World Poker Fund Holdings, Inc. and Subsidiaries
Consolidated Balance Sheet
As of September 30, 2016

ASSETS	
Other Assets	
Intercompany-WPF Inc	100,000
Investment in Subsidiaries	
Interactive Gaming Assets	5,500,000
Investment in RealDeck	12,165,376
investment in World Poker Fund	3,000,000
Total Investment in Subsidiaries	20,665,376
Total Other Assets	20,765,376
TOTAL ASSETS	**20,765,376**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	20,000
Total Accounts Payable	20,000
Other Current Liabilities	
Accrued Interest	45,546
Due for Asset Purchase	500,000
Due third parties	256,918
Total Other Current Liabilities	756,918
Total Current Liabilities	776,918
Long Term Liabilities	
Long term notes	444,411
Acquisition note payable	465,376
Convertible Notes payable	126,691
Total Long Term Liabilities	1,036,477
Total Liabilities	1,813,396
Equity	
Additional Paid in Capital	16,041,688
Common Stock	42,251
Common Stock Issuable	5,000,000
Preferred Stock	100
Retained Earnings	(2,177,605)
Total Equity	18,906,434
TOTAL LIABILITIES & EQUITY	**20,719,830**

World Poker Fund Holdings, Inc. and Subsidiaries
Consolidated Income Statement
Quarter Ending September 30, 2016

Ordinary Income/Expense		
Expense		
Advertising and Promotion		1,299
Consulting		131,650
Interest Expense		20,658
Other compensation		122,708
Postage and Delivery		39
Professional Fees		
Legal Fees		750
Total Professional Fees		750
Rent Expense		1,146
Transfer agent fees		2,213
Total Expense		280,463
Net Ordinary Income		(280,463)
Net Income		**(280,463)**

World Poker Fund Holdings, Inc. and Subsidiaries
Statement of Cash Flows
January 1, 2016 to September 30, 2016

OPERATING ACTIVITIES	
Net Income	(203,708)
Adjustments to reconcile Net Income	
to net cash provided by operations:	
Accounts Payable	(89,466)
Accrued Interest	18,242
Due to unrelated parties	161,583
Net cash provided by Operating Activities	(113,348)
INVESTING ACTIVITIES	
Investment in Subsidiaries:Investment in RealDeck	(12,165,376)
Net cash provided by Investing Activities	(12,165,376)
FINANCING ACTIVITIES	
Long term note	278,405
Long term note	166,005
Acquisition Note payable	465,376
Convertible Notes payable	(282,635)
Additional Paid in Capital	11,634,265
Common Stock	10,948
Retained Earnings	6,359
Net cash provided by Financing Activities	12,278,724
Net cash increase for period	0
Cash at end of period	**0**

World Poker Fund Holdings, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2016
(Unaudited)

Note 1. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

ORGANIZATION AND NATURE OF BUSINESS

World Poker Fund Holdings, Inc. was originally formed as a New York corporation under the name Magic Communications, Inc. on January 16, 1997 and was then reincorporated in Delaware in November 2002. On September 24, 2007, the corporate name was changed to American Post Tension, Inc. as the result of an acquisition. On September 30, 2011, the Company acquired Crown City Pictures, Inc., a Florida corporation and changed its corporate name to Crown City Pictures, Inc. on that date as part of the acquisition. The Company operated under that name through January, 2015, when the corporate name was changed to World Poker Fund Holdings, Inc.

Effective September 22, 2013, the Company acquired a controlling interest in StarPoint USA, Inc. in exchange for the issuance of a total of 78,333,333 shares of common stock and the issuance of a convertible promissory note for $1,000,000. StarPoint USA (www.starpointUS.com) is a U.S. based vehicle distribution company. On July 23, 2014, the Company entered into a settlement agreement with StarPoint USA, Inc. and SenTen, Inc., the previous owner of StarPoint, under which the $1,000,000 secured promissory note issued at the time of the acquisition was cancelled, control of StarPoint USA, Inc. was transferred to SenTen, Inc., and 6 million shares of common stock were issued to the two principal officers of StarPoint USA, Inc. as compensation, pursuant to existing employment agreements entered into with them in September, 2013.

