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REACH MESSAGING HOLDINGS, INC.

FORM 10-Q
(Quarterly Report)

Filed 08/22/11 for the Period Ending 06/30/11

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Telephone	888-631-8555
CIK	0001429900
Symbol	RCMH
SIC Code	7900 - Services-Amusement and Recreation Services
Industry	IT Services & Consulting
Sector	Technology
Fiscal Year	12/31

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT UNDER SECTION 13 0R 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: **June 30, 2011**

☐ **TRANSITION REPORT UNDER SECTION 13 0R 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from:

Commission file number: 333-150424

REACH MESSAGING HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**26-1110179**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.
44081 Pipeline Plaza, Suite 310, Ashburn, VA	**20148**
(Address of principal executive offices)	(Zip Code)

Issuer's telephone number: **(888) 631-8555**

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filed," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐

Non-accelerated filer ☐ Smaller reporting company ☒
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. The number of shares of the registrant's common stock, $0.001 par value per share, outstanding as of August 11, 2011 was 844,526,530.

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Part I, Item 1. Financial Statements.

REACH MESSAGING HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2011	December 31, 2010
ASSETS		
Current assets		
Cash	$ 50,876	$ 68,181
Prepaid income taxes	-	2,943
Total current assets	50,876	71,124
Property and equipment, net of accumulated depreciation of $750 and $486 at June 30, 2011 and December 31, 2010, respectively	2,934	1,944
Other assets	16,270	5,000
TOTAL ASSETS	$ 70,080	$ 78,068
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 123,925	$ 156,717
Derivative liability	146,050	-
Convertible notes - short term, net of discount of $28,471 at June 30, 2011	54,029	-
Total current liabilities	324,004	156,717
Long term liabilities		
Convertible notes, net of discount of $352,869 and $275,000 at March 31, 2011 and December 31, 2010, respectively	210,837	88,706
Total liabilities	534,841	245,423
Stockholders' deficit		
Preferred stock, par value $0.001; 10,000,000 shares authorized; none issued and outstanding	-	-
Common stock, par value $0.001; 2,000,000,000 shares authorized; 838,994,505 and 806,994,505 issued and outstanding	838,995	806,995
Common stock to be issued	14,500	-
Additional paid-in capital	4,208,240	3,818,990
Accumulated deficit	(5,526,496)	(4,793,340)
Total stockholders' deficit	(464,761)	(167,355)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 70,080	$ 78,068

The accompanying notes form an integral part of these financial statements.

REACH MESSAGING HOLDINGS, INC.
STATEMENTS OF OPERATIONS
Three and Six Months Ended June 30, 2011 and 2010
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Revenue				
Application development	$ 93,468	$ 43,250	$ 104,718	$ 66,500
Hosting	-	15,000	-	30,000
Auction	1,712	-	22,903	-
Other	-	-	52	601
Total revenue	95,180	58,250	127,673	97,101
Costs of Revenue				
Auction site	8,871	-	25,615	-
Advertising customization	859	-	2,342	-
Web hosting	32	-	2,415	-
Total costs of revenue	9,762	-	30,372	-
Gross profit	85,418	58,250	97,301	97,101
Operating expenses:				
General and administrative expenses	255,048	720,184	450,398	1,093,272
Research and development expense	43,560	91,806	70,654	158,273
Total operating expenses	298,608	811,990	521,052	1,251,545
Operating loss	(213,190)	(753,740)	(423,751)	(1,154,444)
Other expenses:				
Change in fair value of derivative liability	91,183	-	109,147	-
Interest	139,897	1,288	197,315	2,738
Other	-	-	2,943	-
Total other expenses	231,080	1,288	309,405	2,738
Net loss before tax	(444,270)	(755,028)	(733,156)	(1,157,182)
Provision for income tax	-	-	-	-
Net loss	$ (444,270)	$ (755,028)	$ (733,156)	$ (1,157,182)
Net loss per common share - basic and diluted	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding	838,247,252	130,648,352	828,342,571	124,010,238

The accompanying notes form an integral part of these financial statements.

REACH MESSAGING HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
Six Months Ended June 30, 2011 and 2010
(Unaudited)

	2011	2010
Cash flows from operating activities		
Net loss	$ (733,156)	$ (1,157,182)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discount	180,563	-
Amortization of debt issuance costs	4,470	-
Change in fair value of derivative liability	109,147	-
Impairment of other assets	9,240	
Share based payments	40,500	710,000
Depreciation expense	264	-
(Increase) decrease in:		
Accounts receivable	-	(17,000)
Prepaid income taxes	2,943	
Increase (decrease) in:		
Accounts payable and accrued expenses	(32,792)	20,146
Net cash used in operating activities	(418,821)	(444,036)
Cash flows from investing activities:		
Cash paid for website development	(9,240)	-
Cash paid for acquisition of fixed assets	(1,254)	-
Net cash used in investing activities	(10,494)	-
Cash flows from financing activities:		
Proceeds from convertible notes, net of debt issuance costs	341,760	-
Repayment of convertible notes	(75,000)	-
Proceeds from stock issued for cash, net of offering costs	145,250	585,000
Net cash provided by financing activities	412,010	585,000
Net (decrease) increase in cash	(17,305)	140,964
Cash, beginning of period	68,181	27
Cash, end of period	$ 50,876	$ 140,991
SUPPLEMENTARY DISCLOSURE OF NON-CASH FINANCING ACTIVITIES:		
Shares issued as finders' fees	$ -	$ 18,400
Shares issued for prepaid consulting fees	$ -	$ 900,000

The accompanying notes form an integral part of these financial statements.

