Genmed Holding Corp
Form 10-K
April 18, 2011

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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010
Commission file number 000-27279

GENMED HOLDING CORP.
(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	88-0390828 (I.R.S. Employer Identification No.)
Rontgenlaan 27 2719 DX Zoetermeer, The Netherlands (Address of principal executive offices)	2719 DX (Zip Code)

Registrant's telephone number including area code +31-793-630-129

____
(Former Name or Former Address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Exchange Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $0.001 par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act
[ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
[ ] Yes [X] No

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 [X] 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 (§ 229.405 of this chapter) during the preceeding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [ ] No [X]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes [X] 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 filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ] Accelerated filer [ ]

Non-accelerated filer [ ] (Do not check if a smaller reporting company) Smaller reporting company [X]

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN BANKRUPTCY

PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ]

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

DOCUMENTS INCORPORATED BY REFERENCE
None

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GENMED HOLDING CORP.

FORM 10-K

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PART I

ITEM 1. BUSINESS

FORWARD-LOOKING STATEMENTS; This annual report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. In addition, Genmed Holding Corp., (formerly Satellite Newspapers Corp.) (the "Company"), may from time to time make oral forward-looking statements. Actual results are uncertain and may be impacted by many factors. In particular, certain risks and uncertainties that may impact the accuracy of the forward-looking statements with respect to revenues, expenses and operating results include without imitation; cycles of customer orders, general economic and competitive conditions and changing customer trends, technological advances and the number and timing of new product introductions, shipments of products and components from foreign suppliers, and changes in the mix of products ordered by customers. As a result, the actual results may differ materially from those projected in the forward-looking statements.

Because of these and other factors that may affect the Company's operating results, past financial performance should not be considered an indicator of future performance, and investors should not use historical trends to anticipate results or trends in future periods.

Summary

The Company is actively seeking to develop its business of the sale and distribution of generic drugs through its wholly owned subsidiary Genmed B.V.

Previous Operations – General

Genmed Holding Corp. was originally formed as Beck & Co., Inc., a Nevada corporation on April 14, 1998, to operate as a specialty retailer of fine jewelry. Subsequent to its formation, the Company engaged in several acquisitions, name changes, and changes in the Company's operations. From July 29, 2000 until August 27, 2002, the Company developed fuel cell technologies for commercial and industrial use as GreenVolt Corp., an Ontario, Canada corporation. On August 27, 2002, Satellite Holdings, Ltd., a corporation organized under the laws of Turks & Caicos, acquired a majority of the issued and outstanding common stock of the Company, and on August 28, 2002, the Company changed its name to Satellite Enterprises Corp.

On June 20, 2003, the Company entered into a Rights Agreement with Satellite Newspapers Worldwide NV, a corporation organized under the laws of The Netherlands (hereinafter, "Satellite Newspapers") whereby the Company was the exclusive distributor to promote the sale and/or lease of Satellite Newspapers' newspaper kiosks and the associated content distribution technology for which Satellite Newspapers had developed the technology and owned the patents. In October 2003, Satellite Newspapers sold its patents, software and trademarks to Media Finance en Suisse Holding GmbH, a Swiss corporation (hereinafter, "Media Finance"). Thereafter, Media Finance set up an operating subsidiary, Satellite Newspapers Suisse GmbH, a Swiss corporation (hereinafter, "Satellite Swiss"). Media Finance granted Satellite Swiss a twenty-year exclusive license to distribute all satellite derived contents for the purpose of commercializing their product under a revenue sharing arrangement and on November 26, 2003, the Company entered into a Stock Purchase Option Agreement with Media Finance for the purchase of 100% of Satellite Swiss. On February 15, 2004, the Company exercised its option and acquired 100% of Satellite Swiss. Satellite Swiss consisted of two subsidiaries, Satellite Newspapers Content BV, a Dutch corporation, and Satellite Newspapers Trading BV, a Dutch corporation, which had the production rights to produce and sell the kiosks.

In June 2005, Swiss Satellite incorporated two new Swiss subsidiary entities. Satellite Newspapers Content GmbH and Satellite Newspapers Trading GmbH. Except for the Development and Network Management, the Swiss Companies took over all activities from the Dutch Companies. On November 30, 2005, the Company changed its name from Satellite Enterprises Corp. to Satellite Newspapers Corp. and the Company's quotation symbol on the OTC Bulletin Board changed from SENR to SNWP.

On October 1, 2006, Satellite Newspapers Suisse GmbH, Satellite Newspapers Content GmbH, Satellite Newspapers Trading GmbH, the Swiss operating company's of Satellite, ceased operations. Such companies were unable to fund their ongoing operations and cover their expenses. From October 1, 2006 to April 17, 2008, the Company has had no operations and generated no revenue. On January 23, 2007, Satellite Newspapers Suisse GmbH, Satellite Newspapers Content GmbH, and Satellite Newspapers Trading GmbH were declared bankrupt by the court in Zug, Switzerland.

On October 22, 2007, the Company's board of directors and majority of its shareholders approved by means of a written resolution to effect a 2000-to-1 reverse stock split of the Company's issued and outstanding common stock, par value $.001 per share, pursuant to which each two thousand (2000) shares of the Company’s issued and outstanding Common Stock would be combined and consolidated into one share of common stock and to authorize the board of directors of the Company to amend its Articles of Incorporation by issuing, without further shareholder action, one or more series of preferred stock from its authorized 5,000,000 shares of preferred stock. On January 28, 2008, the reverse stock split of the Company became effective.

