

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

FORM 10-Q

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

For the Quarterly Period Ended June 30, 2022

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number: 333-255624

Thumzup Media Corporation

(Exact name of registrant as Specified in its Charter)

Nevada	511210	85-3651036
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(Internal Revenue Service Employer Identification Number)

711 S Carson Street Suite 4
Carson City, NV
(Address of Principal Executive Offices)

89701
(Zip Code)

Registrant's telephone number, including area code:
(310) 237-2887

Securities registered pursuant to Section 12(b) of the Exchange Act:
None

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

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

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

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

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

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

State the number of shares of the issuer’s common stock outstanding, as of the latest practicable date:
6,315,670 shares of common stock issued and outstanding as of August 3, 2022.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Thumzup Media Corporation

June 30, 2022

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Thumzup Media Corporation

Balance Sheets

	June 30, 2022 (unaudited)	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 653,856	\$ 424,445
Total current assets	<u>653,856</u>	<u>424,445</u>
Property and equipment, net	<u>3,633</u>	<u>4,713</u>
TOTAL ASSETS	<u>\$ 657,489</u>	<u>\$ 429,158</u>
LIABILITIES & STOCKHOLDERS' EQUITY		
Accounts payable and accrued liabilities		
Senior Secured Convertible Promissory Notes	\$ 39,473	\$ 34,313
Total current liabilities	<u>215,300</u>	<u>215,000</u>
	<u>254,773</u>	<u>249,313</u>
Total liabilities	<u>254,773</u>	<u>249,313</u>
Stockholders' equity		
Common stock, \$0.001 par value, 100,000,000 shares authorized; 6,315,670 and 6,037,836 shares issued and outstanding, respectively	6,316	6,038
Additional paid-in capital	1,758,852	1,036,749
Accumulated deficit	<u>(1,362,452)</u>	<u>(862,942)</u>
Total stockholders' equity	<u>402,716</u>	<u>179,845</u>
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u>\$ 657,489</u>	<u>\$ 429,158</u>

The accompanying unaudited notes are an integral part of these financial statements and should be read in conjunction with these unaudited financial statements.

Thumzup Media Corporation
Statements of Operation
(unaudited)

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Total revenue	\$ 1,398	\$ —	\$ 4,892	\$ —
Operating expenses:				
Sales and marketing	50,498	1,150	65,359	2,121
Research and development	139,952	116,742	285,998	206,330
General and administrative	81,103	11,349	143,079	17,623
Depreciation expense	540	360	1,080	476
Total operating expenses	<u>272,093</u>	<u>129,601</u>	<u>495,516</u>	<u>226,550</u>
(Loss) income from operations	(270,695)	(129,601)	(490,624)	(226,550)
Other income (expenses)				
Interest (expense)	(4,443)	(2,914)	(8,886)	(7,214)
Total other income (expenses)	<u>(4,443)</u>	<u>(2,914)</u>	<u>(8,886)</u>	<u>(7,214)</u>
Net income (loss) before income taxes	<u>(275,138)</u>	<u>(132,515)</u>	<u>(499,510)</u>	<u>(233,764)</u>
Provision for income taxes	—	—	—	—
Net (loss)	<u>\$ (275,138)</u>	<u>\$ (132,515)</u>	<u>\$ (499,510)</u>	<u>\$ (233,764)</u>
Earnings per common share - Basic and diluted	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>	<u>\$ (0.08)</u>	<u>\$ (0.04)</u>
Weighted average common shares outstanding -Basic and diluted	<u>6,106,675</u>	<u>5,064,558</u>	<u>6,093,703</u>	<u>5,616,704</u>

The accompanying unaudited notes are an integral part of these financial statements and should be read in conjunction with these unaudited financial statements.