Note 1 – Nature of Operations

Reach Messaging Holdings, Inc. (the "Company") was incorporated in September 2007 under the laws of the State of California. On February 3, 2010, FormulaWon, Inc., a public company, acquired Reach Messaging, Inc. in a reverse merger. FormulaWon, Inc. was renamed Reach Messaging Holdings, Inc. (the "Company"). In connection with the reverse acquisition and recapitalization, all share and per share amounts of Reach have been retroactively adjusted to reflect the legal capital structure of FormulaWon pursuant to Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 805-40-45-1.

The Company extends corporate brands through the use of mobile applications and social gaming. The Company was initially formed to assist publishers and advertisers in reaching younger generations though internet and mobile instant messaging platforms. In 2010, the Company expanded its business model and developed its first Facebook game and celebrity application. It also launched several retail space applications. With the change in focus, the Company migrated from an instant messaging Bot company to a full-service mobile application developer and marketer. In 2011, the Company introduced a new revenue venture in the form of an online auction website called bid4babygear.com, where customers can purchase childcare and related items through a bidding process.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission for Form 10-Q. Accordingly, certain information and footnote disclosures, normally included in financial statements prepared in accordance with generally accepted accounting principles, have been condensed or omitted pursuant to such rules and regulations.

In the opinion of management, these financial statements reflect all normal recurring and other adjustments necessary for a fair presentation, and to make the financial statements not misleading. These financial statements should be read in conjunction with the audited consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2010. Operating results for interim periods are not necessarily indicative of operating results for an entire fiscal year or any other future periods.

Principles of Consolidation

The consolidated financial statements include the assets, liabilities and operating results of Reach Messaging Holdings, Inc. and its wholly-owned subsidiary, Reach Messaging, Inc. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from our estimates.

Such estimates and assumptions impact, among others, the valuation allowance for deferred tax assets, due to continuing and expected future losses.

Risks and Uncertainties

The Company operates in an industry that is subject to intense competition and change in consumer demand. The Company's operations are subject to significant risk and uncertainties including financial and operational risks including the potential risk of business failure. Also, see Note 3 regarding going concern matters.

Cash

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance, at times, may exceed federally insured limits.

The United States Congress has temporarily increased the Federal Deposit Insurance Corporation (FDIC) deposit insurance from $100,000 to $250,000 per depositor. At June 30, 2011 and December 31, 2010, respectively, the cash balance did not exceed the federally insured limits.

Accounts receivable and allowance for doubtful accounts

Accounts receivable represents trade obligations from customers that are subject to trade collection terms. The Company periodically evaluates the collectability of its accounts receivable and considers the need to establish an allowance for doubtful accounts based upon historical collection experience and specific customer information. Accordingly, the actual amounts could vary from the recorded allowances.

The Company does not charge interest on past due receivables. Receivables are determined to be past due based on payment terms of original invoices.

At June 30, 2011 and December 31, 2010, the Company did not record an allowance for doubtful accounts.

Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated on a straight-line basis over the estimated useful lives of the related assets, which is five years.

Share Based Payments

Generally, all forms of share-based payments, including stock option grants, restricted stock grants and stock appreciation rights, are measured at their fair value on the awards' grant dates, and are based on the estimated number of awards that are ultimately expected to vest. Share-based payment awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the share-based payment, whichever is more readily determinable. The expense resulting from share-based payments is recorded as a component of general and administrative expense.

Earnings (loss) per share

In accordance with accounting guidance under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 260, "Earnings per Share," basic earnings per share ("EPS") is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to the dilutive potential of shares of common stock outstanding during the period including stock options or warrants, using the treasury stock method (by using the average stock price for the period to determine the number of shares assumed to be purchased from the exercise of stock options or warrants), and convertible debt or convertible preferred stock, using the if-converted method. Diluted EPS excludes the dilutive potential of shares of common stock if their effect is anti-dilutive.

The computation of basic and diluted loss per share for the six months ended June 30, 2011 and 2010 is equivalent since the Company reported a net loss and the effect of any common stock equivalents would be anti-dilutive. For the six months ended June 30, 2011 and 2010, there were approximately 968 million and 6 million shares, respectively, excluded from the calculation because they were anti-dilutive.

In August 2010, the Company executed a 5-1 forward Stock Split, all share and per share amounts have been retrospectively restated.

Revenue Recognition and Customer Deposits

The Company records revenue when all of the following have occurred: (1) persuasive evidence of an arrangement exists, (2) the product is delivered, (3) the sales price to the customer is fixed or determinable, and (4) collectability of the related customer receivable is reasonably assured. There is no stated right of return for products.

Hosting revenue is recognized monthly. Hosting services are invoiced to customers at the beginning of the month following the month services are provided. Advertising and sponsorships on owned Internet properties are sold on a cost per action ("CPA") basis and invoiced to the customer monthly based on the number and price per action at the end of each month. Marketing support revenue is generated as a result of the media and marketing services provided to support customer Internet marketing activities.

When a sales arrangement contains multiple elements, such as software development services, support and maintenance, revenue is allocated to each element based on its relative fair value. When the fair value of an undelivered element cannot be determined, the Company defers revenue for the delivered elements until the undelivered elements are delivered. Payments received in advance of provision of services are deferred until earned.

