

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

REELCAUSE INC

A NEVADA Corporation

3305 W SPRING MOUNTAIN RD #7 LAS VEGAS, NV 89102

(702)405-6880

WWW.RCITGROUP.NET

DIRECTOR@RCITGROUP.NET

SIC - 3569 GENERAL INDUSTRIAL MACHINERY

Quarterly Report

For the Period Ending: March 31, 2019

(the "Reporting Period")

As of March 31, 2019, the number of shares outstanding of our Common Stock was:

62,227,646

As of March 31, 2018, the number of shares outstanding of our Common Stock was:

62,227,646

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐

No: ☒ (Double-click and select "Default Value" to check)

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control⁵ of the company has occurred over this reporting period:

Yes: ☐

No: ☒

1) Name of the issuer and its predecessors (if any)

⁵ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

September 1, 2010 to December 11, 2014- China Energy Industries, Inc.
Inception to September 1, 2010: TradeOn, Inc.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

December 11, 2014 to current date- Reelcause Inc
Incorporated in State of Nevada on December 7, 2007. Active good standing

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

2) Security Information

Trading symbol: RCIT
Exact title and class of securities outstanding: COMMON STOCK
CUSIP: 75846 B105
Par or stated value: 0.001

Total shares authorized: 100,000,000 as of date: March 31, 2019
Total shares outstanding: 62,227,646 as of date: March 31, 2019
Number of shares in the Public Float⁶: 56,025 as of date: March 31, 2019
Total number of shareholders of record: 338 as of date: March 31, 2019

Additional class of securities (if any):

Trading symbol: _____
Exact title and class of securities outstanding: _____
CUSIP: _____
Par or stated value: _____
Total shares authorized: _____ as of date: _____
Total shares outstanding: _____ as of date: _____

Transfer Agent

Name: TRANSHARE
Phone: (303)662-1112
Email: INFO@TRANSHARE.COM

Is the Transfer Agent registered under the Exchange Act?⁷ Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

N/A

⁶ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

⁷ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

N/A

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☒

Number of Shares outstanding as of <u>[Date of Beginning of Second Most Recent Completed Fiscal Year]</u>	<u>Opening Balance:</u> Common: _____ Preferred: _____		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding on <u>[Date of this Report]</u> :	<u>Ending Balance:</u> Common: _____ Preferred: _____								

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures in the past two completed fiscal years and any subsequent interim period.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
<u>01/01/2019</u>	<u>\$9,372</u>	<u>\$9,372</u>	<u>*</u>	<u>*</u>	<u>No conversion term</u>	<u>Woo Duck Lee</u>	<u>Loan from shareholders</u>
<u>01/01/2018</u>	<u>\$252,725</u>	<u>\$252,725</u>	<u>*</u>	<u>*</u>	<u>No conversion term</u>	<u>Woo Duck Lee</u>	<u>Loan from shareholders</u>
<u>01/01/2017</u>	<u>\$256,100</u>	<u>\$256,100</u>	<u>*</u>	<u>*</u>	<u>No conversion term</u>	<u>Woo Duck Lee</u>	<u>Loan from shareholders</u>

Use the space below to provide any additional details, including footnotes to the table above:

*- the shareholder agreed with no interest charge and no maturity date.

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁸:

Name: MUN & ASSOCIATES LLC
Title: CERTIFIED PUBLIC ACCOUNTANT
Relationship to Issuer: CONTRACT CPA FIRM

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
D. Statement of income;
E. Statement of cash flows;
F. Financial notes; and
G. Audit letter, if audited

⁸ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Upon the change of control, on July 29, 2016, the Company altered its business plan in order to manufacture renewable energy products.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

N/A

- C. Describe the issuers' principal products or services, and their markets

General Industrial machinery and equipment. The Company is now focusing on commercializing patented technology related to new renewable energy projects. The patents are for a product that produces energy using water.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

N/A- NO PRINCIPAL PLANTS LEASED IN US. A FACTORY IS CURRENTLY LEASED IN SOUTH KOREA.