Thumzup Media Corporation
Statements of Stockholders' Equity
For the Three Months Ending June 30, 2022 and 2021

	Common Stock		Additional	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Paid-in Capital		
Balance at March 31, 2022	6,120,169	\$ 6,121	\$ 1,160,166	\$ (1,087,314)	\$ 78,973
Common stock issued for cash	193,501	193	580,308	—	580,501
Common stock issued for services	2,000	2	18,378	—	18,380
Net Loss	-	-	-	(275,138)	(275,138)
Balance at June 30, 2022	<u>6,315,670</u>	<u>\$ 6,316</u>	<u>\$ 1,758,852</u>	<u>\$ (1,362,452)</u>	<u>\$ 402,716</u>
Balance at March 31, 2021	5,493,500	\$ 5,494	\$ 458,006	\$ (106,935)	\$ 356,564
Common stock issued for cash	261,000	261	260,739	—	261,000
Net Loss	-	-	-	(132,515)	(132,515)
Balance at June 30, 2021	<u>5,754,500</u>	<u>\$ 5,755</u>	<u>\$ 718,745</u>	<u>\$ (239,451)</u>	<u>\$ 485,049</u>

For the Six Months Ending June 30, 2022 and 2021

Balance at December 31, 2021	6,037,836	\$ 6,038	\$ 1,036,749	\$ (862,942)	\$ 179,845
Common stock issued for cash	275,834	276	703,725	—	704,001
Common stock issued for services	2,000	2	18,378	—	18,380
Net Loss	-	-	-	(499,510)	(499,510)
Balance at June 30, 2022	<u>6,315,670</u>	<u>\$ 6,316</u>	<u>\$ 1,758,852</u>	<u>\$ (1,362,452)</u>	<u>\$ 402,716</u>
Balance at December 31, 2020	5,000,000	\$ 5,000	\$ (5,000)	\$ (5,687)	\$ (5,687)
Common stock issued for cash	724,500	725	723,775	—	724,500
Common stock issued for advisory	30,000	30	(30)	—	—
Net Loss	-	-	-	(233,764)	(233,764)
Balance at June 30, 2021	<u>5,754,500</u>	<u>\$ 5,755</u>	<u>\$ 718,745</u>	<u>\$ (239,451)</u>	<u>\$ 485,049</u>

The accompanying unaudited notes are an integral part of these financial statements and should be read in conjunction with these unaudited financial statements.

Thumzup Media Corporation
Statement of Cash Flows
For The Six Months Ending June 30,
(unaudited)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Net loss	\$ (499,510)	\$ (233,764)
Depreciation expense	1,080	476
Stock issued for services	18,380	—
Adjustments to reconcile net loss to net cash used in operating activities:		
Prepaid expenses	—	(37,416)
Accounts payable and accrued expenses	5,161	7,214
Net cash used in operating activities	<u>(474,889)</u>	<u>(263,490)</u>
Cash flows from investing activities		
Purchase of property and equipment	—	(6,449)
Purchase of intangible assets, Trademarks	—	(2,098)
Net cash used in investing activities	<u>—</u>	<u>(8,547)</u>
Cash flows from financing activities		
Proceeds from sale of common stock	704,000	724,500
Proceeds from loan – related party	300	—
Net cash provided by financing activities	<u>704,300</u>	<u>724,500</u>
Net (decrease) increase in cash	<u>229,411</u>	<u>452,463</u>
Cash at the beginning of the period	<u>424,445</u>	<u>201,317</u>
Cash at the end of the period	<u>\$ 653,856</u>	<u>\$ 653,780</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ —	\$ —
Cash paid for income taxes	\$ —	\$ —

The accompanying unaudited notes are an integral part of these financial statements and should be read in conjunction with these unaudited financial statements.

Thumzup Media Corporation
Notes to the Condensed Financial Statements (Unaudited)
June 30, 2022

Note 1 - Business Organization and Nature of Operations

Thumzup Media Corporation (“Thumzup” or “Company”) was incorporated October 27, 2020, under the laws of the State of Nevada, and its headquarters is located in Carson City, Nevada. The Company is a software company dedicated to building an influencer community around its mobile app (“App”). The App generates scalable word-of-mouth product posts and recommendations for advertisers on social media and is designed to connect advertisers with individuals who are willing to promote their products online.

The Thumzup App enables users to select a brand they want to post about on social media. Once the Thumzup user selects the brand and takes a photo (using the App), the App will post the photo and a caption to the user’s social media accounts. For the advertiser, the Thumzup system enables brands to get real people to promote their products to their friends, rather than displaying banner ads that people are tuning out. The Company has recorded nominal revenues during the first six months of 2022 and continues with the development of enhancements to its App and marketing efforts.

