

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
--	---	---

Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☒ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan THE ZOO DIGITAL PRODUCTION 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 10/01/2002
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) ZOO DIGITAL PRODUCTION 2201 PARK PL # 100 EL SEGUNDO, CA 90245
2b	Employer Identification Number (EIN) 26-0690889
2c	Plan Sponsor's telephone number 310-220-3939
2d	Business code (see instructions) 512100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	01/22/2024	KEILA BARAHONA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 206
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 186
a(2) Total number of active participants at the end of the plan year		6a(2) 225
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits.....		6c 20
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 245
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 245
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 109
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 7
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2G 2J 2K 2T 3D		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan THE ZOO DIGITAL PRODUCTION 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ZOO DIGITAL PRODUCTION	D Employer Identification Number (EIN) 26-0690889	

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	6817	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
COL SM CAP VAL II I - COLUMBIA MGT PO BOX 219104 KANSAS CITY, MO 64121-9104		0.40%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
HNSY CS LG GRTH INV - U.S. BANCORP 615 EAST MICHIGAN STREET, MILWAUKEE, WISCONSIN 53202 MILWAUKEE, WI 53201		0.40%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MSIF DISCOVERY A - DST ASSET MANAG 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105		0.40%

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO TOT RETURN ADM - DST ASSET M 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.25%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
VRTS NFJ DIV VAL ADM - VIRTUS FUND 4400 COMPUTER DRIVE WESTBOROUGH, MA 01581	0.35%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>THE ZOO DIGITAL PRODUCTION 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ZOO DIGITAL PRODUCTION</u>	D Employer Identification Number (EIN) <u>26-0690889</u>	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	6075
(2) Participant contributions.....	1b(2)	14472	23382
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	24845	26139
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants).....	1c(7)	0	0
(8) Participant loans.....	1c(8)	48962	54732
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	3438423	3268880
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	3526702	3379208

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	3526702	3379208
---	-----------	---------	---------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	103420	
(B) Participants	2a(1)(B)	479553	
(C) Others (including rollovers)	2a(1)(C)	104398	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		687371
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	333	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	4041	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		4374
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	265250	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		265250
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-905595
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		51400
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	192077	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		192077
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	6817	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6817
j Total expenses. Add all expense amounts in column (b) and enter total	2j		198894
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-147494
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **VASQUEZ & COMPANY LLP**

(2) EIN: **33-0700332**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a	X		23280

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan THE ZOO DIGITAL PRODUCTION 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 ZOO DIGITAL PRODUCTION		D Employer Identification Number (EIN) 26-0690889
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
	a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
	b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
	c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
	b The corresponding number for the second preceding plan year.....	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

**The ZOO Digital Production 401(k) Plan
Financial Statements and Supplemental Schedule
*As of December 31, 2022, 2021, and 2020
and for the Years Ended December 31, 2022 and 2021
with Independent Auditor's Report***



**The ZOO Digital Production 401(k) Plan
Financial Statements and Supplemental Schedule
*As of December 31, 2022, 2021, and 2020
and for the Years Ended December 31, 2022 and 2021
with Independent Auditor's Report***

The ZOO Digital Production 401(k) Plan
Table of Contents

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	5
Statements of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7
SUPPLEMENTAL SCHEDULE	
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions	15
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)	
December 31, 2022	16
December 31, 2021	17



655 N. Central Avenue
Suite 1550
Glendale, CA 91203

www.vasquez.cpa

213-873-1700
OFFICE

LOS ANGELES
SAN DIEGO
IRVINE
SACRAMENTO
FRESNO
PHOENIX
LAS VEGAS
MANILA, PH

Independent Auditor's Report

Plan Administrator and Participants The ZOO Digital Production 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 and 2021 Financial Statements

We have performed audits of the financial statements of The ZOO Digital Production 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements (2022 and 2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 2022 and 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2022 and 2021 Financial Statements

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2022 and 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).



- The information in the accompanying 2022 and 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 and 2021 Financial Statements

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements section of our report. We are required to be independent of the Plan 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 ERISA Section 103(a)(3)(C) audit opinion on the 2022 and 2021 financial statements.

Responsibilities of Management for the 2022 and 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 and 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 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 GAAS 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 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 financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Plan's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 and 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2022 and 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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.

Other Matters

Supplemental Schedules Required by ERISA

The supplemental schedule of delinquent participant contributions for the year ended December 31, 2022, and the schedule of assets (held at end of year) as of December 31, 2022 and 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, have been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is



derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

The 2020 financial statements of the Plan were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditor not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report dated December 11, 2023, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and supplemental schedules, and (b) the form and content of the information included in the financial statements and supplemental schedules other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Glendale, California
January 19, 2024

The ZOO Digital Production 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31		
	2022	2021	2020
ASSETS			
Investments at fair value	\$ 3,295,019	\$ 3,463,268	3,099,578
Receivables			
Employer contributions	6,075	-	-
Participants contributions	23,382	14,472	-
Notes receivable from participants	54,732	48,962	64,704
Total receivables	84,189	63,434	64,704
Net assets available for benefits	\$ 3,379,208	\$ 3,526,702	3,164,282

See independent auditor's report and notes to financial statements.

The ZOO Digital Production 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Additions to net assets attributed to:		
Contributions		
Participants	\$ 479,553	\$ 321,326
Employer	103,420	-
Rollovers	104,398	144,119
Total contributions	<u>687,371</u>	<u>465,445</u>
Investment income		
Net appreciation in fair value of investments	-	104,699
Interest and dividends	265,583	329,513
Total investment income	<u>265,583</u>	<u>434,212</u>
Interest income on notes receivables from participants	4,041	3,984
Total additions	<u>956,995</u>	<u>903,641</u>
Deductions from net assets attributed to:		
Net depreciation in fair value of investments	905,594	-
Benefits paid to participants	192,077	535,302
Administrative fees	6,818	5,919
Total deductions	<u>1,104,489</u>	<u>541,221</u>
Net (decrease) increase in net assets available for benefits	(147,494)	362,420
Net assets available for benefits at beginning of year	<u>3,526,702</u>	<u>3,164,282</u>
Net assets available for benefits at end of year	\$ <u>3,379,208</u>	\$ <u>3,526,702</u>

See independent auditor's report and notes to financial statements.

NOTE 1 DESCRIPTION OF PLAN

The following description of The ZOO Digital Production 401(k) Plan (the Plan) of ZOO Digital Production (the Plan Sponsor) is provided for general information purposes only. Participants should refer to the Plan document for more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan which is qualified under Section 401(k) of the Internal Revenue Code (IRC). The Plan was established in 2002 and operates on a calendar year basis. Fidelity Management Trust Company (Fidelity) is the Plan trustee and custodian. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

An employee (except resident of Puerto Rico, independent contractors and temporary agency employees) of at least 18 years of age but not exceed 21 may make elective deferrals beginning on the first day of the month coinciding with or immediately following the date such employee meets the eligibility requirement. Except for those employees hired prior to 2008, where entry date was on July 15, 2008.

Employees are eligible to receive matching contributions once they are eligible to make deferral contributions. The entry date is the first day of the month coinciding with or immediately following the date all eligibility requirements have been met.

Contributions

Each year, participants may make salary deferral contributions of up to 90% of eligible annual compensation as defined in the Plan document, not to exceed the maximum allowable by the IRC. Participants who have attained or are expected to attain the age of 50 before the close of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans.

