

**QUARTERLY REPORT
PURSUANT TO
RULE 15C2-11(a)(5)**

As of March 31, 2014

READEN HOLDING CORP.

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

Readen Holding Corp.

- 2) Address of the issuer's principal executive offices

Company Headquarters

Address 1: **Kortenhoefsedijk 155**

Address 2: **1241 LZ**

Address 3: **Kortenhoef, The Netherlands**

Phone: **+31(0)35 6299970**

Email: **hk@readenholdingcorp.com**

Website(s): **www.readenholdingcorp.com**

IR Contact **None**

- 3) **Security Information**

Trading Symbol: **RHCO**

Exact title and class of securities outstanding: **Common Stock**

CUSIP: **755255106**

Par or Stated Value: **\$.001**

Total shares authorized: **295,000,000** as of: **March 31, 2014**

Total shares outstanding: **261,467,074** as of: **March 31, 2014**

Transfer Agent

Name: **Jersey Stock Transfer LLC**

Address 1: **201 Bloomfield Avenue**

Address 2: **Verona**

Address 3: **New Jersey 07044**

Phone: **973-239-2712**

Is the Transfer Agent registered under the Exchange Act?* **Yes: X** No:

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

List any restrictions on the transfer of security:

Not Applicable

Describe any trading suspension orders issued by the SEC in the past 12 months.

Not Applicable

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

Not Applicable

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity 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, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

- A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

For a description of share issuances prior to June 30, 2013, please see Issuer's Revised Annual Report for the fiscal year ended June 30, 2013. published on the OTC Disclosure & News Service December 2, 2013.

During the fiscal Quarter ended March 31, 2014, the Issuer issued a total of 29,000,000 shares of common stock that were exempt from the registration provisions of the Securities Act of 1933 by virtue of Regulation S promulgated thereunder.

- B. Any jurisdictions where the offering was registered or qualified;
Not Applicable

- C. The number of shares offered;
Not Applicable

- D. The number of shares sold;
29,000,000 shares

a. **15,000,000 shares of common stock were issued during the quarter ended March 31, 2014 aggregate to \$15,000,000.00 to Vasimex International Limited in relation to the acquisition of \$200,000,000 worth of CU Isotope powder on March 28, 2014.**

b. **10,000,000 shares of common stock were issued during the quarter ended March 31, 2014 aggregate to \$3,000,000.00 to Dal Guvelik Limited in relation to the acquisition of Nedfiber BV (51%), Rainn BV (51%) and Up-lp BV (37%) on March 28, 2014.**

c. **4,000,000 shares of common stock were issued during the quarter ended March 31, 2014 aggregate to \$1,200,000.00 to Holding Innovation BV in relation to the acquisition of Nedfiber BV (51%), Rainn BV (51%) and Up-lp BV (37%) on March 28, 2014.**

- E. The price at which the shares were offered, and the amount actually paid to the issuer;

\$1.0 per share for 15,000,000 shares issued to Vasimex International Limited; \$0.30 per share for 10,000,000 shares issued to Dal Guevlik Limited and \$0.30 per share for 4,000,000 shares

- F. The trading status of the shares; and
Restricted

- G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.
The stock certificates for the 15,000,000, 10,000,000 and 4,000,000 shares bear a "144" restrictive legend.

5) Financial Statements

Readen Holding Corp's financial statements for the three months ended March 31, 2014 are attached to this OTC Disclosure Guideline after the signature page.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. a description of the issuer's business operations;

For a description of the Issuer's business, please see the Issuer's Revised Annual Report for the fiscal year ended June 30, 2013. published on the OTC Disclosure & News Service December 2, 2013.

- B. Date and State (or Jurisdiction) of Incorporation:
(see 6A above)

- C. the issuer's primary and secondary SIC Codes;
(see 6A above)

- D. the issuer's fiscal year end date;
(see 6A above)

- E. principal products or services, and their markets;
(see 6A above)

7) Describe the Issuer's Facilities

For a description of the Issuer's facilities, please see the Issuer's Revised Annual Report for the fiscal year ended June 30, 2013. published on the OTC Disclosure & News Service December 2, 2013.

8) 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 shareholders.