On December 12, 2007, the Company's board of directors and majority of its shareholders approved a change of the Company’s corporate name from Satellite Newspapers Corp. to Genmed Holding Corp. by filing an amendment to its Articles of Incorporation with the Secretary of State of the State of Nevada on December 12, 2007.

On April 17, 2008, the Company acquired, by a Stock Exchange Agreement, GenMed B.V. (“Genmed B.V.”), a company organized in The Netherlands, which is engaged in the production and distribution of generic drugs. Genmed B.V. maintains a network of manufacturing and distribution relationships in The Netherlands, Belgium, Luxembourg, United Kingdon, Ireland, Germany and France as well as some other countries located outside the European Union to supply low cost generic drugs to retail chains. Genmed B.V.’s most popular product is Paracetamol (acetaminophen), a generic form of Tylenol. Genmed B.V. currently has distribution contracts with retail chains in The Netherlands, and is seeking contracts with retail chains and government agencies and multi-national corporations.

Genmed is currently seeking to develop its business of the sale and distribution of generic drugs through its wholly owned subsidiary Genmed B.V.

Governmental Regulation

The Company is, and will continue to be, subject to several and varying governmental regulations. In general, as a generic drug seller and distributor, the Company is subject it to environmental, public health and safety, land use, trade and other governmental regulations, and national, state, or local taxation or tariffs. The Company’s management will endeavor to ascertain and comply with all applicable to the business of the Company. However, it may not be possible to predict with any degree of accuracy all applicable regulations or the impact of government regulation, and, compliance with such regulation will require certain efforts and resources of the Company.

Employees

The Company presently has no employees other than its officers. Management of the Company expects to use consultants, attorneys, and accountants as necessary, and does not anticipate a need to engage any full-time employees until absolutely necessary for the operations of the Company. The need for employees and their availability will be addressed in connection with the scope and requirements of the operations of the Company.

Risk Factors

Financial position of the Company, working capital deficit; report of independent auditors. Due to the fact that the Company was obliged to file additional variations with the appropriate authorities to enter certain markets and consequently the delay that this caused, the Company was not able to generated revenues in the fiscal year ended December 31, 2010. The Company, which is to be considered as a startup Company is currently developing its business of the sale and distribution of generic drugs and strives to start generating revenues through the sales of generic drugs in 2011. The Company makes no assurances that the Company will generate sufficient revenues through its operations and be able to continue as a going concern.

The independent accountant's report on the Company's financial statements for the year ended December 31, 2010, contains an explanatory paragraph regarding the Company's ability to continue as a going concern. See "Item 8. Financial Statements and Supplementary Data," herein.

Risks of Leverage. The Company has, and likely will continue to, incur substantial borrowings, notes, debentures, and/or other Company debt for the purpose of developing Company operations and for financing the expansion and growth of the Company, including the possible acquisition of other companies. Any amounts borrowed will depend among other things, on the condition of financial markets. Acquisitions of equipment, vehicles, or other companies purchased on a leveraged basis generally can be expected to be profitable only if they generate, at a minimum, sufficient cash revenues to pay interest on, and to amortize, the related debt, to cover operating expenses and to recover the equity investment. The use of leverage, under certain circumstances, may provide a higher return to the shareholders but will cause the risk of loss to the shareholders to be greater than if the Company did not borrow, because fixed payment obligations must be met on certain specified dates regardless of the amount of revenues derived by the Company. If debt service payments are not made when due, the Company may sustain the loss of its equity investment in the assets securing the debt as a result of foreclosure by the secured lender. Interest payable on Company borrowings, if any, may vary with the movement of the interest rates charged by banks to their prime commercial customers. An increase in borrowing costs due to a rise in the "prime" or "base" rates may reduce the amount of Company income and cash availability for dividends.

Competition. Genmed hopes to provide the European countries with generic drugs at lower prices than other suppliers. To do this, the Company intends to make agreements with manufacturers outside the EU who produce drugs that meet EU and FDA standards. Such manufacturers are able to offer a complete assortment of drugs, and their factory sales prices are considerably lower than those of the generics that are being sold in the EU at this moment. Because of this, Genmed hopes to have a strong price advantage over its competitors.

We expect to conduct our business with a low overhead, lower than that of the other companies in this market. This is possible because Genmed will execute its affairs as much as possible as an agency in order to keep its costs low. The main activity of the agency is to provide the registration requirements and quality control. Our buyers will take care of the logistics, storage and marketing. Genmed will take a fee for the registration ownership of the drugs and a commission on the delivered goods. In the many pharmaceutical markets, this is a unique business model.

ITEM 1A. RISK FACTORS

Smaller reporting companies are not required to provide the information required by this item.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Currently, we lease our office space, which is located at the office of our Chief Executive Officer, Mr. Erwin R. Bouwens, at Rontgenlaan 27, 2719 DX Zoetermeer, The Netherlands; our telephone number is 011-31-793-630-129.

ITEM 3. LEGAL PROCEEDINGS

From time to time, the Company may be a party to litigation or other legal proceedings that we consider to be part of the ordinary course of our business.