Revenue from auction sales is recognized when the risks of ownership and title pass to the customer, which is generally upon shipment of the products. If and when defective products are returned, the Company exchanges them or provides a credit to the customer. The returned products are shipped back to the supplier and the Company receives a credit or exchange. At June 30, 2011 and December 31, 2010, there was no allowance for auction sales returns.

Cost of Revenue

Cost of revenue represents costs directly related to the administration of the Company's auction website. Other costs of revenue include hosting, advertising customization and programming.

Research and Development

Research and development costs related to both future and present products are charged to operations as incurred. The Company incurred research and development costs of $43,560 and $91,806 for the three months ended June 30, 2011 and 2010, respectively, and $70,654 and $158,273 for the six months ended June 30, 2011 and 2010, respectively .

Convertible Notes Payable and Derivative Liabilities

The Company accounts for convertible notes payable and warrants in accordance with FASB ASC 815, Derivatives and Hedging. This standard requires that the conversion feature of convertible debt be separated from the host contract and presented as a derivative instrument if certain conditions are met. FASB ASC 815 was also analyzed to determine whether the debt instrument is to be considered a conventional convertible debt instrument and classified in stockholders' equity. The convertible notes payable were evaluated and determined not to be conventionally convertible and, therefore, because of non-fixed conversion price terms under the associated debt agreement, the embedded conversion option was bifurcated and has been accounted for as a derivative liability instrument. The accounting guidance also requires that the conversion feature be recorded at fair value for each reporting period with changes in fair value recorded in the consolidated statements of operations.

A Black-Scholes valuation calculation was applied to the conversion feature at issuance date and report date. The Company considers it to be a level 2 type instrument in accordance with FASB ASC 820-10 "Fair value Measurements and Disclosures" as the inputs needed to estimate the value are observable either directly or indirectly. The issuance date valuation was used for the effective debt discount that these instruments represent. The debt discount is amortized over the nine-month life of the debt using the effective interest method. The reporting date valuation was used to record the fair value of the instrument at the end of the reporting period with any difference from prior period calculations reflected in the consolidated statement of operations.

Recent Accounting Pronouncements

In January 2010, the FASB issued updated guidance to amend the disclosure requirements related to recurring and nonrecurring fair value measurements. This update requires new disclosures on significant transfers of assets and liabilities between Level 1 and Level 2 of the fair value hierarchy (including the reasons for these transfers) and the reasons for any transfers in or out of Level 3. This update also requires a reconciliation of recurring Level 3 measurements about purchases, sales, issuances and settlements on a gross basis. In addition to these new disclosure requirements, this update clarifies certain existing disclosure requirements. For example, this update clarifies that reporting entities are required to provide fair value measurement disclosures for each class of assets and liabilities rather than each major category of assets and liabilities. This update also clarifies the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. This update became effective for the Company with the interim and annual reporting period beginning January 1, 2010, except for the requirement to provide the Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which became effective for the Company with the interim and annual reporting period beginning January 1, 2011. The Company will not be required to provide the amended disclosures for any previous periods presented for comparative purposes. Other than requiring additional disclosures, adoption of this update did not have a material effect on the Company's financial statements.

Management does not believe that any other recently issued, but not yet effective accounting standards, if adopted, will have a material effect on the Company's financial statements.

Note 3 – Going Concern

As reflected in the accompanying financial statements, the Company had a net loss and net cash used in operations of $733,156 and $418,821, respectively, for the six months ended June 30, 2011. The Company had an accumulated deficit of $5,526,496 at June 30, 2011.

The ability of the Company to continue its operations is dependent on management's plans, which include the raising of capital through debt and/or equity markets with some additional funding from other traditional financing sources, including term loans and notes, until such time that funds provided by operations are sufficient to fund working capital requirements. The Company may need to incur additional liabilities with related parties to sustain the Company's existence.

The Company will require additional funding to finance the growth of its current and expected future operations as well as to achieve its strategic objectives. The Company believes its current available cash along with anticipated revenues may be insufficient to meet its cash needs for the near future. There can be no assurance that financing will be available in amounts or terms acceptable to the Company, if at all. Further restraining the Company's ability to raise debt financing is a covenant with three current debtholders against the further use of debt financing.

Because of the net losses and negative working capital position, the Company's independent auditors, in their report on the Company's financial statements for the year ended December 31, 2010, expressed substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These accompanying 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.

In response to these problems, management is seeking additional debt and/or equity financing and assessing business markets and related opportunities so that revenues can be generated.

Note 4 – Fair Value

The Company applies the accounting guidance under FASB ASC 820-10, *"Fair Value Measurements"* , as well as certain related FASB staff positions. This guidance defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact business and considers assumptions that marketplace participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

The guidance also establishes a fair value hierarchy for measurements of fair value as follows:

- Level 1 – quoted market prices in active markets for identical assets or liabilities.

- Level 2 - inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amounts reported in the balance sheet for accounts payable and accrued expenses, and short term convertible notes payable are the approximate fair value based on the short-term maturity of these instruments. For long term convertible notes payable, the carrying value approximates fair value.

Note 5 – Other Assets

Other assets consisted of the following as of June 30, 2011 and December 31, 2010:

	June 30, 2011	December 31, 2010
Deposits	$ 5,000	$ 5,000
Debt issuance costs, net of accumulated amortization	11,270	-
Total other assets	$ 16,270	$ 5,000

Note 6 – Loans Payable

The Company has entered into several debt agreements. For all of the following convertible debt agreements, the conversion price will be adjusted in the event of a stock split or similar recapitalization of the outstanding shares. Also, the right to convert is limited such that the holder of the note may not convert into shares if such conversion would cause such holder's beneficial ownership of the Company's shares to exceed certain percentages of the total outstanding shares of the Company.