- A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Gerardus R. Steenbergen	President, Chief Executive Officer and Director
Henk Van Der Duim	Chief Operating Officer
Pak Hei Tang	Chief Financial Officer
Osman Boyraci	Director, Internal Business Development
Bob Van Der Mast	Chairman of Advisory Board
Hans Ladders	Advisory Board
Jordy Hoogendijck	Investor Relationship Officer
Carolien Deijkers	Corporate Secretary

- B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five 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

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

<u>Name:</u>	<u>Title:</u>	<u>Shares owned:</u>	<u>% of total shares:</u>
G.R. Steenbergen	President, CEO & Director	39,703,152	15.18%

9) **Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

David E. Wise. Esq.
Law Offices of David E. Wise. P.C.
9901 IH-10 West. Suite 800
San Antonio. Texas 78230
Phone: 210-558-2858
Email: wiselaw@verizon.net

Accountant or Auditor

Drs. J. Vos RA
De Savornin Lohmanlaan 30
1272 HG Huizen
The Netherlands
Phone: 035-5266116
Email: drsjavos@tiscali.nl

CCS & Company

Certified Public Accountant
Unit G, 16F, JCG Building
16 Mongkok Road, Kowloon
Hong Kong
Phone: 00852-26281182
Email: info@ccsltd.com.hk

Investor Relations Consultant

None

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement

None

10) Issuer Certification

I, **G. R. Steenbergen** certify that:

1. I have reviewed this quarterly disclosure statement of **Readen Holding Corp. for the three months ended March 31, 2014;**
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.

May 23, 2014

/s/ G. R. Steenbergen

Readen Holding Corp. ("RHCO")

By: 

G. Ronald Steenbergen, President

READEN HOLDINGS CORP.**Financial Statements**

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READEN HOLDING CORP.
CONSOLIDATED BALANCE SHEET
AT MARCH 31, 2014
(unaudited)

ASSETS

Current assets	
Cash and cash equivalents	\$ 5,040,556
Accounts receivable	1,318,658
Inventory	1,565,352
Note receivable - related party	181,875
Claim receivable	699,425
Other current assets	967,463
Total current assets	<u>9,773,330</u>
Other assets	
Property and equipment, net	18,095,178
Goodwill	5,000,000
Transitional metals	200,000,000
Intangible assets	257,545
Deposits	7,892,095
Total other assets	<u>231,244,818</u>
Total assets	<u>\$ 241,018,148</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accounts payable	\$ 2,025,551
Interest payable	27,237
Advances payable - related parties	44,585
Director fees payable	102,098
Notes payable	560,984
Other current liabilities	840,547
Total current liabilities	<u>3,601,001</u>
Other liabilities	
Notes payable	12,921,353
Notes payable - related parties	95,512,125
Loans payable, net of current portion	107,012
Total liabilities	<u>112,141,491</u>
Stockholders' Equity	
Series B Convertible Preferred Stock: \$.001 par value, 5,000,000 shares authorized, 766,667 shares issued and outstanding as of March 31, 2014	767
Common Stock: \$.001 par value, 295,000,000 shares authorized, 261,467,074 shares issued and outstanding as of March 31, 2014	261,467
Additional paid-in capital	99,653,359
Common stock to be issued	27,000,000
Retained earnings	1,961,063
Total stockholders' equity	<u>128,876,656</u>
Total liabilities and stockholders' equity	<u>\$ 241,018,148</u>

See accompanying notes to financial statements

READEN HOLDING CORP.
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(unaudited)

Revenue	\$ 1,530,377
Cost of goods sold	<u>483,403</u>
Gross profit	<u>1,046,974</u>
Operating expenses	
General and administrative expenses	<u>736,537</u>
Total operating expenses	<u>736,537</u>
Income from operations	<u>310,437</u>
Other income / (expense)	
Financing costs	(2,683)
Commission income	15,663
Foreign exchange gain	<u>980</u>
Total other income / (expense)	<u>13,960</u>
Net income	\$ <u><u>324,397</u></u>
Basic and diluted income per share	\$ <u><u>0.00</u></u>
Weighted average shares used in per share calculation	<u><u>233,755,963</u></u>

See accompanying notes to financial statements

READEN HOLDING CORP.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(unaudited)

