

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

Form 10-Q

(Mark One)

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

For the quarterly period ended **June 30, 2021**

or

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

For the transition period from _____ to _____

Commission File Number **000-55498**

LINGERIE FIGHTING CHAMPIONSHIPS, INC.

(Exact name of registrant as specified in its charter)

Nevada	20-8009362
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
6955 North Durango Drive, Suite 1115-129, Las Vegas, NV	89149
(Address of principal executive offices)	(Zip Code)

(702) 5277-2942

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	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 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. YES NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

2,987,812,795 shares of common stock issued and outstanding as of July 23, 2021.

PART I - FINANCIAL INFORMATION

Item 1.	Financial Statements	3
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	20
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	25
Item 4.	Controls and Procedures	25

PART II - OTHER INFORMATION

Item 1.	Legal Proceedings	26
Item 1A.	Risk Factors	26
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	26
Item 3.	Defaults Upon Senior Securities	26
Item 4.	Mine Safety Disclosures	26
Item 5.	Other Information	26
Item 6.	Exhibits	27

SIGNATURES	28
----------------------------	----

PART I - FINANCIAL INFORMATION**Item 1. Financial Statements**

**LINGERIE FIGHTING CHAMPIONSHIPS, INC.
BALANCE SHEETS**

	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
	(Unaudited)	
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 129,549	\$ 4,142
Total Current Assets	129,549	4,142
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 11,748	\$ 65,108
Accounts payable - related party	426,168	388,668
Accrued interest payable	216,836	287,429
Promissory note, net of \$202,747 and \$0 debt discount, respectively	97,253	-
Convertible notes, net of \$84,937 and \$211,884 debt discount, respectively	579,281	531,674
Derivative liabilities	10,526,504	4,610,130
Total Current Liabilities	11,857,790	5,883,009
STOCKHOLDERS' DEFICIT		
Preferred stock, par value \$0.001 per share, 10,000,000 shares authorized, 51 shares issued and outstanding	-	-
Common stock, par value \$0.001 per share, 5,000,000,000 shares authorized, 2,987,812,795 and 2,339,101,663 shares issued and outstanding, respectively	2,987,813	2,339,102
Additional paid-in capital (deficiency)	374,020	(20,381)
Accumulated deficit	(15,090,074)	(8,197,588)
Total stockholders' deficit	(11,728,241)	(5,878,867)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 129,549</u>	<u>\$ 4,142</u>

The accompanying notes are an integral part of these unaudited financial statements.

[Table of Contents](#)

**LINGERIE FIGHTING CHAMPIONSHIPS, INC.
STATEMENTS OF OPERATIONS
(UNAUDITED)**

	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue	\$ 27,426	\$ 4,260	\$ 34,502	\$ 7,360
Cost of services	5,027	-	26,032	2,300
GROSS PROFIT	22,399	4,260	8,470	5,060
OPERATING EXPENSES				
Selling, general and administrative expenses	31,097	10,066	55,654	11,119
Professional fees	11,800	19,000	17,050	24,250
Management salaries	30,000	30,000	60,000	60,000
Total Operating Expenses	72,897	59,066	132,704	95,369
OPERATING LOSS	(50,498)	(54,806)	(124,234)	(90,309)
OTHER INCOME (EXPENSE)				
Interest expense	(177,847)	(76,647)	(295,657)	(153,294)
Gain (Loss) on change in fair value of derivative liabilities	882,899	34	(6,472,595)	1,480,430
Total Other Income (Expense)	\$ 705,052	\$ (76,613)	\$ (6,768,252)	\$ 1,327,136

NET INCOME (LOSS)	<u>\$ 654,554</u>	<u>\$ (131,419)</u>	<u>\$ (6,892,486)</u>	<u>\$ 1,236,827</u>
Basic and Diluted Income (Loss) per Common Share	<u>\$ 0.00</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ 0.00</u>
Diluted Earnings (Loss) per Common Share	<u>\$ 0.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.00</u>
Basic and Diluted Weighted Average Shares of Common Stock Outstanding	<u>2,829,327,630</u>	<u>2,021,181,889</u>	<u>2,693,377,804</u>	<u>2,021,181,889</u>
Diluted Weighted Average Shares of Common Stock Outstanding	<u>8,548,113,616</u>	<u>-</u>	<u>-</u>	<u>18,014,310,355</u>

The accompanying notes are an integral part of these unaudited financial statements.

4

[Table of Contents](#)

LINGERIE FIGHTING CHAMPIONSHIPS, INC.
STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2021 AND JUNE 30, 2020

	Common Stock		Preferred Shares		Additional Paid-in Capital (Deficiency)	Accumulated Deficit	Total Stockholders' Deficit
	Number of Shares	Amount	Number of Shares	Amount			
Balance - December 31, 2020	2,339,101,663	\$2,339,102	51	\$ -	\$ (20,381)	\$ (8,197,588)	\$ (5,878,867)
Shares of common stock issued for conversion of debts and accrued interest	239,246,512	239,247	-	-	(229,676)	-	9,571
Shares of common stock issued for exercise of warrants	65,483,870	65,484	-	-	(65,484)	-	-
Write off of convertible notes and accrued interest	-	-	-	-	110,076	-	110,076
Derivative liabilities reclass to additional paid-in capital due to note conversion, warrant exercise and note written off	-	-	-	-	346,640	-	346,640
Net loss	-	-	-	-	-	(7,547,040)	(7,547,040)
Balance - March 31, 2021	2,643,832,045	\$2,643,833	51	\$ -	\$ 141,175	\$ (15,744,628)	\$ (12,959,620)
Shares of common stock issued for conversion of debts and accrued interest	142,025,700	142,026	-	-	(39,781)	-	102,245
Shares of common stock issued for exercise of warrants	201,955,050	201,955	-	-	(201,955)	-	-
Derivative liabilities reclass to additional paid-in capital due to note conversion, warrant exercise and note written off	-	-	-	-	474,581	-	474,581
Net income	-	-	-	-	-	654,554	654,554
Balance - June 30, 2021	2,987,812,795	\$2,987,813	51	\$ -	\$ 374,020	\$ (15,090,074)	\$ (11,728,241)
	Common Stock		Preferred Shares		Additional Paid-in Capital (Deficiency)	Accumulated Deficit	Total Stockholders' Deficit
	Number of Shares	Amount	Number of Shares	Amount			
Balance - December 31, 2019	2,021,181,889	\$2,021,182	51	\$ -	\$ (596,339)	\$ (5,791,564)	\$ (4,366,721)
Net income	-	-	-	-	-	1,368,246	1,368,246
Balance - March 31, 2020	2,021,181,889	\$2,021,182	51	\$ -	\$ (596,339)	\$ (4,423,318)	\$ (2,998,475)
Net loss	-	-	-	-	-	(131,419)	(131,419)
Balance - June 30, 2020	2,021,181,889	\$2,021,182	51	\$ -	\$ (596,339)	\$ (4,554,737)	\$ (3,129,894)