The Company is an “emerging growth company” as that term is used in the Jumpstart our Business Startups Act of 2012, and as such, has elected to comply with certain reduced public company reporting requirements.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation - Unaudited Interim Financial Information

The accompanying unaudited condensed financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information, and in accordance with the rules and regulations of the United States Securities and Exchange Commission (the “SEC”) with respect to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited condensed financial statements reflect all adjustments (consisting of normal recurring accruals) which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. Interim results are not necessarily indicative of the results for the full year.

Use of Estimates

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which requires management to use its judgment to make estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures at the date of the financial statements and the reported amounts of expenses during the reported period. These assumptions and estimates could have a material effect on the financial statements. Actual results may differ materially from those estimates. The Company’s management periodically reviews estimates on an ongoing basis based on information currently available, and changes in facts and circumstances may cause the Company to revise these estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash on hand, demand deposits and short-term investments with original maturities of three months or less when purchased. As of June 30, 2022 and December 31, 2021, the Company’s cash and cash equivalents were \$653,856 and \$424,445, respectively.

Prepaid Expenses

The Company has no prepaid expenses at June 30, 2022 and December 31, 2021.

Property and Equipment

Property and equipment, which consists of computer equipment is recorded at cost and depreciated using the straight-line method over the estimated useful lives. Ordinary repair and maintenance costs are included in general and administrative expenses on our statement of operations. However, expenditures for additions or improvements that significantly extend the useful life of the asset are capitalized in the period incurred. At the time assets are sold or disposed of, the cost and accumulated depreciation are removed from their respective accounts and the related gains or losses are reflected in the statements of operations in gains from sales of property and equipment, net.

The estimated useful life for computer equipment is three years. We periodically evaluate the appropriateness of remaining depreciable lives assigned to computer equipment. Depreciation expense for the six months ended June 30, 2022 and 2021 was \$1,080 and \$476, respectively.

Revenue Recognition

The Company accounts for revenue in accordance with ASC 606, Revenue from Contracts with Customers. The underlying principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers at the amount expected to be collected.

Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that we expect to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as we fulfill our obligations under each of our agreements:

- identify the contract with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to performance obligations in the contract; and
- recognize revenue as the performance obligation is satisfied.

Research and Development Costs

Research and development expenses primarily consist of outside contractor costs related to engineering, design and development of a working prototype Thumzup™ App. Generally accepted accounting principles define research costs as a planned search or investigation to discover new knowledge with the hope that the results will eventually be useful in creating new products or services or significant improvements in existing products or services. Capitalization of research and development costs for software begins upon the establishment of technological feasibility, which is generally the completion of a working prototype that has been certified as having no critical bugs and is a release candidate. For the six months ended June 30, 2022 and 2021, research and development costs for software were expensed when incurred as they related to the initial product development stage for our Thumzup™ App.

Income Taxes

The Company utilizes the asset and liability approach to measure deferred tax assets and liabilities based on temporary differences existing at each balance sheet date using currently enacted tax rates in accordance with ASC 740. ASC 740 considers the differences between financial statement treatment and tax treatment of certain transactions. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rate is recognized as income or expense in the period that includes the enactment date of that rate.

The Company has an accumulated deficit of approximately \$1,362,000 as of June 30, 2022, and at the current corporate tax rate of 21% results in an estimated net operating loss (“NOL”) of \$286,020. The Company has no income tax effect due to the recognition of a full valuation allowance on the expected tax benefits of future loss carry forwards based on uncertainty surrounding the realization of such tax assets.

Note 3 – Going Concern

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company was only recently formed, has not yet established profitable operations and has incurred losses since inception. These factors raise substantial doubt about the ability of the Company to continue as a going concern. In this regard, management is proposing to raise additional funds not provided by operations through loans or through sales of its common stock. There is no assurance that the Company will be successful in raising this additional capital or in achieving profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties.

The Company is a beginning revenue, software and services company that has relied on short-term debt and equity funding for its operations. At June 30, 2022 and December 31, 2021, the Company had a cash balance of \$653,856 and \$424,445, respectively, and the Company used \$474,889 to fund operating activities for the six months ended June 30, 2022.