As part of the agreement with SenTen to dispose of the StarPoint operations, on August 8, 2014, the Company entered into a merger agreement with World Poker Fund, Inc., a Nevada corporation, with the Nevada corporation to be the surviving entity operating under the name World Poker Fund, Inc. As part of the merger, common shareholders of the Company would receive 1 share of the surviving entity for each 100 shares of the Company currently held, on a fully diluted basis, and outstanding convertible debt of the Company would be converted into common stock according to its terms, the Company outstanding Series A Convertible Preferred Stock would be replaced with a similar preferred stock in the surviving entity, and the shareholders of World Poker Fund, Inc. would receive common shares in the surviving entity equal to 90 percent of the total outstanding common shares after the merger. In anticipation of the merger transaction, the outstanding Series A Convertible Preferred Stock were sold to an unrelated third party and the 6 million common shares of the Company were issued to the two officers of StarPoint USA, Inc. during the quarter ended September 30, 2015.

Subsequently, on October 10, 2014, the Company and World Poker Fund, Inc. agreed to rescind the Merger Agreement, which had not yet been finally approved by the shareholders of either company, and the shareholders of World Poker Fund, Inc. agreed to exchange their shares in that company for stock of the Company, and the Company completed a 1 for 150 reverse split of its common stock and changed its corporate name to World Poker Fund Holdings, Inc. Under the Exchange Agreement, the outstanding preferred stock of the Company remained issued and outstanding, the current issued and outstanding common stock of the Company, after giving effect to conversions of convertible securities then outstanding, was reduced on a 1 for 150 basis, the authorized stock of the Company was set at 250 million shares of common stock and 5 million shares of preferred stock. As a result, as of January 6, 2015, the common shares held by the former shareholders of Crown City Pictures, Inc. were reduced from 151,070,250 common shares to 1,007,115 post-split common shares. In May, 2015, an additional 28,925,800 common shares were issued to the shareholders of World Poker Fund, Inc., resulting in a total of 29,932,915 common shares outstanding, after adjusting for fractional shares rounded up to the next highest whole number, and 1,000,000 Series A Preferred Stock remained outstanding, as of September 30, 2015.

World Poker Fund Holdings, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2016
(Unaudited)

On April 12, 2015, World Poker Fund, Inc., as a wholly owned subsidiary of the Company, signed a 3-year worldwide licensing agreement with Lookhu, Inc., to distribute two WPF productions (*Urban Poker* and *Poker Dreams*) via Internet, IPTV, Mobile Devices, Mobile TV, and Encrypted Download Services for an initial fee of $150,000 plus royalties. As part of the licensing agreement, World Poker Fund will receive: For Programs offered on a free to the customer basis, 50% of all Net Revenue generated from advertising associated with the Programs; For Programs made available for viewing on a purchase basis (whether on an individual program basis, as part of a subscription of a channel entirely comprised of Programs, or on a download to own basis), 50% of the Net Revenue attributable to the Program or channel that is entirely comprised of Programs. Net Revenue means all revenue actually collected (whether from advertising or purchase, as applicable) by Lookhu, Inc. from Programs minus all customary deductions in the industry including affiliate fees and sales commissions, but specifically excluding fixed costs such as overhead.

On May 1, 2015, Lookhu, Inc. acquired 1,000,000 shares of Series A Convertible Preferred Stock and became the controlling shareholder of the Company with 51 percent of the total vote. In January 2016, that acquisition was rescinded and World Casinos & Resorts, Inc. acquired the Series A Preferred Stock and became the controlling owner of the Company.

On August 30, 2015, the Company entered into an agreement to acquire an interactive gaming asset from Interactive Gaming Development Group of Bulgaria. The proprietary gaming engine accommodates Texas Hold'em, Omaha, Omaha High, Omaha Low, 7 Card Stud, 5 Card Stud, Roulette, and Blackjack gaming and is market ready. The original agreement was then amended on September 15, 2015 and closed on September 30, 2015 with the transfer of the gaming assets to the Company, which plans to form a new wholly-owned subsidiary to which the assets and business will be transferred.

Under the terms of the amended agreement and closing, the Company purchased the gaming asset for a total of $5,500,000 through a combination of stock and cash, as follows:

Stock (valued at $2.00 per share for the acquisition):

Date	Shares	Amount:
December 1, 2015	250,000	$ 500,000
January 1, 2016	1,000,000	$ 2,000,000
10 days after launch of gaming	1,250,000	$ 2,500,000
	2,500,000	$ 5,000,000

Cash:

February 28, 2016	$ 25,000
September 30, 2016	$ 25,000
September 30, 2016	$ 150,000
25% of gross advertising revenue as earned	$ 300,000
	$ 500,000

In the event that the closing price of WPFH stock on the date one year after closing is less than $2.00, the Company will issue additional common shares so that the total deal value of the common stock portion of the consideration is $5,000,000. As of the date of this filing, none of the shares issuable in the acquisition have been issued and are not included in the common shares issued and outstanding at September 30, 2016 And are reflected in the balance sheet as "Stock Issuable" at $5,000,000, representing the full value of the 2,500,000 shares to be issued as consideration.