The Plan provides a discretionary matching employer contributions at a certain percentage of up to 2.5% of the eligible contributions made by the eligible participant during the contribution period effective April 2022. Employer-matching contributions for 2022 and 2021 totaled \$103,420 and nil, respectively.

Participant Accounts

Individual accounts are maintained for each plan participant. Each participant's account is credited with the participant's contributions and the Plan Sponsor's discretionary contribution, as well as an allocation of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Investment Options

Participants may direct participant and employer contributions, as desired, into various investment options held by the Trustee. The Plan currently offers various registered investment companies as investment options for participants.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the employer's matching contributions portion of their accounts is based on years of service, as defined in the Plan document. A participant is 100% vested after four years of credited service based on a graded vesting schedule, as defined in the Plan document. Additionally, each participant's account balance may become fully vested upon normal or early retirement, death or total and permanent disability. Normal retirement age under the Plan is age 65 while early retirement age is defined as when the participant attains the age of 55 and completes six years of vesting service.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or 50% of their account balance. Such a \$50,000 maximum shall be reduced by the highest outstanding note receivable balance attributable to the participant during the 12 months immediately prior to the new note receivable application date. Notes receivable from participants shall be repaid over a period not to exceed five years, except the term may be up to 10 years for the purchase of a primary residence. The notes receivable from participants are secured by the balance in the participant's account and bear interest at rates that are commensurate with the rate of interest charged on similar commercial loans by persons or institutions in the business of lending money in the same geographic area as the Company. Principal and interest are paid ratably through biweekly payroll deductions. However, if repayment is not made by payroll deduction, a loan shall be repaid in accordance with procedures provided by the Plan Administrator.

Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump sum; partial withdrawal, or substantially equal installments.

A participant may also withdraw money from their account in the event of financial hardship. Hardship withdrawals may not exceed the amount of the participant's cumulative deferral.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Forfeited Accounts

Forfeited accounts are used to reduce future employer contributions and administration fees. The changes in the Plan's forfeiture account balance for the years ended December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Balance, January 1	\$ 1,388	\$ 1,388
Forfeitures during the year	1,010	-
Interest earned and other adjustments	27	-
Balance, December 31	<u>\$ 2,425</u>	<u>\$ 1,388</u>

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Net Appreciation (Depreciation) in Fair Value of Investments

Realized and unrealized appreciation (depreciation) in the fair value of investments is calculated based on the difference between the fair value of the assets at the beginning of the year, or at the time of purchase for assets purchased during the year, and the related fair value on the day investments are sold with respect to realized appreciation (depreciation), or on the last day of the year for unrealized appreciation (depreciation). Realized and unrealized appreciation (depreciation) is recorded in the accompanying Statements of Changes in Net Assets Available for Benefits as net appreciation (depreciation) in fair value of investments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance, plus any accrued but unpaid interest. Interest income is recorded on an accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. A participant may only have two (2) loans outstanding at any given time. No allowance for credit losses has been recorded as of December 31, 2022 and 2021.

If a participant ceases to make loan repayments and the Plan Administrator deems the note receivable from the participant to be in default, the note receivable from the participant's balance is reduced and a benefit payment is recorded. Interest rates are fixed at 7% during 2022, with the loans maturing at various dates ranging from March 2022 to August 2027. Interest rates are fixed at 7% during 2021, with the loans maturing at various dates ranging from March 2022 to September 2025.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Plan Sponsor. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants and distributions are charged directly to the participant's account and included in administrative expenses.

NOTE 3 FINANCIAL INFORMATION CERTIFIED BY CUSTODIAN

The Plan's asset information as of December 31, 2022 and 2021, and for the years then ended, included throughout the Plan's financial statements and ERISA-required supplemental schedule, were obtained by management and agreed to or derived from information certified by Fidelity, the custodian of the Plan. The Plan Administrator has obtained certifications from the custodian that the information provided to the Plan Administrator by the custodian related to the Plan's assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and ERISA-required supplemental schedule related to the following:

- Investments, as reflected in the Statements of Net Assets Available for Benefits as of December 31, 2022 and 2021;
- Investment activity, as reflected in the Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2022 and 2021;

NOTE 3 FINANCIAL INFORMATION CERTIFIED BY CUSTODIAN (CONTINUED)

- Investment information disclosed in Note 4 of the Plan's financial statements; and
- Investments, as reflected in Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022 and 2021.

NOTE 4 FAIR VALUE MEASUREMENT

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 relevant observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

The ZOO Digital Production 401(k) Plan
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

NOTE 4 FAIR VALUE MEASUREMENT (CONTINUED)

Money market fund

The fair value of this investment is based on quoted market prices in active markets.

Mutual funds

These investments are valued at the daily closing price reported in the active market in which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value measurement at December 31:

Investment category	2022			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 26,139	\$ -	\$ -	\$ 26,139
Mutual funds	3,268,880	-	-	3,268,880
	<u>\$ 3,295,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,295,019</u>

Investment category	2021			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 24,845	\$ -	\$ -	\$ 24,845
Mutual funds	3,438,423	-	-	3,438,423
	<u>\$ 3,463,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,463,268</u>

NOTE 5 NOTES RECEIVABLE FROM PARTICIPANTS

As of December 31, 2022 and 2021, \$54,732 and \$48,962 in participant loans were outstanding, respectively. The participants apply for loans using their vested account balances as collateral. Interest income from the participant loans for the years ended December 31, 2022 and 2021 were \$4,041 and \$3,984, respectively.

NOTE 6 RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor (DOL) regulations as any fiduciary of the Plan or party rendering services to the Plan, the employer and certain others. As such, transactions conducted with the Plan Sponsor and Fidelity, qualify as party-in-interest transactions. Fees paid by the Plan to the custodian for the years ended December 31, 2022 and 2021 amounted to \$6,818 and \$5,919, respectively. The Plan Sponsor pays directly any other fees related to the Plan's operations.

NOTE 7 PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 8 INCOME TAX STATUS

The Plan has adopted a non-standardized pre-approved profit sharing plan sponsored by Fidelity. The pre-approved plan provider has received an advisory letter from the Internal Revenue Service as to the plan's qualified status. The pre-approved plan advisory letter has been relied upon by the Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC. No provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

NOTE 10 NONEXEMPT TRANSACTIONS

As reported on the supplemental schedule of delinquent participant contributions, certain participant contributions were not remitted to the Plan within the timeframe specified by the DOL's regulations, thus constituting nonexempt transactions between the Plan and the Plan Sponsor during the 2022 Plan year. Late remittances amounted to \$23,280 for the 2022 Plan year and the Plan Sponsor plans to remit lost earnings to the affected participants in 2024.

NOTE 11 NEW LAWS AND REGULATIONS

On December 29, 2022, the SECURE 2.0 Act of 2022 (SECURED 2.0) became law. The new law makes changes to include provisions intended to expand coverage, increase retirement savings, and simplify and clarify retirement plan rules. SECURED

NOTE 11 NEW LAWS AND REGULATIONS (CONTINUED)

2.0 changed the retirement plan rules for long-term, part-time employees. The 401(k) plan requirement to allow employees to contribute elective deferral was expanded to 403(b) plans. For plan years beginning in 2024, if an employee has three consecutive 12-month periods with more than 500 hours of service in each, the employee must be eligible to enter the plan, and the period of service was reduced from three to two consecutive 12-month periods, for plans years beginning after December 31, 2024.