The accompanying notes are an integral part of these unaudited financial statements

5

[Table of Contents](#)

LINGERIE FIGHTING CHAMPIONSHIPS, INC.
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six Months Ended June 30,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (6,892,486)	\$ 1,236,827
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss (Gain) on change in fair value of derivative liabilities	6,472,595	(1,480,430)
Amortization of debt discount	224,201	66,424
Note conversion fee	500	-
Changes in operating assets and liabilities:		
Accounts payable - related party	60,000	60,000
Accounts payable and accrued liabilities	(53,359)	24,517
Accrued interest payable	71,456	86,869
Net cash used in operating activities	(117,093)	(5,793)

CASH FLOWS FROM INVESTING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to related party	(22,500)	(12,500)
Proceeds from promissory notes	265,000	-
Net cash provided by (used in) financing activities	24,500	(12,500)
Net increase (decrease) in cash and cash equivalents	125,407	(18,293)
Cash and cash equivalents - beginning of period	4,142	43,707
Cash and cash equivalents - end of period	\$ 129,549	\$ 25,414

Supplemental Cash Flow Disclosures

Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

NON-CASH INVESTING AND FINANCING ACTIVITIES

Debt discount from derivative liabilities	\$ 265,000	\$ -
Derivative liabilities reclass to additional paid-in capital due to note conversion, warrant exercise and note written off	\$ 821,221	\$ -
Shares of common stock issued for conversion of debt and accrued interest	\$ 111,815	\$ -
Shares of common stock issued for exercise of warrants	\$ 267,439	\$ -
Write off of convertible notes and accrued interest	\$ 110,076	\$ -

The accompanying notes are an integral part of these unaudited financial statements.

6

[Table of Contents](#)

**LINGERIE FIGHTING CHAMPIONSHIPS, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS

Lingerie Fighting Championships, Inc. (the “Company”) is a Nevada corporation incorporated on November 29, 2006 under the name Sparking Events, Inc. The Company’s corporate name was changed to Xodtec Group USA, Inc. in June 2009, Xodtec LED, Inc. in May 2010, Cala Energy Corp. in September 2013 and Lingerie Fighting Championships, Inc. on April 1, 2015.

The Company focuses on developing, producing, promoting, and distributing entertainment through live entertainment events, digital home videos, broadcast television networks, video on demand, and digital media channels in the United States. It offers wrestling and mixed martial arts fights featuring women under the LFC brand name.

NOTE 2 – BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The accompanying unaudited interim financial statements have been prepared in accordance with GAAP for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the six months ended June 30, 2021 are not necessarily indicative of the results that may be expected for the year ending December 31, 2021. Notes to the unaudited interim financial statements that would substantially duplicate the disclosures contained in the audited financial statements for fiscal year 2018 have been omitted. These interim financial statements are condensed and should be read in conjunction with the audited financial statements and the footnotes thereto for the fiscal year ended December 31, 2020 included in the Company’s Annual Report on Form 10-K as filed with the Securities and Exchange Commission on June 7, 2021.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company continually evaluates its estimates and judgments. The Company bases its estimates and judgments on historical experience and other factors that it believes to be reasonable under the circumstances. Materially different results can occur as circumstances change and additional information becomes known, even for estimates and judgments that are not deemed critical.

Reclassifications

Certain prior period amounts have been reclassified to conform with the current year presentation.

Cash and Cash Equivalents

The Company considers all highly liquid investments with the original maturities of three months or less to be cash equivalents. The Company had \$129,549 and \$4,142 in cash and cash equivalents as at June 30, 2021 and December 31, 2020, respectively.

Revenue Recognition

The Company recognizes revenue from the sale of products and services in accordance with ASC 606, “Revenue Recognition” following the five steps procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize revenue when the entity satisfies a performance obligation

7

[Table of Contents](#)

The Company's revenue derives from the development, promotion and distribution of our live events and televised entertainment programming. For the six months ended June 30, 2021 and 2020, the Company recognized revenue of \$34,502 and \$7,360 and cost of sales of \$26,032 and \$2,300, resulting in gross profit of \$8,470 and \$5,060, respectively.

Earnings (Loss) per Share

The Company computes basic and diluted net loss per share amounts in accordance with ASC Topic 260, "Earnings per Share." Basic loss per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of shares of common stock outstanding during the reporting period. Diluted loss per share reflects the potential dilution that could occur if convertible notes to issue common stock were converted resulting in the issuance of common stock that could share in the loss of the Company.

Three months ended June 30, 2021

For the three months ended June 30, 2021, 5,718,785,986 shares of common stock from the convertible notes and warrants were included in the calculation of diluted earnings per shares.

	June 30, 2021 (Shares)
Convertible notes payable	614,690,748
Warrants	5,104,095,238
	<u>5,718,785,986</u>

Three months ended June 30, 2020

For the three months ended June 30, 2020, convertible notes and warrants were dilutive instruments and were not included in the calculation of diluted loss per share as their effect would be antidilutive.

	June 30, 2020 (Shares)
Convertible notes payable	15,023,295,133
Warrants	969,833,333
	<u>15,993,128,466</u>

[Table of Contents](#)

Six months ended June 30, 2021

For the six months ended June 30, 2021, convertible notes and warrants were dilutive instruments and were not included in the calculation of diluted loss per share as their effect would be antidilutive.

	June 30, 2021 (Shares)
Convertible notes payable	614,690,748
Warrants	5,104,095,238
	<u>5,718,785,986</u>

Six months ended June 30, 2020

For the six months ended June 30, 2020, 15,993,128,466 shares of common stock from the convertible notes and warrants were included in the calculation of diluted earnings per shares.

	June 30, 2020 (Shares)
Convertible notes payable	15,023,295,133
Warrants	969,833,333
	<u>15,993,128,466</u>

Related Party Balances and Transactions

The Company follows FASB ASC 850, "Related Party Disclosures," for the identification of related parties and disclosure of related party transaction. (See Note 9)

Beneficial Conversion Feature of Convertible Debt

The Company accounts for convertible debt in accordance with the guidelines established by FASB ASC 470-20, "Debt with Conversion and Other Options". The Beneficial Conversion Feature ("BCF") of convertible debt is normally characterized as the convertible portion or feature of certain debt that provide a rate of conversion that is below market value or in-the-money when issued. The Company records a BCF related to the issuance of convertible debt when issued, and also records the estimated fair value. Beneficial Conversion Features that are contingent upon the occurrence of a future event are recorded when the event is resolved.

Convertible Instruments and Derivatives

The Company evaluates and account for conversion options embedded in convertible instruments in accordance with ASC 815 "Derivatives and Hedging Activities."