Cash flows from operating activities	
Net income	\$ 324,397
Adjustments to reconcile net income to net cash used by operating activities:	
Depreciation and amortization	16,310
Changes in operating assets and liabilities:	
Increase in accounts receivable	(122,148)
Increase in note receivable - related party	(1,875)
Increase in claim receivable	(25,362)
Increase in inventory	(378,791)
Increase in other assets	(4,518,237)
Increase in accounts payable	1,059,438
Increase in interest payable - related party	2,444
Decrease in director fees payable	(79,972)
Decrease in other current liabilities	(1,440,279)
Net cash provided by operating activities	<u>(5,164,076)</u>
Cash flows from investing activities	
Acquisition of property and equipment	(1,557,209)
Net cash used in investing activities	<u>(1,557,209)</u>
Cash flows from financing activities	
Proceeds from issue of common stock	11,200,000
Decrease in notes payable	418,557
Increase in loans payable	(199,303)
Net cash provided by financing activities	<u>11,419,254</u>
Net change in cash and cash equivalent	4,697,969
Cash and cash equivalent at beginning of period	<u>342,587</u>
Cash and cash equivalent at end of period	<u>\$ 5,040,556</u>
Supplemental disclosure of cash flow information	
Cash paid for interest	<u>\$ (239)</u>
Cash paid for income taxes	<u>\$ -</u>

See accompanying notes to financial statements

READEN HOLDING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(unaudited)

1. Background

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

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

On June 1, 2011, the Company underwent a change of control when it elected its new officers.

On July 25, 2011, the Company entered into a Share Exchange Agreement with Readen Industries Ltd. pursuant to which we acquired 100% of the outstanding shares of common stock of Readen Industries Ltd. in exchange for 100,000,000 shares of our Common Stock. Readen Industries and our subsidiaries are engaged in the various business sectors including telecom industry, music industries, fiber optics, recycling industry, food industry, metal industry, trade industry, real estate and construction businesses.

On April 17, 2012, the Company announced that Readen Holding Corp expanded points of sales of YohoMobile subsidiary's vending machines by securing exclusive distribution rights to multi-function vending machines via terminals placed in retail stores, starting in The Netherlands.

During the fiscal year ended June 30, 2013, the Company announced that Readen Industries Limited (HKG), a 100% owned subsidiary of Readen Holding Corp., finalized the purchase of 100% of the shares of Beemster Vastgoed B.V. in the Netherlands. Beemster Vastgoed B.V. is active within the real estate market of the Netherlands, predominantly in the self-storage industry. Within this industry, Beemster Vastgoed is responsible for the building, implementing and operation of the self-storage company's in the Netherlands region. Drachten Storage Holding B.V. (DSH), a 49% owned subsidiary of Beemster Vastgoed, is also the owner and operator of self-storage facility in the town of Drachten.

The location Drachten contains gross 3,000 m of storage space totaling over 350 units. The building is ideally located in the northern area of the Netherlands. Anticipating the acquisition, Beemster Vastgoed was renamed Readen Real Estate B.V. In addition to the storage projects, Readen Real Estate B.V. is planning to acquire real estate properties which would add value to the total business of Readen Holding Corp. and its subsidiaries.

On March 15, 2013, the Company finalized Readen Real Estate purchase of the castle estate Altembrouck, in Gravenvoeren, Belgium. During the fiscal year ended June 30, 2013, Readen Real Estate purchased 55 acres of land and the 60,000 sq ft property Altembrouck for the amount of \$8,500,000 and 14 million newly issued (rule 144) Company common shares, valued at \$.50 per share, for the operational company Altembrouck BVBA, including the goodwill, furniture, interior and livestock (Wagyu cattle, Magalitz hogs and Korohitsu lambs). As of December 31, 2013, 4 millions of the 14 million shares included in the purchase price were issued and 10 million shares were to be issued. A mortgage arrangement, with the Triodos Bank in the Netherlands, for the \$8,500,000, was utilized to close this transaction.

Readen Real Estate committed to invest an additional \$2,000,000 to finish the development of the estate as well as the completion of the new wing of the hotel, which will include an additional 20 rooms and a wellness centre. Readen Real Estate's projects, Altembrouck and Beemster Vastgoed, will contribute an estimated \$4,500,000 to the group revenue in the next 12 months. Presently, Altembrouck, is a truly multifunctional estate. The castle area on the estate can be rented in its entirety on an exclusive basis for business purposes or receptions for all kinds of festive occasions, where privacy is guaranteed. Altembrouck offers an unparalleled setting for seminars, product presentations, receptions, weddings, dinners and private dining. Luminous spaces are available for small and larger groups.

