

QUARTERLY REPORT  
PURSUANT TO  
RULE 15C2-11(a)(5)  
As of March 31, 2015

**READEN HOLDING CORP.**

1) **Name of the issuer**

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) 356 299 970

Email: [hk@readenholdingcorp.com](mailto:hk@readenholdingcorp.com)

Website(s):

[www.readenholdingcorp.com](http://www.readenholdingcorp.com)

[www.readenwholesale.com](http://www.readenwholesale.com)

[www.altembrouck.com](http://www.altembrouck.com)

[www.altembrouckwagyu.com](http://www.altembrouckwagyu.com)

[www.d5avenue.com](http://www.d5avenue.com)

[www.d5metal.com](http://www.d5metal.com)

[www.onmixmusic.com](http://www.onmixmusic.com)

[www.skyglobalsim.com](http://www.skyglobalsim.com)

[www.vitalon-holland.com](http://www.vitalon-holland.com)

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3) **Security Information**

Trading Symbol: **RHCO**

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

CUSIP: **755255 106**

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

Total shares authorized: **295,000,000** as of: **March 31, 2015**

Total shares outstanding: **261,467,074** as of: **March 31, 2015**

Transfer Agent

Name: **Jersey Stock Transfer LLC**

Address: **201 Bloomfield Avenue**

**Verona, New Jersey 07044**

Phone: **973-239-2712**

The Transfer Agent is registered under the Exchange Act.

List any restrictions on the transfer of security:

**Not Applicable**

Trading suspension orders issued by the SEC in the past 12 months.

**Not Applicable**

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**

A. The nature of each offering;

**For a description of share issuances prior to June 30, 2014, please see Issuer's Annual Report for the fiscal year ended June 30, 2014 published on the OTC Disclosure & News Service on September 15, 2014.**

**During the fiscal Quarter ended March 31, 2015, the Issuer did not issue any common or preferred shares.**

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;  
**Not Applicable**

E. The price at which the shares were offered, and the amount actually paid to the issuer;  
**Not Applicable**

F. The trading status of the shares; and  
**Not Applicable**

G. 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.  
**Not Applicable**

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5) **Financial Statements**

**Readen Holding Corp's financial statements for the three months ended March 31, 2015 are attached to this OTC Disclosure Guideline after the signature page.**

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

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

**Please see part 1 of Notes to Consolidated Financial Statements, page 10 – 11 of this report.**

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 Annual Report for the fiscal year ended June 30, 2014 published on the OTC Disclosure & News Service on September 15, 2014.

8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons

<b>Gerardus R. Steenbergen</b>	<b>Chief Executive Officer</b>
<b>Henk Van Der Duim</b>	<b>Chief Operations Officer</b>
<b>Marco Kater</b>	<b>Chief Financial Officer</b>
<b>Carolien Deijkers</b>	<b>Corporate Secretary</b>
<b>Jordy Hoogendijck</b>	<b>Investor Relationships Officer</b>
<b>Osman Boyraci</b>	<b>Director, Business Development</b>
<b>Kwan Wai Chu</b>	<b>Director, Subsidiary</b>
<b>Hung Ching Chia</b>	<b>President, Subsidiary</b>

B. Legal/Disciplinary History

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding;  
**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

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

9) **Third Party Providers**

Legal Counsel

**Joseph L. Pittera**  
**Law Offices of Joseph L. Pittera**  
**2214 Torrance Boulevard, Suite 101**  
**Torrance, CA, 90501**  
**United States**

Accountant/ 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**


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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, 2015;**
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.

Readen Holding Corp. ("RHCO")

By:   
G. Ronald Steenbergen, President

**July 22, 2015**  
**/s/ G. R. Steenbergen**

**READEN HOLDINGS CORP.**

**Financial Statements**

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READEN HOLDING CORP.  
CONSOLIDATED BALANCE SHEET  
AT MARCH 31, 2015  
(unaudited)

	As at March 31, <u>2015</u>
<b>ASSETS</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 230,248
Accounts receivable	685,769
Inventory	3,435,972
Note receivable - related party	189,375
Claim receivable	-
Other current assets	<u>13,750,147</u>
<b>Total current assets</b>	<u>18,291,511</u>
<b>Other assets</b>	
Property and equipment, net	14,616,198
Goodwill	5,000,000
Transitional metals	-
Intangible assets	274,092
Deposits	3,234,055
Interest in an associate	<u>8,575</u>
<b>Total other assets</b>	<u>23,132,920</u>
<b>Total assets</b>	<u>\$ 41,424,431</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	
<b>Current liabilities</b>	
Accounts payable	\$ 1,584,963
Interest payable	37,013
Advances payable - related parties	44,585
Director fees payable	147,413
Notes payable	373,608
Other current liabilities	<u>2,586,852</u>
<b>Total current liabilities</b>	<u>4,774,433</u>
<b>Other liabilities</b>	
Notes payable	3,926,891
Notes payable - related parties	2,665,484
Loans payable, net of current portion	6,754,979
Other non-current liabilities	<u>21,640,009</u>
<b>Total liabilities</b>	<u>39,761,796</u>
	<b>May</b>
<b>Equity</b>	
Series B Convertible Preferred Stock: \$.001 par value, 5,000,000 shares authorized, 766,667 shares issued and outstanding as of September 30, 2014	767
Common Stock: \$.001 par value, 295,000,000 shares authorized, 261,467,074 shares issued and outstanding as of September 30, 2014	261,467
Additional paid-in capital and other reserves	
Exchange reserve	164,584
Non-controlling interest	419,990
Retained earnings	<u>815,827</u>
<b>Total equity</b>	<u>1,662,635</u>
<b>Total liabilities equity</b>	<u>\$ 41,424,431</u>