Share-Based Compensation

The Company measures the cost of services received in exchange for an award of an equity instrument based on the grant-date fair value of the award. Employee awards are accounted for under ASC 718 - where the awards are valued at grant date. Awards given to nonemployees are accounted for under ASC 505 where the awards are valued at earlier of commitment date or completion of services. Compensation cost for employee awards is recognized over the vesting or requisite service period. The Black-Scholes option-pricing model is used to estimate the fair value of options or warrants granted.

[Table of Contents](#)
Fair Value Measurement

The Company adopted the provisions of ASC Topic 820, “Fair Value Measurements and Disclosures,” which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair value measurements.

The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments. The carrying amounts of our short and long term credit obligations approximate fair value because the effective yields on these obligations, which include contractual interest rates taken together with other features such as concurrent issuances of warrants and/or embedded conversion options, are comparable to rates of returns for instruments of similar credit risk.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

- Level 1 – quoted prices in active markets for identical assets or liabilities
- Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable
- Level 3 – inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

The derivative liability in connection with the conversion feature of the convertible debt, classified as a level 3 liability, is the only financial liability measured at fair value on a recurring basis. (See Note 8)

The following table summarizes fair value measurement by level at June 30, 2021 and December 31, 2020, measured at fair value on a recurring basis:

June 30, 2021	Level 1	Level 2	Level 3	Total
Assets				
None	-	-	-	-
Liabilities				
Derivative liabilities	-	-	10,526,504	10,526,504
December 31, 2020	Level 1	Level 2	Level 3	Total
Assets				
None	-	-	-	-
Liabilities				
Derivative liabilities	-	-	4,610,130	4,610,130

Recent Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, ASC Subtopic 470-20 “*Debt—Debt with Conversion and Other Options*”. The standard reduced the number of accounting models for convertible debt instruments and convertible preferred stock. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting; and, (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. The amendments in this update are effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company is currently assessing the impact of the adoption of this standard on its financial statements.

[Table of Contents](#)

In December 2019, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes (ASU 2019-12), which simplifies the accounting for income taxes. This guidance will be effective for entities for the fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020 on a prospective basis, with early adoption permitted. For the Company, the new standard was effective on January 1, 2021 and we do not expect the adoption of this guidance to have a material impact on our financial statements.

Management has considered all other recent accounting pronouncements issued. The Company’s management believes that these recent pronouncements will not have a material effect on the Company’s financial statements.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared in conformity with GAAP, which contemplate continuation of the Company as a going concern. The Company has generated nominal revenues since inception, has sustained losses since its organization and requires funding to generate revenue. These conditions raise substantial doubt as to the Company’s ability to continue as a going concern.

Management anticipates that the Company will be dependent, for the near future, on additional investment capital to fund operating expenses. The Company can give no assurances that it can or will become financially viable and continue as a going concern.

NOTE 4 – STOCKHOLDERS DEFICIT
Preferred Stock

The authorized preferred stock consists of 10,000,000 shares with a par value \$0.001 per share. The board of directors has broad discretion in setting the rights, preferences and privileges of one or more series of preferred stock.

On September 3, 2016, the Company issued 51 Series A preferred shares to the Chief Executive Officer. The Series A preferred shares have voting rights, resulting in the Series A stockholder holding in aggregate approximately 51% of the total voting power of all issued and outstanding voting capital of the Company. The valuation of the preferred shares was completed by the Company based on the change in voting percentage rights before and after the Series A shares were issued. The value of the Series A shares is \$42,669 and was expensed.

Common Stock

The Company has authorized 5,000,000,000 shares with a par value \$0.001 per share.

During the six months ended June 30, 2021, the Company issued 381,272,212 shares of common stock for the conversion of convertible note of \$23,925 and accrued interest of \$87,390.

During the six months ended June 30, 2021, the Company issued 267,438,920 shares of common stock for the exercise of 281,500,000 units of share purchase warrants.

As of June 30, 2021 and December 31, 2020, the shares of common stock issued and outstanding was 2,987,812,795 and 2,339,101,663, respectively.

NOTE 5 – WARRANTS

During the six months ended June 30, 2021, in conjunction with the issuance of a promissory note, the Company issued 300,000,000 units of common stock purchase warrants, exercisable for five years from issuance at weighted average exercise price of \$0.0002 per share.

[Table of Contents](#)

The below table summarizes the activity of warrants exercisable for shares of common stock during the three months ended June 30, 2021 and year ended December 31, 2020:

	Number of Shares	Weighted- Average Exercise Price
Balances as of December 31, 2019	969,833,333	\$ 0.0002
Granted	4,656,666,666	0.0001
Redeemed	(188,333,333)	0.0003
Exercised	-	-
Forfeited	-	-
Balances as of December 31, 2020	5,438,166,666	\$ 0.0001
Granted	300,000,000	0.0002
Redeemed	-	-
Exercised	(281,500,000)	0.0003
Forfeited	-	-
Balances as of June 30, 2021	<u>5,456,666,666</u>	<u>\$ 0.0001</u>

During the six months ended June 30, 2021, the Company issued 267,438,920 shares of common stock for the exercise of 281,500,000 units of share purchase warrants.

The fair value of each warrant on the date of grant is estimated using the Black-Scholes option valuation model. The following weighted-average assumptions were used for options granted during the six months ended June 30, 2021 and 2020:

	Six Months Ended June 30,	
	2021	2020
Exercise price	\$ 0.0001	\$ 0.0002
Expected term	4.28 years	3.95 years
Expected average volatility	359% - 417%	355% - 384%
Expected dividend yield	-	-
Risk-free interest rate	0.18%-0.92%	0.18% - 0.34%

The following table summarizes information relating to outstanding and exercisable warrants as of June 30, 2021:

Number of Shares	Warrants Outstanding		Warrants Exercisable	
	Weighted Average Remaining Contractual life (in years)	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
5,456,666,666	4.28	\$ 0.0001	5,456,666,666	\$ 0.0001

Aggregate intrinsic value is the sum of the amounts by which the quoted market price of the Company’s stock exceeded the exercise price of the warrants at June 30, 2021 for those warrants for which the quoted market price was in excess of the exercise price (“in-the-money” warrants). As of June 30, 2021, the aggregate intrinsic value of warrants outstanding was approximately \$8,770,217 based on the closing market price of \$0.0018 on June 30, 2021.

[Table of Contents](#)

The Company determined that the warrants qualify for derivative accounting as a result of the related issuance of the convertible notes. As of June 30, 2021 and December 31, 2020, the Company valued the fair value on the 5,438,166,666 units and 5,438,166,666 units of common stock purchase warrants granted at \$9,548,644 and \$1,641,589 based on Black-Scholes option valuation model, respectively.