Also on March 15, 2013, the Company initiated its purchase of \$200 Million worth of transitional metal (fine copper isotope powder) involving an aggregate of 100 Million newly issued (rule 144) Company common shares, valued at \$1.00 per share, to the seller and their agent, a note payable to the seller in the amount of approximately \$4.5 Million and the issuance of a convertible note in the amount of \$95 Million to three third parties, convertible into Company common stock shares at a conversion rate of \$1.00 per share. As of March 31, 2014, 85 millions of the 100 million shares included in the purchase price were issued and 15 million shares were to be issued. The purchase was made by GRS Capital Group, which was acquired by Readen Holding Corp. on the same date, March 15, 2013.

Readen Holding Corp. is the parent company of Readen Industries Ltd., a company organized under the laws of Hong Kong, PRC. Readen Holding Corp. is the management unit. Readen Industries Ltd. has the following subsidiary: a. Readen Real Estate BV, which owns or controls the following subsidiary: Altembrouck Food and Beverage BVBA, Altembrouck Agri BVBA and Nedfiber BV; Moho Telecom Ltd., which owns or controls the following subsidiaries: D5 Mobile BV and D5 Avenue Ltd.; Yoho Telecom Ltd., which owns or controls the following subsidiaries: Yomobile BV, Skyglobal BV, Up-1p BV and Rainn BV; Readen BV, Vitalon BV, Readen Construction Limited and Readen Investment Limited.

READEN HOLDING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(unaudited)

1. Background (continued)

The following narrative offers an overview about our various companies:

- Readen Industries Limited consist of 2 divisions; the first division is the R&D, product development, designing and innovation office is responsible for the purchase and production-planning and all the communication with the hardware and application developers. The second division is responsible for the purchase and distribution of plastics used for the recycling industry in Asia.
- Readen Real Estate B.V. is the real estate holding for our group, currently owner of Hotel and Estate Altembrouck in Belgium. Readen Real Estate B.V. is planning to acquire real estate properties which are in synergy with and add value to the total of the Business of Readen Holding Corp. and its subsidiaries.
- Altembrouck F&B BVBA, hidden among the woods and hills of the Belgian border region, Château Altembrouck is an oasis of natural peace, with the historic atmosphere and style associated with a 18th century castle. And just a few minutes away from Maastricht, Aachen and Liege. Altembrouck nowadays is a truly multifunctional estate.
- Altembrouck Agri BVBA is the home of Altembrouck Wagyu, House of Mangalica and Altembrouck Kirohitsu. In 1996, first steps were taken to establish a European herd of Wagyu cattle, complete with their own pedigree and label (Châteaux Wagyu), since then it has been expanded to Mangalica and Kirohitsu as well.
- Nedfiber BV works on unlocking business areas for glassfiber networks (Fiber to the Business). These glassfiber networks with high bandwidth offer the businesses access to all kinds of services. Nedfiber offers these glassfiber networks on an open bases, for active operators and service providers.
- Moho Telecom Ltd. is responsible for providing retail concepts to fulfill the wishes and needs of European users. The company is divided in 2 divisions; D5 Mobile BV is the wholesale company for retail concepts and telecom related products (hardware). D5 Mobile products are sold and marketed by the company's sales representatives to European retailers, internet and B2B network sellers. D5 mobile is a private label owned by Readen Holding Corp. The D5 mobile head office is located in the Netherlands; D5 Avenue Limited is an online business to consumer organization specialized in mobile phones, tablets and gadgets. The collection offered also contains second hand phones. The website is primarily focused on delivering more than mobile.
- Yoho Telecom BV is responsible for sales and marketing of all labels prepaid vouchers and sim cards as well as the physical and electronic distribution via the terminals. Labels like Lyca, Lebara, KPN, Vodafone, T-mobile and many more brands to major retailers and distributors.
- Sky Global BV is providing Sky Global Sim, which is a prepaid international SIM card that will significantly reduce your mobile phone charges when travelling abroad. When you move between countries, Sky Global Sim will move seamlessly with you, picking up a new network as soon as you arrive in a new destination, enabling you to make cheap calls.
- UP-IP BV delivers glass fiber, internet, VoIP, Mobile services, TVIP, PoIP, AoIP, Online services in the cloud and e-view Managed Energy.
- Rainn BV is a special projects organization in the telecom industry. Focusing on Wifi hotspots in business areas, shopping malls, train stations and stadiums.
- Readen BV is the non-dairy trading company. Buyer for large retail companies.
- Vitalon Holland BV is responsible for production and distribution of a wide range of infant milk formulas to meet babies' nutritional needs. Vitalon has a distribution network which provides the products from offices in Holland and Hong Kong.
- Readen Construction Limited, a Hong Kong based entity specializing in provision of electrical installation, maintenance, alterations and repair services to the Hong Kong Government.
- Readen Investment Limited, a Hong Kong based entity serves as the venture capitalist of the organization.