The Company has been named as a defendant in a lawsuit filed in the Circuit Court of the 11th Judicial Circuit in Miami-Dade County, Florida, Case No. 08-79227CA25. The Company's former Chief Executive Officer, Jerri Palmer, has instigated the lawsuit against the Company alleging Breach of Contract and Unjust Enrichment. Ms. Palmer is claiming damages in excess of $15,000. Ms. Palmer was the Company's Chief Executive Officer from December 5, 2005, until her resignation on May 19, 2006. The Company has alleged counter claims against Ms. Palmer for breach of contract and breach of fiduciary duty.

In March 2010, the Company and Ms. Palmer have settled the lawsuit for an amount of $40,000. The Company accrued this settlement in the 2009 financial statements.

On July 20, 2010, since the Company was not able to pay this amount, Ms. Palmer entered into a final judgment against the Company for $40,000 bearing an annual interest rate at 6%. In July the Company and Ms. Palmer agreed upon a payment plan for 6 installments payable at the end of each month. On December 29, 2010, the Company made the final installment after which the case was resolved and fully concluded.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

During the year ended December 31, 2010, the Company had no submission of matters to a vote of security holders.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

Our common stock is quoted on the OTC Electronic Bulletin Board. Effective January 28, 2008, the Company's trading symbol changed from "SNWP" to "GENM." For the periods indicated, the following table sets forth the high and low bid prices per share of common stock. These prices represent inter-dealer quotations without retail markup, markdown, or commission and may not necessarily represent actual transactions. These prices represent the prices of the common stock of the Company subsequent to the Company's 2000-to-1 reverse stock split which became effective on January 28, 2008.

	HIGH	LOW
FISCAL YEAR ENDED DECEMBER 31, 2009		
First Quarter	$1.01	$0.08
Second Quarter	$1.01	$0.06
Third Quarter	$0.09	$0.06
Fourth Quarter	$0.27	$0.06
FISCAL YEAR ENDED DECEMBER 31, 2010		
First Quarter	$0.25	$0.06
Second Quarter	$0.21	$0.07
Third Quarter	$0.41	$0.21
Fourth Quarter	$0.50	$0.35
FISCAL YEAR ENDING DECEMBER 31, 2011		
First Quarter	$0.52	$0.12

As of April 14, 2011, there were 165,144,533 shares of common stock of the Company issued and outstanding. The closing price for the Company's Common Stock on April 14, 2011, was $0.06 per share.

Dividends

It has been the policy of the Company to retain earnings, if any, to finance the development and growth of its business.

Notes

On June 30, 2009, the Company and two note holders agreed upon the consolidation of their notes, including the unpaid interest, and to issue a new 100% Premium Secured Convertible Promissory Note. The new note is issued for the amount of $925,000, bears an annual interest rate of 8% and is convertible into shares of the Company's Common Stock at a share price of $0.04 per share. The Secured Promissory Note is due on June 30, 2010. A beneficial conversion feature of $462,500 was recognized as part of this conversion and is being amortized over the year of the Secured Promissory Note.

On December 31, 2009, the Company and Mr. Bouwens, the CEO of the Company, agreed upon the conversion of his note, including the unpaid interest, and to issue a new 100% Premium Secured Convertible Promissory Note. The new note is issued for the amount of $221,557, bears an annual interest rate of 8% and is convertible into shares of the Company's Common Stock at a share price of $0.04 per share. The Secured Promissory Note was due on December 31, 2010. A beneficial conversion feature of $110,779 was recognized as part of this conversion and is being amortized over the year of the Secured Promissory Note.

On March 3, 2010, the holders of the Convertible notes have converted their notes including the unpaid interest into shares of the Company's Common Stock. As such, the Company has issued 29,948,794 of newly shares of Common Stock of the Company.

Besides the funds that The Company has received from the convertible note holders, the Company has received other advances from individuals related to the Company at various times for working capital and to fund required operating expenses. These advances are unsecured and bear interest at the rate of 8% per year. The amounts outstanding at December 31, 2010 and 2009 aggregate $119,822 and $204,690 respectively.

In August 2010, the Company has requested the related note holders and its officers to subordinate the loans and unpaid interest as well as unpaid fees and salaries receivable from the Company to all bonds that have been issued and will be issued for the term of such bonds. At August 25, 2010, the Company and the related note holders as well as the officers of the Company entered into various subordination agreements, subordinating a total amount of approximately $960,000. The new notes bear an annual interest of 7.8%, payable each calendar quarter and include an option to convert the subordinated amounts into shares of Common Stock of the Company at a fixed conversion price of $0.04 per share. A beneficial conversion feature of approximately $960,000 was recognized as part of this conversion and was amortized as interest expense at the issuance date as the notes are convertible immediately.

On December 8, 2010, two subordinated note holders sold their note and other amounts receivable from the Company including the unpaid interest to an unrelated party. The Company issued a new 10% Secured Convertible Debenture with the new party. The new note is issued for the amount of $855,960, bears an annual interest rate of 10% and is convertible into shares of the Company's Common Stock equal to the lesser of (i) $0.02 per share, or (ii) if the shares are quoted, listed or admitted to trading on the OTCBB, any national securities exchange or quotation system, 50% of the lowest "Bid"price on the date of conversion.
The debenture is subordinated to all outstanding Bond Agreements of the Company as the debt originated from the conversion of subordinated debt agreements.