NOTE 6 – PROMISSORY NOTE

On March 4, 2021, the Company entered into an agreement with Auctus Fund, LLC to issue a senior secured promissory note of \$300,000 to the unrelated party, which bears interest at 12% of the principal amount. The promissory note matures on March 4, 2022. The note is to be repaid by six equal payments commencing on the sixth month anniversary of issuance and due monthly thereafter. In conjunction with the convertible note, the Company issued warrants to purchase 150,000,000 shares of common stock, exercisable for five years from issuance at \$0.002 per share and returnable warrants to purchase 150,000,000 shares of common stock, exercisable for five years from issuance at \$0.002 per share which will be automatically expired in the event that the Company repays the convertible promissory notes prior to its maturity date. (See Note 5)

The note was discounted for original discount of \$35,000 and a derivative on warrants of \$265,000 for an aggregate discount of \$300,000, which is being amortized over the life of the note using the effective interest method resulting in \$97,253 of debt discount amortization for the six months ended June 30, 2021.

As of June 30, 2021, the note is presented at \$97,253, net of debt discount of \$202,747.

During the six months ended June 30, 2021, interest expense of \$11,638 was incurred on the promissory note. As of June 30, 2021, accrued interest payable on the promissory note was \$11,638.

NOTE 7 – CONVERTIBLE NOTES

The Company had the following unsecured convertible notes payable as at June 30, 2021 and December 31, 2020:

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Convertible Promissory Notes to Auctus Fund	\$ 579,281	\$ 476,258
Convertible Promissory Notes to Tangiers	-	23,801
Convertible Promissory Notes to Denali	-	31,615
Total Convertible Debts	<u>\$ 579,281</u>	<u>\$ 531,674</u>

Promissory Notes Payable to Auctus Fund

Auctus #1

On May 20, 2016, the Company entered into an agreement to issue a convertible promissory note to an unrelated party for an amount of \$67,750 with a \$7,750 original issue discount. The convertible promissory note bears interest at 10% per annum and matures nine months from issue date. The conversion price is 50% of the lowest trading price 25 days prior to conversion. The note was discounted for a derivative and the discount of \$60,000 is being amortized over the life of the note using the effective interest method resulting in \$0 and \$14,542 of interest expense for the year ended December 31, 2018 and December 31, 2017, respectively.

During the year ended December 31, 2017, principal of \$15,278 and accrued interest of \$5,975 were converted into 111,460,000 shares of common stock.

During the year ended December 31, 2018, accrued interest of \$2,494 were converted into 133,258,300 shares of common stock.

During the year ended December 31, 2019, principal of \$40,241 and accrued interest of \$1,153 were converted into 1,066,179,950 shares of common stock.

Table of Contents

During the year ended December 31, 2020, accrued interest of \$12,717 were converted into 317,919,774 shares of common stock.

During the six months ended June 30, 2021, principal of \$3,746 and accrued interest of \$5,834 were converted into 239,266,512 shares of common stock.

As of June 30, 2021, the note is presented net of a debt discount of \$1,265.

This note is currently in default.

Auctus #2

On September 20, 2016, the Company entered into an agreement to issue a convertible promissory note to an unrelated party for an amount of \$56,750 with a \$6,750 original issue discount. The convertible promissory note bears interest at 10% per annum and matures nine months from issue date. The conversion price is 50% of the lowest trading price 25 days prior to conversion. The note was discounted for a derivative and the discount of \$50,000 is being amortized over the life of the note using the effective interest method resulting in \$0 and \$35,607 of interest expense for the year ended December 31, 2018 and year ended December 31, 2017, respectively.

On July 7, 2017, note amendment was executed with \$20,000 increase in principal of the note and the note principal increased to \$76,750. The Company received \$20,000 cash proceeds from the note amendment on the same date.

During the six months ended June 30, 2021, principal of \$20,179 and accrued interest of \$81,565 were converted into 142,005,700 shares of common stock.

As of June 30, 2021, the notes are presented net of a debt discount of \$76,750.

This note is currently in default.

Auctus #3

On January 13, 2017, the Company entered into an agreement with Power Up Lending Group to issue a convertible promissory note of \$45,000 with a \$2,500 original issue discount to the unrelated party, which bears interest at 8% of the principal amount. The promissory note matures on January 13, 2018. The conversion price shall be equal to 57.5% of the lowest trading price of the Company's common stock during the 20 consecutive trading days prior to the date on which the unrelated party elects to convert all or part of the note. The note was discounted for a derivative and the discount of \$45,000 is being amortized over the life of the note using the effective interest method. Total of \$0 and \$40,843 of the discount was recorded as interest expense for the year ended December 31, 2018 and the year ended December 31, 2017.

During the year ended December 31, 2017, principal of \$6,700 was converted into 30,455,486 shares of common stock.

On June 14, 2017, the Company entered into an agreement with Power Up Lending Group to issue a convertible promissory note of \$7,500 to the unrelated party, which bears interest at 12% of the principal amount. The promissory note matured on March 20, 2018. The conversion price shall be equal to 50% of the lowest trading price of the Company's common stock during the 20 consecutive trading days prior to the date on which the unrelated party elects to convert all or part of the note. The note was discounted for a derivative and the discount of \$7,500 is being amortized over the life of the note using the effective interest method. Total of \$0 and \$4,462 of the discount was recorded as interest expense for the year ended December 31, 2018 and the year ended December 31, 2017.

On November 27, 2017, Auctus Fund, LLC entered into an agreement with Power Up Lending Group Ltd. to buy out the total outstanding

principal amount and accrued interest of the two convertible promissory notes at \$50,774.54. The note bears interest at 12% of the principal amount and matured on March 20, 2018. The conversion price shall be equal 57.5% of the lowest trading price of the Company's common stock during the 20 consecutive trading days prior to the date on which the unrelated party elects to convert all or part of the note. During the year ended December 31, 2018 and the year ended December 31, 2017, interest expense of \$5,030 and \$2,165 was recorded over the remaining note discount transferred the two convertible notes of \$7,195.

[Table of Contents](#)

As of June 30, 2021, the note is presented net of a debt discount of \$50,745.

This note is currently in default.

Auctus #4

On November 2, 2017, the Company entered into an agreement to issue a convertible promissory note of \$53,000 to the unrelated party, which bears interest at 12% of the principal amount. The promissory note matures on August 2, 2018. The conversion price shall be equal to 50% of the lowest trading price of the Company's common stock during the 25 consecutive trading days prior to the date on which the unrelated party elects to convert all or part of the note. The note was discounted for a derivative and the discount of \$53,000 is being amortized over the life of the note using the effective interest method. Total of \$41,546 and \$11,454 of the discount was recorded as interest expense for the year ended December 31, 2018 and the year ended December 31, 2017. On February 23, 2018, EMA Financial LLC and Auctus Fund, LLC each made repayment to Crown Bridge Partners, LLC on behalf of the Company at \$5,636.04 to settle the total outstanding principal and accrued penalty amount at \$11,272.08 of the \$40,000 convertible note. As a result, the principal amount of the \$53,000 convertible note increased to \$58,636.04.