READEN HOLDING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(unaudited)

2. Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Readen Industries Ltd and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and in Management's opinion, reflect all adjustments, including normal recurring adjustments, necessary to present fairly the Company's financial position at March 31, 2014, and the results of operations and cash flows for the three month period ended March 31, 2014. The results of operations for the three month period ended March 31, 2014 are not necessarily indicative of the results that the Company will have for any subsequent fiscal quarter.

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

3. Liquidity and Operations:

The Company had net income of \$324,397 for the three month period ended March 31, 2014.

As of March 31, 2014, the Company had cash of \$5,040,556, accounts receivable of \$1,318,658, inventory of \$1,565,352 and accounts payable of \$2,025,551. At the Company's discretion, they may decide to raise additional capital in the future through equity or debt financing.

4. Summary of Significant Accounting Policies

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

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

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

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

General and Administrative Expenses - General and administrative expenses are expensed as incurred. These expenses were \$736,537 for the three month period ended March 31, 2014

Concentrations of Credit Risk - Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties failed completely to perform as contracted. Concentrations of credit risk (whether on or off balance sheet) that arise from financial instruments exist for groups of customers or counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet and the reported amounts of revenue and expenses during the reporting period. Significant estimates include the Company's debt discount, and share-based compensation expense. Actual results could differ from these estimates.

Stock-Based Compensation - The Company accounts for stock-based compensation under the provisions of FASB ASC 718 (Statement of Financial Accounting Standards No. 123 (revised 2004), "SHARE-BASED PAYMENT"), which requires the Company to measure the stock-base compensation costs of share-based compensation arrangements based on the grant date fair value and generally recognizes the costs in the financial statements over the employee's requisite service period. Stock-based compensation expense for all stock-based compensation awards granted was based on the grant date fair value estimated in accordance with the provisions of FASB ASC 718.

READEN HOLDING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(unaudited)

4. Summary of Significant Accounting Policies (continued)

The Company measures compensation expense for its non-employee stock-based compensation under FASB ASC 505-10 and 50, "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services". The fair value of the option issued is used to measure the transaction, as this is more reliable than the fair value of the services received. The fair value is measured at the value of the Company's common stock on the date that the commitment for performance by the counterparty has been reached or the counter party's performance is complete. The fair value of the equity instrument is charged directly to compensation expense and additional paid-in capital.

By recording employee stock-based compensation using the fair value recognition provisions of Accounting Standards Codification ("ASC") Topic 718 ("ASC 718") using the modified prospective transition method, and recording non-employee stock-based compensation expense in accordance with ASC Topic 505, the Company did not recognize any stock compensation expense for the three month period ended March 31, 2014.

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

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

The Company accounts for uncertain tax positions in accordance with FASB ASC 740-10, 30 and 270, "Accounting for Uncertainty in Income Taxes." The application of income tax law is inherently complex. As such, the Company is required to make certain assumptions and judgments regarding its income tax positions and the likelihood whether such tax positions would be sustained if challenged. Interest and penalties related to uncertain tax provisions are recorded as a component of the provision for income taxes. Interpretations and guidance surrounding income tax laws and regulations change over time. As such, changes in the Company's assumptions and judgments can materially affect amounts recognized in the Company's consolidated balance sheets and statements of operations.

5. Balance Sheet Information

Note receivable - related party - As of March 31, 2014, the Company held a note receivable from the former President of the Company, Jerry Gruenbaum, with an original balance of \$75,000. This note accrued interest at an annual rate of 10% from the effective date of January 2, 2000. The balance of the note at March 31, 2014 was \$181,875, which includes accrued interest of \$106,875.

