

Kading Companies S.A.  
Balance Sheet  
August 31, 2005

ASSETS

Current Assets		
Checking Bank of Millbrook	\$	(769.56)
Checking Morgan Stanley		(13.22)
Other Current Assets		<u>2,000.00</u>
 Total Current Assets		 1,217.22
 Property and Equipment		
Furniture and Fixtures		16,177.78
Equipment		32,366.42
Accum. Depreciation - Furnitur		(12,647.17)
Accum. Depreciation - Equipmen		<u>(33,744.11)</u>
 Total Property and Equipment		 2,152.92
 Other Assets		
Note Receivable-Kading		1,196,030.07
Interest Receivable - Kading		164,904.80
Note Receivable-ARC		125,101.93
Interest Receivable-ARC		11,535.64
Note Receivable Other		10,618.33
Investment Syringex		60,196.79
Investment J Espo's		2,047.50
Investment Luco Inc		2,875.00
Investment ARC		6,500.00
Investment Huayang Int Holding		(368.20)
Investment Allied Hold Corp		4,000.00
Investment Agora Holdings Corp		<u>1,103.80</u>
 Total Other Assets		 <u>1,584,545.66</u>
 Total Assets	\$	 <u><u>1,587,915.80</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Income Taxes Payable	\$	(841.48)
Short Term Notes Payable		16,501.70
Notes Payable Seedco		8,596.88
Steven Siskind Escrow		<u>(782.04)</u>
 Total Current Liabilities		 23,475.06
 Long-Term Liabilities		
Interest Expense Payable		<u>587.78</u>
 Total Long-Term Liabilities		 <u>587.78</u>
 Total Liabilities		 24,062.84
 Capital		
Common Stock		228,327.21
Paid-in Capital		1,232,247.60
Retained Earnings		168,010.41
Warrents issued		410.00
Treasury Stock		(36,190.13)
Net Income		<u>(28,952.13)</u>

Unaudited - For Management Purposes Only

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Total Capital	<u>1,563,852.96</u>
Total Liabilities & Capital	\$ <u><u>1,587,915.80</u></u>