As of December 31, 2021, the note is presented net of a debt discount of \$58,636.

This note is currently in default.

Auctus #5

On March 7, 2018, the Company entered into an agreement to issue a convertible promissory note to an unrelated party for an amount of \$30,000 with a \$5,000 original issue discount. The convertible promissory note bears interest at 12% per annum and matures nine months from issue date. The conversion price is 50% of the lowest trading price 25 days prior to conversion. The note was discounted for a derivative and the discount of \$30,000 is being amortized over the life of the note using the effective interest method resulting in \$30,000 of interest expense for the year ended December 31, 2018.

As of June 30, 2021, the note is presented net of a debt discount of \$30,000.

This note is currently in default.

Auctus #6

On July 9, 2018, the Company entered into an agreement to issue a convertible promissory note to an unrelated party for an amount of \$43,500 with a \$5,000 original issue discount. On July 25, 2018, the convertible promissory note was further amended with principal increased to \$48,500. The convertible promissory note bears interest at 12% per annum and matures nine months from issue date. The conversion price is 50% of the lowest trading price 25 days prior to conversion. The note was discounted for a derivative and the discount of \$48,500 is being amortized over the life of the note using the effective interest method resulting in \$17,524 and \$30,976 of interest expense for the year ended December 31, 2019 and the year ended December 31, 2018, respectively. In conjunction with the convertible note, the Company issued warrants to purchase 72,500,000 shares of common stock, exercisable for five years from issuance at \$0.0003 per share.

As of June 30, 2021, the note is presented net of a debt discount of \$48,500.

This note is currently in default.

[Table of Contents](#)

Auctus #7

On March 22, 2019, the Company entered into an agreement to issue a convertible promissory note to an unrelated party for an amount of \$62,500 with a \$9,000 original issue discount. The convertible promissory note bears interest at 12% per annum and matures nine months from issue date. The conversion price is 50% of the lowest trading price 25 days prior to conversion. The note was discounted for a derivative and the discount of \$62,500 is being amortized over the life of the note using the effective interest method resulting in \$62,500 of interest expense for the year ended December 31, 2019. In conjunction with the convertible note, the Company issued warrants to purchase 209,000,000 shares of common stock, exercisable for five years from issuance at \$0.0003 per share.

As of June 30, 2021, the note is presented net of a debt discount of \$62,500.

This note is currently in default.

Auctus#8

On October 23, 2019, the Company entered into an agreement to issue a convertible promissory note of \$100,000 to the unrelated party, which bears interest at 12% per annum and matures nine months from issue date. The conversion price shall be equal to the lesser of (i) 50% multiplied by the lowest Trading Price during the previous twenty-five Trading Day period ending on the latest complete Trading Day prior to the date of this Note and (ii) the Variable Conversion Price, that is 50% multiplied by the Market Price, being the lowest Trading Price for the Common Stock during the twenty-five Trading Day period ending on the latest complete Trading Day prior to the Conversion Date. The note was discounted for a derivative and the discount of \$100,000 is being amortized over the life of the note using the effective interest method resulting in \$25,182 of interest expense for the year ended December 31, 2019. In conjunction with the convertible note, the Company issued warrants to purchase 50,000,000 shares of common stock, exercisable for five years from issuance at \$0.0001 per share.

As of June 30, 2021, the note is presented net of a debt discount of \$100,000.

This note is currently in default.

Auctus#9

On August 4, 2020, the Company entered into an agreement with Auctus Fund, LLC to issue a convertible promissory note of \$31,000 to the unrelated party, which bears interest at 12% of the principal amount. The promissory note matures on August 4, 2021. The note is to be repaid by six equal payments commencing on the sixth month anniversary of issuance and due monthly thereafter. The conversion price shall be equal to the lesser of (i) the lowest Trading Price during the previous five trading day period ending on the latest completed trading Day prior to the date of this Note and (ii) Variable Conversion Price, that is Market Price being the volume weighted average price (VWAP) for the Common Stock during the five trading day period ending on the latest complete trading day prior to the conversion date. The note was discounted for a derivative and the discount of \$31,000 is being amortized over the life of the note using the effective interest method. In conjunction with the convertible note, the Company issued warrants to purchase 206,666,666 shares of common stock, exercisable for five years from issuance at \$0.0003 per share.

As of June 30, 2021, the note is presented net of a debt discount of \$27,433.

Auctus#10

On November 2, 2020, the Company entered into an agreement with Auctus Fund, LLC to issue a convertible promissory note of \$225,000 to the unrelated party, which bears interest at 12% of the principal amount. The promissory note matures on November 2, 2021. The note is to be repaid by six equal payments commencing on the sixth month anniversary of issuance and due monthly thereafter. The conversion price shall be equal to the lesser of (i) the lowest Trading Price and (ii) Variable Conversion Price, that is Market Price being the lowest trading price for the common stock during the one trading day period ending on the latest complete trading day prior to the conversion date. The note was discounted for a derivative and the discount of \$225,000 is being amortized over the life of the note using the effective interest method. In conjunction with the convertible note, the Company issued warrants to purchase 2,225,000,000 shares of common stock, exercisable for five years from issuance at \$0.0001 per share and returnable warrants to purchase 2,225,000,000 shares of common stock, exercisable for five years from issuance at \$0.0001 per share which will be automatically expired in the event that the Company repays the convertible promissory notes prior to its maturity date.

As of June 30, 2021, the note is presented net of a debt discount of \$143,630.

Table of Contents

Commitment Note Payable to Tangiers

On April 4, 2016, the Company entered into an investment agreement with an unrelated party. Per the investment agreement, the investor will invest up to \$5,000,000 to purchase the Company's common stock, par value of \$0.001 per share. In connection with the investment agreement, the Company entered into a registration rights agreement with the unrelated party which has been filed with the SEC. The maximum investment amount is equal to one hundred percent of the average of the daily trading volume of the common stock for the ten days prior to the put notice entered into by the unrelated party. The total purchase price to be paid in connection with the put notice, is calculated at eighteen percent discount of the lowest trading price of the common stock during the five consecutive trading days immediately succeeding the put notice date.