Property and equipment - As of March 31, 2014, the Company owned buildings, furniture, plant and equipment with a net value of \$18,095,178. Property and equipment are stated at cost, net of accumulated depreciation. Expenditures for maintenance and repairs are expensed as incurred; additions, renewals and betterments are capitalized. Depreciation of property and equipment is provided using the straight-line method with estimated lives ranging from 3 to 27.5 years as follows:

Buildings, furniture, plant and equipment	\$ 18,282,157
Less accumulated depreciation	<u>(186,979)</u>
Total Property and equipment	\$ <u>18,095,178</u>

Depreciation expense for the three month period ended March 31, 2014 was \$ 14,956 and was recorded as a general and administrative expense.

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5. Balance Sheet Information (continued)

Goodwill - As of March 31, 2014, goodwill in the amount of \$5,000,000 was recorded in relation to the acquisition of Readen Industries Ltd. Management has evaluated the valuation related to the goodwill and does not believe any impairment of the amount exists as of March 31, 2014.

Other assets – As of March 31, 2014 mainly consist of transitional metals (Cu isotope powder) in the amount of \$200,000,000 and deposits with vendors in the aggregate amount of \$7,782,095.

Advances Payable - related parties - During the year ended June 30, 2013, Ronald Steenbergen and Kwan Wai Chu advanced the Company a total of \$44,585 to pay operating expenses. The advances are short term and non-interest bearing. The advances payable amount was \$44,585 at March 31, 2014.

Interest Payable - The 766,667 Series B Preferred Shares bear dividends at a rate of 8.5% of their stated value of \$0.15 per share. The \$27,237 interest payable at March 31, 2014, represents the interest for the period from June 18, 2011 to March 31, 2014. On June 17, 2011, the Company resolved to convert interest payable in the amount of \$113,200 into 12,703,152 common stock shares at the request of the current preferred stock shareholder, Ronald Steenbergen, the current President and Chief Executive Officer of the Company.

Director fees payable - As of March 31, 2014, \$102,098 is owed primarily to Mr. Kwan Wai Chu, a director of the Company.

Other current liabilities - As of March 31, 2014, the Company owes \$840,547 to various companies.

6. Stockholders' Equity

DESCRIPTION OF SECURITIES:

The Company is authorized to issue up to 295,000,000 shares of common stock (1), par value \$.001 per share, of which 261,467,074 shares were issued and outstanding as of March 31, 2014. The Company is also authorized to issue up to 5,000,000 shares of Series B Preferred convertible stock, par value \$.001 per share, of which 766,667 shares were issued and outstanding as of March 31, 2014.

As of June 30, 2011, the Company had 45,000,000 shares of Common Stock authorized and 5,000,000 shares of Series B Preferred Stock authorized. In July 2011, we amended our Articles of Incorporation to increase the total number of authorized shares of Common Stock to 295,000,000 and kept the total number of authorized shares of Preferred Stock at 5,000,000.

Common stock:

The Company is authorized to issue up to 295,000,000 shares of common stock, par value \$.001 per share, of which 261,467,074 shares were issued and outstanding as of March 31, 2014.

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

Preferred stock:

The Company is authorized to issue 5,000,000 shares of Series B Preferred Stock at a par value of \$.001 per share. The Company had 766,667 issued and outstanding Series B Preferred Stock shares as of March 31, 2014.

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

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7. Stock Options and Warrants:

As of March 31, 2014, the Company had not issued any options or warrants.

8. Commitments and Contingencies:

Employment agreements - The Company has recorded all commitments as of March 31, 2014.

Offices - Our new office and showroom in The Netherlands are located in a modern office premises at Kortenhoefsedijk 155, 1241 LZ, Kortenhoef, The Netherlands. We are paying 4,500 Euros per month as base rent for this 540 square meter facility. In addition, we pay additional fees for T-1 access, phone, copies, fax service, conference room use and postage.

Our office, showroom and warehouses in Hong Kong is located at Unit G02 and F10-11, 25F, Golden Bear Industrial Centre, 66-82 Chai Wan Kok Street, Tsuen Wan, Hong Kong. This is a 220 square meter facility that we lease for 23,000 Hong Kong dollars per month.

The Company, as of March 31, 2014 has no additional financial commitments that would represent long term commitments on behalf of the Company.

9. Related Party Transactions:

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

10. Share Based Compensation

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

11. Legal Matters

The Company is not aware of any legal matters that would have a financial impact on the Company's present financial condition as of the filing date of these financial statements.

12. Subsequent Events

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

- End of Report -