NOTE 12 SUBSEQUENT EVENTS

The Plan has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through January 19, 2024, the date the accompanying financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

SUPPLEMENTAL SCHEDULES

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4a-Schedule of Delinquent Participant Contributions
EIN 26-0690889 Plan: 001
December 31, 2022

Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 23,280	\$ 23,280	\$ -	\$ -	\$ -

See Independent Auditor's Report

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4i-Schedule of Assets (Held at End of Year)
EIN 26-0690889 Plan: 001
December 31, 2022

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investments	Cost	Current value	
* Fidelity Investments Institutional Services Co.	Fidelity® Fund	** \$	43,082	
* Fidelity Investments Institutional Services Co.	Fidelity® Capital & Income Fund	**	54,595	
* Fidelity Investments Institutional Services Co.	Fidelity® Value Fund	**	9,330	
* Fidelity Investments Institutional Services Co.	Fidelity® Government Income Fund	**	52,505	
* Fidelity Investments Institutional Services Co.	Fidelity® Leveraged Company Stock Fund	**	36,129	
* Fidelity Investments Institutional Services Co.	Fidelity® Balanced Fund	**	18,033	
* Fidelity Investments Institutional Services Co.	Fidelity® International Discovery Fund	**	23,512	
* Fidelity Investments Institutional Services Co.	Fidelity® Disciplined Equity Fund	**	10,738	
* Fidelity Investments Institutional Services Co.	Fidelity Advisor Emerging Markets	**	33,866	
* Fidelity Investments Institutional Services Co.	Fidelity® Growth Discovery Fund	**	125,965	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® Income Fund	**	21,400	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2020 Fund	**	29,808	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2030 Fund	**	308,434	
* Fidelity Investments Institutional Services Co.	Fidelity ® Government Money Market Fund	**	26,139	
* Fidelity Investments Institutional Services Co.	Fidelity® Stock Selector Large Cap Value Fund	**	40,528	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2040 Fund	**	148,467	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2015 Fund	**	862	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2025 Fund	**	135,597	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2035 Fund	**	197,064	
* Fidelity Investments Institutional Services Co.	Fidelity® Small Cap Growth Fund	**	44,098	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2045 Fund	**	1,068,591	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2050 Fund	**	317,285	
* Fidelity Investments Institutional Services Co.	Fidelity® 500 Index Fund	**	233,674	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2055 Fund	**	109,756	
* Fidelity Investments Institutional Services Co.	Fidelity® Extended Market Index Fund	**	37,525	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2060 Fund	**	66,988	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2065 Fund	**	5,161	
PIMCO	PIMCO Total Return Fund Administrative Class	**	40,919	
Morgan Stanley Institutional Fund, Inc.	Morgan Stanley Institutional Fund Trust Discovery Portfolio Class A	**	10,282	
Quasar Distributors, LLC	Hennessy Cornerstone Large Growth Fund Investor Class	**	3,192	
Columbia Threadneedle Investments	Columbia Small Cap Value Fund II Institutional Class	**	26,701	
Virtus Investment Partners	Virtus NFJ Dividend Value Fund Administrative Class	**	14,793	
			3,295,019	
* Participant Loans			54,732	
			\$ 3,349,751	

* Represents a party-in-interest as defined by ERISA

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See Independent Auditor's Report

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4i-Schedule of Assets (Held at End of Year)
EIN 26-0690889 Plan: 001
December 31, 2021

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investments	Cost	Current value
	* Fidelity Investments Institutional Services Co.	Fidelity® Fund	** \$	45,776
	* Fidelity Investments Institutional Services Co.	Fidelity® Capital & Income Fund	**	139,298
	* Fidelity Investments Institutional Services Co.	Fidelity® Value Fund	**	18,863
	* Fidelity Investments Institutional Services Co.	Fidelity® Government Income Fund	**	49,152
	* Fidelity Investments Institutional Services Co.	Fidelity® Leveraged Company Stock Fund	**	48,347
	* Fidelity Investments Institutional Services Co.	Fidelity® Balanced Fund	**	40,140
	* Fidelity Investments Institutional Services Co.	Fidelity® International Discovery Fund	**	38,066
	* Fidelity Investments Institutional Services Co.	Fidelity® Disciplined Equity Fund	**	14,953
	* Fidelity Investments Institutional Services Co.	Fidelity Advisor Emerging Markets	**	40,966
	* Fidelity Investments Institutional Services Co.	Fidelity® Growth Discovery Fund	**	145,774
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® Income Fund	**	23,189
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2020 Fund	**	21,023
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2030 Fund	**	298,938
	* Fidelity Investments Institutional Services Co.	Fidelity ® Government Money Market Fund	**	24,845
	* Fidelity Investments Institutional Services Co.	Fidelity® Stock Selector Large Cap Value Fund	**	36,005
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2040 Fund	**	172,436
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2015 Fund	**	1,011
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2025 Fund	**	143,678
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2035 Fund	**	178,109
	* Fidelity Investments Institutional Services Co.	Fidelity® Small Cap Growth Fund	**	60,491
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2045 Fund	**	1,294,631
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2050 Fund	**	274,568
	* Fidelity Investments Institutional Services Co.	Fidelity® 500 Index Fund	**	138,951
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2055 Fund	**	49,807
	* Fidelity Investments Institutional Services Co.	Fidelity® Extended Market Index Fund	**	15,587
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2060 Fund	**	21,190
	PIMCO	PIMCO Total Return Fund Administrative Class	**	50,462
	Morgan Stanley Institutional Fund, Inc.	Morgan Stanley Institutional Fund Trust Discovery Portfolio Class A	**	30,753
	Quasar Distributors, LLC	Hennessy Cornerstone Large Growth Fund Investor Class	**	3,445
	Columbia Threadneedle Investments	Columbia Small Cap Value Fund II Institutional Class	**	26,367
	Virtus Investment Partners	Virtus NFJ Dividend Value Fund Administrative Class	**	16,447
				3,463,268
	* Participant Loans			48,962
				\$ 3,512,230

* Represents a party-in-interest as defined by ERISA

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See Independent Auditor's Report



www.vasquez.cpa

Vasquez & Company LLP has over 50 years of experience in performing audit, accounting & consulting services for all types of nonprofit organizations, for-profit companies, governmental entities and publicly traded companies. Vasquez is a member of the RSM US Alliance. RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International. Visit rsmus.com/about-us for more information regarding RSM US LLP and RSM International. The RSM™ logo is used under license by RSM US LLP. RSM US Alliance products and services are proprietary to RSM US LLP.

**The ZOO Digital Production 401(k) Plan
Financial Statements and Supplemental Schedule
*As of December 31, 2022, 2021, and 2020
and for the Years Ended December 31, 2022 and 2021
with Independent Auditor's Report***



**The ZOO Digital Production 401(k) Plan
Financial Statements and Supplemental Schedule
*As of December 31, 2022, 2021, and 2020
and for the Years Ended December 31, 2022 and 2021
with Independent Auditor's Report***

The ZOO Digital Production 401(k) Plan
Table of Contents

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	5
Statements of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7
SUPPLEMENTAL SCHEDULE	
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions	15
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)	
December 31, 2022	16
December 31, 2021	17



655 N. Central Avenue
Suite 1550
Glendale, CA 91203

www.vasquez.cpa

213-873-1700
OFFICE

LOS ANGELES
SAN DIEGO
IRVINE
SACRAMENTO
FRESNO
PHOENIX
LAS VEGAS
MANILA, PH

Independent Auditor's Report

Plan Administrator and Participants The ZOO Digital Production 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 and 2021 Financial Statements

We have performed audits of the financial statements of The ZOO Digital Production 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements (2022 and 2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 2022 and 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2022 and 2021 Financial Statements

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2022 and 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).