The Company issued a promissory note to the unrelated party for \$100,000, as a commitment fee, which bears interest at 10% of the principal amount and matures seven months from April 4, 2016 with a possible extension to ten months based on whether the Company executes the related investment agreement within 180 days from April 4, 2016. If the registration statement is declared effective within 90 days of the execution of the investment agreement, the Company and the unrelated party agree the principal balance of the note will be immediately reduced by \$40,000. The note payable will be available to be converted upon default. Per the agreement, default could occur based on: failure of payment on any outstanding amounts longer than five days after the due date, failure to issue shares after request, or failure to comply with all of the other material provisions included in the agreement. The conversion price is equal to the lower of: (a) 90% of the lowest trading price of the Company's common stock during the 25 consecutive trading days prior to the date on which the unrelated party elects to convert all or part of the note, or (b) 90% of the lowest trading price of the Company's common stock during the 25 consecutive trading days prior to the effective date of April 4, 2016. At the election of the unrelated party, at each closing date (as defined in the investment agreement) after the date which is six months after April 4, 2016, the unrelated party shall retain (or the Company shall pay to the unrelated party) an amount equal to ten percent of each Put Amount (as defined in the agreement), and the amounts shall be applied by the unrelated party as follows: first against the amount of any unpaid interest or other fees, and second against any unpaid principal amounts, until all interest, fees, and principal have been paid.

On April 28, 2016, the Company filed a registration statement with the Securities and Exchange Commission to register 3,500,000 shares of common stock pursuant to the Investment Agreement and the Registration Rights Agreement. On May 24, 2016, the Company received a comment letter from the Securities and Exchange Commission regarding the registration statement. On March 3, 2017, the Company voluntarily withdrew the registration statement.

The Company expensed the \$100,000 as commitment fee during the year ended December 31, 2016.

The note was discounted for a derivative and the discount of \$65,238 is fully amortized into interest expense for the year ended December 31, 2016.

On January 10, 2017, the Company entered into an Assignment Agreement that Denali acquired \$50,000 of the \$100,000 note held by Tangiers. As at January 10, 2017, \$50,000 of principal remained with Tangiers.

During the year ended December 31, 2017, principal of \$26,199 was converted for 49,905,893 shares of common stock.

During the six months ended June 30, 2021, principal amount of \$23,801 and accrued interest of \$29,403 were written off.

Table of Contents

Notes Payable to Denali

On January 10, 2017, the Company entered into an Assignment Agreement that Denali acquired \$50,000 of the \$100,000 note held by Tangiers.

During the year ended December 31, 2017, principal of \$18,385 was converted for 9,884,409 shares of common stock.

As of December 31, 2020, the note principal balance was \$31,615.

During the six months ended June 30, 2021, principal amount of \$31,615 and accrued interest of \$25,257 were written off.

Accrued interest on convertible notes

During the six months ended June 30, 2021 and 2020, interest expense of \$59,819 and \$86,870 was incurred on convertible notes, respectively.

During the six months ended June 30, 2021, accrued interest of \$54,660 was written off and accrued interest of \$87,390 was converted to common shares. As of June 30, 2021 and December 31, 2020, accrued interest payable on convertible notes was \$205,198 and \$287,430, respectively.

Summary of Conversions

During the six months ended June 30, 2021, the Company issued 381,272,212 shares of common stock for the conversion of convertible note of \$23,925 and accrued interest of \$87,390.

NOTE 8 – DERIVATIVE LIABILITY

The Company analyzed the conversion options for derivative accounting consideration under ASC 815, Derivatives and Hedging, and hedging, and determined that the instrument should be classified as a liability when the conversion option becomes effective.

The following table summarizes the derivative liabilities included in the balance sheet at June 30, 2021:

Balance - December 31, 2020	\$ 4,610,130
Reduction of derivative liabilities from conversion of convertible notes	(42,855)
Reduction of derivative liabilities from exercise of warrants	(593,645)
Reduction of derivative liabilities from written off of convertible notes	(184,721)
Addition of new derivative liabilities upon issuance of warrants as debt discount	265,000
Addition of new derivatives liabilities recognized as day one loss on warrants	346,970
Loss on change in fair value of the derivative	6,125,625
Balance - June 30, 2021	<u>\$ 10,526,504</u>

The following table summarizes the loss on derivative liability included in the income statement for the six months ended June 30, 2021 and 2020, respectively.

	Six Months Ended	
	June 30, 2021	June 30, 2020
Day one loss due to derivative liabilities on warrants	\$ (346,970)	\$ -
Gain (Loss) on change in fair value of derivative liabilities on convertible notes and warrants	(6,125,325)	1,480,430
Gain (Loss) on change in fair value of derivative liabilities	<u>\$ (6,472,295)</u>	<u>\$ 1,480,430</u>

Table of Contents

The table below shows the Black-Scholes option-pricing model inputs used by the Company to value the derivative liability at each measurement date:

	Six Months Ended	
	June 30, 2021	June 30, 2020
Expected term	0.24 years	0.06 years
Expected average volatility	95% - 472%	-
Expected dividend yield	-	-
Risk-free interest rate	0.03% - 0.16%	-

NOTE 9 – RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2021, the Company accrued \$60,000 of salary payable to the Director of the Company and paid \$22,500 owing to him for the accrued salaries.

During the six months ended June 30, 2020, the Company accrued \$60,000 of salary payable to the Director of the Company and paid \$12,500 owing to him for the accrued salaries.

As of June 30, 2021 and December 31, 2020, amount due to the related party was \$426,168 and \$388,668, respectively.

NOTE 10 – RISKS AND UNCERTAINTIES

In early 2020, the World Health Organization declared the rapidly spreading coronavirus disease (COVID-19) outbreak a pandemic. This pandemic has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. The Company considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no retroactive material adverse impacts on the Company's results of operations and financial position at June 30, 2021. The full extent of the future impacts of COVID-19 on the Company's operations is uncertain. A prolonged outbreak could have a material adverse impact on financial results and business operations of the Company in the future. The Company is not aware of any specific event or circumstance that would require an update to its estimates or judgments or a revision of the carrying value of its assets or liabilities as of the date of issuance of this Quarterly Report on Form 10-Q. These estimates may change, as new events occur and additional information is obtained.

NOTE 11 – SUBSEQUENT EVENTS

In accordance with ASC 855-10, the Company has analyzed its operations subsequent to the June 30, 2021 to the date these financial statements were issued and has determined that it does not have any material subsequent events to disclose in these financial statements.

Table of Contents

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of

activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are prepared in accordance with United States Generally Accepted Accounting Principles. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this quarterly report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this quarterly report.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to “common shares” refer to the common shares in our capital stock.

As used in this quarterly report, the terms “we”, “us”, “our” and “our company” mean Lingerie Fighting Championships, Inc., unless otherwise indicated.

General Overview

We were incorporated under the laws of the State of Nevada on November 29, 2006 under the name “Sparking Events, Inc.”. Our name was changed to Xodtec Group USA, Inc. in June 2009, Xodtec LED, Inc. in May 2010, Cala Energy Corp. in September 2013 and Lingerie Fighting Championships, Inc. on April 1, 2015.

We are a media company focused on the development, production, promotion and distribution of original entertainment which we plan to make commercially available predominantly through live entertainment events, as well as through digital home video, broadcast television networks, video-on-demand and digital media channels.

Our business and corporate address is 6955 North Durango Drive, Suite 1115-129, Las Vegas NV 89149. Our corporate website is <http://lingeriefc.com/>.