See accompanying notes to financial statements

READEN HOLDING CORP.  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THREE MONTH PERIOD ENDED MARCH 31, 2015  
(unaudited)

	For the Period Ended March 31, <u>2015</u>
Revenue	\$ 986,372
Cost of goods sold	<u>446,964</u>
Gross profit	<u>539,408</u>
Operating expenses	
General and administrative expenses	<u>943,351</u>
Total operating expenses	<u>943,351</u>
(Loss)/ income from operations	<u>(403,943)</u>
Loss attributable from an associate	
Other income / (expense)	
Net finance income/ (expense)	39,156
Commission income	-
Other net income	382,221
Revaluation of biological assets	-
Income tax	-
Foreign exchange gain	<u>46,640</u>
Total other income	<u>468,017</u>
Net profit for the year	<u>\$ 64,073</u>
Attributable to	
Non-controlling interest	(1,707)
Shareholders of the Company	<u>65,780</u>
	<u>\$ 64,073</u>
Basic and diluted income per share	<u>\$ 0.00</u>
Weighted average shares	
used in per share calculation	<u>240,015,019</u>

See accompanying notes to financial statements  
[www.readenholdingcorp.com](http://www.readenholdingcorp.com)

READEN HOLDING CORP.  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED MARCH 31, 2015  
(unaudited)

Cash flows from operating activities	
Net income (loss)	64,073
Adjustments to reconcile net income to net cash used by operating activities:	
Common stock issued for services	-
Common stock issued for debt conversion	-
Common stock issued for acquisitions	-
Depreciation and amortization	11,521
Exchange difference	2,271,249
Changes in operating assets and liabilities:	
Increase in accounts receivable	802,658
Decrease in note receivable - related party	(1,875)
Increase in claim receivable	-
Increase in inventory	(1,104,214)
Increase in deposits	691,097
Decrease in other assets	(5,428,727)
Decrease in deferred compensation	-
Increase in accounts payable	82,294
Increase in interest payable - related party	2,444
Increase in advances payable - related parties	-
Decrease in director fees payable	5,106
Decrease in other current liabilities	1,048,414
Net cash provided by (used in) operating activities	(1,555,960)
Cash flows from investing activities	
Acquisition of property and equipment	(5,757)
Acquisition of subsidiaries and associates	-
Acquisition of other intangible assets	-
Change in goodwill	-
Net cash generated from investing activities	(5,757)
Cash flows from financing activities	
Proceeds from issue of common stock	-
Decrease in notes payable	(58,003)
Increase in notes payable - related parties	-
Increase in loans payable	(8,256)
Increase in other non-current liabilities	881,488
Net cash provided by financing activities	815,228
Net change in cash and cash equivalent	(746,488)
Cash and cash equivalent at beginning of period	976,736
Cash and cash equivalent at end of period	230,248
Supplemental disclosure of cash flow information	
Cash paid for interest	-
Cash paid for income taxes	-
Proceeds from issue of common stock	

**READEN HOLDING CORP.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2015**  
**(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.

On March 15, 2013, the Company finalized Readen Real Estate's 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.

On May 8, 2014 Altembrouck F & B Bvba took over of all cattle of the well-known Dutch de Drie Morgen Wagyu farm and Altembrouck Agri Bvba announces to start artificial insemination in collaboration with Hurkmans ET using the best genetic Wagyu material outside of Japan([www.hurkmanset.nl](http://www.hurkmanset.nl)). Hurkmans ET B.V. is a European Union Certified embryo production team (NL126), with laboratory facilities approved for production and processing of bovine embryos. Altembrouck has agreements in place to build in the first year its own Wagyu herds in Turkey, Spain, the Netherlands and Belgium using 650 surrogate mother cows. After this acquisition Altembrouck owns 310 of the best Wagyu's in Europe.

On May 14, 2014, Readen Construction Limited, a Hong Kong based fully owned subsidiary of the group, signed the term contract TC B942 from the Hong Kong Architectural Services Department, for the Alterations, Maintenance and Repair of Governmental Buildings in the Wong Tai Sin and Shatin areas. In the same quarter Readen Construction signed another term contract TC B931 under the same series, for the Yau Ma Tei and Tsim Sha Tsui areas. The aggregated contract sum of these two contracts exceeds HKD 11.5 Million. Readen Construction are still in negotiation of additional Government contracts and starting from the next year the company will also undertake commercial contracts.