- The information in the accompanying 2022 and 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 and 2021 Financial Statements

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements section of our report. We are required to be independent of the Plan 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 ERISA Section 103(a)(3)(C) audit opinion on the 2022 and 2021 financial statements.

Responsibilities of Management for the 2022 and 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 and 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 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 GAAS 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 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 financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Plan's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 and 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2022 and 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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.

Other Matters

Supplemental Schedules Required by ERISA

The supplemental schedule of delinquent participant contributions for the year ended December 31, 2022, and the schedule of assets (held at end of year) as of December 31, 2022 and 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, have been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is



derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

The 2020 financial statements of the Plan were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditor not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report dated December 11, 2023, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and supplemental schedules, and (b) the form and content of the information included in the financial statements and supplemental schedules other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Glendale, California
January 19, 2024

The ZOO Digital Production 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31		
	2022	2021	2020
ASSETS			
Investments at fair value	\$ 3,295,019	\$ 3,463,268	3,099,578
Receivables			
Employer contributions	6,075	-	-
Participants contributions	23,382	14,472	-
Notes receivable from participants	54,732	48,962	64,704
Total receivables	84,189	63,434	64,704
Net assets available for benefits	\$ 3,379,208	\$ 3,526,702	3,164,282

See independent auditor's report and notes to financial statements.

The ZOO Digital Production 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Additions to net assets attributed to:		
Contributions		
Participants	\$ 479,553	\$ 321,326
Employer	103,420	-
Rollovers	104,398	144,119
Total contributions	<u>687,371</u>	<u>465,445</u>
Investment income		
Net appreciation in fair value of investments	-	104,699
Interest and dividends	265,583	329,513
Total investment income	<u>265,583</u>	<u>434,212</u>
Interest income on notes receivables from participants	4,041	3,984
Total additions	<u>956,995</u>	<u>903,641</u>
Deductions from net assets attributed to:		
Net depreciation in fair value of investments	905,594	-
Benefits paid to participants	192,077	535,302
Administrative fees	6,818	5,919
Total deductions	<u>1,104,489</u>	<u>541,221</u>
Net (decrease) increase in net assets available for benefits	(147,494)	362,420
Net assets available for benefits at beginning of year	<u>3,526,702</u>	<u>3,164,282</u>
Net assets available for benefits at end of year	<u><u>\$ 3,379,208</u></u>	<u><u>\$ 3,526,702</u></u>

See independent auditor's report and notes to financial statements.

NOTE 1 DESCRIPTION OF PLAN

The following description of The ZOO Digital Production 401(k) Plan (the Plan) of ZOO Digital Production (the Plan Sponsor) is provided for general information purposes only. Participants should refer to the Plan document for more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan which is qualified under Section 401(k) of the Internal Revenue Code (IRC). The Plan was established in 2002 and operates on a calendar year basis. Fidelity Management Trust Company (Fidelity) is the Plan trustee and custodian. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

An employee (except resident of Puerto Rico, independent contractors and temporary agency employees) of at least 18 years of age but not exceed 21 may make elective deferrals beginning on the first day of the month coinciding with or immediately following the date such employee meets the eligibility requirement. Except for those employees hired prior to 2008, where entry date was on July 15, 2008.

Employees are eligible to receive matching contributions once they are eligible to make deferral contributions. The entry date is the first day of the month coinciding with or immediately following the date all eligibility requirements have been met.

Contributions

Each year, participants may make salary deferral contributions of up to 90% of eligible annual compensation as defined in the Plan document, not to exceed the maximum allowable by the IRC. Participants who have attained or are expected to attain the age of 50 before the close of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans.

The Plan provides a discretionary matching employer contributions at a certain percentage of up to 2.5% of the eligible contributions made by the eligible participant during the contribution period effective April 2022. Employer-matching contributions for 2022 and 2021 totaled \$103,420 and nil, respectively.

Participant Accounts

Individual accounts are maintained for each plan participant. Each participant's account is credited with the participant's contributions and the Plan Sponsor's discretionary contribution, as well as an allocation of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Investment Options

Participants may direct participant and employer contributions, as desired, into various investment options held by the Trustee. The Plan currently offers various registered investment companies as investment options for participants.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the employer's matching contributions portion of their accounts is based on years of service, as defined in the Plan document. A participant is 100% vested after four years of credited service based on a graded vesting schedule, as defined in the Plan document. Additionally, each participant's account balance may become fully vested upon normal or early retirement, death or total and permanent disability. Normal retirement age under the Plan is age 65 while early retirement age is defined as when the participant attains the age of 55 and completes six years of vesting service.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or 50% of their account balance. Such a \$50,000 maximum shall be reduced by the highest outstanding note receivable balance attributable to the participant during the 12 months immediately prior to the new note receivable application date. Notes receivable from participants shall be repaid over a period not to exceed five years, except the term may be up to 10 years for the purchase of a primary residence. The notes receivable from participants are secured by the balance in the participant's account and bear interest at rates that are commensurate with the rate of interest charged on similar commercial loans by persons or institutions in the business of lending money in the same geographic area as the Company. Principal and interest are paid ratably through biweekly payroll deductions. However, if repayment is not made by payroll deduction, a loan shall be repaid in accordance with procedures provided by the Plan Administrator.

Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump sum; partial withdrawal, or substantially equal installments.

A participant may also withdraw money from their account in the event of financial hardship. Hardship withdrawals may not exceed the amount of the participant's cumulative deferral.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Forfeited Accounts

Forfeited accounts are used to reduce future employer contributions and administration fees. The changes in the Plan's forfeiture account balance for the years ended December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Balance, January 1	\$ 1,388	\$ 1,388
Forfeitures during the year	1,010	-
Interest earned and other adjustments	27	-
Balance, December 31	<u>\$ 2,425</u>	<u>\$ 1,388</u>

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Net Appreciation (Depreciation) in Fair Value of Investments

Realized and unrealized appreciation (depreciation) in the fair value of investments is calculated based on the difference between the fair value of the assets at the beginning of the year, or at the time of purchase for assets purchased during the year, and the related fair value on the day investments are sold with respect to realized appreciation (depreciation), or on the last day of the year for unrealized appreciation (depreciation). Realized and unrealized appreciation (depreciation) is recorded in the accompanying Statements of Changes in Net Assets Available for Benefits as net appreciation (depreciation) in fair value of investments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance, plus any accrued but unpaid interest. Interest income is recorded on an accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. A participant may only have two (2) loans outstanding at any given time. No allowance for credit losses has been recorded as of December 31, 2022 and 2021.

If a participant ceases to make loan repayments and the Plan Administrator deems the note receivable from the participant to be in default, the note receivable from the participant's balance is reduced and a benefit payment is recorded. Interest rates are fixed at 7% during 2022, with the loans maturing at various dates ranging from March 2022 to August 2027. Interest rates are fixed at 7% during 2021, with the loans maturing at various dates ranging from March 2022 to September 2025.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Plan Sponsor. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants and distributions are charged directly to the participant's account and included in administrative expenses.