On October 1, 2010, the Company entered into a debt agreement with four note-holders for the purchase and sale of convertible promissory notes in the aggregate principal amount of $363,706 due October 1, 2013. The debt accrues interest at a rate of 5% per annum, which is due and payable with the principal amount. As of June 30, 2011 and December 31, 2010, accrued interest was $13,607 and $4,639, respectively. The debt is convertible at a conversion price of $0.002 per share. The outstanding debt at June 30, 2011 and December 31, 2010 was $138,706 and $88,706, respectively, which included a debt discount in the amount of $225,000 and $275,000, respectively.

On February 10, 2011, the Company entered into a debt agreement with a note-holder for the purchase and sale of a convertible promissory note in the principal amount of $50,000 due February 10, 2014. During the six months ended June 30, 2011, all of principal was repaid. The debt accrued interest at a rate of 5% per annum, which was also paid.

Through June 30, 2011, the Company issued $82,500 of convertible debentures (all of which are outstanding at June 30, 2011) that are convertible into common stock of the Company at variable conversion rates that provide a fixed rate of return to the note-holder. The debt accrues interest at a rate of 8% per annum, which is due and payable with the principal amount. The principal and accrued interest are convertible (beginning 180 days following the date of issuance) at the election of the note holder into shares of the Company's common stock at a conversion price initially equal to 55% of the average of the three lowest trading prices during the 10-day period prior to conversion. The note may be prepaid at any time, subject to advance notice to the holder and an opportunity to convert the note into shares of common stock prior to repayment and with a pre-payment penalty. Under the terms of the notes, however, the Company could be required to issue additional shares in the event of default. The Company applied the provisions of ASC Topic 815, "Derivatives and Hedging" and determined that the conversion option should be bifurcated from the notes and valued separately. This conversion option has been recorded as a derivative liability, is being amortized over the terms of the related notes, and is carried at fair value in the accompanying balance sheet. As of June 30, 2011, accrued interest was $1,776. During the three and six months ended June 30, 2011, the change in fair value of this derivative liability amounted to $91,183 and $109,147, respectively. The outstanding debt at June 30, 2011 was $54,029 which included a debt discount in the amount of $28,471.

On April 27, 2011, the Company entered into a debt agreement with three note-holders for the purchase and sale of convertible promissory notes in the aggregate principal amount of $200,000 due October 25, 2011. The debt accrues interest at a rate of 5% per annum, which is due and payable with the principal amount. As of June 30, 2011 accrued interest was $1,808. The debt is convertible at a conversion price of $0.002 per share. The outstanding debt at June 30, 2011 was $72,131, which included a debt discount in the amount of $127,869.

In connection with these notes, each investor received two warrants to purchase an aggregate of the number of shares issuable upon full conversion of the principal amount of the Notes (up to an aggregate, including the Warrant shares and the conversion shares, of 100,000,000 shares). These notes also provide that the Company will not incur additional financing related debt.

Note 7 – Stockholders' Equity

(A) Stock issued for services

Through June 30, 2011, the Company agreed to issue 1,000,000 shares of common stock to two individuals for serving on the Board of Directors having a fair value of $14,500, based upon the closing stock prices on the date of grant. As of June 30, 2011, the Company expensed this stock issuance as a component of general and administrative expense. As of June 30, 2011, these shares have not yet been issued.

Through June 30, 2011, the Company issued 2,000,000 shares of common stock to a law firm for services. The shares have a fair value of $26,000 based on the closing stock price of $0.013 on the date of grant.

(B) Stock and warrants issued for cash

In February 2011, the Company sold 30,000,000 shares of common stock for $150,000 ($0.005/share). Per the terms of the agreement, the Company was required to pay $25,000 of an outstanding convertible note, $500 in fees and $75,000 to an investor relations firm out of the $150,000 received. In connection with this issuance, the Company issued 30,000,000 penny warrants that expire in February 2014.

(C) Employee Stock Options and Warrants

A summary of the Company's activity for employee stock options and warrants:

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life

Outstanding at January 1, 2011	130,000,000	$ 0.004	$ -	2.75
Granted	-	-		
Expired	-	-		
Forfeited	-	-		
Exercised	-	-		
Outstanding at June 30, 2011	130,000,000	$ 0.004	$ -	2.25
Exercisable at June 30, 2011	130,000,000	$ 0.004	$ -	2.25

During the six months ended June 30, 2011, the Company granted no new options and received no requests for exercise.

Stock Warrants

A summary of the Company's warrant activity with non-employees:

	Number of Warrants	Weighted Average Exercise Price	Aggregate Intrinsic Value
Outstanding at January 1, 2011	386,704,660	$ 0.004	$ -
Granted	130,000,000	0.005	
Expired	-	-	
Forfeited	-	-	
Exercised	-	-	
Outstanding at June 30, 2011	516,704,660	$ 0.004	$ -
Exercisable at June 30, 2011	516,704,660	$ 0.004	$ -

During the six months ended June 30, 2011 we issued 100,000,000 fully vested, 5 year warrants with a weighted average exercise price of $0.003 in connection with the note entered into on April 27, 2011, and we issued 30,000,000 fully vested, 3 year warrants with an exercise price of $0.01 in connection with services rendered.

Note 8 – Contingencies

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm its business. The Company is currently not aware of any such legal proceedings or claims that they believe will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

Note 9 – Related Party Transactions

During the three and six months ended June 30, 2011, the Company used consulting services provided by the CEO's wife and incurred approximately $9,500 and $19,800 for consulting fees, respectively.

Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

The following discussion and analysis should be read in conjunction with our financial statements and notes thereto, included elsewhere in this Quarterly Report on Form 10-Q ("Report"). Except for the historical information contained in this Report, the following discussion contains certain forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions. Our actual results may differ materially from the results discussed in the forward-looking statements as a result of certain factors including, but not limited to, those discussed in the section of this Report titled "Risk Factors", as well as other factors, some of which will be outside of our control. You are cautioned not to place undue reliance on these forward-looking statements, which relate only to events as of the date on which the statements are made. We undertake no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof. You should refer to and carefully review the information in future documents we file with the SEC.

Overview

Plan of Operation

Reach Messaging Holdings, Inc. (the "Company" or "Reach Messaging") has not generated sufficient revenue so it intends to report its plan of operation below. The ability of the Company to achieve its business objectives is contingent upon its success in raising additional capital until adequate revenues are realized from operations.

Reach Messaging extends corporate brands through the use of mobile applications and social gaming. The Company contracted with Waste Management to build its first Facebook game: Oceanopolis. It gave Waste Management a vehicle to extend their recycling message to a much younger demographic than they had previously been able to reach. The game launched in November 2010 and quickly surpassed 100,000 users. Reach Messaging is currently developing its first game app (versus a Facebook-based game), which launched during this quarter. During 2010 and into 2011, Reach Messaging's focus has migrated from an Instant Messaging Bot company into a full-service mobile application ("app") developer and marketer.

Reach Messaging's approach is threefold:

The first market vertical that Reach Messaging entered was the retail space (i.e. malls and life style centers) with its June 2010 launch of its Mall Buddy platform. The Mall Buddy platform enables Reach Messaging to develop and launch a retail app for a low cost and can complete the application in approximately two weeks (compared to 6 weeks for most competitors). As of June 30, 2011 Reach Messaging has launched 21 retail apps. The Mall Buddy app is a mobile app that runs on smart phones and mobile devices such as, iPhone, Android, iPad and other popular platforms. It is developed and customized to the needs of an individual mall or town center as compared to a generic shopping aggregator. The Mall Buddy app benefits the mall management, the shopper and the individual merchants/venues. The Mall Buddy app is a compelling and feature-rich shopping application. It is frequently enhanced with additional features to offer a valuable and entertaining experience to the end-users.

In order to acquire these clients, Reach Messaging had to incur the initial costs related to the development of the platform, however in return the Company is now able to establish a footprint in the retail app space and anticipates generating additional revenue through its 'back-end' ad solution. Reach Messaging is currently in discussions with several major mall management companies to provide mobile app solutions for an upfront fee, as well as receiving a share of the recurring revenue. Reach Messaging projects to launch 20 - 30 new retail apps by mid-Q3 2011.

Reach Messaging entered its second vertical in September 2010, when it finished development and launched its Celebrity App platform. The Celebrity App platform enables Reach Messaging to develop and launch a celebrity app for a low cost and complete the design in approximately 3 weeks (compared to 8 weeks for most competitors). Users of Reach Messaging's Celebrity Apps get official news first and will be clued in to the celebrity's latest Twitter and Facebook posts. They can also create and share images of themselves hangin' with the celebrity, enter a celebrity look-a-like contest, or submit photos for a "hot or not" contest. In addition, those with the Celebrity App can check out freshly updated exclusive photo galleries and videos of the celebrity, take fan polls and quizzes and receive celeb wild quotes, tips and facts. In February 2011, Reach Messaging and Velti launched the official 'Paris Hilton' app. This Celebrity App is projected to generate 350,000 downloads annually and received much buzz on network television and other media. Since the Paris Hilton launch, Reach Messaging has also launched the Michaele Salahi Celebrity App and is in talks with several athletes, TV stars and artists to release their Celebrity Apps. Reach Messaging anticipates this will become a significant source of revenue for the next several years.

Third, Reach Messaging is under development of additional app platforms for certain other market segments including hospitality (restaurant and vineyards), local advertising and health and fitness. In December 2010, Reach Messaging launched its turnkey proprietary advertising solution for mobile ad publishers that it refers to as an Interactive Ad Curtain. Reach Messaging believes that its new, proprietary mobile ad technology is able to provide publishers with a better return on investment than existing platforms such as AdMob and iAd. Reach Messaging offers Software Development Kits (SDK's) that allow its technology to be used for mobile applications developed for both the iPhone and the Android and, unlike existing ad platforms, does not charge publishers any fees for "house" or proprietary ads that they run about their companies. Perhaps the most significant feature of the Company's Interactive Ad Curtain mobile ad technology is that it allows readers to "share" ads via email and social media outlets such as Facebook and Twitter. In January 2011, Reach Messaging signed its first two customers licensing this ad technology for a licensing fee and recurring revenue share.

To summarize Reach Messaging's principal products and services and their status:

Mall Buddy : As of June 30, 2011 the Company has signed 21 retail apps which are available for download in the iTunes Store including: Reston Town Center, Leesburg Premium Outlets, Dulles Town Center, King of Prussia and Tysons Galleria. These apps have been downloaded over 50,000 times. Reach Messaging is in discussions to develop an additional 20 - 30 retail apps in 2011.

Celebrity Apps : The Paris Hilton launch gave Reach Messaging visibility in this market segment. As of June 30, 2011 there have been over 5,500 downloads, and in the first two weeks after the launch there were over 5,000 downloads. Reach Messaging anticipates building 20 new celebrity apps in 2011.