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed**

are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>GYUHEYN JEON</u>	<u>CEO</u>	_____	_____	_____	<u>0%</u>	_____
<u>MYUNG SONG</u>	<u>SECRETARY</u>	_____	_____	_____	<u>0%</u>	_____
<u>WOODUCK LEE</u>	<u>OWNER OF MORE THAN 5 %</u>	<u>SUWON, KOREA SOUTH</u>	<u>18,474,799</u>	<u>COMMON</u>	<u>29.69%</u>	_____
<u>MATTHEW KINDNESS</u>	<u>OWNER MORE THAN 5%</u>	<u>FORT WAYNE, IN</u>	<u>14,950,000</u>	<u>COMMON</u>	<u>24.03%</u>	_____

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

NONE

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

NONE

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

NONE

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

NONE

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

NONE

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Matthew McMurdo, Esq
Firm: McMurdo Law Group, LLC
Address 1: 1185 Avenue of the Americas 3rd Floor
Address 2: New York, NY 10036
Phone: (917)318-2865
Email: matt@nannaronelaw.com

Accountant or Auditor

Name: Emily Yeji Mun
Firm: Mun & Associates LLC
Address 1: 6480 Spring Mountain RD Suite 6
Address 2: Las Vegas, NV 89146
Phone: (702)790-1468
Email: emun@muncpa.com

Investor Relations Consultant

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, GYUHEYN JEON certify that:

1. I have reviewed this quarterly disclosure statement of Reelcause Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

05/10/2019 [Date]

/S/ GYUHEYN JEON [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, GYUHEYN JEON certify that:

1. I have reviewed this quarterly disclosure statement of Reelcause Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

05/10/2019 [Date]

/S/ GYUHEYN JEON [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")



Mun & Associates LLC
Certified Public Accountant

Standard Independent Accountant's Compilation Report

To Management
Reelcause Inc
Las Vegas, Nevada

We have compiled the accompanying balance sheet of Reelcause Inc as of March 31, 2019 and the related statements of income and cash flows for the period from January 1, 2019 through March 31, 2019.

Management is responsible for the accompanying financial statements of Reelcause Inc, which comprise the balance sheets as of March 31, 2019 and the related statements of income, changes in stockholder's equity, and cash flows for the quarter then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements 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. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Mun & Associates LLC

Mun & Associates LLC
Las Vegas, Nevada
May 10, 2019

Reelcause, Inc.
Income Statement
(Unaudited)

	<u>January-March</u> <u>2019</u>	<u>January-March</u> <u>2018</u>
Revenue		
Sales.....	\$ -	\$ -
Cost of Goods Sold	-	-
	<hr/>	<hr/>
Gross profit	-	-
	<hr/>	<hr/>
Operating Expenses		
Selling, general and administrative expenses	9,340	87,759
Depreciation and amortization	263	2,599
	9,603	90,358
	<hr/>	<hr/>
Operating income (loss)	(9,603)	(90,358)
	<hr/>	<hr/>
(Loss) before income tax	(9,603)	(90,358)
	<hr/>	<hr/>
Income tax expense	-	-
	<hr/>	<hr/>
Net loss	\$ (9,603)	\$ (90,358)
	<hr/>	<hr/>
Net loss per share		
Basic:	***	***
Weighted average number of shares:		
Basic:	62,227,646	62,227,646
	<hr/>	<hr/>

*** less than \$0.01

Reelcause, Inc.
Balance Sheet
(Unaudited)

	March 31	March 31
	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 16	\$ 7,002
	<hr/>	<hr/>
Total current assets	16	7,002
	<hr/>	<hr/>
Property and equipment, net	4,308	5,358
	<hr/>	<hr/>
Other assets		
Goodwill	140,000	140,000
Accumulated amortization	(42,000)	(21,000)
Security Deposit	5,409	4,609
	<hr/>	<hr/>
Total other assets	103,409	123,609
	<hr/>	<hr/>
	\$ 107,733	\$ 135,969
	<hr/>	<hr/>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts Payable		
	518,197	336,945
	<hr/>	<hr/>
Loan payable to shareholders		
Shareholders' equity		
Preferred stock, \$0.001 par value; 50,000,000 shares authorized, issued and outstanding 25,000,000 and 25,000,000 shares	\$ 25,000	\$ 25,000
Common stock, \$0.001 par value; 100,000,000 shares authorized, issued and outstanding 62,227,646 shares.....	62,228	62,228
Capital in excess of par value	52,772	52,772
Accumulated deficit	(550,464)	(340,976)
	<hr/>	<hr/>
Total stockholders' equity	(410,464)	(200,976)
	<hr/>	<hr/>
	\$ 107,733	\$ 135,969
	<hr/>	<hr/>

Reelcause, Inc.
Statement of Cash Flows
(Unaudited)