NOTE 3 FINANCIAL INFORMATION CERTIFIED BY CUSTODIAN

The Plan's asset information as of December 31, 2022 and 2021, and for the years then ended, included throughout the Plan's financial statements and ERISA-required supplemental schedule, were obtained by management and agreed to or derived from information certified by Fidelity, the custodian of the Plan. The Plan Administrator has obtained certifications from the custodian that the information provided to the Plan Administrator by the custodian related to the Plan's assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and ERISA-required supplemental schedule related to the following:

- Investments, as reflected in the Statements of Net Assets Available for Benefits as of December 31, 2022 and 2021;
- Investment activity, as reflected in the Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2022 and 2021;

NOTE 3 FINANCIAL INFORMATION CERTIFIED BY CUSTODIAN (CONTINUED)

- Investment information disclosed in Note 4 of the Plan's financial statements; and
- Investments, as reflected in Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022 and 2021.

NOTE 4 FAIR VALUE MEASUREMENT

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 relevant observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

NOTE 4 FAIR VALUE MEASUREMENT (CONTINUED)

Money market fund

The fair value of this investment is based on quoted market prices in active markets.

Mutual funds

These investments are valued at the daily closing price reported in the active market in which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value measurement at December 31:

Investment category	2022			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 26,139	\$ -	\$ -	\$ 26,139
Mutual funds	3,268,880	-	-	3,268,880
	<u>\$ 3,295,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,295,019</u>

Investment category	2021			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 24,845	\$ -	\$ -	\$ 24,845
Mutual funds	3,438,423	-	-	3,438,423
	<u>\$ 3,463,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,463,268</u>

NOTE 5 NOTES RECEIVABLE FROM PARTICIPANTS

As of December 31, 2022 and 2021, \$54,732 and \$48,962 in participant loans were outstanding, respectively. The participants apply for loans using their vested account balances as collateral. Interest income from the participant loans for the years ended December 31, 2022 and 2021 were \$4,041 and \$3,984, respectively.

NOTE 6 RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor (DOL) regulations as any fiduciary of the Plan or party rendering services to the Plan, the employer and certain others. As such, transactions conducted with the Plan Sponsor and Fidelity, qualify as party-in-interest transactions. Fees paid by the Plan to the custodian for the years ended December 31, 2022 and 2021 amounted to \$6,818 and \$5,919, respectively. The Plan Sponsor pays directly any other fees related to the Plan's operations.

NOTE 7 PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 8 INCOME TAX STATUS

The Plan has adopted a non-standardized pre-approved profit sharing plan sponsored by Fidelity. The pre-approved plan provider has received an advisory letter from the Internal Revenue Service as to the plan's qualified status. The pre-approved plan advisory letter has been relied upon by the Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC. No provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

NOTE 10 NONEXEMPT TRANSACTIONS

As reported on the supplemental schedule of delinquent participant contributions, certain participant contributions were not remitted to the Plan within the timeframe specified by the DOL's regulations, thus constituting nonexempt transactions between the Plan and the Plan Sponsor during the 2022 Plan year. Late remittances amounted to \$23,280 for the 2022 Plan year and the Plan Sponsor plans to remit lost earnings to the affected participants in 2024.

NOTE 11 NEW LAWS AND REGULATIONS

On December 29, 2022, the SECURE 2.0 Act of 2022 (SECURED 2.0) became law. The new law makes changes to include provisions intended to expand coverage, increase retirement savings, and simplify and clarify retirement plan rules. SECURED

NOTE 11 NEW LAWS AND REGULATIONS (CONTINUED)

2.0 changed the retirement plan rules for long-term, part-time employees. The 401(k) plan requirement to allow employees to contribute elective deferral was expanded to 403(b) plans. For plan years beginning in 2024, if an employee has three consecutive 12-month periods with more than 500 hours of service in each, the employee must be eligible to enter the plan, and the period of service was reduced from three to two consecutive 12-month periods, for plans years beginning after December 31, 2024.

NOTE 12 SUBSEQUENT EVENTS

The Plan has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through January 19, 2024, the date the accompanying financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

SUPPLEMENTAL SCHEDULES

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4a-Schedule of Delinquent Participant Contributions
EIN 26-0690889 Plan: 001
December 31, 2022

Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 23,280	\$ 23,280	\$ -	\$ -	\$ -

See Independent Auditor's Report

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4i-Schedule of Assets (Held at End of Year)
EIN 26-0690889 Plan: 001
December 31, 2022

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investments	Cost	Current value	
* Fidelity Investments Institutional Services Co.	Fidelity® Fund	** \$	43,082	
* Fidelity Investments Institutional Services Co.	Fidelity® Capital & Income Fund	**	54,595	
* Fidelity Investments Institutional Services Co.	Fidelity® Value Fund	**	9,330	
* Fidelity Investments Institutional Services Co.	Fidelity® Government Income Fund	**	52,505	
* Fidelity Investments Institutional Services Co.	Fidelity® Leveraged Company Stock Fund	**	36,129	
* Fidelity Investments Institutional Services Co.	Fidelity® Balanced Fund	**	18,033	
* Fidelity Investments Institutional Services Co.	Fidelity® International Discovery Fund	**	23,512	
* Fidelity Investments Institutional Services Co.	Fidelity® Disciplined Equity Fund	**	10,738	
* Fidelity Investments Institutional Services Co.	Fidelity Advisor Emerging Markets	**	33,866	
* Fidelity Investments Institutional Services Co.	Fidelity® Growth Discovery Fund	**	125,965	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® Income Fund	**	21,400	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2020 Fund	**	29,808	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2030 Fund	**	308,434	
* Fidelity Investments Institutional Services Co.	Fidelity ® Government Money Market Fund	**	26,139	
* Fidelity Investments Institutional Services Co.	Fidelity® Stock Selector Large Cap Value Fund	**	40,528	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2040 Fund	**	148,467	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2015 Fund	**	862	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2025 Fund	**	135,597	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2035 Fund	**	197,064	
* Fidelity Investments Institutional Services Co.	Fidelity® Small Cap Growth Fund	**	44,098	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2045 Fund	**	1,068,591	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2050 Fund	**	317,285	
* Fidelity Investments Institutional Services Co.	Fidelity® 500 Index Fund	**	233,674	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2055 Fund	**	109,756	
* Fidelity Investments Institutional Services Co.	Fidelity® Extended Market Index Fund	**	37,525	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2060 Fund	**	66,988	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2065 Fund	**	5,161	
PIMCO	PIMCO Total Return Fund Administrative Class	**	40,919	
Morgan Stanley Institutional Fund, Inc.	Morgan Stanley Institutional Fund Trust Discovery Portfolio Class A	**	10,282	
Quasar Distributors, LLC	Hennessy Cornerstone Large Growth Fund Investor Class	**	3,192	
Columbia Threadneedle Investments	Columbia Small Cap Value Fund II Institutional Class	**	26,701	
Virtus Investment Partners	Virtus NFJ Dividend Value Fund Administrative Class	**	14,793	
			3,295,019	
* Participant Loans			54,732	
			\$ 3,349,751	

* Represents a party-in-interest as defined by ERISA

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See Independent Auditor's Report

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4i-Schedule of Assets (Held at End of Year)
EIN 26-0690889 Plan: 001
December 31, 2021