We do not have any subsidiaries.

We have never declared bankruptcy nor have we ever been in receivership.

Our Current Business

Our LFC business and brand is focused on building and establishing a sports entertainment league that utilizes wrestling and mixed martial arts (“MMA”) fighting techniques for purposes of providing entertainment. We seek to promote and market our brand, our programming, our events and our products.

Our mission is to establish the popularity of our LFC league and brand based on holding live events and to promote our athletes via a reality series and merchandise such as t-shirts and calendars. Our uniqueness is derived from our predominantly all female league structure, where a vast array of beautiful, attractive and unique women engage in wrestling and MMA fighting techniques against one another for purposes of delivering high quality entertainment to mature audiences.

Our management believes that the LFC league and our unique approach in applying a predominantly all female league structure to wrestling and mixed martial arts gives us a substantial competitive advantage to build the popularity of the LFC league in general.

Recent Business Development

On May 5, 2021, we have been booked to perform three events at the Sturgis Buffalo Chip during the closing weekend of the 2021 Sturgis Motorcycle Rally in Sturgis, SD.

On May 17, 2021, we have inked a deal with Johnny Cafarella who will oversee the creation of a brand new television series about the controversial MMA league. Cafarella is best known as the co-founder and producer of GLOW which saw a resurgence in popularity recently with the success of the GLOW series on Netflix.

[Table of Contents](#)

On June 15, 2021, we have added Christopher Crotte (aka The SuperBeast) to their ranks as a trainer and coach for the upcoming events at the Sturgis Motorcycle Rally.

On June 21, 2021, we have partnered with Agape Impetus Dunamis Ministries (AIDM) as one of the league’s principal sponsors at their 3 upcoming events at the Sturgis Motorcycle Rally. The California-based ministry created an inspirational design which will adorn the LFC ring during the league’s events on the closing weekend of the Rally which is expected to draw as many as 750,000 bike enthusiasts.

In July 2021, we were approached by a company called Scuffle LLC who specialize in launching Roku channels. We have partnered with them to launch our own channel we’ll be calling “LFC Network”. The channel will carry our past events, our reality series and several new series we plan to create. It will be similar in scope to WWE Network. It will be funded by a combination of subscription fees, advertisers and sponsors, both self generated and placed by Roku itself.

Results of Operations

Three months ended June 30, 2021 as compared to the three months ended June 30, 2020

Our operating results for the three months ended June 30, 2021 and June 30, 2020, and the changes between those periods for the respective items are summarized as follows:

Statement of Operations Data:	Three Months Ended		Changes	
	June 30,		Amount	%
	2021	2020		
Revenue	\$ 27,426	\$ 4,260	\$ 23,166	544%
Cost of Services	(5,027)	-	(5,027)	-
Total operating expenses	(72,897)	(59,066)	(13,831)	23%
Other income (expense)	705,052	(76,613)	781,665	(1020%)

Revenues

We generated revenues of \$27,426 and \$4,260 for the three months ended June 30, 2021 and 2020, respectively. The Company's revenue derives from the development, promotion and distribution of our live events and televised entertainment programming.

Cost of Services

We incurred total cost of services of \$5,027 and \$nil for the three months ended June 30, 2021 and 2020, respectively. The cost of services incurred consist of labor, material, equipment and subcontractor expenses.

Operating Expenses

We incurred total operating expenses of \$72,897 and \$59,066 for the three months ended June 30, 2021 and 2020, respectively. The increase in operating expenses was primarily due to the increase in general and administrative expenses.

[Table of Contents](#)

Other Income (Expenses)

We recognized total other income of \$705,052 and incurred other expenses of \$76,613 for the three months ended June 30, 2021 and 2020, respectively. The increase in other income was mainly attributed to 882,899 gain on change in fair value of derivative liabilities from the convertible notes and warrants during the three months ended June 30, 2021 as compared to gain on change in fair value of derivative liabilities of \$34 incurred during the three months ended June 30, 2020.

Net Income (Loss)

We recognized net income of \$654,554 and incurred net loss of \$131,419 during the three months ended June 30, 2021 and 2020, respectively. The increase in our net income was mainly attributed to the increase in revenue and gain on change in fair value of derivative liability during the three months ended June 30, 2021.

Six months ended June 30, 2021 as compared to the six months ended June 30, 2020

Our operating results for the six months ended June 30, 2021 and June 30, 2020, and the changes between those periods for the respective items are summarized as follows:

Statement of Operations Data:	Six Months June 30,		Changes	
	2021	2020	Amount	%
Revenue	\$ 34,502	\$ 7,360	\$ 27,142	369%
Cost of Services	(26,032)	(2,300)	(23,732)	1032%
Total operating expenses	(132,704)	(95,369)	(37,335)	39%
Other income (expense)	(6,768,252)	1,327,136	(8,095,388)	(610%)
Net Income (loss)	\$ (6,892,486)	\$ 1,236,827	\$ (8,129,313)	(657%)

Revenues

We generated revenues of \$34,502 and \$7,360 for the six months ended June 30, 2021 and 2020, respectively. The Company's revenue derives from the development, promotion and distribution of our live events and televised entertainment programming.

Cost of Services

We incurred total cost of services of \$26,032 and \$2,300 for the six months ended June 30, 2021 and 2020, respectively. The cost of services incurred consist of labor, material, equipment and subcontractor expenses.

Operating Expenses

We incurred total operating expenses of \$132,704 and \$95,369 for the six months ended June 30, 2021 and 2020, respectively. The increase in operating expenses was primarily due to the increase in general and administrative expenses.

Other Income (Expenses)

We incurred total other expense of \$6,768,252 and recognized other income of \$1,327,136 for the six months ended June 30, 2021 and 2020, respectively. The increase in other expense was mainly attributed to \$6,472,595 loss on change in fair value of derivative liabilities from the convertible notes and warrants during the six months ended June 30, 2021 as compared to gain on change in fair value of derivative liabilities of \$1,480,430 incurred during the six months ended June 30, 2020.

[Table of Contents](#)

Net Income (Loss)

We incurred net loss of \$6,892,486 and recognized net income of \$1,236,827 during the six months ended June 30, 2021 and 2020, respectively. The increase in our net loss was mainly attributed to the increase in operating expenses and other expense the six months ended June 30, 2021.

Liquidity and Capital Resources

Working Capital Data:	June 30,	December 31,	Changes	
	2021	2020	Amount	%
Current Assets	\$ 129,549	\$ 4,142	\$ 125,407	3028%
Current Liabilities	\$ 11,857,790	\$ 5,883,009	\$ 5,974,781	102%
Working Capital Deficiency	\$ (11,728,241)	\$ (5,878,867)	\$ (5,849,374)	99%

At June 30, 2021 we had a working capital deficiency of \$11,728,241 and an accumulated deficit of \$15,090,074. The Company intends to fund future operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the year ending December 31, 2021.

