-	-	<b>11,132,620.06</b>

<u>5-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>6-Oct</u>
1,004,928.61	-	-	-	1,004,928.61
2,277,131.99	-	-	-	2,277,131.99
4,969,115.53	-	-	-	4,969,115.53
272,888.29	7,500.00	-	-	280,388.29
3,143.31	-	-	-	3,143.31
2,540,762.66	-	-	-	2,540,762.66
-	-	-	-	-
52,500.00				52,500.00
-	-		-	-
<b>11,120,470.39</b>	<b>7,500.00</b>	-	-	<b>11,127,970.39</b>

<u>5-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>6-Oct</u>
602,957.17	-	-	-	602,957.17
1,692.52	-	-	-	1,692.52
-	-	-	-	-
<b>604,649.69</b>	-	-	-	<b>604,649.69</b>
<b>11,725,120.08</b>	<b>7,500.00</b>	-	-	<b>11,732,620.08</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>7-Oct</u>	<u>Receipts</u>
			1,607,885.76	
			1,677,131.99	
			4,969,115.53	
26,174.34			306,562.63	23,087.87
			4,835.83	
			2,540,762.66	39,000.00
			-	
			52,500.00	
			-	
			-	
<b>26,174.34</b>	<b>-</b>	<b>-</b>	<b>11,158,794.40</b>	<b>62,087.87</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>7-Oct</u>	<u>Receipts</u>
-	-	-	1,004,928.61	-
-	-	-	2,277,131.99	-
-	-	-	4,969,115.53	-
26,174.34	-	-	306,562.63	23,087.87
-	-	-	3,143.31	-
-	-	-	2,540,762.66	39,000.00
-	-	-	-	-
			52,500.00	
-	-	-	-	-
<b>26,174.34</b>	<b>-</b>	<b>-</b>	<b>11,154,144.73</b>	<b>62,087.87</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>7-Oct</u>	<u>Receipts</u>
-	-	-	602,957.17	-
-	-	-	1,692.52	-
-	-	-	-	-
-	-	-	<b>604,649.69</b>	-
<b>26,174.34</b>	<b>-</b>	<b>-</b>	<b>11,758,794.42</b>	<b>62,087.87</b>

<u>Payments</u>	<u>Transfers</u>	<u>8-Oct</u>	<u>Receipts</u>	<u>Payments</u>
18,553.47		1,589,332.29		
37,958.61		1,639,173.38		
33,674.09		4,935,441.44		
		329,650.50		
		4,835.83		
54,839.98		2,524,922.68		
		-		
		52,500.00		
		-		
		-		
<b>145,026.15</b>	-	<b>11,075,856.12</b>	-	-

<u>Payments</u>	<u>Transfers</u>	<u>8-Oct</u>	<u>Receipts</u>	<u>Payments</u>
11,595.92	-	993,332.69	-	-
37,958.61	-	2,239,173.38	-	-
33,674.09	-	4,935,441.44	-	-
-	-	329,650.50	-	-
-	-	3,143.31	-	-
54,839.98	-	2,524,922.68	-	-
-	-	-	-	-
		52,500.00		
	-	-	-	
<b>138,068.60</b>	-	<b>11,078,164.00</b>	-	-

<u>Payments</u>	<u>Transfers</u>	<u>8-Oct</u>	<u>Receipts</u>	<u>Payments</u>
6,957.55	-	595,999.62	-	-
-	-	1,692.52	-	-
-	-	-	-	-
<b>6,957.55</b>	-	<b>597,692.14</b>	-	-
<b>145,026.15</b>	-	<b>11,675,856.14</b>	-	-

<u>Transfers</u>	<u>11-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
	1,589,332.29			
	1,639,173.38	25,000.00	171.00	
	4,935,441.44			
	329,650.50			
	4,835.83			
	2,524,922.68		29,875.48	
	-			
	52,500.00			
	-			
	-			
-	<b>11,075,856.12</b>	<b>25,000.00</b>	<b>30,046.48</b>	-

<u>Transfers</u>	<u>11-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	993,332.69	-	-	-
-	2,239,173.38	25,000.00	171.00	-
-	4,935,441.44	-	-	-
-	329,650.50	-	-	-
-	3,143.31	-	-	-
-	2,524,922.68	-	29,875.48	-
-	-	-	-	-
	52,500.00			
-	-	-		-
-	<b>11,078,164.00</b>	<b>25,000.00</b>	<b>30,046.48</b>	-

