

READEN HOLDING CORP.
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2020
(unaudited)

ASSETS in US Dollars	As at 30/06/2020	As at 31/12/2019
Current assets		
Cash and cash equivalents	6,410	32,888
Accounts receivable	426,316	409,241
Inventory	106,113	437,817
Note receivable - related party	71,880	312,577
Current Taxes	17,333	61,933
Other current assets	154,323	190,781
Total current assets	782,375	1,445,237
Other assets		
Property and equipment, net	559,511	916,651
Goodwill		
Investments available for sale		115,918
Intangible assets	501,122	535,101
Deposits		
Interest in associates		
Total other assets	1,060,633	1,567,670
Total assets	1,843,008	3,012,907

READEN HOLDING CORP.
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2020
(unaudited)

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable	189,348	231,444
Consignment stock		
Interest payable	16,321	27,974
Advances payable - related parties	4,774	75,672
Director fees payable		9,310
Loans payable	427,890	417,977
Notes payable	158,111	
Other current liabilities	167,661	185,212

Total current liabilities	964,105	947,589
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Other liabilities

Notes payable		
Notes payable - related parties	0	0
Loans payable, net of current portion	341,133	815,152
Other non-current liabilities	9,117	21,334

Total liabilities	350,250	836,486
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Stockholders' Equity

Convertible preferred stock	767	767
Common stock	263,476	263,476
Additional paid-in capital	644,500	644,500
Exchange reserve	-25,868	-11,149
Subordinated loan Non-controlling interest none controlling interest	1,128,999	1,725,318
provision	596,324	10,000
Other reserve		
Retained earnings previous periods	-1,404,080	-1,873,497
Retained earnings this period	-675,465	469,417

Total Stockholders' equity	528,653	1,228,832
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Total liabilities	1,843,008	3,012,907
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READEN HOLDING CORP.
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2020
(unaudited)

	As at 30/06/2020	As at 31/12/2019
Revenue	1,412,148	14,750,924
Cost of goods sold	1,244,579	9,453,173
Gross profit	<u>167,569</u>	<u>5,297,751</u>
Operating expenses		
General and administrative expenses	712,812	4,497,588
Total operating expenses	712,812	4,497,588
Income (loss) from operations	<u>(545,243)</u>	<u>800,163</u>
Profit attributable from an associate	0	0
Other income / (expense)	0	0
Finance costs	(24,312)	0
Financial loss	0	(45,613)
Income tax	(105,910)	(93,094)
Revaluation of assets	0	(192,039)
Other income/ loss	0	0
Foreign exchange loss	0	0
Total other income / (expense)	<u>(130,222)</u>	<u>(330,746)</u>
Tax		
Net income (loss)	<u><u>(675,465)</u></u>	<u><u>469,417</u></u>

READEN HOLDING CORP.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
(unaudited)

Cash flows from operating activities

Net Income (loss)	-675,465	
Depreciation and amortization		----- -675,465

Changes in operating assets and liabilities:

Accounts receivable	increase	17,075	
Inventory	decrease	-331,704	
Note receivable - related party	increase	-240,697	
Current taxes	decrease	-44,600	
Other current assets	decrease	-36,458	
			----- -636,384

Property and equipment	decrease	-357,140	
Goodwill			
Investment available for sale	decrease	-115,918	
intangible assets	decrease	-33,979	
Deposits			
interest in associates			----- -507,037

Accounts payable		-42,096	
Consignment stock			
Interest payable	Decrease	-11,653	
Advances payable related parties	Decrease	-70,898	
Notes payable	increase	158,111	
Other current liabilities	decrease	-17,551	
			----- 15,913

Notes payable			
Notes payable - related parties	decrease	-474,019	
Loans payable, net of current portion	decrease	-12,217	
Other non-current liabilities			----- -486,236

Change in reserve iq to goodwill etc			
Change in subordinated loans and pre			
Change in earnings previous periods	decrease		-1,144,883