Interactive Ad Curtain : As of June 30, 2011, the Company has signed and executed two license agreements. Reach Messaging anticipates entering into 20 to 40 additional agreements in 2011.

The Company earns a development fee to create mobile apps. It also earns recurring revenue from apps using its interactive ad curtain, from download fees for the premium apps built, and from app upgrades. Reach Messaging intends to earn additional revenue through its launch of local ad deal apps.

Results of Operations

Three Months Ended June 30, 2011 Compared to Three Months Ended June 30, 2010

The following table sets forth the results of our operations for the periods indicated:

	Three Months Ended	
	June 30, 2011	**June 30, 2010**
Net revenue	$ 95,180	$ 58,250
Cost of revenue	(9,762)	-
Gross profit	85,418	58,250
Total operating expenses	298,608	811,990
Operating Loss	(213,190)	(753,740)
Provision for income tax	-	-
Interest and Other Expenses	231,080	1,288
Net loss	$ (444,270)	$ (755,028)
Net loss per common share – basic and diluted	(0.00)	(0.01)
Weighted average number of common shares outstanding	838,274,252	130,648,352

Net Revenue

For the three months ended June 30, 2011, our net revenue increased approximately 63% to $95,180 from $58,250 for the three months ended June 30, 2010. We had $93,468 of revenue generated from application development for the quarter ended June 30, 2011 compared to $43,250 for the quarter ended June 30, 2010. The reason for the increase was the change in our business model from the development of Facebook games to app development. We generated $15,000 in hosting revenue for the three months ended June 30, 2010 and no revenue for the same period in 2011. Hosting revenue is a periodic fee charged to host and maintain a partner's server and content related to the Bot properties, a business that we have phased out of our on-going business plan. Our revenue from Auctions, which represents the sale of certain products through an online auction website, increased to $1,712 for the three months ended June 30, 2011 compared to no revenue for the same period in 2010. We are no longer pursuing this business.

Cost of Revenue

Our cost of revenue was $9,762 for the three months ended June 30, 2011, compared with $0 for the three months ended June 30, 2010. This is due to the change in our business to the Auction business which has higher direct costs associated with the business.

Operating Costs

We incurred operating expenses of $298,608 during the three months ended June 30, 2011; a decrease of approximately 63% compared to $811,990 incurred in the three months ended June 30, 2010. Selling, general and administrative expenses were $255,045 during the three months ended June 30, 2011, compared to $720,184 for the three months ended June 30, 2010. Our expenses have decreased due mainly to a reduction in our management staff. Research and development expenses were $43,560 during the three months ended June 30, 2011, a decrease of approximately 53%, as compared to $91,806 for the three months ended June 30, 2010. The decrease is due to our change in business model, and the need for fewer employees and outside contractors to perform development services. Interest expense for the three months ended June 30, 2011 was $137,897 related to our outstanding debt, compared to $1,288 for the same period in 2010. We incurred a charge of $91,183 related to the derivative value of certain obligations and had no similar expense during the same period in 2010. We also incurred a charge of $4,470 related to the amortization of debt issuance costs associated with certain convertible notes.

Net Loss

Our net loss decreased from $755,028 for the three months ended June 30, 2010 to a net loss of $444,270 for the three months ended June 30, 2011. The significant decrease of net loss was mainly attributable to the change of overhead through the reduction of management and staff personnel.

Six Months Ended June 30, 2011 Compared to Six Months Ended June 30, 2010

The following table sets forth the results of our operations for the periods indicated:

	Six Months Ended	
	June 30, 2011	**June 30, 2010**
Net revenue	$ 127,673	$ 97,101
Cost of revenue	(30,372)	-
Gross profit	97,301	97,101
Total operating expenses	521,052	1,251,545
Operating Loss	(423,751)	(1,154,444)
Provision for income tax	-	-
Interest and Other Expenses	309,405	2,738
Net loss	(733,156)	(1,157,182)
Net loss per common share – basic and diluted	(0.00)	(0.01)
Weighted average number of common shares outstanding	828,342,571	124,010,238

Net Revenue

For the six months ended June 30, 2011, our net revenue increased approximately 31% to $127,673 from $97,101 for the six months ended June 30, 2010. We had $104,718 of revenue generated from application development for the six months ended June 30, 2011 compared to $66,500 for the six months ended June 30, 2010. The reason for the increase was the change in our business model from the development of Facebook games to app development. We generated $30,000 in hosting revenue for the six months ended June 30, 2010 and no revenue for the same period in 2011. Hosting revenue is a periodic fee charged to host and maintain a partner's server and content related to the Bot properties, a business that we have phased out of our on-going business plan. Our revenue from Auctions, which represents the sale of certain products through an online auction website, increased to $22,903 for the six months ended June 30, 2011 compared to no revenue for the same period in 2010. We are no longer pursuing this business.

Cost of Revenue

Our cost of revenue was $30,372 for the 6 months ended June 30, 2011, compared with $0 for the 6 months ended June 30, 2010. This is due to the change in our business to the Auction business which has higher direct costs associated with the business.