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investments	Cost	Current value
	* Fidelity Investments Institutional Services Co.	Fidelity® Fund	** \$	45,776
	* Fidelity Investments Institutional Services Co.	Fidelity® Capital & Income Fund	**	139,298
	* Fidelity Investments Institutional Services Co.	Fidelity® Value Fund	**	18,863
	* Fidelity Investments Institutional Services Co.	Fidelity® Government Income Fund	**	49,152
	* Fidelity Investments Institutional Services Co.	Fidelity® Leveraged Company Stock Fund	**	48,347
	* Fidelity Investments Institutional Services Co.	Fidelity® Balanced Fund	**	40,140
	* Fidelity Investments Institutional Services Co.	Fidelity® International Discovery Fund	**	38,066
	* Fidelity Investments Institutional Services Co.	Fidelity® Disciplined Equity Fund	**	14,953
	* Fidelity Investments Institutional Services Co.	Fidelity Advisor Emerging Markets	**	40,966
	* Fidelity Investments Institutional Services Co.	Fidelity® Growth Discovery Fund	**	145,774
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® Income Fund	**	23,189
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2020 Fund	**	21,023
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2030 Fund	**	298,938
	* Fidelity Investments Institutional Services Co.	Fidelity ® Government Money Market Fund	**	24,845
	* Fidelity Investments Institutional Services Co.	Fidelity® Stock Selector Large Cap Value Fund	**	36,005
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2040 Fund	**	172,436
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2015 Fund	**	1,011
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2025 Fund	**	143,678
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2035 Fund	**	178,109
	* Fidelity Investments Institutional Services Co.	Fidelity® Small Cap Growth Fund	**	60,491
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2045 Fund	**	1,294,631
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2050 Fund	**	274,568
	* Fidelity Investments Institutional Services Co.	Fidelity® 500 Index Fund	**	138,951
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2055 Fund	**	49,807
	* Fidelity Investments Institutional Services Co.	Fidelity® Extended Market Index Fund	**	15,587
	* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2060 Fund	**	21,190
	PIMCO	PIMCO Total Return Fund Administrative Class	**	50,462
	Morgan Stanley Institutional Fund, Inc.	Morgan Stanley Institutional Fund Trust Discovery Portfolio Class A	**	30,753
	Quasar Distributors, LLC	Hennessy Cornerstone Large Growth Fund Investor Class	**	3,445
	Columbia Threadneedle Investments	Columbia Small Cap Value Fund II Institutional Class	**	26,367
	Virtus Investment Partners	Virtus NFJ Dividend Value Fund Administrative Class	**	16,447
				3,463,268
	* Participant Loans			48,962
				\$ 3,512,230

* Represents a party-in-interest as defined by ERISA

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See Independent Auditor's Report



www.vasquez.cpa

Vasquez & Company LLP has over 50 years of experience in performing audit, accounting & consulting services for all types of nonprofit organizations, for-profit companies, governmental entities and publicly traded companies. Vasquez is a member of the RSM US Alliance. RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International. Visit rsmus.com/about-us for more information regarding RSM US LLP and RSM International. The RSM™ logo is used under license by RSM US LLP. RSM US Alliance products and services are proprietary to RSM US LLP.

**The ZOO Digital Production 401(k) Plan
Financial Statements and Supplemental Schedule
*As of December 31, 2022, 2021, and 2020
and for the Years Ended December 31, 2022 and 2021
with Independent Auditor's Report***



**The ZOO Digital Production 401(k) Plan
Financial Statements and Supplemental Schedule
*As of December 31, 2022, 2021, and 2020
and for the Years Ended December 31, 2022 and 2021
with Independent Auditor's Report***

The ZOO Digital Production 401(k) Plan
Table of Contents

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	5
Statements of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7
SUPPLEMENTAL SCHEDULE	
Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions	15
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)	
December 31, 2022	16
December 31, 2021	17



655 N. Central Avenue
Suite 1550
Glendale, CA 91203

www.vasquez.cpa

213-873-1700
OFFICE

LOS ANGELES
SAN DIEGO
IRVINE
SACRAMENTO
FRESNO
PHOENIX
LAS VEGAS
MANILA, PH

Independent Auditor's Report

Plan Administrator and Participants The ZOO Digital Production 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 and 2021 Financial Statements

We have performed audits of the financial statements of The ZOO Digital Production 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements (2022 and 2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 2022 and 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2022 and 2021 Financial Statements

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2022 and 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).



- The information in the accompanying 2022 and 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 and 2021 Financial Statements

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements section of our report. We are required to be independent of the Plan 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 ERISA Section 103(a)(3)(C) audit opinion on the 2022 and 2021 financial statements.

Responsibilities of Management for the 2022 and 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2022 and 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 and 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 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 GAAS 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 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 financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Plan's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 and 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2022 and 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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.

Other Matters

Supplemental Schedules Required by ERISA

The supplemental schedule of delinquent participant contributions for the year ended December 31, 2022, and the schedule of assets (held at end of year) as of December 31, 2022 and 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, have been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is



derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

The 2020 financial statements of the Plan were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditor not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report dated December 11, 2023, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and supplemental schedules, and (b) the form and content of the information included in the financial statements and supplemental schedules other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Glendale, California
January 19, 2024

The ZOO Digital Production 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31		
	2022	2021	2020
ASSETS			
Investments at fair value	\$ 3,295,019	\$ 3,463,268	3,099,578
Receivables			
Employer contributions	6,075	-	-
Participants contributions	23,382	14,472	-
Notes receivable from participants	54,732	48,962	64,704
Total receivables	84,189	63,434	64,704
Net assets available for benefits	\$ 3,379,208	\$ 3,526,702	3,164,282

See independent auditor's report and notes to financial statements.

The ZOO Digital Production 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Additions to net assets attributed to:		
Contributions		
Participants	\$ 479,553	\$ 321,326
Employer	103,420	-
Rollovers	104,398	144,119
Total contributions	<u>687,371</u>	<u>465,445</u>
Investment income		
Net appreciation in fair value of investments	-	104,699
Interest and dividends	265,583	329,513
Total investment income	<u>265,583</u>	<u>434,212</u>
Interest income on notes receivables from participants	4,041	3,984
Total additions	<u>956,995</u>	<u>903,641</u>
Deductions from net assets attributed to:		
Net depreciation in fair value of investments	905,594	-
Benefits paid to participants	192,077	535,302
Administrative fees	6,818	5,919
Total deductions	<u>1,104,489</u>	<u>541,221</u>
Net (decrease) increase in net assets available for benefits	(147,494)	362,420
Net assets available for benefits at beginning of year	<u>3,526,702</u>	<u>3,164,282</u>
Net assets available for benefits at end of year	<u><u>\$ 3,379,208</u></u>	<u><u>\$ 3,526,702</u></u>

See independent auditor's report and notes to financial statements.

NOTE 1 DESCRIPTION OF PLAN

The following description of The ZOO Digital Production 401(k) Plan (the Plan) of ZOO Digital Production (the Plan Sponsor) is provided for general information purposes only. Participants should refer to the Plan document for more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan which is qualified under Section 401(k) of the Internal Revenue Code (IRC). The Plan was established in 2002 and operates on a calendar year basis. Fidelity Management Trust Company (Fidelity) is the Plan trustee and custodian. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

An employee (except resident of Puerto Rico, independent contractors and temporary agency employees) of at least 18 years of age but not exceed 21 may make elective deferrals beginning on the first day of the month coinciding with or immediately following the date such employee meets the eligibility requirement. Except for those employees hired prior to 2008, where entry date was on July 15, 2008.