Net change in cash and cash equivalent 3,434,091

Cash and cash equivalent at beginning of period 32,888

Cash and cash equivalent at end of period 6,410

READEN HOLDING CORP

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEAR ENDED June 30, 2020

(unaudited)

	Preferred Stock Series D		Common Stock		Additional Paid-in Capital and other Reserve	Exchange Reserve	Accumulated (loss)/Profits	Shareholders' Equity	Non-controlling Interest	Total Equity
	Shares	Par Value \$	Shares	Par Value \$						
As at July 1, 2019	766,667	767	263,476,074	263,467	298,000	(11,149)	(1,404,080)	1,228,832	-	1,228,832
Exchange difference						(14,719)				
Net Profit for the year ended Jun 30, 2019							(675,465)			
As at June 30, 2020	766,667	767	263,476,074	263,467	298,000	(25,868)	(2,079,545)	528,653	-	528,653

READEN HOLDING CORP.
NOTE TO CONSOLIDATED STATEMENTS
FOR THE PERIOD JUNE 30, 2020
(unaudited)

1. Background

Readen Holding Corp., a Nevada corporation, was originally incorporated in the state of Idaho under the name of "Beacon Light Mining Company" in 1953. In 1997, we created a wholly-owned subsidiary with the same name in the state of Nevada. We then merged into the Nevada subsidiary and became a Nevada corporation. We were reincorporated in Nevada on November 19, 1997, under the name "Beacon Light Mining Company." On February 18, 1998, we changed our name to "Beacon Light Holding Corporation." On August 3, 2001, we changed our name to Wellux International, Inc. and operated under that name until May 5, 2005, when we changed our name to Readen Holding Corp.

The Company is engaged in the business of identifying and acquiring privately held equity holdings in various entities worldwide.

2. Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and in Management's opinion, reflect all adjustments, including normal recurring adjustments, necessary to present fairly the Company's financial position at June 30, 2020, and the results of operations and cash flows for the year ended June 30, 2020. The results of operations for the June 30 ended June 30, 2020 are not necessarily indicative of the results that the Company will have for any subsequent fiscal year.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. Liquidity and Operations

The Company had June 30 net loss of \$(675,465) for the June 30 ended June 30, 2020.

As of June 30, 2020, the Company had cash of \$6,410, accounts receivable of \$426,316, inventory of \$106,113 and accounts Payable of \$189,348. At the Company's discretion, they may decide to raise additional capital in the future through equity or debt financing.

4. Summary of Significant Accounting Policies

Cash and Cash Equivalents - The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition - The Company recognizes revenue from product sales when persuasive evidence of an arrangement exists, shipment has occurred, the seller's price to the buyer is fixed or determinable and collectability is reasonably assured.

Research and Development Expenses - Research and development expenses are charged to operations in the period incurred

Selling and Marketing Expenses - Selling and marketing expenses are expensed as incurred.

General and Administrative Expenses - General and administrative expenses are expensed as incurred. These expenses were \$712,812 for the Period ended June 30, 2020.

Use of Estimates - The preparation of the financial statements in conformity with 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 balance sheet and the reported amounts of revenue and expenses during the reporting period. Significant estimates include the Company's debt discount, and share-based compensation expense. Actual results could differ from these estimates.

Stock-Based Compensation - The Company accounts for stock-based compensation under the provisions of FASB ASC 718 (Statement of Financial Accounting Standards No. 123 (revised 2004), "SHARE-BASED PAYMENT"), which requires the Company to measure the stock-

based compensation costs of share-based compensation arrangements based on the grant date fair value and generally recognizes the costs in the financial statements over the employee's requisite service period. Stock-based compensation expense for all stock-based compensation awards granted was based on the grant date fair value estimated in accordance with the provisions of FASB ASC 718.

Income Taxes - The Company accounts for its income taxes under the provisions of FASB-ASC-10 "Accounting for Income Taxes." This statement requires the use of the asset and liability method of accounting for deferred income taxes. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes, at the applicable enacted tax rates. The Company provides a valuation allowance against its deferred tax assets when the future realization of the assets is no longer considered to be more likely than not.