On June 9, 2013, Nedfiber B.V. a 51% subsidiary of the group, specialized provider of dark fiber connections and ethernet services announced the finalization of fiber optics in the industrial zones in the cities Bodegraven and Steenberg in The Netherlands. In the Municipality of Steenberg the industrial areas Reinierpolder I and II hold an infrastructure of 10 kilometers fiber optic. Over 40 companies are already connected and the infrastructure is able to supply 115 separate connections. The company aims to connect 250 business parks to its network in the coming years. The total invested value will be 125 million. At present 20 projects are already in phase of completion.

**READEN HOLDING CORP.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2015**  
**(unaudited)**

**1. Background (continued)**

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, Up-Ip BV and Rainn BV; Readen BV, Vitalon BV, Readen Construction Ltd., Readen Investment Ltd. and Readen Maritime Ltd.

The following narrative offers an overview about our various companies:

- Readen Industries Limited consists 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. The company also serves as the administrative unit of the group.
- Readen Real Estate BV 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 optic fiber networks (Fiber to the Business) and internet related business. These optic fiber 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 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 company's B2C website primarily focuses on Mobile phones and all related products.
- 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.
- 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, specialized in cleaning products, lubricants and stock lots, it also serves as 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 QUARTER ENDED ENDED MARCH 31, 2015**  
**(unaudited)**

**1. Background (continued)**

- Readen Maritime Limited, a Hong Kong based entity engages in vessel chartering and related businesses.

**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, 2015, and the results of operations and cash flows for the three month period ended March 31, 2015. The results of operations for the three month period ended March 31, 2015 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 \$64,073 for the quarter ended March 31, 2015.

As of March 31, 2015, the Company had cash of \$230,248, accounts receivable of \$658,759, inventory of \$ 3,435,972 and accounts payable of \$ 1,584,962. 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 \$943,351 for the quarter ended March 31, 2015

**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.

**READEN HOLDING CORP.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2015**  
**(unaudited)**

**4. Summary of Significant Accounting Policies (continued)**

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

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 December 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, 2015, the Company held a note receivable from the former President of the Company, Jerry Gruenbaum, with an original balance of \$75,000 (Please be reminded to take the accrued interest in account). 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, 2015 was \$189,375, which included accrued interest of \$1,875.

Property and equipment - As of March 31, 2015, the Company owned buildings, furniture, plant and equipment with a net value of \$ 14,616,198. 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	\$14,860,359
Less accumulated depreciation	<u>\$(244,161)</u>
Total Property and equipment	\$14,616,198

Depreciation expense for the quarter ended March 31, 2015 was \$11,521 and recorded as a general and administrative expense.

**READEN HOLDING CORP.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2015**  
**(unaudited)**

**5. Balance Sheet Information (continued)**

Goodwill - As of March 31, 2015, 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, 2015.

Other assets – As of March 31, 2015 deposits with vendors in the aggregate amount of \$ 3,234,055.

Advances Payable - related parties – As of March 31, 2015, G.R. Steenbergen (CEO, Readen Holding Corp.), Kwan Wai Chu (Director, Readen Industries Limited) and M. Boyraci (Director, Readen Construction Limited) advanced the Company a total of \$ 44,585 to pay operating expenses.

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 \$37,013 interest payable at March 31, 2015. 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, Gerardus Ronald Steenbergen, the current Chief Executive Officer of the Company.

Director fees payable - As of March 31, 2015, \$147,412 is owed primarily to Gerardus Ronald Steenbergen.

Other current liabilities - As of March 31, 2015, the Company owes \$ 2,586,851 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, 2015. 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, 2015.

As of March 31, 2015, 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, 2015.

Each shareholder is entitled to one vote for each share of common stock owned of record. The holders of shares of common stock do not possess cumulative voting right, which means that the holders of more than 50% of the outstanding shares voting for the election of directors can elect all of the directors, and in such event the holders of the remaining shares will be unable to elect any of our directors. Holders of outstanding shares of common stock are entitled to receive dividends out of assets legally available at such times and in such amounts as our Board of Directors may determine. Upon our liquidation, dissolution, or winding, the assets legally available for distribution to our shareholders will be distributable ratably among the holders of the shares outstanding at the time. Holders of our shares of common stock have no 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 \$0.001 per share. The Company had 766,667 issued and outstanding Series B Preferred Stock shares as of March 31, 2015.

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.

**READEN HOLDING CORP.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2015**  
**(unaudited)**



**7. Stock Options and Warrants**

As of March 31, 2015, the Company had not issued any options or warrants.

**8. Commitments and Contingencies**

Employment agreements - The Company has recorded all commitments as of September 30, 2014.

Offices – Our 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. We are renting another 300 square meter facility at Gijsbrecht van Amstelstraat 421A, Hilversum, The Netherlands with the monthly rent of 1,100 Euros. This facility accommodates our telecom webmaster and the repair division.

Our office, showroom and warehouses in Hong Kong are located at Unit F11 and G2, 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 30,000 Hong Kong dollars per month.

The Company, as of March 31, 2015 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 -