<u>Transfers</u>	<u>11-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	595,999.62	-	-	-
-	1,692.52	-	-	-
-	-	-	-	-
-	<b>597,692.14</b>	-	-	-
-	<b>11,675,856.14</b>	<b>25,000.00</b>	<b>30,046.48</b>	-

<u>12-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>13-Oct</u>
1,589,332.29				1,589,332.29
1,664,002.38				1,664,002.38
4,935,441.44				4,935,441.44
329,650.50				329,650.50
4,835.83				4,835.83
2,495,047.20		141,615.62		2,353,431.58
-				-
52,500.00				52,500.00
-				-
-				-
<b>11,070,809.64</b>	-	<b>141,615.62</b>	-	<b>10,929,194.02</b>

<u>12-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>13-Oct</u>
993,332.69	-	-	-	993,332.69
2,264,002.38	-	-	-	2,264,002.38
4,935,441.44	-	-	-	4,935,441.44
329,650.50	-	-	-	329,650.50
3,143.31	-	-	-	3,143.31
2,495,047.20	-	141,615.62	-	2,353,431.58
-	-	-	-	-
52,500.00				52,500.00
-	-		-	-
<b>11,073,117.52</b>	-	<b>141,615.62</b>	-	<b>10,931,501.90</b>

<u>12-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>13-Oct</u>
595,999.62	-	-	-	595,999.62
1,692.52	-	-	-	1,692.52
-	-	-	-	-
<b>597,692.14</b>	-	-	-	<b>597,692.14</b>
<b>11,670,809.66</b>	-	<b>141,615.62</b>	-	<b>11,529,194.04</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>14-Oct</u>	<u>Receipts</u>
			1,589,332.29	
			1,664,002.38	37,430.60
			4,935,441.44	
			329,650.50	
			4,835.83	
			2,353,431.58	
			-	
			52,500.00	
			-	
			-	
-	-	-	<b>10,929,194.02</b>	<b>37,430.60</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>14-Oct</u>	<u>Receipts</u>
-	-	-	993,332.69	-
-	-	-	2,264,002.38	37,430.60
-	-	-	4,935,441.44	-
-	-	-	329,650.50	-
-	-	-	3,143.31	-
-	-	-	2,353,431.58	-
-	-	-	-	-
			52,500.00	
-	-	-	-	-
-	-	-	<b>10,931,501.90</b>	<b>37,430.60</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>14-Oct</u>	<u>Receipts</u>
-	-	-	595,999.62	-
-	-	-	1,692.52	-
-	-	-	-	-
-	-	-	<b>597,692.14</b>	-
-	-	-	<b>11,529,194.04</b>	<b>37,430.60</b>

<u>Payments</u>	<u>Transfers</u>	<u>15-Oct</u>	<u>Receipts</u>	<u>Payments</u>
18,907.56		1,570,424.73		
521,278.95		1,180,154.03		13,500.00
372,376.20		4,563,065.24		9,177.00
		329,650.50		
1,338.30		3,497.53		
58,456.31		2,294,975.27	1,800.00	3,903.74
		-		
		52,500.00		
		-		
		-		
<b>972,357.32</b>	<b>-</b>	<b>9,994,267.30</b>	<b>1,800.00</b>	<b>26,580.74</b>

<u>Payments</u>	<u>Transfers</u>	<u>15-Oct</u>	<u>Receipts</u>	<u>Payments</u>
11,817.23	-	981,515.46	-	-
521,278.95	-	1,780,154.03	-	13,500.00
372,376.20	-	4,563,065.24	-	9,177.00
-	-	329,650.50	-	-
869.90	-	2,273.42	-	-
58,456.31	-	2,294,975.27	1,800.00	3,903.74
-	-	-	-	-
		52,500.00		
	-	-	-	
<b>964,798.58</b>	<b>-</b>	<b>10,004,133.92</b>	<b>1,800.00</b>	<b>26,580.74</b>

