L.F. George Holdings, Inc. and Subsidiary
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Nature of Operations

L.F. George Holdings, Inc. (the "Company") is a C-corporation incorporated in the State of Delaware on March 18, 2011. The Company, currently located in Millbrae, California, is a holding company whose subsidiary provides traditional property management services.

The Company, through its wholly-owned subsidiary LFG Management Corp., which is a corporation incorporated in the State of California on May 5, 2011, seeks to provide traditional property management services to small to medium sized commercial and residential property owners in San Francisco Bay Area, California, U.S.A.

2. Summary of Significant Accounting Policies

Going Concern

As indicated in the accompanying condensed consolidated financial statements, the Company had net loss of $8,181 during the three months ended March 31, 2016 and an accumulated deficit of $121,780 as of March 31, 2016. Management's plans include generating revenue through its property management services and raising capital through the equity markets to fund future operations. Failure to generate adequate services revenues and raise adequate capital could result in the Company having to curtail or cease operations.

Additionally, even if the Company does generate adequate revenues and raise sufficient capital to support its operating expenses, there can be no assurances that the revenues will be sufficient to enable it to develop business to a level where it will generate profits and cash flows from operations. These matters raise substantial doubt about the Company's ability to continue as a going concern. However, the accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Unaudited interim financial information

The accompanying interim condensed consolidated financial statements and related notes of the Company ended March 31, 2016 are unaudited. These unaudited interim condensed consolidated financial statements ended March 31, 2016 should be read in conjunction with the unaudited consolidated financial statements and the accompanying notes for the year ended September 30, 2015. The consolidated balance sheet as of September 30, 2015 was derived from the Company's audited consolidated financial statements for the year ended September 30, 2014.

Basis of Consolidation

The condensed consolidated financial statements of the Company include wholly-owned subsidiary under its control. All of the material intercompany balances and transactions have been eliminated.

Estimates, Risks and Uncertainties

Our condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require management to make estimates and assumptions. These estimates and the underlying assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from these estimates.

Revenue Recognition

Property management revenue consists of management income for services provided by the Company to a related party pursuant to a management agreement. The Company recognizes revenue when persuasive evidence of an arrangement exits, service has performed, the fee is fixed or determinable and collection is probable. The management income is recognized during the period in which the Company provides services in connection with the related management agreement.

New Accounting Pronouncements

The Company does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

3. Commitments

Operating Lease

The Company leases an office space from a company that is owned by the Chairman of the Company and his immediate family members who are also Directors of the Company. The office lease has a monthly rental rate of $300 and expired on May 15, 2015. The office lease was renewed on May 15, 2015 for a monthly rental rate of $100 and will expire on May 15, 2016.

Rent expense under the operating lease was $300 and $900 for the three months ended March 31, 2016 and 2015, respectively. Rent expense under the operating lease was $600 and $1,800 for the six months ended March 31, 2016 and 2015, respectively.

Telephone Agreement

The Company entered into a telephone service agreement with a company that is owned by the CFO of the Company on May 15, 2011 and expires on December 31, 2015 at a monthly rate of $200. An addendum was signed on January 1, 2016 to reduce the telephone service fee to $50 a month until December 31, 2016.

Telephone expense under the service agreement was $150 and $600 for the three months ended March 31, 2016 and 2015, respectively. Telephone expense under the service agreement was $300 and $1,200 for the three months ended March 31, 2016 and 2015, respectively.

Consulting Agreements

During the year ended September 30, 2011, the Company entered into a consulting agreement with one of its directors to assist with the S-1 registration statement filing with the SEC and the listing on FINRA's Over-the-Counter Bulletin Board for a flat fee of $15,000, of which $2,000 was paid upon entry into the agreement, $4,000 was paid at the time our registration statement on Form S-1 was filed and the remaining balance of $9,000 was paid in November 2014, upon the registration statement was declared effective by the U.S. Securities and Exchange Commission. The Company also paid $1,400 to the director for the preparation of financial statements during the six months ended March 31, 2016.

During the year ended September 30, 2011, the Company entered into another consulting agreement with an entity that is majority-owned by a shareholder of the Company to also assist with the S-1 registration statement filing with the SEC and the listing on FINRA's Over-the-Counter Bulletin Board for a flat fee of $20,000, of which $3,000 was paid upon entry into the agreement, $6,000 was paid at the time that our registration statement on Form S-1 was filed and the remaining balance of $11,000 was paid in November 2014, upon the registration statement was declared effective by the U.S. Securities and Exchange Commission.

4. Shareholders' Equity

Common Stock

As of March 31, 2016, a total of 9,786,000 shares of common stock were issued and outstanding.

5. Concentrations

The Company has one customer accounting for 100% of the revenue during the years ended March 31, 2016 and 2015. The customer is a related party of the Company (see note 6).

6. Related Party Transactions

The Company provided property management service to a property company, LF George Properties Corporation ("LF George Properties"), which is owned by the Chairman of the Company and his family members who are also directors of the Company during the three months ended March 31, 2016 and 2015. The Company recorded $0 and $10,200 property management revenue during the three months ended March 31, 2016 and 2015, respectively. The Company recorded $0 and $20,400 property management revenue during the six months ended March 31, 2016 and 2015, respectively.

The Company incurred $300 and $900 of rent expenses during the three months ended March 31, 2016 and 2015, respectively, for an office space leased from a company, Millbrae Paradise, LLC, owned by the Chairman of the Company and his family members who are also directors of the Company. The Company incurred $600 and $1,800 of rent expenses during the six months ended March 31, 2016 and 2015, respectively

The Company also incurred $150 and $600 of telephone expenses during the three months ended March 31, 2016 and 2015, respectively for telephone service provided by a company, AGH Management Corporation owned by the CFO of the Company. The Company also incurred $300 and $1,200 of telephone expenses during the six months ended March 31, 2016 and 2015

7. Subsequent Events

The Company evaluated no events subsequent to March 31, 2016 to assess the need for potential recognition or disclosure in this report.