Employees are eligible to receive matching contributions once they are eligible to make deferral contributions. The entry date is the first day of the month coinciding with or immediately following the date all eligibility requirements have been met.

Contributions

Each year, participants may make salary deferral contributions of up to 90% of eligible annual compensation as defined in the Plan document, not to exceed the maximum allowable by the IRC. Participants who have attained or are expected to attain the age of 50 before the close of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans.

The Plan provides a discretionary matching employer contributions at a certain percentage of up to 2.5% of the eligible contributions made by the eligible participant during the contribution period effective April 2022. Employer-matching contributions for 2022 and 2021 totaled \$103,420 and nil, respectively.

Participant Accounts

Individual accounts are maintained for each plan participant. Each participant's account is credited with the participant's contributions and the Plan Sponsor's discretionary contribution, as well as an allocation of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Investment Options

Participants may direct participant and employer contributions, as desired, into various investment options held by the Trustee. The Plan currently offers various registered investment companies as investment options for participants.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the employer's matching contributions portion of their accounts is based on years of service, as defined in the Plan document. A participant is 100% vested after four years of credited service based on a graded vesting schedule, as defined in the Plan document. Additionally, each participant's account balance may become fully vested upon normal or early retirement, death or total and permanent disability. Normal retirement age under the Plan is age 65 while early retirement age is defined as when the participant attains the age of 55 and completes six years of vesting service.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or 50% of their account balance. Such a \$50,000 maximum shall be reduced by the highest outstanding note receivable balance attributable to the participant during the 12 months immediately prior to the new note receivable application date. Notes receivable from participants shall be repaid over a period not to exceed five years, except the term may be up to 10 years for the purchase of a primary residence. The notes receivable from participants are secured by the balance in the participant's account and bear interest at rates that are commensurate with the rate of interest charged on similar commercial loans by persons or institutions in the business of lending money in the same geographic area as the Company. Principal and interest are paid ratably through biweekly payroll deductions. However, if repayment is not made by payroll deduction, a loan shall be repaid in accordance with procedures provided by the Plan Administrator.

Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump sum; partial withdrawal, or substantially equal installments.

A participant may also withdraw money from their account in the event of financial hardship. Hardship withdrawals may not exceed the amount of the participant's cumulative deferral.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Forfeited Accounts

Forfeited accounts are used to reduce future employer contributions and administration fees. The changes in the Plan's forfeiture account balance for the years ended December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Balance, January 1	\$ 1,388	\$ 1,388
Forfeitures during the year	1,010	-
Interest earned and other adjustments	27	-
Balance, December 31	<u>\$ 2,425</u>	<u>\$ 1,388</u>

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Net Appreciation (Depreciation) in Fair Value of Investments

Realized and unrealized appreciation (depreciation) in the fair value of investments is calculated based on the difference between the fair value of the assets at the beginning of the year, or at the time of purchase for assets purchased during the year, and the related fair value on the day investments are sold with respect to realized appreciation (depreciation), or on the last day of the year for unrealized appreciation (depreciation). Realized and unrealized appreciation (depreciation) is recorded in the accompanying Statements of Changes in Net Assets Available for Benefits as net appreciation (depreciation) in fair value of investments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance, plus any accrued but unpaid interest. Interest income is recorded on an accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. A participant may only have two (2) loans outstanding at any given time. No allowance for credit losses has been recorded as of December 31, 2022 and 2021.

If a participant ceases to make loan repayments and the Plan Administrator deems the note receivable from the participant to be in default, the note receivable from the participant's balance is reduced and a benefit payment is recorded. Interest rates are fixed at 7% during 2022, with the loans maturing at various dates ranging from March 2022 to August 2027. Interest rates are fixed at 7% during 2021, with the loans maturing at various dates ranging from March 2022 to September 2025.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Plan Sponsor. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants and distributions are charged directly to the participant's account and included in administrative expenses.

NOTE 3 FINANCIAL INFORMATION CERTIFIED BY CUSTODIAN

The Plan's asset information as of December 31, 2022 and 2021, and for the years then ended, included throughout the Plan's financial statements and ERISA-required supplemental schedule, were obtained by management and agreed to or derived from information certified by Fidelity, the custodian of the Plan. The Plan Administrator has obtained certifications from the custodian that the information provided to the Plan Administrator by the custodian related to the Plan's assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and ERISA-required supplemental schedule related to the following:

- Investments, as reflected in the Statements of Net Assets Available for Benefits as of December 31, 2022 and 2021;
- Investment activity, as reflected in the Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2022 and 2021;

NOTE 3 FINANCIAL INFORMATION CERTIFIED BY CUSTODIAN (CONTINUED)

- Investment information disclosed in Note 4 of the Plan's financial statements; and
- Investments, as reflected in Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022 and 2021.

NOTE 4 FAIR VALUE MEASUREMENT

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 relevant observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

NOTE 4 FAIR VALUE MEASUREMENT (CONTINUED)

Money market fund

The fair value of this investment is based on quoted market prices in active markets.

Mutual funds

These investments are valued at the daily closing price reported in the active market in which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value measurement at December 31:

Investment category	2022			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 26,139	\$ -	\$ -	\$ 26,139
Mutual funds	3,268,880	-	-	3,268,880
	<u>\$ 3,295,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,295,019</u>

Investment category	2021			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 24,845	\$ -	\$ -	\$ 24,845
Mutual funds	3,438,423	-	-	3,438,423
	<u>\$ 3,463,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,463,268</u>

NOTE 5 NOTES RECEIVABLE FROM PARTICIPANTS

As of December 31, 2022 and 2021, \$54,732 and \$48,962 in participant loans were outstanding, respectively. The participants apply for loans using their vested account balances as collateral. Interest income from the participant loans for the years ended December 31, 2022 and 2021 were \$4,041 and \$3,984, respectively.

NOTE 6 RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor (DOL) regulations as any fiduciary of the Plan or party rendering services to the Plan, the employer and certain others. As such, transactions conducted with the Plan Sponsor and Fidelity, qualify as party-in-interest transactions. Fees paid by the Plan to the custodian for the years ended December 31, 2022 and 2021 amounted to \$6,818 and \$5,919, respectively. The Plan Sponsor pays directly any other fees related to the Plan's operations.

NOTE 7 PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 8 INCOME TAX STATUS

The Plan has adopted a non-standardized pre-approved profit sharing plan sponsored by Fidelity. The pre-approved plan provider has received an advisory letter from the Internal Revenue Service as to the plan's qualified status. The pre-approved plan advisory letter has been relied upon by the Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC. No provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

NOTE 10 NONEXEMPT TRANSACTIONS

As reported on the supplemental schedule of delinquent participant contributions, certain participant contributions were not remitted to the Plan within the timeframe specified by the DOL's regulations, thus constituting nonexempt transactions between the Plan and the Plan Sponsor during the 2022 Plan year. Late remittances amounted to \$23,280 for the 2022 Plan year and the Plan Sponsor plans to remit lost earnings to the affected participants in 2024.