In June 2022 the Company sold 193,501 shares of its common stock for \$3.00 per share and received proceeds of \$580,500.

Note 4 - Senior Secured Convertible Promissory Notes

On November 19, 2020, the Company issued \$215,000 in Senior Secured Convertible Promissory Notes (“Senior Notes”). The Senior Notes mature on November 21, 2022 and accrue interest at eight (8%) per year. Accrued interest may be paid quarterly or converted in to shares of common stock.

The Company’s borrowings are subject to a Note Purchase and Security Agreement (“Agreement”) which, among other things, contains certain covenants. In accordance with the Agreement, the Company secures the Senior Notes with all of the Company’s intellectual property now or hereafter owned or created by or on behalf of the Company’s founding shareholders to operate the Company’s business. The Company’s founding shareholders stock (“Founders’ Stock”) is pledged as additional collateral to secure the terms and covenants of the Agreement and the other financing agreements. The Founders’ Stock is held in escrow with legal counsel selected by the Senior Note holders (“Holders”).

The founding shareholders (“Founders”) have agreed to take no salaries, consulting fees, loans or payment of any kind from the Company until after full satisfaction of each of the following conditions: (1) registration of the shares underlying the Senior Notes with the SEC on Form S-1; (2) obtaining a trading symbol from FINRA or its successor; (3) listing of the Company’s shares of common stock for trading on OTCQB or a national securities exchange such as Nasdaq; (4) completing an equity raise of at least \$3 million at a pre-money valuation for the Company of at least \$10 million; and (5) timely having made all periodic and other filings required of a “reporting” company with the SEC for a period of not less than 12 months.

The Company may prepay all or any portion of the Senior Notes, after providing 30 days prior written notice, at the Company’s option, pro rata to each Holder, by paying one hundred thirty percent (130%) of (1) the then outstanding principal amount plus (2) accrued and unpaid interest on that principal amount. If pre-payment is offered, the Holders may elect to convert into shares of common stock instead of accepting pre-payment. In the event the Company repays the Senior Notes, a Holder, shall have a right, for a period of 12 months from such repayment date, to acquire up to that number of shares of common stock of the Company that results from dividing the principal amount of prepaid Note by \$0.11 per share, which will be adjusted for any stock splits and recapitalizations.

At any time while the Senior Notes are outstanding, and at the sole option of a Holder, the Senior Notes may be converted into shares of the common stock of the Company, or any shares of capital stock or other securities of the Company into which such common stock shall hereafter be changed or reclassified.

A Holder is not entitled to convert any portion of the Senior Note in excess of that portion of the Senior Note upon conversion of which the sum of (1) the number of shares of common stock beneficially owned by the Holder and its affiliates and (2) the number of conversion shares issuable upon the conversion would result in beneficial ownership by a Holder and its affiliates of more than 4.50% of the then outstanding shares of Common Stock.

The per share conversion price into which principal and interest outstanding will be convertible into shares of common stock hereunder is \$0.11 per share. The Agreement contains a protection feature (commonly referred to as a “Down Round”); whereupon any issuance by the Company of common stock, or a security that is convertible into common stock, at a price lower than a net receipt to the Company of \$0.11 per share, then the conversion price will be adjusted to equal the lower price per share. The Company has accounted for the Down Round as a contingent beneficial feature and will record a benefit to a Holder, if and, when a conversion price adjustment occurs.

Note 5 – Shareholders’ Equity

The Company is authorized to issue 100 million shares of common stock, par value \$0.001 per share. As June 30, 2022 and December 31, 2021, the Company had 6,315,670 and 6,037,836 shares issued and outstanding, respectively. The initial shares were issued as follows: 3,500,000 shares to Robert Steele (Founder and CEO) and 1,500,000 shares to Danny Lupinelli (Founder). The Founders’ common stock is pledged as collateral on the Senior Secured Convertible Promissory Notes (See Note 4).

During the six months ended June 30, 2022, the Company sold 82,333 shares of common stock at \$1.50 per share and 193,501 shares of common stock at \$3.00 per share to accredited investors within the meaning of the federal securities laws in transactions exempt from registration under the Securities Act of 1933, as amended. The Company issued 2,000 shares of common stock to an outside consultant for services and recognized an expense of \$18,380.

