

SCRABBLE DIGITAL, INC.

Financial Statements

March 31, 2017



To the Board of Directors
SCRABBLEDIGITAL, INC.
Cypress, California

Management is responsible for the accompanying financial statements of SCRABBLE DIGITAL, INC. (a corporation), which comprise the balance sheet as of March 31, 2017, and the related statements of income for the three months and twelve months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Artesia, California
May 1, 2017

SCRABBLE DIGITAL, INC.
BALANCE SHEET
As of March 31, 2017

Assets

Current Assets

Cash in Union Bank \$ 15,254.93

Total Current Assets 15,254.93

Property and Equipment _____

Net Property and Equipment 0.00

Non Current Assets

Investment in Scrabble Ventures, LLC 1,532,886.50

Total Non Current Assets 1,532,886.50

Total Assets \$ 1,548,141.43

See accompanying accountants' compilation report.

SCRABBLE DIGITAL, INC.
BALANCE SHEET
As of March 31, 2017

Liabilities and Stockholder's Equity

Current Liabilities		
Accrued Expenses	\$ 24,608.59	
Accrued Income Taxes	<u>3,996.00</u>	
Total Current Liabilities		<u>28,604.59</u>
Long-Term Liabilities		
Deferred Tax Liability	128,751.54	
Loan from Officers	<u>50,000.00</u>	
Total Long-Term Liabilities		<u>178,751.54</u>
Total Liabilities		<u>207,356.13</u>
Stockholder's Equity		
Capital Stock	550,000.00	
Retained Earnings	<u>790,785.30</u>	
Total Stockholder's Equity		<u>1,340,785.30</u>
Total Liabilities and Stockholder's Equity		<u>\$ 1,548,141.43</u>

See accompanying accountants' compilation report.

**SCRABBLE DIGITAL, INC.
STATEMENTS OF INCOME**

	3 Months Ended March 31, 2017	%	12 Months Ended March 31, 2017	%
Sales				
Total Sales	0.00	0.00	0.00	0.00
Gross Profit	0.00	0.00	0.00	0.00
Operating Expenses				
Bank Charges	104.31	0.00	458.05	0.00
Interest	18.75	0.00	18.75	0.00
Office Supplies & Postage	0.00	0.00	90.58	0.00
Professional Service	23,995.00	0.00	28,715.00	0.00
Penalty	92.84	0.00	92.84	0.00
Taxes & Licenses	502.00	0.00	4,509.00	0.00
Total Operating Expenses	24,712.90	0.00	33,884.22	0.00
Operating Loss	(24,712.90)	0.00	(33,884.22)	0.00
Other Income				
Income from Equity-Method Investee	282,464.00	0.00	950,606.00	0.00
Total Other Income	282,464.00	0.00	950,606.00	0.00
Net Income Before Taxes	257,751.10	0.00	916,721.78	0.00
Provision for Income Taxes	107,787.54	0.00	132,747.54	0.00
Net Income	<u>\$ 149,963.56</u>	<u>0.00%</u>	<u>\$ 783,974.24</u>	<u>0.00%</u>

See accompanying accountants' compilation report.