<u>Payments</u>	<u>Transfers</u>	<u>15-Oct</u>	<u>Receipts</u>	<u>Payments</u>
7,090.34	-	588,909.29	-	-
468.41	-	1,224.12	-	-
-	-	-	-	-
<b>7,558.74</b>	<b>-</b>	<b>590,133.40</b>	<b>-</b>	<b>-</b>
<b>972,357.32</b>	<b>-</b>	<b>10,594,267.32</b>	<b>1,800.00</b>	<b>26,580.74</b>

<u>Transfers</u>	<u>18-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
	1,570,424.73			
	1,166,654.03		30,500.00	
	4,553,888.24			
	329,650.50			
	3,497.53			
	2,292,871.53			
	-			
	52,500.00			
	-			
	-			
-	<b>9,969,486.56</b>	-	<b>30,500.00</b>	-

<u>Transfers</u>	<u>18-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	981,515.46	-	-	-
-	1,766,654.03	-	30,500.00	-
-	4,553,888.24	-	-	-
-	329,650.50	-	-	-
-	2,273.42	-	-	-
-	2,292,871.53	-	-	-
-	-	-	-	-
	52,500.00			
-	-	-		-
-	<b>9,979,353.18</b>	-	<b>30,500.00</b>	-

<u>Transfers</u>	<u>18-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	588,909.29	-	-	-
-	1,224.12	-	-	-
-	-	-	-	-
-	<b>590,133.40</b>	-	-	-
-	<b>10,569,486.58</b>	-	<b>30,500.00</b>	-



<u>19-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>20-Oct</u>
1,570,424.73	338,052.23			1,908,476.96
1,136,154.03		8,000.00		1,128,154.03
4,553,888.24				4,553,888.24
329,650.50				329,650.50
3,497.53				3,497.53
2,292,871.53		160.00		2,292,711.53
-				-
52,500.00				52,500.00
-				-
-				-
<b>9,938,986.56</b>	<b>338,052.23</b>	<b>8,160.00</b>	<b>-</b>	<b>10,268,878.79</b>

<u>19-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>20-Oct</u>
981,515.46	211,282.64	-	-	1,192,798.11
1,736,154.03	-	8,000.00	-	1,728,154.03
4,553,888.24	-	-	-	4,553,888.24
329,650.50	-	-	-	329,650.50
2,273.42	-	-	-	2,273.42
2,292,871.53	-	160.00	-	2,292,711.53
-	-	-	-	-
52,500.00				52,500.00
-	-		-	-
<b>9,948,853.18</b>	<b>211,282.64</b>	<b>8,160.00</b>	<b>-</b>	<b>10,151,975.82</b>

<u>19-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>20-Oct</u>
588,909.29	126,769.59	-	-	715,678.87
1,224.12	-	-	-	1,224.12
-	-	-	-	-
<b>590,133.40</b>	<b>126,769.59</b>	<b>-</b>	<b>-</b>	<b>716,902.99</b>
<b>10,538,986.58</b>	<b>338,052.23</b>	<b>8,160.00</b>	<b>-</b>	<b>10,868,878.81</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>21-Oct</u>	<u>Receipts</u>
			1,908,476.96	21,067.38
			1,128,154.03	
			4,553,888.24	
			329,650.50	12,500.00
			3,497.53	
			2,292,711.53	
			-	
			52,500.00	
			-	
			-	
-	-	-	<b>10,268,878.79</b>	<b>33,567.38</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>21-Oct</u>	<u>Receipts</u>
-	-	-	1,192,798.11	13,167.11
-	-	-	1,728,154.03	-
-	-	-	4,553,888.24	-
-	-	-	329,650.50	12,500.00
-	-	-	2,273.42	-
-	-	-	2,292,711.53	-
-	-	-	-	-
			52,500.00	
-	-	-	-	-
-	-	-	<b>10,151,975.82</b>	<b>25,667.11</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>21-Oct</u>	<u>Receipts</u>
-	-	-	715,678.87	7,900.27
-	-	-	1,224.12	-
-	-	-	-	-
-	-	-	<b>716,902.99</b>	<b>7,900.27</b>
-	-	-	<b>10,868,878.81</b>	<b>33,567.38</b>

<u>Payments</u>	<u>Transfers</u>	<u>22-Oct</u>	<u>Receipts</u>	<u>Payments</u>
29,593.52		1,899,950.82		2,123.81
27,000.00		1,101,154.03		26,000.00
308,068.87		4,245,819.37		
		342,150.50		
		3,497.53		
17,627.79		2,275,083.74	6,000.00	
		-		
		52,500.00		
		-		
		-		
<b>382,290.18</b>	<b>-</b>	<b>9,920,155.99</b>	<b>6,000.00</b>	<b>28,123.81</b>