On December 8, 2010, the Company and a subordinated note holder, agreed upon the conversion of the subordinated note, including the unpaid interest and any other amount owed to him, and to issue a new 10% Secured Convertible Debenture. The new note is issued for the amount of $132,914, bears an annual interest rate of 10% and is convertible into shares of the Company's Common Stock equal to the lesser of (i) $0.02 per share, or (ii) if the shares are quoted, listed or admitted to trading on the OTCBB, any national securities exchange or quotation system, 50% of the lowest "Bid"price on the date of conversion.

The debenture is subordinated to all outstanding Bond Agreements of the Company as the debt originated from the conversion of subordinated debt agreements

Notes (Bonds)

As of June 2010, as part of the implementation of its business plan, the Company issued €866,000 ($1,147,500) in bonds. The bonds have a term of 48 months and, depending on the participated amount, bearing an annual interest rate of 7.4% or 7,8%. The Bonds are recallable, after 10, 22 or 34 months, with a notice of two months and with a penalty of 10% of the value of the bond, up to a yearly maximum of 5% of the total funds received through the issuances of such bonds. Buyback requests will be handled in order of entries.

In 2011, the Company entered into bond agreements for an additional €375,000 (approximately $497,950). The Company has also entered into agreements with some of the bondholders for a conversion feature, whereby the bondholder has the right to convert the bond, or a portion of it, during the term of the bond into shares of the Company's common stock at prices of $0.35 to $0.50 per share. Holders of approximately $1,371,000 of bonds may convert the bonds into 3,806,484 shares of common stock

April 17, 2008, Agreements

On April 17, 2008, the Company entered into a Stock Exchange Agreement whereby the Company acquired 100% of the outstanding capital stock of Genmed B.V., a company organized in The Netherlands, for a purchase price equal to 48,000,000 shares of restricted common stock of Genmed and warrants to purchase 24,000,000 shares of restricted common stock of GenMed at an exercise price of $0.10 per share. Also On April 17, 2008, the Company also entered into a General Release and Settlement Agreement with certain entities whereby the Company issued 75,000,000 shares of its restricted common stock, and issued warrants to purchase 39,000,000 shares of common stock of the Company, to such entities in order to settle all accounts and disputes between the Company and such entities.

On April 17, 2008, the Company entered into a consulting agreement with London Finance Group, Ltd. whereby the Company issued 2,400,000 shares of its restricted common stock, and issued warrants to purchase 2,400,000 shares of common stock of the Company to London Finance Group, Ltd.

Subsequent to December 31, 2008, on or around April 8, 2009, the parties to the Stock Exchange Agreement, General Release and Settlement Agreement, and the consulting agreement described above agreed and formalized by written agreement, to the cancellation of all of the warrants issued to such agreements, to the cancellation and re-issuing of certain shares issued pursuant to such agreements, and agreed to the cancellation of the consulting agreement with the London Finance Group, including the cancellation of the shares and warrants that have been issued to the London Finance Group as part of this agreement. See Exhibit 1.02 hereto, Release and Settlement Agreement between the Company, Joost de Metz , Willem Blijleven, E.R. Bouwens Beheermaatschappij B.V., Medical Network Holding BV , Total Look, BV , London Finance Group, Ltd., Dojo Enterprises, LLC, Hyperion Fund, L.P., The Palisades Capital, LLC 401(k) Profit Sharing Trust , The Morpheus 2005 Trust dated December 1, 2005 , Burton Partners, LLC , Picasso, LLC and Glacier, LLC

ITEM 6. SELECTED FINANCIAL DATA

Smaller reporting companies are not required to provide the information required by this item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION ANDRESULTS OF OPERATIONS

When used in this report on Form 10-K, the words "may," "will," "expect," "anticipate," "continue," "estimate," "project," "intend," and similar expressions are intended to identify forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 regarding events, conditions, and financial trends that may affect the Company's future plans of operations, business strategy, operating results, and financial position. Persons reviewing this report are cautioned that any forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties and that actual results may differ materially from those included within the forward-looking statements as a result of various factors. Such factors are discussed under the headings "Item 1. Business," and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," and also include general economic factors and conditions that may directly or indirectly impact the Company's financial condition or results of operations.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Moreover, we do not assume responsibility for the accuracy and completeness of such forward-looking statements. We are under no duty to update any of the forward-looking statements after the date of this report to conform such statements to actual results.

The Company cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the date made, are based on certain assumptions and expectations which may or may not be valid or actually occur, and which involve various risks and uncertainties, including but not limited to the risks set forth above. In addition, sales and other revenues may not commence and/or continue as anticipated due to delays or otherwise. As a result, the Company's actual results for future periods could differ materially from those anticipated or projected.

Overview

On December 12, 2007, the Company's board of directors and majority of its shareholders approved a change of the Company's corporate name from Satellite Newspapers Corp. to Genmed Holding Corp. by filing an amendment to its Articles of Incorporation with the Secretary of State of the State of Nevada on December 12, 2007.

On April 17, 2008, the Company acquired, by a Stock Exchange Agreement, GenMed B.V. ("Genmed B.V."), a company organized in The Netherlands, which is engaged in the production and distribution of generic drugs. Genmed B.V. maintains a network of manufacturing and distribution relationships in The Netherlands, Belgium, Luxembourg, United Kingdon, Ireland, Germany and France as well as some other countries located outside the European Union, to supply low cost generic drugs to retail chains. Genmed B.V.'s most popular product is Paracetamol (acetaminophen), a generic form of Tylenol. Genmed B.V. currently has distribution contracts with retail chains in The Netherlands, and is seeking contracts with retail chains and government agencies and multi-national corporations.