During the three months ended March 31, 2021, the Company issued 30,000 shares of common stock to its legal counsel at par value per share of \$0.001, pursuant to an engagement letter entered into in December 2020, and sold 463,500 shares of common stock at \$1.00 per share to accredited investors within the meaning of the federal securities laws in transactions exempt from registration under the Securities Act of 1933, as amended.

Note 6 – Contingencies

COVID-19

The Company is subject to risks and uncertainties as a result of the COVID-19 pandemic. The severity of the impact of the COVID-19 pandemic on the Company’s business will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Company’s customers, service providers and suppliers, all of which are uncertain and cannot be predicted. As of the date of issuance of Company’s financial statements, the extent to which the COVID-19 pandemic may in the future materially impact the Company’s financial condition, liquidity or results of operations is uncertain.

Russia-Ukraine conflict

The Russian-Ukraine conflict is a global concern. The Company does not have any direct exposure to Russia or Ukraine through its operations, employee base, investments or sanctions. We have no basis to evaluate the possible risks of this conflict.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This quarterly report including this Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements within the meaning of the federal securities laws. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words "may", "could", "would", "should", "believe", "expect", "anticipate", "plan", "estimate", "target", "project", "intend", "foresee" and similar expressions. These statements include, among others, statements regarding our expected business outlook, anticipated financial and operating results, our business strategy and means to implement the strategy, our objectives, the amount and timing of capital expenditures, the likelihood of our success in expanding our business, financing plans, budgets, working capital needs and sources of liquidity. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are only predictions and are not guarantees of performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Important assumptions relating to the forward-looking statements include, among others, assumptions regarding demand for our products, the expansion of product offerings geographically or through new marketing applications, the timing and cost of planned capital expenditures, competitive conditions and general economic conditions. These assumptions could prove inaccurate. Forward-looking statements also involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. In addition, even if our actual results are consistent with the forward-looking statements contained in this quarterly report, those results may not be indicative of results or developments in subsequent periods. Many of these factors are beyond our ability to control or predict. Such factors include, but are not limited to, the following:

- risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, material delays and cancellations of projects, and other impacts to the business;
- our ability to raise capital when needed and on acceptable terms and conditions;
- our ability to manage credit and debt structures from debt holders;
- our ability to generate revenues and manage the growth of our business;
- competitive pressures;
- general economic conditions;
- our ability to attract and retain management, and to integrate and maintain technical information and management information systems.
- compliance with laws and regulations, including those relating to corporate governance matters and tax matters, as well as any future changes to such laws and regulations.

Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission (“SEC”), we are under no obligation to publicly update or revise any forward-looking statements, whether as a result of any new information, future events or otherwise. Investors, potential investors and other readers are urged to consider the above-mentioned factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results or performance.

INTRODUCTION

Thumzup Media Corporation (“Thumzup” or “Company”, “we,” “us,” or “our”) was incorporated October 27, 2019, under the laws of the State of Nevada, and its headquarters are located in Carson City, Nevada. The Company is a software company, has recently begun to generate revenue and is dedicated to building an influencer community around its mobile app (“App”). The App generates scalable word-of-mouth product posts and recommendations for advertisers on social media and is designed to connect advertisers with individuals who are willing to promote their products online.

The Thumzup App enables users to select a brand they want to post about on social media. Once the Thumzup user selects the brand and takes a photo (using the App), the App will post the photo and a caption to the user’s social media accounts. For the advertiser, the Thumzup system enables brands to get real people to promote their products to their friends, rather than displaying banner ads that people are tuning out.

The Thumzup App was launched in November 2021 in a limited capacity. To date our clients have paid more than 75 creators between \$5.00 and \$10.00 each to post about our initial advertisers. More than 800 posts have been made by our creators.

As of July 31, 2022, the Company has sufficient funds to operate for the next twelve months. The Company anticipates raising additional capital to expand sales to new advertisers, expand acquiring new creators and to improve and further develop the technology.

The Company is an “emerging growth company” as that term is used in the Jumpstart our Business Startups Act of 2012, and as such, has elected to comply with certain reduced public company reporting requirements.