Convertible Notes Payable - The Company accounts for any convertible notes payable under the provisions of FASB ASC 470 (Staff Position No. APB 14-1 "Accounting for Convertible Debt Instruments that may be Settled in Cash upon Conversion (including partial cash settlement)"). FASB ASC 470 clarifies that convertible debt instruments that may be settled in cash upon conversion (including partial cash settlement) are not addressed by FASB ASC 470-20-65-1 (paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt Instruments", Debt and Debt Issued with Stock Purchase Warrants"). Additionally, FASB ASC 470 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods.

5. Balance Sheet Information

Property and equipment - As of June 30, 2020, the Company owned buildings, furniture, plant and equipment with a net value of \$559,511. Property and equipment are stated at cost, net of accumulated depreciation. Expenditures for maintenance and repairs are expensed as incurred; additions, renewals and betterments are capitalized. Depreciation of property and equipment is provided using the straight-line method with estimated lives ranging from 3 to 27.5 years as follows:

Total Property and equipment \$559,511

Intangible Asset of \$501,222

Advances Payable - related parties - During the period ended June 30, 2020, the amount is \$4,774

Interest Payable: during the June 30 ended June 30, 2020 is \$16,321

Other current liabilities - As of June 30, 2020, the Company owes \$167,661 to various companies.

6. Stockholders' Equity

DESCRIPTION OF SECURITIES:

The Company is authorized to issue up to 295,000,000 shares of common stock (1), par value \$.001 per share, of which 263,467,074 shares were issued and outstanding as of June 30, 2020. The Company is also authorized to issue up to 5,000,000 shares of Series B Preferred convertible stock, par value \$.001 per share, of which 766,667 shares were issued and outstanding as of June 30, 2020.

Common stock:

The Company is authorized to issue up to 295,000,000 shares of common stock, par value \$.001 per share, of which 263,467,074 shares were issued and outstanding as of June 30, 2020.

Each shareholder is entitled to one vote for each share of common stock owned of record. The holders of shares of common stock do not possess cumulative voting right, which means that the holders of more than 50% of the outstanding shares voting for the election of directors can elect all of the directors, and in such event the holders of the remaining shares will be unable to elect any of our directors. Holders of outstanding shares of common stock are entitled to receive dividends out of assets legally available at such times and in such amounts as our Board of Directors may determine. Upon our liquidation, dissolution, or winding, the assets legally available for distribution to our shareholders will be distributable ratably among the holders of the shares outstanding at the time. Holders of our shares of common stock have no pre-emptive, conversion, or subscription rights, and our shares of common stock are not subject to redemption. All our shares of common stock are fully paid and non-assessable.

Preferred stock:

The Company is authorized to issue 5,000,000 shares of Series B Preferred Stock at a par value of \$.001 per share. The Company had 766,667 issued and outstanding Series B Preferred Stock shares as of June 30, 2020.

The Series B Preferred Shares have no voting rights, may each be converted into one share of common stock and bear dividends at a rate of 8.5% of their stated value per annum, which are cumulative and accrue daily from the date they are issued at an interest rate of 1.5% per month.

7. Stock Options and Warrants

As of June 30, 2020, the Company had not issued any options or warrants.

8. Commitments and Contingencies

Employment agreements - The Company has recorded all commitments as of June 30, 2020.

The Company, as of June 30, 2020 has no additional financial commitments that would represent long term commitments on behalf of the Company.

9. Related Party Transactions

As described in Note 5, above, the Company has a note receivable – related party, advances payable – related parties, director fees payable and interest payment commitments with certain related individuals.

10. Share Based Compensation

As described in Note 5, above, the Company compensates its officers, directors and management with common stock shares pursuant to the terms of the employment agreements.

11. Legal Matters

None.

12. Subsequent Events

The Company is not aware of any subsequent matters requiring disclosure at this time.

- End of Report -