NOTE 11 NEW LAWS AND REGULATIONS

On December 29, 2022, the SECURE 2.0 Act of 2022 (SECURED 2.0) became law. The new law makes changes to include provisions intended to expand coverage, increase retirement savings, and simplify and clarify retirement plan rules. SECURED

NOTE 11 NEW LAWS AND REGULATIONS (CONTINUED)

2.0 changed the retirement plan rules for long-term, part-time employees. The 401(k) plan requirement to allow employees to contribute elective deferral was expanded to 403(b) plans. For plan years beginning in 2024, if an employee has three consecutive 12-month periods with more than 500 hours of service in each, the employee must be eligible to enter the plan, and the period of service was reduced from three to two consecutive 12-month periods, for plans years beginning after December 31, 2024.

NOTE 12 SUBSEQUENT EVENTS

The Plan has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through January 19, 2024, the date the accompanying financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

SUPPLEMENTAL SCHEDULES

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4a-Schedule of Delinquent Participant Contributions
EIN 26-0690889 Plan: 001
December 31, 2022

Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
Check here if Late Participant Loan Repayments are included: ☒				
\$ 23,280	\$ 23,280	\$ -	\$ -	\$ -

See Independent Auditor's Report

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4i-Schedule of Assets (Held at End of Year)
EIN 26-0690889 Plan: 001
December 31, 2022

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investments	Cost	Current value	
* Fidelity Investments Institutional Services Co.	Fidelity® Fund	** \$	43,082	
* Fidelity Investments Institutional Services Co.	Fidelity® Capital & Income Fund	**	54,595	
* Fidelity Investments Institutional Services Co.	Fidelity® Value Fund	**	9,330	
* Fidelity Investments Institutional Services Co.	Fidelity® Government Income Fund	**	52,505	
* Fidelity Investments Institutional Services Co.	Fidelity® Leveraged Company Stock Fund	**	36,129	
* Fidelity Investments Institutional Services Co.	Fidelity® Balanced Fund	**	18,033	
* Fidelity Investments Institutional Services Co.	Fidelity® International Discovery Fund	**	23,512	
* Fidelity Investments Institutional Services Co.	Fidelity® Disciplined Equity Fund	**	10,738	
* Fidelity Investments Institutional Services Co.	Fidelity Advisor Emerging Markets	**	33,866	
* Fidelity Investments Institutional Services Co.	Fidelity® Growth Discovery Fund	**	125,965	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® Income Fund	**	21,400	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2020 Fund	**	29,808	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2030 Fund	**	308,434	
* Fidelity Investments Institutional Services Co.	Fidelity ® Government Money Market Fund	**	26,139	
* Fidelity Investments Institutional Services Co.	Fidelity® Stock Selector Large Cap Value Fund	**	40,528	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2040 Fund	**	148,467	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2015 Fund	**	862	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2025 Fund	**	135,597	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2035 Fund	**	197,064	
* Fidelity Investments Institutional Services Co.	Fidelity® Small Cap Growth Fund	**	44,098	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2045 Fund	**	1,068,591	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2050 Fund	**	317,285	
* Fidelity Investments Institutional Services Co.	Fidelity® 500 Index Fund	**	233,674	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2055 Fund	**	109,756	
* Fidelity Investments Institutional Services Co.	Fidelity® Extended Market Index Fund	**	37,525	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2060 Fund	**	66,988	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2065 Fund	**	5,161	
PIMCO	PIMCO Total Return Fund Administrative Class	**	40,919	
Morgan Stanley Institutional Fund, Inc.	Morgan Stanley Institutional Fund Trust Discovery Portfolio Class A	**	10,282	
Quasar Distributors, LLC	Hennessy Cornerstone Large Growth Fund Investor Class	**	3,192	
Columbia Threadneedle Investments	Columbia Small Cap Value Fund II Institutional Class	**	26,701	
Virtus Investment Partners	Virtus NFJ Dividend Value Fund Administrative Class	**	14,793	
			3,295,019	
* Participant Loans			54,732	
			\$ 3,349,751	

* Represents a party-in-interest as defined by ERISA

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See Independent Auditor's Report

Zoo Digital Production 401(k) Plan Form 5500
Schedule H, Part IV, Line 4i-Schedule of Assets (Held at End of Year)
EIN 26-0690889 Plan: 001
December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investments	Cost	Current value	
* Fidelity Investments Institutional Services Co.	Fidelity® Fund	** \$	45,776	
* Fidelity Investments Institutional Services Co.	Fidelity® Capital & Income Fund	**	139,298	
* Fidelity Investments Institutional Services Co.	Fidelity® Value Fund	**	18,863	
* Fidelity Investments Institutional Services Co.	Fidelity® Government Income Fund	**	49,152	
* Fidelity Investments Institutional Services Co.	Fidelity® Leveraged Company Stock Fund	**	48,347	
* Fidelity Investments Institutional Services Co.	Fidelity® Balanced Fund	**	40,140	
* Fidelity Investments Institutional Services Co.	Fidelity® International Discovery Fund	**	38,066	
* Fidelity Investments Institutional Services Co.	Fidelity® Disciplined Equity Fund	**	14,953	
* Fidelity Investments Institutional Services Co.	Fidelity Advisor Emerging Markets	**	40,966	
* Fidelity Investments Institutional Services Co.	Fidelity® Growth Discovery Fund	**	145,774	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® Income Fund	**	23,189	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2020 Fund	**	21,023	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2030 Fund	**	298,938	
* Fidelity Investments Institutional Services Co.	Fidelity ® Government Money Market Fund	**	24,845	
* Fidelity Investments Institutional Services Co.	Fidelity® Stock Selector Large Cap Value Fund	**	36,005	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2040 Fund	**	172,436	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2015 Fund	**	1,011	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2025 Fund	**	143,678	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2035 Fund	**	178,109	
* Fidelity Investments Institutional Services Co.	Fidelity® Small Cap Growth Fund	**	60,491	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2045 Fund	**	1,294,631	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2050 Fund	**	274,568	
* Fidelity Investments Institutional Services Co.	Fidelity® 500 Index Fund	**	138,951	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2055 Fund	**	49,807	
* Fidelity Investments Institutional Services Co.	Fidelity® Extended Market Index Fund	**	15,587	
* Fidelity Investments Institutional Services Co.	Fidelity Freedom® 2060 Fund	**	21,190	
PIMCO	PIMCO Total Return Fund Administrative Class	**	50,462	
Morgan Stanley Institutional Fund, Inc.	Morgan Stanley Institutional Fund Trust Discovery Portfolio Class A	**	30,753	
Quasar Distributors, LLC	Hennessy Cornerstone Large Growth Fund Investor Class	**	3,445	
Columbia Threadneedle Investments	Columbia Small Cap Value Fund II Institutional Class	**	26,367	
Virtus Investment Partners	Virtus NFJ Dividend Value Fund Administrative Class	**	16,447	
			3,463,268	
* Participant Loans			48,962	
			\$ 3,512,230	

* Represents a party-in-interest as defined by ERISA

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See Independent Auditor's Report



www.vasquez.cpa

Vasquez & Company LLP has over 50 years of experience in performing audit, accounting & consulting services for all types of nonprofit organizations, for-profit companies, governmental entities and publicly traded companies. Vasquez is a member of the RSM US Alliance. RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International. Visit rsmus.com/about-us for more information regarding RSM US LLP and RSM International. The RSM™ logo is used under license by RSM US LLP. RSM US Alliance products and services are proprietary to RSM US LLP.