Operating Costs

We incurred operating expenses of $521,052 during the six months ended June 30, 2011; a decrease of approximately 58% compared to $1,251,545 incurred in the six months ended June 30, 2010. Selling, general and administrative expenses were $450,398 during the six months ended June 30, 2011, compared to $1,093,272 for the six months ended June 30, 2010. Our expenses have decreased due mainly to a reduction in our management staff. Research and development expenses were $70,654 during the six months ended June 30, 2011, a decrease of approximately 55%, as compared to $158,273 for the six months ended June 30, 2010. The decrease is due to our change in business model, and the need for fewer employees and outside contractors to perform development services. Interest expense for the six months ended June 30, 2011 was $197,315 related to our outstanding debt, compared to $2,738 for the same period in 2010. We incurred a charge of $109,147 related to the derivative value of certain obligations and had no similar expense during the same period in 2010.

Net Loss

Our net loss decreased from $1,157,182 for the six months ended June 30, 2010 compared to a net loss of $733,156 for the six months ended June 30, 2011. The significant decrease of net loss was mainly attributable to the change of overhead through the reduction of management and staff personnel.

Liquidity and Capital Resources

The Company had cash and cash equivalents of $50,876 and $68,181 and at June 30, 2011 and December 31, 2010, respectively.

Operating Activities

During the six months ended June 30, 2011, the Company used $418,821 of cash in operating activities. The net loss of $733,156 was offset by non-cash charges for compensation expense of $40,500, $180,563 for amortization of debt discount, $4,470 for amortization of debt issuance costs, $109,147 for the change in fair value of the derivative liability associated with short-term convertible notes, $9,240 for the impairment of capitalized website development costs, and $264 of depreciation. Other operating activities included a decrease in prepaid income taxes of $2,943 and a decrease of $32,792 in accounts payable and accrued expenses. During the six months ended June 30, 2010, the Company used $444,036 of cash in operating activities. The net loss for the period of $1,157,182 was offset by $710,000 relating to share based payments. Cash used in operating activities included an increase of $17,000 for accounts receivable; $20,146 was provided by increases in accounts payable and accrued expenses.

Investing Activities

During the period ending June 30, 2011 the Company invested $10,494 in website development and other fixed assets. There were no investing activities in the three month period ending June 30, 2010.

Financing Activities

For the six months ended June 30, 2011, $145,250 was generated from the issuance of common stock for cash (net of offering costs) and there was $341,760 (net) generated from the issuance of convertible notes, compared to $585,000 in cash provided by financing activities for the six months ended June 30, 2010. During the six months ended June 30, 2011, $75,000 of principal balances in convertible notes was repaid.

Off-Balance Sheet Arrangements

The Company has no outstanding off-balance sheet arrangements.

Contractual Obligations

None.

Application of Critical Accounting Policies and Estimates

The preparation of our financial statements in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") requires management to make judgments, assumptions and estimates that affect the amounts reported. A critical accounting estimate is an assumption about highly uncertain matters and could have a material effect on the consolidated financial statements if another, also reasonable, amount were used or a change in the estimate is reasonably likely from period to period. We base our assumptions on historical experience and on other estimates that we believe are reasonable under the circumstances. Actual results could differ significantly from these estimates. There were no changes in accounting policies or significant changes in accounting estimates from the 2010 fiscal year.

Revenue Recognition – The Company records sales when all of the following have occurred: (1) persuasive evidence of an arrangement exists, (2) the product is delivered, (3) the sales price to the customer is fixed or determinable, and (4) collectability of the related customer receivable is reasonably assured. In addition, certain revenue contracts are classified as multiple deliverables when: (1) the delivered item has value on a standalone basis, (2) objective and reliable evidence exists of the fair value on the undelivered items, and (3) delivery or performance of the undelivered items must be probable and substantially within the vendor's control. There is no stated right of return for products.

Hosting revenue is recognized monthly. Hosting services are invoiced to customers at the beginning of the month following the month services are provided. Advertising and sponsorships on owned Internet properties are sold on a cost per action ("CPA") basis and invoiced to the customer monthly based on the number and price per action at the end of each month. Marketing support revenue is generated as a result of the media and marketing services provided to support customer Internet marketing activities.

When a sales arrangement contains multiple elements, such as software development services, support and maintenance, revenue is allocated to each element based on its relative fair value. When the fair value of an undelivered element cannot be determined, the Company defers revenue for the delivered elements until the undelivered elements are delivered. Payments received in advance of provision of services are deferred until earned.

Revenue from auction sales is recognized when the risks of ownership and title pass to the customer, which is generally upon shipment of the products. If and when defective products are returned, the Company exchanges them or provides a credit to the customer. The returned products are shipped back to the supplier and the Company receives a credit or exchange.

Allowance for Doubtful Accounts – The Company's accounts receivables are customer obligations due under trade terms, carried at their face value. The Company determines its allowance for doubtful accounts based on the evaluation of the aging of its accounts receivable and on a customer-by-customer analysis. Since inception, the Company has had seven customers. All customers have paid their invoices timely. The Company did not record an allowance as of June 30, 2011 or December 31, 2010.

Convertible Notes Payable and Derivative Liabilities - The Company accounts for convertible notes payable and warrants in accordance with FASB ASC 815, Derivatives and Hedging. This standard requires that the conversion feature of convertible debt be separated from the host contract and presented as a derivative instrument if certain conditions are met. FASB ASC 815 was also analyzed to determine whether the debt instrument is to be considered a conventional convertible debt instrument and classified in stockholders' equity. The convertible notes payable were evaluated and determined not to be conventionally convertible and, therefore, because of non-fixed conversion price terms under the associated debt agreement, the embedded conversion option was bifurcated and has been accounted for as a derivative liability instrument. The accounting guidance also requires that the conversion feature be recorded at fair value for each reporting period with changes in fair value recorded in the consolidated statements of operations.

