

**READEN HOLDING CORP.**  
**CONSOLIDATED BALANCE SHEET**  
 AT JUNE 30, 2019  
 (unaudited)

<b>ASSETS</b>	<b>As at 30/06/2019</b>	<b>As at 30/06/2018</b>
<b>Current assets</b>		
Cash and cash equivalents	32,888	21,787
Accounts receivable	409,241	588,735
Inventory	437,817	783,666
Note receivable - related party	312,577	56,773
Current Taxes	61,933	97,978
Other current assets	190,781	47,899
<b>Total current assets</b>	<b>1,445,237</b>	<b>1,596,838</b>
<b>Other assets</b>		
Property and equipment, net	916,651	2,066,242
Goodwill		
Investment available for sale	115,918	
Intangible assets	535,101	
Deposits		
Interest in associates		
<b>Total other assets</b>	<b>1,567,670</b>	<b>2,066,242</b>
<b>Total assets</b>	<b>3,012,907</b>	<b>3,663,080</b>

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**CONSOLIDATED BALANCE SHEET**  
**AT JUNE 30, 2019**  
(unaudited)

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Current liabilities**

Accounts payable	231,444	365,789
Consignment stock		
Interest payable	27,974	13,675
Advances payable - related parties	75,672	87,990
Director fees payable	9,310	
Loans payable	417,977	320,580
Notes payable		711,371
Other current liabilities	185,212	211,687

<b>Total current liabilities</b>	<b>947,589</b>	<b>1,711,092</b>
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**Other liabilities**

Notes payable		
Notes payable - related parties	-	31,622
Loans payable, net of current portion	815,152	1,167,654
Other non-current liabilities	21,334	28,790

<b>Total liabilities</b>	<b>836,486</b>	1,228,066
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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	-11,149	33,198
Subordinated loan Non-controlling interest none controlling interest provision	1,725,318	1,725,318
Other reserve	10,000	20,160
Retained earnings previous periods	-1,873,497	-2,012,266
Retained earnings this period	469,417	138,769

<b>Total Stockholders' equity</b>	<b>1,228,832</b>	723,922
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<b>Total liabilities</b>	<b>3,012,907</b>	3,663,080
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**READEN HOLDING CORP.**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED JUNE 30, 2019**  
**(unaudited)**

	Fiscal 30/06/2019	Fiscal 30/06/2018
Revenue	14,750,924	11,260,021
Cost of goods sold	9,453,173	8,651,252
Gross profit	<u>5,297,751</u>	<u>2,608,769</u>
Operating expenses		
General and administrative expenses	4,497,588	2,830,060
Total operating expenses	<u>4,497,588</u>	<u>2,830,060</u>
Income (loss) from operations	<u>800,163</u>	<u>-221,291</u>
Profit attributable from an associate		0
Profit attributable from sales of Properties Altembrouck		372,616
Other income / (expense)		0
Finance costs	(45,613)	-34,343
Financial loss	(93,094)	0
Income tax	(192,039)	-61,325
Revaluation of assets	0	0
Other income/ loss	0	83,112
Foreign exchange loss	0	0
Total other income / (expense)	<u>(330,746)</u>	<u>360,060</u>
Tax		
Net income (loss)	<u><u>469,417</u></u>	<u><u>138,769</u></u>

**READEN HOLDING CORP.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED JUNE 30, 2019**  
**(unaudited)**

**Cash flows from operating activities**

Net Income (loss)	- 469,417	
Depreciation and amortization		----- - 469,417

**Changes in operating assets and liabilities:**

Accounts receivable	decrease	-179,494	
Inventory	decrease	-345,849	
Note receivable - related party	increase	255,804	
Current taxes	decrease	-36,045	
Other current assets	increase	148,470	
		-----	-157,114

Property and equipment	decrease	-1,149,591	
Goodwill			
Investment available for sale	Increase		115,918
intangible assets	increase		535,101
Deposits			
interest in associates			
		-----	-498,572

Accounts payable	Decrease	-134,345	
Consignment stock			
Interest payable	Increase	14,299	
Advances payable related parties	decrease	-12,318	
Notes payable	decrease	-653,988	
Other current liabilities	decrease	-26,475	
		-----	-812,827

Notes payable			
Notes payable - related parties	increase	756,077	
Loans payable, net of current portion	decrease	-7,456	
Other non current liabilities		-----	748,621

Change in reserve iq to goodwill etc			
Change in subordinated loans and pre			
Change in earnings previous periods	increase		330,648.00

**Net change in cash and cash equivalent** 80,173

**Cash and cash equivalent at beginning of period** 21,787

**Cash and cash equivalent at end of period** -----  
32,888

FOR THE YEAR ENDED June 30, 2019

(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, 2018	766,667	767	263,476,074	263,467	298,000	33,198	(1,873,497)	723,922	-	723,922
Exchange difference						(44,347)				
Net Profit for the year ended Jun 30, 2019							496,417			
As at June 30, 2019	766,667	767	263,476,074	263,467	298,000	(11,149)	(1,377,080)	1,228,832	-	1,228,832

READEN HOLDING CORP.  
NOTE TO CONSOLIDATED STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019  
(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, 2019, and the results of operations and cash flows for the year ended June 30, 2019. The results of operations for the year ended June 30, 2019 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 annual net profit of \$469,417 for the year ended June 30, 2019.

As of June 30, 2019, the Company had cash of \$32,888, accounts receivable of \$409,241, inventory of \$437,817 and accounts Payable of \$231,444. 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 \$4,497,588 for the Quarter ended June 30, 2019.

**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, 2019, the Company owned buildings, furniture, plant and equipment with a net value of \$916,651. 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 \$916,651

Intangible Asset of \$535,101

Advances Payable - related parties - During the year ended June 30, 2019, the amount is \$75,672

Interest Payable: during the year ended June 30, 2019 is \$27,974

Other current liabilities - As of June 30, 2019, the Company owes \$(185,212) 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, 2019. 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, 2019.

#### 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, 2019.

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 \$0.001 per share. The Company had 766,667 issued and outstanding Series B Preferred Stock shares as of June 30, 2019.

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, 2019, 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, 2019.

The Company, as of June 30, 2019 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 -