OVERVIEW

We were formed in October 2020 and have not yet established profitable operations and have generated minimal revenue. For the three and six months ended June 30, 2022 and 2021, we incurred \$499,510 and \$233,763 in net losses due primarily to software research and development expenses in both periods.

GOING CONCERN

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company was only recently formed, has not yet established profitable operations and has incurred losses since inception. These factors raise substantial doubt about the ability of the Company to continue as a going concern. In this regard, management is proposing to raise additional funds not provided by operations through loans or through sales of its common stock. There is no assurance that the Company will be successful in raising this additional capital or in achieving profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties.

The Company is a beginning revenue, software and services company that has relied on short-term debt and equity funding for its operations. At June 30, 2022 and December 31, 2021, the Company had a cash balance of \$653,856 and \$424,445, respectively, and the Company used \$474,889 to fund operating activities for the six months ended June 30, 2022. The Company may need to raise additional funding and manage expenses in order to continue as a going concern.

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 2022 AND 2021

The following table set forth certain selected unaudited statement of operations data for the three months ended June 30, 2022 and 2021.

	2022	2021
Revenues	\$ 1,398	\$ —
Operating expenses	272,093	129,601
Loss from operations	(270,695)	(129,601)
Net loss from continuing operations	(275,138)	(132,515)
Net loss per common share	\$ (0.05)	\$ (0.03)

Revenues

The Company recognized \$1,398 and \$0 of revenue during the three months ended June 30, 2022 and 2021, respectively due to the release of its App during the fourth quarter of 2021, thus, no revenues were recognized in the comparable period of 2021.

Operating expenses

For the three months ended June 30, 2022, the Company recognized a total of \$272,093 in operating expenses. The operating expenses were comprised of \$139,952 in software research and development expenses, \$50,498 in marketing expenses, \$81,103 in general and administrative expenses and \$540 in depreciation expense.

For the three months ended June 30, 2021, the Company recognized a total of \$129,601 in operating expenses. The operating expenses were comprised of \$116,742 in software research and development expenses, \$1,150 in marketing expenses, \$11,349 in general and administrative expenses and \$360 in depreciation expense.

Other expenses

For the three months ended June 30, 2022 the Company had \$4,443 in interest expense related to the senior secured convertible promissory notes. For the same period in 2021 the Company recorded interest expense of \$2,914 related to the senior secured convertible promissory notes.

Net Loss and net loss from operations

The Company realized a net loss from operations of \$270,695 and \$129,601 for the three months ended June 30, 2022 and 2021, respectively. The net loss for the same periods was \$275,138 and \$132,515, respectively due to minimal revenues recognized and increased operating expenses in 2022 compared to startup operating costs in 2021.

SIX MONTHS ENDED JUNE 30, 2022 AND 2021

The following table set forth certain selected unaudited statement of operations data for the six months ended June 30, 2022 and 2021.

	2022	2021
Revenues	\$ 4,892	\$ —
Operating expenses	495,516	226,550
Loss from operations	(490,624)	(226,550)
Net loss from continuing operations	(499,510)	(233,764)
Net loss per common share	\$ (0.08)	\$ (0.04)

Revenues

The Company recognized \$4,892 and \$0 of revenue during the six months ended June 30, 2022 and 2021, respectively due to the release of its App during the fourth quarter of 2021, thus, no revenues were recognized in the comparable period of 2021.

Operating expenses

For the six months ended June 30, 2022, the Company recognized a total of \$495,516 in operating expenses. The operating expenses were comprised of \$285,998 in software research and development expenses, \$65,359 in marketing expenses, \$143,079 in general and administrative expenses and \$1,080 in depreciation expense.

The Company is expanding its advertising and marketing efforts to drive revenues and increased expenses in this area by approximately \$63,000 for the six months ending June 30, 2022 compared to the six months ending June 30, 2021.

General and administrative expenses increased over the prior year period by approximately \$125,000 due to increased legal and accounting of approximately \$55,000, increased consulting expenses of approximately \$18,000, increased travel costs in capital raise efforts of approximately \$10,000, increased transfer agent fees due to active trading for the full six months of 2022 of approximately \$9,000, increased administrative contract services to a full-time basis of approximately \$21,000 and increased office supplies and software subscriptions of approximately \$12,000.