Genmed is currently seeking to develop its business of the registration, sale and distribution of generic drugs through its wholly owned subsidiary Genmed B.V.

Results of Operations

Comparison of the Years Ended December 31, 2010 and 2009

Revenues. The Company had no sales and revenues during the fiscal year ended December 31, 2010 and minimum sales during the fiscal year ended December 31, 2009. This is because the Company had to submit additional variations to its current product registration and sales licenses in order to be allowed to start with marketing of its product. The revenues in 2009 were not through the sales of generic drugs.

Selling, General, and Administrative Expenses. The Company incurred selling, general, and administrative expenses of $1,008,655 during the fiscal year ended December 31, 2010 compared to $757,403 during the fiscal year ended December 31, 2009. Such increase was due primarily to the management fee of the CEO for services performed in 2009 which the Company did not record until 2010, as well as services of other consultants which the Company hired.

Impairment of Medical Registration Rights. The Company recorded $5,405,606 in impairment of medical registration rights during the fiscal year ended December 31, 2010, compared to $6,252,359 in impairment during the fiscal year ended December 31, 2009. The impairment of Medical Registration Rights was due to the inability to obtain authorization to market generic drugs and thus inability to generate revenues originally anticipated for the fiscal years ended 2010 and 2009. The Company was forced to file for additional variations on the current and existing marketing authorizations which is the reason the Company was not able to start the marketing of its product in 2010.

Depreciation and Amortization. The Company incurred $748,866 in depreciation and amortization during the fiscal year ended December 31, 2010, compared to $1,464,616 in depreciation and amortization during the fiscal year ended December 31, 2009. The decrease in depreciation and amortization expenses are primarily due to the impairment of the Medical Registration Rights, an asset that was acquired through the purchase of Genmed B.V., our Dutch subsidiary.

Research and Development. The Company incurred $70,777 in research and development expenses during the fiscal year ended December 31, 2010, compared to $94,302 in such expenses during the fiscal year ended December 31, 2009. Such decrease is due to the effect of that the registration process of the Company’s first generic product has been completed.

Operating Losses. As a result, the Company incurred a net operating loss of $7,233,904 during the fiscal year ended December 31, 2010 compared to a net operating loss of $8,516,688 during the fiscal year ended December 31, 2009.

Other Income (Expenses). The Company incurred, a loss on foreign exchange of ($10,156), incurred interest expenses of ($60,159) and had amortized debt discount $(424,908) in the aggregate amount of ($495,223) during the fiscal year ended 2010, compared to a gain on the cancellation of a consulting agreement of $285,000, a loss on foreign exchange of ($15,434), incurred a loss of ($10,000) on a settlement of litigation, and interest expenses of ($106,343) and had amortized debt discount $(231,250) in the aggregate amount of ($78,027) during the fiscal year ended December 31, 2009.

Net Loss. The Company incurred a net loss of $7,729,127 during the fiscal year ended December 31, 2010, compared to a net loss of $8,594,715 during its fiscal year ended December 31, 2009.

Comparison of the Years Ended December 31, 2009 and 2008

Revenues. For the fiscal year ended 2009 and the fiscal year ended 2008, The Company had minimal sales and revenues. This is a because the Company has been seeking to develop its generic drug sale and distribution business in 2007 and 2008 through the present.

Selling, General, and Administrative Expenses. The Company incurred selling, general, and administrative expenses of $757,403 during the fiscal year ended December 31, 2009 compared to $18,162,803 during the fiscal year ended December 31, 2008.

Operating Losses. As a result, the Company incurred a net operating loss of $8,516,688 during the fiscal year ended December 31, 2009 compared to a net operating loss of $38,715,485 during the fiscal year ended December 31, 2008.

Other Income (Expenses). The Company incurred a gain on the cancellation of a consulting agreement of $285,000, a loss on foreign exchange of ($15,434), incurred a loss of ($10,000) on a settlement of litigation, and interest expenses of ($337,593) in the aggregate amount of ($78,027) during the fiscal year ended December 31, 2009 compared to a foreign exchange gain of $10,892 and interest expense of ($52,083) in the aggregate amount of ($41,191) during the fiscal year ended December 31, 2008.

Net Loss. The Company incurred a net loss of $8,594,715 during the fiscal year ended December 31, 2009, compared to a net loss of $38,756,676 during its fiscal year ended December 31, 2008.

Liquidity and Capital Resources

At December 31, 2010, we had a working capital of $673,916.

Cash Flows

Net cash used in operating activities was ($1,031,104) for the year ended December 31, 2010 and ($502,523) for the year ended December 31, 2009.

Net cash provided by financing activities was 1,865,999 and $503,324 for the year ended December 31, 2010 and 2009, respectively. The net cash provided by financing activities for the year ended December 31, 2010 consisted primarily of proceeds from the issuance of common stock and bonds payable.

Our auditors have raised, in their current audit report, a substantial doubt about our ability to continue as a going concern. We will be unable to continue as a going concern in the event we are not able to raise capital and are successful in seeking a business acquisition. Until such time as sufficient capital is raised, we intend to limit expenditures for capital assets and other expense categories.