The acquisition has been entered into the financial records at the full deal value of $5,500,000; however, the Company has not made an independent evaluation of the asset acquired. At closing, the market price of the last trade of the Company's common stock was at $2.96 per share, which would indicate a transaction value of more than $7.9 million. No independent valuation has been requested or prepared for the acquisition value reported and there is a risk that the actual value could be far less, or have no value at all, in which case the carrying amount of the investment would have to be written off as a loss at the end of the current fiscal year. The price of the common stock on the date of this report is $1.20, less than the stock price at the time of the transaction.

Effective September 28, 2016, the Company completed the acquisition of RealDeck Incorporated, which became a wholly-owned subsidiary. At closing, all of the debts of RealDeck were assumed and will be paid by the former majority shareholder of RealDeck. The acquisition was closed for 10,000,000 common shares of the Company valued at the closing market price of $1.17, plus a promissory note for $465,326. The acquisition has been entered into the financial records at the deal value of $12,165,376; however, the Company has not had an independent evaluation of the asset acquired requested or prepared for the acquisition value reported and there is a risk that the actual value could be far less, or have no value at all, in which case the carrying amount of the investment would have to be written off as a loss at the end of the current fiscal year. The price of the common stock on the date of this report is $0.55, less than the stock price at the time of the transaction.

In December 2014, the Company entered into the agreement to acquire RealDeck, Inc. RealDeck is a gaming technology company with exclusive intellectual property rights and internet marketing expertise. RealDeck has been in the online poker game development space since 2006 and currently holds two issued patents that will bring a new level of integrity and transparency to the online poker industry. The patented RealDeck poker platform provides poker players the ability to play real poker on their computer or internet enabled device with a live dealer and real cards, which creates a transparent and interactive poker experience emulating the real-card hand outcomes and the overall live-dealer experience playing live at a casino. The RealDeck system can host poker games bringing together players from anywhere in the world. A planned future release of the RealDeck software will include peer-to-peer (P2P) audio and video features, which are also included in the patent filing. This component will allow players to host Home Games, with a live dealer, from our site with the ability to see and talk to their friends while they play in a secure and private setting.

RealDeck is one of the first complete poker systems ever to be patented. Online poker has been delivered in the same format since the inception of the industry on January 1, 1998. Since then, players have been anticipating the introduction of a "game changing" technology to the standard online poker platform such as the RealDeck technology provides.

In February 2016, the Company entered into an agreement with FlowPlay, Inc. to develop CelebrityWorld.com. FlowPlay offers a variety of online asynchronous and synchronous video games to the public via the Internet and mobile devices. The agreement will expire on the third anniversary of the Launch Date (the "Initial term"). The term will thereafter automatically renew for one (1) year ("Renewal Term") and, together with the Initial Term and the Wind Down Period, and subject to earlier termination. Celebrityorld.com has started operations and has already generated revenues and the official Launch Date of Celebrity World was May 1, 2016. Revenues collected from Celebrity World during May and September, 2016 were applied to start-up expenses of FlowPlay under the agreement and positive cash flow from Celebrity World is expected to commence during the fourth quarter.

The financial statements of the Company as of September 30, 2016 include the consolidated operations of World Poker Fund, Inc. through September 30, 2016 and the results for RealDeck Incorporated, acquired as of September 28, 2016. In management's opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation to make the Company's financial statements not misleading have been included.

World Poker Fund Holdings, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2016
(Unaudited)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements include the accounts of the Company and our wholly owned Subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

Cash includes all cash and highly liquid investments with original maturities of three months or less. The Company maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses on these accounts.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation and amortization on property and equipment are determined using the straight-line method over the three to seven year estimated useful lives of the assets.

Impairment of Long-Lived Assets

The Company reviews our long-lived assets for impairment when events or changes in circumstances indicate that the book value of an asset may not be recoverable. The Company evaluates, at each balance sheet date, whether events and circumstances have occurred which indicate possible impairment. The Company uses an estimate of future undiscounted net cash flows of the related asset or group of assets over the estimated remaining life in measuring whether the assets are recoverable. If it is determined that an impairment loss has occurred based on expected cash flows, such loss is recognized in the statement of operations.

Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The Company extends unsecured credit to our customers in the ordinary course of business but mitigates the associated risks by performing credit checks and actively pursuing past due accounts. An allowance for doubtful accounts is established and determined based on managements' assessment of known requirements, aging of receivables, payment history, the customer's current credit worthiness and the economic environment. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

Income Taxes

Income taxes are accounted for in accordance with the provisions of FASB ASC Topic 740-10. 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 quarters in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as income in the period that includes the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amounts expected to be

realized, but no less than quarterly. Due to the uncertainty whether the accumulated losses will be available to offset future revenues, no deferred tax asset has been reported.

The Company follows the provisions of FASB ASC 740-10-50 and has performed a comprehensive review of our uncertain tax positions in accordance with recognition and measurement standards established by the codification. In this regard, an uncertain tax position represents the Company's expected treatment of a tax position taken in a filed tax return, or expected to be taken in a tax return, that has not been reflected in measuring income tax expense for financial reporting purposes. The Company does not expect any reasonably possible material changes to the estimated amount of liability associated with uncertain tax position. The Company's continuing policy is to recognize accrued interest and penalties related to income tax matters in income tax expense.

Related Parties

For the purposes of these financial statements, parties are considered to be related if one party has the ability, directly or indirectly, to control the party or exercise significant influence over the other party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. Currently, World Casino Resorts, our majority shareholder by virtue of its ownership of the Series A Convertible Preferred Stock, is considered to be a related party, as is our principal officer and sole director, Brice Miller and Maurice Mills, a consultant and CEO of the subsidiary, RealDeck, Incorporated.

As a result of the acquisition of RealDeck Incorporated, the former shareholders of RealDeck, as a group, acquired 10,000,000 shares of common stock of the Company, representing 24.4 percent of the total common shares issued at September 30, 2016. The former principal shareholder of RealDeck Incorporated, Maurice Mills, received a total of 5,067,945 common shares, or 12.21% of the then outstanding common shares, and Performance Systems Ltd., acquired 2,310,387 common shares, or 5.61% of the then outstanding common shares at September 30, 2016.

In April 2016, the Company signed a 5-year deal with DeAndre Cortez Way (a/k/a/ Souja Boy), to provide services to WPFH as an advisor and brand ambassador. Way is an American rapper, record producer, actor, and entrepreneur. In September 2007, his single "Crank That (Soulja Boy)" reached number one on the US Billboard Hot 100. The single was initially self-published on the internet, and it later became a number-one hit in the United States for seven non-consecutive weeks starting in September 2007. Way was listed at number 18 on the Forbes list of Hip-Hop Cash Kings of 2010 earning $7 million for that year. Way has currently released three studio albums and numerous mixtapes. His debut studio album Souljaboytellem.com (2007) was certified platinum by the RIAA. He is known for singles off of iSouljaBoyTellem (2008) and The DeAndre Way (2010) titled "Kiss Me Thru the Phone" and "Turn My Swag On" (iSouljaBoyTellem) and "Pretty Boy Swag" (The DeAndre Way) which were all radio and internet sensations of their own.

In addition, the following obtained shares representing more than 5 percent of the total common shares outstanding as a result of the acquisition of World Poker Fund, Inc. in March, 2015, which shares they continued to hold at September
30, 2016. As a result of the issuance of 10,000,000 common shares to the former shareholders of RealDeck Incorporated at September 28, 2016, the ownership percentages of these shareholders is now as follows:

Shareholder	Number of Shares	Percent of Common
Floyd Mayweather	3,000,000 shares	7.22%
Kyle Massey	3,000,000 shares	7.22%
Justin Bieber	3,000,000 shares	7.22%
Michael Ray Nguyen-Stevenson (aka Tyga)	3,000,000 shares	7.22%
Jason Paul Douglas Boyd (aka Poo Bear)	3,000,000 shares	7.22%

DeAndre Cortez Way (aka Soulja Boy)	1,500,000 shares	3.16%
Maurice Mills	5,067,945 shares	12.19%
Performance Systems, Ltd.	2,310,387 shares	5.56%

Revenue Recognition

The Company recognizes revenue in accordance with FASB ASC 926-605 on revenue recognition for entertainment films. Revenue from the sale of film and television programming rights and license arrangements will be recognized only when persuasive evidence of a sale or arrangement with a customer exists, the project is complete, the contractual delivery arrangements have been satisfied, the license period has commenced if applicable, the arrangement fee is fixed or determinable, collection of the arrangement fee is reasonably assured, and other conditions as specified in the respective agreements have been met.