<u>Payments</u>	<u>Transfers</u>	<u>22-Oct</u>	<u>Receipts</u>	<u>Payments</u>
18,495.95	-	1,187,469.27	-	1,327.38
27,000.00	-	1,701,154.03	-	26,000.00
308,068.87	-	4,245,819.37	-	-
-	-	342,150.50	-	-
-	-	2,273.42	-	-
17,627.79	-	2,275,083.74	6,000.00	-
-	-	-	-	-
		52,500.00		
	-	-	-	
<b>371,192.61</b>	<b>-</b>	<b>9,806,450.33</b>	<b>6,000.00</b>	<b>27,327.38</b>

<u>Payments</u>	<u>Transfers</u>	<u>22-Oct</u>	<u>Receipts</u>	<u>Payments</u>
11,097.57	-	712,481.57	-	796.43
-	-	1,224.12	-	-
-	-	-	-	-
<b>11,097.57</b>	<b>-</b>	<b>713,705.69</b>	<b>-</b>	<b>796.43</b>
<b>382,290.18</b>	<b>-</b>	<b>10,520,156.01</b>	<b>6,000.00</b>	<b>28,123.81</b>

<u>Transfers</u>	<u>25-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
	1,897,827.01		1,600.00	
	1,075,154.03			
	4,245,819.37			
	342,150.50			
	3,497.53			
	2,281,083.74		143,407.72	
	-			
	52,500.00			
	-			
	-			
-	<b>9,898,032.18</b>	-	<b>145,007.72</b>	-

<u>Transfers</u>	<u>25-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	1,186,141.89	-	1,000.00	-
-	1,675,154.03	-	-	-
-	4,245,819.37	-	-	-
-	342,150.50	-	-	-
-	2,273.42	-	-	-
-	2,281,083.74	-	143,407.72	-
-	-	-	-	-
	52,500.00			
-	-	-		-
-	<b>9,785,122.94</b>	-	<b>144,407.72</b>	-

<u>Transfers</u>	<u>25-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>
-	711,685.14	-	600.00	-
-	1,224.12	-	-	-
-	-	-	-	-
-	<b>712,909.26</b>	-	<b>600.00</b>	-
-	<b>10,498,032.20</b>	-	<b>145,007.72</b>	-

<u>26-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>27-Oct</u>
1,896,227.01	197,202.00			2,093,429.01
1,075,154.03				1,075,154.03
4,245,819.37				4,245,819.37
342,150.50				342,150.50
3,497.53				3,497.53
2,137,676.02				2,137,676.02
-				-
52,500.00				52,500.00
-				-
-				-
<b>9,753,024.46</b>	<b>197,202.00</b>	-	-	<b>9,950,226.46</b>

<u>26-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>27-Oct</u>
1,185,141.89	123,251.25	-	-	1,308,393.14
1,675,154.03	-	-	-	1,675,154.03
4,245,819.37	-	-	-	4,245,819.37
342,150.50	-	-	-	342,150.50
2,273.42	-	-	-	2,273.42
2,137,676.02	-	-	-	2,137,676.02
-	-	-	-	-
52,500.00				52,500.00
-	-		-	-
<b>9,640,715.22</b>	<b>123,251.25</b>	-	-	<b>9,763,966.47</b>

<u>26-Oct</u>	<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>27-Oct</u>
711,085.14	73,950.75	-	-	785,035.89
1,224.12	-	-	-	1,224.12
-	-	-	-	-
<b>712,309.26</b>	<b>73,950.75</b>	-	-	<b>786,260.01</b>
<b>10,353,024.48</b>	<b>197,202.00</b>	-	-	<b>10,550,226.48</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>29-Oct</u>	<u>Receipts</u>
2,179,652.22	3,464.26	40,000.00	4,309,616.97	555,819.43
2,250,000.00	1,900.00		3,323,254.03	1,234,855.94
			4,245,819.37	
		(40,000.00)	302,150.50	
			3,497.53	
	4,252.75		2,133,423.27	
			-	
			52,500.00	
			-	
			-	
<b>4,429,652.22</b>	<b>9,617.01</b>	<b>-</b>	<b>14,370,261.67</b>	<b>1,790,675.37</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>29-Oct</u>	<u>Receipts</u>
1,362,282.64	2,165.16	25,000.00	2,693,510.61	347,387.14
2,250,000.00	1,900.00	-	3,923,254.03	1,234,855.94
-	-	-	4,245,819.37	-
-	-	(40,000.00)	302,150.50	-
-	-	-	2,273.42	-
-	4,252.75	-	2,133,423.27	-
-	-	-	-	-
			52,500.00	
-		-	-	-
<b>3,612,282.64</b>	<b>8,317.91</b>	<b>(15,000.00)</b>	<b>13,352,931.20</b>	<b>1,582,243.08</b>