The Company must currently rely on corporate officers, directors and outside investors in order to meet its budget. If the Company is unable to obtain financing from any of one of these aforementioned sources, the Company would not be able to complete its financial obligations. Limited commitments to provide additional funds have been made by management and other shareholders. We cannot provide any assurance that any additional funds will be made available on acceptable terms or at all.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on us.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Smaller reporting companies are not required to provide the information required by this item.

ITEM 8 FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CONTENTS

Meyler & Company LLC
Certified Public Accountants

One Arin Park
1715 Highway 35
Middletown, NJ 07748

Phone 732-671-2244

Report of Independent Registered Public Accounting Firm

To the Board of Directors of
Genmed Holding Corp.
Zoetermeer, The Netherlands

We have audited the accompanying consolidated balance sheets of Genmed Holding Corp. and Subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for each of the years in the two-year period ended December 31, 2010. Genmed Holding Corp.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Genmed Holding Corp. and Subsidiaries as of December 31, 2010 and 2009, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note A to the consolidated financial statements, the Company has incurred cumulative net losses of $69,995,753 since inception, and had net losses of $7,729,127 and $8,594,715 for the years ended December 31, 2010 and 2009. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters are also described in Note A. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Meyler & Company, LLC

April 15, 2011
Middletown, NJ

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GENMED HOLDING CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	December 31, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS		
Cash	$868,770	$-
Accounts receivable	-	81,864
VAT receivable	31,890	6,454
Amount due from related party	298,170	-
Prepaid expenses	25,916	-
Total Current Assets	1,224,746	88,318
EQUIPMENT, net of accumulated depreciation of $8,798 and $5,832 at December 31, 2010 and 2009, respectively	8,231	12,587
MEDICAL REGISTRATION RIGHTS, net of accumulated amortization of $2,941,455 and $2,197,061 at December 31, 2010 and 2009, respectively	-	6,150,000
Total Assets	$1,232,977	$6,250,905
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Bank overdraft	$-	$493
Accounts payable	175,109	266,680
Accrued salaries and related expenses	87,351	357,539
Accrued expenses	45,447	3,193
Accrued expenses - related parties	123,101	510,687
Convertible debentures, net of discount of $0 and $342,029 at December 31, 2010 and 2009, respectively	-	804,528
Loans payable to related parties	119,822	204,690
Total Current Liabilities	550,830	2,147,810
LONG TERM LIABILITIES		
Bonds payable	1,147,534	-
Subordinated convertible debentures, net of discount of $1,066,198 and $0 at December 31, 2010 and 2009, respectively	35,114	-
Total Long Term Liabilities	1,182,648	-
Total Liabilities	1,733,478	2,147,810
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' EQUITY (DEFICIT)		
Class A Convertible Preferred Stock, par value $0.001; authorized		

500,000,000 shares; there were no shares issued and outstanding at		
December 31, 2010 and December 31, 2009.	-	-
Common stock, par value $0.001; authorized 500,000,000 shares;		
issued and outstanding- 164,977,533 and 123,211,739 shares at		
December 31, 2010 and December 31, 2009, respectively	164,976	123,212
Additional paid-in capital	69,302,178	66,240,744
Accumulated deficit	(69,995,753)	(62,266,626)
Accumulated other comprehensive income	28,098	5,765
Total Stockholders' Equity (Deficit)	(500,501)	4,103,095
Total Liabilities and Stockholders' Equity (Deficit)	$1,232,977	$6,250,905

See accompanying notes to consolidated financial statements.

GENMED HOLDING CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended December 31, 2010	2009
NET SALES	$-	$51,992
COST AND EXPENSES:		
Selling, general and administrative	1,008,655	757,403
Depreciation and amortization	748,866	1,464,616
Impairment of medical registration rights	5,405,606	6,252,359
Research & development	70,777	94,302
Total Costs and Expenses	7,233,904	8,568,680
NET OPERATING LOSS	(7,233,904)	(8,516,688)
OTHER INCOME (EXPENSE)		
Gain on cancellation of consulting agreement	-	285,000
Loss on settlement of litigation		(10,000)
Loss on foreign exchange	(10,156)	(15,434)
Interest expense	(60,159)	(106,343)
Amortization - debt discount	(424,908)	(231,250)
Total Other Income (Expense)	(495,223)	(78,027)
LOSS BEFORE INCOME TAXES	(7,729,127)	(8,594,715)
PROVISION FOR INCOME TAXES	-	-
NET LOSS	$(7,729,127)	$(8,594,715)
NET LOSS PER COMMON SHARE (BASIC AND DILUTED)	$(0.05)	$(0.07)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	153,109,653	123,856,123

See accompanying notes to consolidated financial statements.

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GENMED HOLDING CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31, 2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$(7,729,127)	$(8,594,715)
Adjustments to reconcile net loss to cash flows used in operating activities:		
Depreciation and amortization	748,866	1,464,616
Impairment of medical registration rights	5,405,606	6,252,359
Stock based compensation	-	102,000
Amortization of beneficial conversion feature	424,908	231,249
Changes in operating assets and liabilities:		
Accounts receivable	81,090	(81,864)
VAT receivable	(27,281)	2,323
Amount due from relataed party	(313,792)	
Prepaid expenses	(27,274)	
Accounts payable	(83,930)	97,584
Accrued salaries and related expenses	(135,422)	26,119
Accrued expenses	46,888	
Accrued expenses - related parties	578,364	(2,194)
Net Cash Used in Operating Activities	(1,031,104)	(502,523)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Provided by (Used in) Investing Activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdraft	(493)	493
Proceeds from bonds payable	1,147,534	-
Proceeds from loans payable to related parties	13,252	502,831
Payments on loans paybale to related parties	(50,463)	
Proceeds from issuance of common stock	756,169	-
Net Cash Provided by Investing Activities	1,865,999	503,324
EFFECT OF EXCHANGE RATE	33,875	(2,565)
INCREASE (DECREASE) IN CASH	868,770	(1,764)
CASH, BEGINNING OF PERIOD	-	1,764
CASH, END OF PERIOD	$868,770	$-
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest	$15,692	$-
Taxes	$-	$-