Revenue from production services for third parties is recognized when the production is completed and delivered. All associated production costs are deferred and charged against income when the film is delivered and the related revenue is recognized.

Fees for other services provided to third parties are recognized as revenues when the services are performed and there is reasonable assurance over the collection of the fees. Cash received in advance of meeting the revenue recognition criteria described above is recorded as deferred revenue.

Basic and Diluted Earnings/ (Loss) Per Share

Net earnings and loss per share is computed in accordance with FASB ASC 260-10 and requires the presentation of both basic and diluted earnings per share. Basic net earnings and loss per common share is computed using the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur through the potential effect of common shares issuable upon the exercise of stock options, warrants and convertible securities. The calculation assumes: (i) the exercise of stock options and warrants based on the treasury stock method; and (ii) the conversion of convertible preferred stock only if an entity records earnings from continuing operations, as such adjustments would otherwise be anti-dilutive to earnings per share from continuing operations.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting periods. Actual results could differ from those estimates and those differences could be material.

Going Concern

The accompanying consolidated financial statements of the Company have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has suffered an operating loss, has operating cash outflows, and negative working capital and stockholders' equity. Our ability to continue as a going concern is dependent upon achieving profitable operations and generating positive cash flows. The level of operations may not sustain the Company's expenses and it may have to borrow additional funds to meet our cash needs. These factors, among others, could affect our ability to continue as a going concern.

There can be no assurances that the Company will be able to achieve profitable operations or obtain additional funding. These factors create substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of the uncertainty.

Other Comprehensive Income

The Company has no components of other comprehensive income and, accordingly, no Statement of Comprehensive Income has been included in the accompanying consolidated financial statements.

Recent Accounting Pronouncements

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on our financial condition or the results of our operations.

Note 2. FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States define 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 at the measurement date. Additionally, the inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than quoted prices included in Level 1. We value assets and liabilities included in this level using dealer and broker quotations, bid prices, quoted prices for similar assets and liabilities in active markets, or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Recurring Fair Value Measurements

In accordance with accounting principles generally accepted in the United States, certain assets and liabilities are required to be recorded at fair value on a recurring basis.

On January 6, 2015, the Company completed a 1 for 150 reverse split, reducing the number of shares of common stock outstanding to 1,007,135 common shares. In March 2015, the Company completed the acquisition of World Poker Fund, Inc. as a result of which an additional 28,925,800 common shares were issued to the former shareholders of World Poker Fund. The exchange transaction was recorded on the Company books at an acquisition value of $3,000,000 based on management's best estimate of the transaction value. At the time of the closing of the transaction, the market price of the last trade of the Company's common stock was at $0.60 per share, which would indicate a transaction value of more than $17 million. No independent valuation has been requested or prepared for the acquisition value of $3,000,000 estimated by management and there is a risk that the actual value could be far less, or have no value at all, in which event the carrying amount for the investment would have to be written off as a

loss at the end of the current fiscal year. As of December 31, 2015, Management reviewed the acquisition, the carrying value of the Subsidiaries and related factors and determined that no impairment of the asset was required.

On September 30, 2015, the Company acquired an interactive gaming asset from Interactive Gaming Development Group of Bulgaria. The proprietary gaming engine accommodates Texas Hold'em, Omaha, Omaha High, Omaha Low, 7 Card Stud, 5 Card Stud, Roulette, and Blackjack gaming and is market ready. The acquisition has been entered into the financial records at the full deal value of $5,500,000; however, the Company has not made an independent evaluation of the asset acquired. At closing, the market price of the last trade of the Company's common stock was at $2.96 per share, which would indicate a transaction value of more than $7.9 million. No independent valuation has been requested or prepared for the acquisition value reported and there is a risk that the actual value could be far less, or have no value at all, in which case the carrying amount of the investment would have to be written off as a loss at the end of the fiscal year. As of December 31, 2015, Management reviewed the acquisition, the carrying value of the Subsidiaries and related factors and determined that no impairment of the asset was required. The price of the common stock on the date of this report is $2.15, less than the stock price at the time of the transaction.