The ability of the Company to realize its business plan is dependent upon, among other things, obtaining additional financing to continue operations, and development of its business plan. In response to these problems, management intends to raise additional funds through public or private placement offerings.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The following table sets forth certain information about our cash flow during the six months ended June 30, 2021 and 2020:

Cash Flows Data:	Six Months June 30,		Changes	
	2021	2020	Amount	%
Cash Flows used in Operating Activities	\$ (117,093)	\$ (5,793)	\$ (111,300)	1921%
Cash Flows provided by (used in) Financing Activities	242,500	(12,500)	255,000	(2040%)
Net increase (decrease) in cash during period	\$ 125,407	\$ (18,293)	\$ 143,700	(786%)

Cash Flows from Operating Activities

We have not generated positive cash flows from operating activities.

During the six months ended June 30, 2021, net cash flows used in operating activities was \$117,093, consisting of a net loss of \$6,892,486, decreased by loss on change in fair value of derivative liabilities of \$6,472,595, amortization of debt discount of \$224,201, note conversion fee of \$500 and net changes in operating assets and liabilities of \$78,097.

During the six months ended June 30, 2020, net cash flows used in operating activities was \$5,793, consisting of a net income of \$1,236,827, increased by amortization of debt discount of \$66,424 and net changes in operating assets and liabilities of \$171,386, and decreased by gain on change in fair value of derivative liabilities of \$1,480,430.

[Table of Contents](#)

Cash Flows from Investing Activities

There were no investing activities during the six months ended June 30, 2021 and 2020.

Cash Flows from Financing Activities

During the six months ended June 30, 2021, net cash provided by financing activities was \$242,500 compared to net cash used in financing activities of \$12,500 during the six months ended June 30, 2020.

During the six months ended June 30, 2021, we received proceeds from a promissory note of \$265,000 and made repayment to the Director of the Company of \$22,500.

During the six months ended June 30, 2020, we made repayment to the Director of the Company of \$12,500.

Off-Balance Sheet Arrangements

As of June 30, 2021, we had no off-balance sheet arrangements.

Significant Accounting Estimates and Policies

The preparation of financial statements in accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. A change in managements' estimates or assumptions could have a material impact on our financial condition and results of operations during the period in which such changes occurred. Actual results could differ from those estimates. Our financial statements reflect all adjustments that management believes are necessary for the fair presentation of their financial condition and results of operations for the periods presented.

Revenue Recognition

The Company recognizes revenue from the sale of products and services in accordance with ASC 606, "Revenue Recognition" following the five steps procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize revenue when the entity satisfies a performance obligation

Convertible Instruments and Derivatives

The Company evaluates and account for conversion options embedded in convertible instruments in accordance with ASC 815 "Derivatives and Hedging Activities."

Fair Value Measurement

The Company adopted the provisions of ASC Topic 820, "Fair Value Measurements and Disclosures," which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair value measurements.

The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments. The carrying amounts of our short and long term credit obligations approximate fair value because the effective yields on these obligations,

[Table of Contents](#)

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

- Level 1 – quoted prices in active markets for identical assets or liabilities
- Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable
- Level 3 – inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

The derivative liability in connection with the conversion feature of the convertible debt, classified as a level 3 liability, is the only financial liability measured at fair value on a recurring basis.

Recent accounting pronouncements

In August 2020, the FASB issued ASU 2020-06, ASC Subtopic 470-20 “*Debt—Debt with Conversion and Other Options*”. The standard reduced the number of accounting models for convertible debt instruments and convertible preferred stock. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting; and, (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. The amendments in this update are effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company is currently assessing the impact of the adoption of this standard on its financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a “smaller reporting company”, we are not required to provide the information required by this Item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (our principal executive officer, principal financial officer and principal accounting officer), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a- 15(e) and 15d- 15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act)), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer has concluded that as of such date, our disclosure controls and procedures were not effective such that the information relating to us required to be disclosed in our Securities and Exchange Commission (“SEC”) reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

During the period covered by this report there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

[Table of Contents](#)

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

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

However, from time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business.

Item 1A. Risk Factors

As a “smaller reporting company”, we are not required to provide the information required by this Item.

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

None.

Item 3. Defaults Upon Senior Securities

As of June 30, 2021, total note payable amount of \$408,217 in default as follows:

	Issuance date	Expire date	Amount at default
Auctus#1	5/20/2016	2/20/2017	\$ 1,265
Auctus#2	9/20/2016	6/20/2017	\$ 56,571
Auctus#3	11/27/2017	3/20/2018	\$ 50,745
Auctus#4	11/2/2017	8/2/2018	\$ 58,636

Auctus#5	3/7/2018	12/7/2018	\$	30,000
Auctus#6	7/9/2018	4/9/2019	\$	48,500
Auctus#7	3/22/2019	12/22/2019	\$	62,500
Auctus#8	10/23/2019	7/23/2020	\$	100,000
			\$	<u>408,217</u>

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

[Table of Contents](#)

Item 6. Exhibits

Exhibit Number	Description
(31)	Rule 13a-14 (d)/15d-14d) Certifications
31.1*	Section 302 Certification by the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer
(32)	Section 1350 Certifications
32.1*	Section 906 Certification by the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer
101*	Interactive Data File
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

[Table of Contents](#)

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.

LINGERIE FIGHTING CHAMPIONSHIPS, INC.
(Registrant)

Dated: July 26, 2021

/s/ Shaun Donnelly

Shaun Donnelly
Chief Executive Officer, Chief Financial Officer and
Director
(Principal Executive Officer, Principal Financial
Officer and Principal Accounting Officer)

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

Signature	Title	Date
<u>/s/ Shaun Donnelly</u> Shaun Donnelly	Chief Executive Officer (Principal Executive Officer), Chief Financial Officer (Principal Financial and Accounting Officer), and Director	July 26, 2021

CERTIFICATION

I, Shaun Donnelly, President of Lingerie Fighting Championship, Inc. certify that:

- I have reviewed this Form 10-Q of Lingerie Fighting Championship, Inc. (the "Registrant");
- Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 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;
- I am 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 control and procedures to be designed under my supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my 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 my 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; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, 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 and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: July 26, 2021

/s/Shawn Donnelly,

Shawn Donnelly,
Chief Executive Officer (Principal Executive
Officer),
Chief Financial Officer (Principal Financial and
Accounting Officer), and Director

EX-32.1 3 boty_ex321.htm EX-32.1

EXHIBIT 32.1

**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 the Annual Report of Lingerie Fighting Championship, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2021 as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 26, 2021

/s/Shawn Donnelly,

Shawn Donnelly,
Chief Executive Officer (Principal Executive
Officer),
Chief Financial Officer (Principal Financial and
Accounting Officer), and Director