NON-CASH INVESTING AND FINANCING TRANSACTIONS:		
Conversion of convertible debenture into common stock	$1,146,557	$
Conversion of accrued interest into common stock	$51,395	$-
Conversion of accrued expenses and loans to subordinated notes	$1,101,312	$-
Conversion of related party debt to convertible debenture	$-	$1,146,557
Beneficial conversion feature on convertible debenture	$1,149,077	$573,278
Cancellation of common stock	$-	$2,400

See accompanying notes to consolidated financial statements.

GENMED HOLDING CORP. AND SUBSIDIARIES
Statements of Stockholders' Equity
For the Year Ended December 31, 2009 and 2010

	Preferred Stock		Common Stock		Additional		Accumulated Other	Total
					Paid-In	Accumulated	Comprehensive Income	Stockholders
	Shares	Amount	Shares	Amount	Capital	Deficit	(Loss)	Equity
Balance, December 31, 2008	-	$-	125,611,739	$125,612	$65,563,066	$(53,671,911)	$ 8,770	$12,025,537
Amortization of common stock issued for consulting agreement					102,000			102,000
Cancellation of common stock issued for consultancy agreement at $0.51 per share			(2,400,000)	(2,400)	2,400			-
Beneficial conversion features on convertible debentures					573,278			573,278
Components of comprehensive loss:								
Foreign currency translation							(3,005)	(3,005)
Net loss for the year ended December 31, 2009						(8,594,715)		(8,594,715)
Total comprehensive loss								(8,597,720)
Balance, December 31, 2009	-	-	123,211,739	123,212	66,240,744	(62,266,626)	5,765	4,103,095

Conversion of convertible debentures into common stock								
at $0.04 per share			29,948,794	29,948	1,168,004			1,197,952
Issuance of Common Stock for cash at $0.05 per share			417,000	416	20,434			20,850
Issuance of Common Stock for cash at $0.06 per share			9,200,000	9,200	572,960			582,160
Issuance of Common Stock for cash at $0.07 per share			2,200,000	2,200	150,959			153,159
Beneficial conversion features on convertible debentures					1,149,077			1,149,077
Components of comprehensive loss:								
Foreign currency translation							22,333	22,333
Net loss for the year ended December 31, 2010						(7,729,127)		(7,729,127)
Total comprehensive loss								(7,706,794)
Balance, December 31, 2010	-	$-	164,977,533	$164,976	$69,302,178	$(69,995,753)	$ 28,098	$(500,501)

See accompanying notes to consolidated financial statements.

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE A - NATURE OF BUSINESS AND GOING CONCERN

Nature of Business

Genmed Holding Corp. (“GENM”or the “Company”) through its wholly owned Dutch subsidiary Genmed B.V. is focusing on the delivery of low cost generic medicines directly to distribution chains throughout the world. Generic medicines, which become available when the originator medicines patents has expired, are, due to continuing governmental pressure and new insurance policies, increasingly used as equally effective alternatives to higher-priced originator pharmaceuticals by general practitioners, specialists and hospitals.

Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As shown in the accompanying consolidated financial statements, the Company has incurred cumulative net losses of $69,995,753, since inception, and had losses from continuing operations of $7,729,127 and $8,594,715 in 2010 and 2009. Management's plans include the raising of capital through the equity markets to fund future operations and the generating of revenue through its business. Failure to raise adequate capital and generate adequate sales revenues could result in the Company having to curtail or cease operations. Additionally, even if the Company does raise sufficient capital to support its operating expenses and generate adequate revenues, there can be no assurance that the revenue will be sufficient to enable it to develop business to a level where it will generate profits and cash flows from operations. These matters raise substantial doubt about the Company's ability to continue as a going concern. The accompanying Financial Statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Codification

Effective July 1, 2009, the Accounting Standards Codification (“ASC”) became the FASB’s officially recognized source of authoritative U.S. generally accepted accounting principles (“GAAP”) applicable to all public and non-public non-governmental entities, superseding existing FASB, AICPA, EITF and related literature. Rules and interpretive releases of the SEC under the authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. All other accounting literature is considered non-authoritative. The switch to the ASC affects the way companies refer to U.S. GAAP in financial statements and accounting policies. Citing particular content in the ASC involves specifying the unique numeric path to the content through the Topic, Subtopic, Section and Paragraph structure.

Consolidated Financial Statements

The consolidated financial statements include the Company and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Foreign Currency Translation

The Company considers the EURO ("€") to be its functional currency. Assets and liabilities were translated into US dollars ("US$") as of December 31, 2010 and 2009 at the period end exchange rate of €1.00 to US$ 1.32520 and €1.00 to US$ 1.4333. Statement of Operations amounts for the year ended December 31, 2010 and 2009 were translated using the average rates during the periods of €1.00 to US$ 1.32750 and €1.00 to US$ 1.39463. Gains and losses resulting from translating foreign currency financial statements are accumulated in other comprehensive loss, a separate component of stockholders' equity.