Effective September 28, 2016, the Company completed the acquisition of RealDeck Incorporated, which became a wholly-owned subsidiary. At closing, all of the debts of RealDeck were assumed and will be paid by the former majority shareholder of RealDeck. The acquisition was closed for 10,000,00040 common shares of the Company valued at the closing market price of $1.17, plus a promissory note for $465,326. The acquisition has been entered into the financial records at the deal value of $12,165,376; however, the Company has not had an independent evaluation of the asset acquired requested or prepared for the acquisition value reported and there is a risk that the actual value could be far less, or have no value at all, in which case the carrying amount of the investment would have to be written off as a loss at the end of the current fiscal year. The price of the common stock on the date of this report is $0.55, less than the stock price at the time of the transaction.

Note 3. INCOME TAXES

The Company accounts for income taxes in accordance with accounting standards for Accounting for Income Taxes which require the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax loss and tax credit carry-forwards. Additionally, the standards require the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets.

The following is a reconciliation of income taxes computed using the statutory Federal rate to the income tax expense in the financial statements for September 30, 2015:

Income tax provision at the federal statutory rate	34%
Income tax provision at the state statutory rate	4%
Effect of operating losses	(38%)

Under Sections 382 and 269 (the 'shell corporation' rule) of the Code following an 'ownership change,' special limitations ('Section 382 Limitations') apply to the use by a corporation of its net operating loss, or NOL, carry-forwards arising before the ownership change and various other carry-forwards of tax attributes (referred to collectively as the 'Applicable Tax Attributes'). As a result of the March 2015 transactions, the Company experienced an ownership change, and Section 382 Limitations will apply to the Applicable Tax Attributes of the Company.

Note 4. OPERATING LEASES

As of September 30, 2016, the Company occupies leased office space in Los Angeles, California as its offices.

World Poker Fund Holdings, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2016
(Unaudited)

Note 5. CONVERTIBLE DEBTS

During the quarter ended September 30, 2016, the Company issued 551,300 common shares in conversion of convertible debt, issued 255,000 common shares as compensation to unrelated parties, and issued 135,416 shares to Universal Entertainment Group in cancellation of an acquisition contract. As a result, there were a total of 42,251,159 common shares issued and outstanding as of September 30, 2016.

As of September 30, 2016, the Company had short term convertible notes outstanding in the total principal amount of $125,931 held by non-affiliates.

Note 6. SUBSEQUENT EVENTS

On April 14, 2016, the Company signed an acquisition agreement to acquire 49% of the Gaming Assets of Universal Entertainment Group, LLC ("UEG") for $8,900,000. UEG is the developer and owner of the software and intellectual property designed to host and maintain an on-line poker site to be utilized by The Iowa Tribe of Oklahoma under its new, first-in-the nation, .gov-hosted poker site. UEG has an agreement in place with The Iowa Tribe to launch an online poker site, to maintain the site, and to develop new games and applications, in exchange for 49% of the total revenue generated from the site. The gambling site will be open to residents of US states which allow on-line gambling as well as some airline flights, cruises, and international players where online gambling is legal. In order to close this transaction, the Company would be required to raise $1M by April 22, 2016. In September 2016, the Company paid $55,000 to UEG as a deposit and amended the closing date until July 21, 2016 to extend the due diligence on the asset to be acquired. Although the Company had received a $15M revised term sheet to close the acquisition, the determined not to move forward on the funding or to close the transaction due to further due diligence. On August 22, 2016, the Company issued a total of 135,416 as the agreed cancellation fee for the termination of the acquisition.

In August 2016, the Company signed a Joint Venture Agreement with Native Games America, LLC, the developers of Mega Fame, to form a limited liability company, to develop, design, and distribute celebrity-themed slot machines to online and brick-and-mortar Casinos worldwide. The new Company will be owned and managed equally by Native Games America, LLC and the Company.

In August, 2016, the Company signed a Joint Venture Agreement with Recruiter.com, Inc. to form a limited liability company, Recruiter.com Gaming Group, LLC, to develop and operate a gaming industry focused recruiting site for the casino and gaming world. The new company will be owned and managed equally by Recruiter.com and the Company.

In October, 2016, the Company signed a Joint Venture Agreement with Global 3DVR Streaming Corporation to form a limited liability company to develop and distribute VR gaming and entertainment content, enabling players' viewership as a VR experience. The new company will be owned and managed equally by Global 3DVR Streaming Corporation and the Company.