	Quarter ended March 31	Quarter ended March 31
	2019	2018
Cash flows from operating activities		
Net income (loss)	\$ (9,603)	\$ (90,357)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Accounts payable		
Depreciation and amortization	263	2,599
Net cash provided by operating activities	<u>(9,340)</u>	<u>(87,759)</u>
Cash flows from investing activities		
Acquisition of furniture and equipment	-	-
Increase in goodwill	-	-
Increase in leasehold improvement	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Loan payable to Shareholders	9,372	83,250
Common Stock	-	-
Preferred Stock	-	-
Net cash provided by financial activities	<u>9,372</u>	<u>83,250</u>
Cash and cash equivalents		
Net cash increase for the period	32	(4,509)
Balance, beginning of the period	-	11,359
Balance, end of the period	32	6,850

REELCAUSE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING MARCH 31, 2019
(UNAUDITED)

NOTE 1- BASIS OF PRESENTATION

The accompanying financial statements of Company have been prepared in accordance with accounting principles generally accepted in the United State of America (U.S. GAAP) under the accrual basis of accounting. The Company has adopted a December 31st year end.

NOTE 2- ORGANIZATION AND BUSINESS BACKGROUND

Reelcause, Inc. (the “Company”) was originally incorporated on December 7, 2007 in the State of Nevada under the name of TradeOn, Inc. On December 11, 2014, the Company changed its name to Reelcause, Inc. to reflect the acquisition of Reelcause, Inc., a corporation organized and exiting under the laws of the State of Delaware (“Reelcause”), pursuant to which the Company acquired 100% of the Capital Shares of Reelcause in exchange for an issuance by the Company of 50,000,000 shares of Common Stock to Reelcause Shareholders, and/or their assigns. The Company’s common shares are quoted on the “Pink Sheets” quotation market under the symbol “RCIT”.

The Company and Reelcause were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Reelcause, and Reelcause, Inc. became wholly-owned subsidiary of the Company. However, the Company had no business activities after the acquisition of Reelcause Inc incorporated in Delaware and generated no revenue since 2013.

On August 9, 2016, the Company is reverse merged with a private company owned by James Ford, which obtained a majority of the issued and outstanding voting power, or 87 % of capital shares (54,342,800) of the Company, resulting in a change in control of the Company.

Since this transaction has been accounted for as a reverse merger there are required forms to submit required by OTCBB. However, because the Company is classified as non-reporting shell, quoted on the “Pink Sheets” these required forms are waived to file with OTCBB.

During this reverse merger transaction there were no assets and liabilities assumed. Therefore, the financial statements includes recapitalization of the Company. Due to the fact of unavailability of the Company financial information prior to the reverse merger the financial statements is limited to the period after the reverse merger. In addition, comparable financial statement cannot be issued for the periods prior to year 2016.

NOTE 3- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management’s use of estimates. The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. These

principles require the Company's 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents. Cash and cash equivalents include investments and interest bearing instruments with maturities of 90 days or less at the date of acquisition. Such investments are carried at cost, which approximates market value. Book overdraft balances resulting from the Company's cash management program are recorded as accounts payable, construction payable, or other accrued liabilities, as applicable.

Fixed assets. Fixed assets are stated at cost. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets.

Reimbursed expenses. The Company recognizes costs reimbursed pursuant to management services as revenue in the period it incurs the costs.

Goodwill . The Company has the excess amount paid over the fair value of the reporting unit. Subsequent to recording goodwill as part of a business combination, the Company will annually test goodwill at a reporting unit level for any impairment. Goodwill is no longer amortized.

Net loss per share. The Company reports earnings (loss) per share in accordance with FASB Accounting Standards. Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. The Company has not issued any options or warrants or similar securities since inception.

Note 4- CAPITAL STRUCTURE

As of March 31, 2019, the Company is authorized to issue 100,000,000 shares of Common Stock, Par Value \$0.001, of which 62,227,646 shares issued and outstanding. As of March 31, 2019, the Company was authorized to issue 50,000,000 shares of Preferred Stock, par value \$0.001, of which 25,000,000 shares were designated as Convertible Preferred Series A Stock which a conversion ratio of 1:1 shares of common. The total 25,000,000 shares of Convertible Preferred Series A Stock were issued and outstanding as of March 31, 2019.

NOTE 5- CHANGE IN CONTROL

There is no change in control since 2017.