<u>Receipts</u>	<u>Payments</u>	<u>Transfers</u>	<u>29-Oct</u>	<u>Receipts</u>
817,369.58	1,299.10	15,000.00	1,616,106.38	208,432.29
-	-	-	1,224.12	-
-	-	-	-	-
<b>817,369.58</b>	<b>1,299.10</b>	<b>15,000.00</b>	<b>1,617,330.49</b>	<b>208,432.29</b>
<b>4,429,652.22</b>	<b>9,617.01</b>	<b>-</b>	<b>14,970,261.69</b>	<b>1,790,675.37</b>

<u>Payments</u>	<u>Transfers</u>	<u>29-Oct</u>
		4,865,436.40
		<b>4,558,109.97</b> <b>October 2021 balance</b>
3,484.11		4,242,335.26
		302,150.50
		3,497.53
		2,133,423.27
		-
		52,500.00
		-
		-
<b>3,484.11</b>	<b>-</b>	<b>16,157,452.93</b>

<u>Payments</u>	<u>Transfers</u>	<u>29-Oct</u>
-	-	3,040,897.76
-	-	5,158,109.97
3,484.11	-	4,242,335.26
-	-	302,150.50
-	-	2,273.42
-	-	2,133,423.27
-	-	-
		52,500.00
	-	-
<b>3,484.11</b>	<b>-</b>	<b>14,931,690.17</b>

<u>Payments</u>	<u>Transfers</u>	<u>29-Oct</u>
-	-	1,824,538.66
-	-	1,224.12
-	-	-
<b>-</b>	<b>-</b>	<b>1,825,762.78</b>
<b>3,484.11</b>	<b>-</b>	<b>16,757,452.95</b>

**Sequential Brand Group, Inc and Subsidiaries**

## Statement of Operations

For the One Month Ended October 31, 2021

		Galaxy SBG Universe
Lic Income	Net revenue - 605	158,467
	Net revenue - 606	-
	Total Revenue	158,467
Schedule below	Operating expenses	541,317
Schedule below	Abandonment of fixed assets	226,590
	Impairment of Trademark/goodwill	-
	(Gain) Loss on Asset	-
	Total operating expenses	767,907
	Income (loss) from operations	(609,440)
Other (expense)/ income	Other (expense)/ income	-
P&L Analysis	Interest expense, net	-
	Income (loss) from continuing operations before taxes	(609,440)
Tax prov	Provision (benefit) for income taxes	-
	Income (loss) from continuing operations	(609,440)
	Income (loss) before minority interests	(609,440)
Minority Int	Noncontrolling interest: Continuing operations	-
	Net income (loss) from continuing operations	(609,440)
	Check	(609,440)
	Income (loss) from discontinued operations before taxes	-
	Gain (loss) on sale	-
	Provision (benefit) for income taxes	-
	Income (loss) from discontinued operations	
	<b>Net income (loss)</b>	



Allocation for Tax Books:      Percentage of non-SBG/SLI Revenue  
Allocation of SBG and SLI  
SBG and SLI loss per P&L