A Black-Scholes valuation calculation was applied to the conversion feature at issuance date and report date. The Company considers it to be a level 2 type instrument in accordance with FASB ASC 820-10 "Fair value Measurements and Disclosures" as the inputs needed to estimate the value are observable either directly or indirectly. The issuance date valuation was used for the effective debt discount that these instruments represent. The debt discount is amortized over the nine-month life of the debt using the effective interest method. The reporting date valuation was used to record the fair value of the instrument at the end of the reporting period with any difference from prior period calculations reflected in the consolidated statement of operations.

Part I, Item 3. Quantitative and Qualitative Disclosures about Market Risk.

As a smaller reporting company, we are not required to provide this disclosure.

Part I, Item 4. Controls and Procedures.

(a) Disclosure Controls and Procedures

Regulations under the Securities Exchange Act of 1934 require public companies to maintain "disclosure controls and procedures," which are defined to mean a company's controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

We conducted an evaluation, with the participation of our Chief Executive Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the period covered by this Report. Based on that evaluation, our Chief Executive Officer has concluded that as of June 30, 2011, our disclosure controls and procedures were not effective at the reasonable assurance level due to the material weaknesses described below.

A material weakness is a control deficiency (within the meaning of the Public Company Accounting Oversight Board (PCAOB) Auditing Standard No. 2) or combination of control deficiencies that result in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected. Management has identified the following four material weaknesses in our disclosure controls and procedures:

1. We do not have written documentation of our internal control policies and procedures. Written documentation of key internal controls over financial reporting is a requirement of Section 404 of the Sarbanes-Oxley Act. Management evaluated the impact of our failure to have written documentation of our internal controls and procedures on our assessment of our disclosure controls and procedures and has concluded that the control deficiency that resulted represented a material weakness.

2. We do not have sufficient segregation of duties within accounting functions, which is a basic internal control. Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, the initiation of transactions, the custody of assets and the recording of transactions should be performed by separate individuals. Management evaluated the impact of our failure to have segregation of duties on our assessment of our disclosure controls and procedures and has concluded that the control deficiency that resulted represented a material weakness.

3. We do not have review and supervision procedures for financial reporting functions. The review and supervision function of internal control relates to the accuracy of financial information reported. The failure to review and supervise could allow the reporting of inaccurate or incomplete financial information. Due to our size and nature, review and supervision may not always be possible or economically feasible. Management evaluated the impact of our significant number of audit adjustments and has concluded that the control deficiency that resulted represented a material weakness.

4. We do not currently have a qualified person serving as Chief Financial Officer.

To address these material weaknesses, management performed additional analyses and other procedures to ensure that the financial statements included herein fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented.

(b) Changes in internal control over financial reporting

During the three months ended June 30, 2011, the Company has not made any changes to internal control over financial reporting.

PART II, OTHER INFORMATION

Part II, Item 1. Legal Proceedings.

Not applicable.

Part II, Item 1A. Risk Factors.

The information to be reported under this item has not changed since it was disclosed in the previously filed Form 10-K, dated April 15, 2011.

Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Part II, Item 3. Defaults Upon Senior Securities

None.

Part II, Item 4. Reserved

Part II, Item 5. Other Information.

Not applicable.

Part II, Item 6. Exhibits.

The following exhibits are filed herewith or incorporated by reference:

Exhibit Number	Description
2.1	Share Exchange Agreement by and among FormulaWon, Inc. and Reach Messaging, Inc. (1)
3.1	Certificate of Incorporation (2)
3.2	Amendment to Certificate of Incorporation (3)
3.3	Bylaws (2)
10.1	Employment Agreement dated March 11, 2008 with Fitra Iriani (2)
10.2	Subscription Agreement dated February 3, 2010 (1)
10.3	Employment Agreement dated February 3, 2010 with Shane Gau (1)
10.4	Employment Agreement dated February 3, 2010 with David R. Wells (1)
16.1	Letter regarding Change in Certifying Accountant (4)
31.1	Section 302 Certificate by the Company’s Chief Executive Officer*
32.1	Section 906 Certificate by the Company’s Chief Executive Officer*

* Filed herewith.

(1) Incorporated by reference from Registrant’s Current Report on Form 8-K, filed with the Commission on February 5, 2010, and incorporated herein by reference.

(2) Incorporated by reference from Registrant's Registration Statement on Form S-1, filed with the Commission on April 24, 2008, and incorporated herein by reference.

(3) Incorporated by reference from Registrant's Current Report on Form 8-K, filed with the Commission on April 8, 2010, and incorporated herein by reference.

(4) Incorporated by reference from Registrant's Current Report on Form 8-K, filed with the Commission on February 9, 2010, and incorporated herein by reference.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

REACH MESSAGING HOLDINGS, INC.

August 19, 2011

By: /s/ Shane Gau
Shane Gau
Chief Executive Officer

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13A-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED
(SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002)

I, Shane Gau, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Reach Messaging Holdings, Inc.;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 19, 2011

By: /s/ Shane Gau
Shane Gau
Chief Executive Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350 (AS ADOPTED

PURSUANT TO SECTION 906 OF THE

SARBANES-OXLEY ACT OF 2002)

In connection with the Quarterly Report of Reach Messaging Holdings, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Shane Gau, Chief Executive Officer of the Company, certify to my knowledge and in my capacity as an officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and,

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: August 19, 2011

By: /s/ Shane Gau
Shane Gau
Chief Executive Officer

A certification furnished pursuant to this Item will not be deemed "filed" for purposes of section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.