For the six months ended June 30, 2021, the Company recognized a total of \$226,550 in operating expenses. The operating expenses were comprised of \$206,330 in software research and development expenses, \$2,121 in marketing expenses, \$17,623 in general and administrative expenses and \$476 in depreciation expense.

Other expenses

For the six months ended June 30, 2022 the Company had \$8,886 in interest expense related to the senior secured convertible promissory notes. For the same period in 2021 the Company recorded interest expense of \$7,214 related to the senior secured convertible promissory notes.

Net Loss and net loss from operations

The Company realized a net loss from operations of \$490,624 and \$226,550 for the six months ended June 30, 2022 and 2021, respectively. The net loss for the same periods was \$499,510 and \$233,764, respectively.

Liquidity and capital resources

As of June 30, 2022, the Company had cash of \$653,856 compared to cash of \$424,445 as of December 31, 2021.

As of June 30, 2022 and December 31, 2021, the Company had an accumulated deficit of \$1,362,452 and \$862,942, respectively.

For the six months ending June 30, 2022 and 2021, the Company's operations resulted in net cash used of \$474,889 and \$263,490, respectively.

Net cash used in investing activities for the six months ended June 30, 2022 and 2021 was \$0 and \$8,547 used to purchase computer equipment and to acquire intangible assets, Trademark.

Net cash provided by financing activities was \$704,300 and \$724,500 for the six months ended June 30, 2022 and 2021, respectively, due mainly to capital raised from accredited investors in both periods.

For the six months ended June 30, 2022, the average monthly cash requirement was \$79,148. Cash on hand on June 30, 2022 of \$653,856 divided by \$79,148 results in roughly eight and a quarter months of cash to operate the Company. If costs stay the same, the Company will have to generate sufficient cashflow from revenues or will need to raise additional capital to operate beyond approximately February 28, 2023. The Company will look to begin ramping revenues in 2022. The Company will also look to conduct an additional offering of securities to provide adequate capital to stay operational and continue to develop revenues toward profitability and sustainability from revenues.

Inflation

The Company's results of operations have not been affected by inflation and management cannot predict the impact, if any, inflation might have on its operations in the future.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company is not required to provide the information required by this Item as it is a smaller reporting company.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. For purposes of this section, the term *disclosure controls and procedures* means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2022, the end of the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level.

Management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control systems are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in a cost-effective control system, no evaluation of internal control over financial reporting can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been or will be detected.

These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

(b) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

Item 1A. Risk Factors.

Not required of a smaller reporting company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the three months ended June 30, 2022, the Company sold 193,501 shares of common stock to accredited investors at a purchase price of \$3.00 per share and 82,333 shares of common stock to accredited investors at a purchase price of \$1.50 per share.

In connection with the foregoing, the Company relied upon the exemption from registration provided under Section 4(a)(2) under the Securities Act of 1933, as amended, for transactions not involving a public offering.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Except as set forth under Item 2 above, there is no other information required to be disclosed under this item which has not been previously disclosed.

Item 6: Exhibits

Exhibit Number	Description of Exhibit
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31.1*	Certificate of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
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32.1**	Certificate of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
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101	Inline XBRL Document Set for the financial statements and accompanying notes in Part I, Item 1, of this Quarterly Report on Form 10-Q.*
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104	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set.*
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* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Thumzup Media Corporation

By: /s/ Robert Steele

Robert Steele
Chief Executive Officer and Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

Date: August 3, 2022

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Robert Steele, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Thumzup Media Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly for the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
- d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2022

By: /s/ Robert Steele

Robert Steele

Principal Executive Officer and Principal Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002**

In connection with this Quarterly Report of Thumzup Media Corporation (the “Company”), on Form 10-Q for the period ended June 30, 2022, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Robert Steel, Principal Executive Officer and Principal Financial Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) Such Quarterly Report on Form 10-Q for the period ended June 30, 2022, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in such Quarterly Report on Form 10-Q for the period ended June 30, 2022, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 3, 2022

By: */s/ Robert Steele*

Robert Steele

Principal Executive Officer and Principal Financial Officer