Galaxy  
Brand  
Holdings

File Name	Operating Expenses:	
Salaries	Salaries - Officers	-
Salaries	Salaries - Other	-
Salaries	Salaries - paid by GMA	-
	Salaries - Temps	-
Salaries	Bonuses - Officers - Executive	-
Salaries	Bonuses - Other - Administration	-
Salaries	Severance	-
Options	Stock-Based Comp - Options	-
Warrants	Stock-Based Comp - Warrants	-
Perform-based stock	Stock-Based Comp - PSU's	-
Stock grant worksheet	Stock-Based Comp - Restricted Stock	-
Perform-based stock	Stock-Based Comp - Restructuring	-
Allocation of PR Tax & Benefits	Payroll Taxes	-
Allocation of PR Tax & Benefits	Payroll taxes - allocated	-
Allocation of PR Tax & Benefits	Employee benefits	-
Allocation of PR Tax & Benefits	Employee benefits - allocated	-
	401k plan expenses	-
	401k plan matching expense	-
P&L Analysis 2020 Q4	Rent expense	-
P&L Analysis 2020 Q4	Rent expense - utilities / escalation	-
	Sublease income	-
P&L Analysis 2020 Q4	Insurance	-
P&L Analysis 2020 Q4	Insurance - keyman life	-
	Location Fees	-
	Event Fees	-
	Communication	-
P&L Analysis 2020 Q4	Commissions	-
	Amendment Fee	-
	Talent Fee	-
P&L Analysis 2020 Q4	Marketing	24,011
	Travel	-
	Entertainment	-
	Office - Stationery and Supplies	-
	Office - Food and Beverage	-
	Office - Parking	-
	Office - Dues and Subscriptions	-
	Office - Cleaning	-
	Office - Copier Lease and Usage	-
	Office - Payroll Service	-
	Office - Repair and Maintenance	-
	Office - Equipment Svc Contract and Rentals	-
	Office - Placement Fees	-
	Cafe Expense	-
	Office - Outside Service Fees, Props, & Samples	-
P&L Analysis 2020 Q4	Bank Charges	9
P&L Analysis 2020 Q4	Misc Fees and Taxes	-
	Office - Security	-

	Office - Beauty/Wardrobe/Wellness	-
	Office - Storage	-
	Office - Postage Meter Lease and Usage	-
	Office - Messenger / UPS / Fedex	313
P&L Analysis 2020 Q4	Contributions	-
Prepaid & AR - General (Q4)	Licensee and Retailer Costs	10,000
P&L Analysis 2020 Q4	Computer - Outside Services	114
P&L Analysis 2020 Q4	Prof Fees - Accounting	-
P&L Analysis 2020 Q4	Prof Fees - Legal	-
P&L Analysis 2020 Q4	Prof Fees - Shareholder Litigation	-
P&L Analysis 2020 Q4	Prof Fees - Legal Addback	-
P&L Analysis 2020 Q4	Prof Fees - Legal Settlement (Addback)	-
P&L Analysis 2020 Q4	Prof Fees - Consulting	500,000
Prepaid & AR - General (Q4)	Capitalized Pre-production costs - TV	-
P&L Analysis 2020 Q4	Temporary Labor	-
	Consulting - ReFi Fees	-
P&L Analysis 2020 Q4	Shareholder and Investor Relations	-
P&L Analysis 2020 Q4	Annual Meeting/Proxy	-
	SEC Costs	-
P&L Analysis 2020 Q4	Directors Fees	-
P&L Analysis 2020 Q4	Business Development	-
P&L Analysis 2020 Q4	Restructuring charges	-
See tab - Fixed Assets	Depreciation	6,869
See tab - Intangibles	Amortization - intangibles	-
P&L Analysis 2020 Q4	Management Fees	-
See tab - Bad Debt calc	Bad Debts	-
See tab - Bad Debt calc	Bad Debts ASC 606	-
P&L Analysis 2020 Q4	Franchise Taxes	-
See tab - Fixed Assets	(Gain)/Abandonment of Fixed Assets	226,590
	Impairment of trademark/goodwill	-
	Loss on Assets	-
	Deal Costs - Heelys	-
	Deal Costs - Brand Matter	-
	Deal Costs - Revo	-
	Deal Costs - Franklin Mint	-
	Deal Costs - Maxim	-
	Deal Costs - Galaxy	-
	Deal Costs - FUL	-
	Deal Costs - Jessica Simpson	-
	Deal Costs - Martha Stewart	-
	Deal Costs - Joe's Jeans	-
	Deal Costs - Gaiam	-
P&L Analysis 2020 Q4	Deal Costs - Other	-
	Total Op Expense	<u><u>767,906</u></u>

(1)

8/31-9/30	Cumulative
(455,725)	(1,065,165)



**510,436** G&A expenses