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Equivalents
For purposes of reporting cash flows, cash equivalents include investment instruments purchased with a maturity of three months or less. There were no cash equivalents in 2010 or 2009.

Net Loss Per Common Share
Basic earnings per share ("EPS") is computed by dividing the income (loss) available to Common Stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS is based on the weighted-average number of shares of Common Stock and Common Stock equivalents outstanding during the periods.

Comprehensive Income
Comprehensive income is defined as the change in a business enterprise's equity during a period arising from transactions, events or circumstances relating to non-owner sources, such as foreign currency translation adjustments and unrealized gains or losses on available-for-sale securities. It includes all changes in equity during a period except those resulting from investments by or distributions to owners. Comprehensive income is accumulated in accumulated other comprehensive income, a separate component of stockholders' equity(deficit), in the balance sheet.

Equity Based Compensation
The Company accounts for equity based compensation transactions with employees under the provisions of ASC Topic No. 718, "Compensation, Stock Compensation" ("Topic No. 718"). Topic No. 718 requires the recognition of the fair value of equity-based compensation in net income. The fair value of the Company's equity instruments are estimated using a Black-Scholes option valuation model. This model requires the input of highly subjective assumptions and elections including expected stock price volatility and the estimated life of each award. In addition, the calculation of equity-based compensation costs requires that the Company estimate the number of awards that will be forfeited during the vesting period. The fair value of equity-based awards granted to employees is amortized over the vesting period of the award and the Company elected to use the straight-line method for awards granted after the adoption of Topic No. 718.

The Company accounts for equity based transactions with non-employees under the provisions of ASC Topic No. 505-50, "Equity-Based Payments to Non-Employees" ("Topic No. 505-50"). Topic No. 505-50 establishes that equity-based payment transactions with non-employees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, which ever is more reliably measurable. When the equity instrument is utilized for measurement the fair value of the equity instrument is estimated using the Black-Scholes option valuation model. In general, the Company recognizes an asset or expense in the same manner as if it was to receive cash for the goods or services instead of paying with or using the equity instrument.

Revenue Recognition
The Company recognizes revenues when persuasive evidence of an arrangement exists, delivery has occurred, the price is fixed or determinable and collectibility is reasonably assured. The Company intends to provide countries within the EU and some countries outside the EU with generic drugs at considerable lower prices than other suppliers. For this purpose we make agreements with manufacturers within Europe who produce drugs that meet EU and FDA standards. The Company expects to conduct its business with a low overhead, lower than that of the other companies in this market. This is possible because the Company will execute its affairs as much as possible as an agency in order

to keep its costs low. The main activity of the agency is to provide the registration requirements and quality control. The Company's buyers will take care of the logistics, storage and marketing. The Company will take a fee for the registration ownership of the drugs and a commission on the delivered goods.

Research and Development Costs

All research and development costs are expensed as incurred.

Equipment and Depreciation

Equipment is stated at cost less accumulated depreciation and is depreciated on the straight-line method over the estimated use life, which is five years. Ordinary repairs and maintenance are expensed as incurred; major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over the estimated useful life of the equipment. Depreciation expense for the years ended December 31, 2010 and 2009, amounted to $3,412 and $3,584, respectively.

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Medical Registration Rights and Amortization

Medical Registration Rights are stated at cost less accumulated amortization and impairment (Fair Value) adjustments, and are amortized on the straight-line method over the estimated useful life which is ten years. Amortization expense for the years ended December 31, 2010 and 2009, amounted to $745,454 and $1,461,032. See Note F for impairment.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by comparing the carrying amount to future undiscounted cash flows the assets are expected to generate. If property and medical registration rights are considered to be impaired, the impairment to be recognized equals the amount by which the carrying value of the assets exceeds its estimated fair market value. See Note F on impairment of Medical Registration Rights.

Income and Other Taxes

Genmed B.V., a Dutch corporation and a subsidiary of the Company is subject to the Dutch tax laws and therefore needs to do income tax declarations in the Netherlands.

Reclassifications

Certain amounts in the 2009 consolidated Financial Statements have been reclassified to conform to the presentation used in 2010

Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board ("FASB") issued, and the Company adopted, Accounting Standards Codification ("ASC") update No. 2010-05 "Escrowed Share Arrangements and the Presumption of Compensation" ("ASCU No. 2010-05"). ASCU No. 2010-05 codifies the SEC staff's views on escrowed share arrangements which historically has been that the release of such shares to certain shareholders based on performance criteria is presumed to be compensatory. When evaluating whether the presumption of compensation has been overcome, the substance of the arrangement should be considered, including whether the transaction was entered into for a reason unrelated to employment, such as to facilitate a financing transaction. In general, in financing transactions the escrowed shares should be reflected as a discount in the allocation of proceeds. In debt financing the discounts are to be amortized using the effective interest method, while discounts on equity financings are not generally amortized. As it relates to future financings, the adoption of this update may have an effect on the Company's financial statements.

In January 2010, the FASB issued ASC Update No. 2010-06 "Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements" which 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 will become effective for the Company with the interim and annual reporting period beginning January 1, 2011, except for the requirement to provide the Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will become effective for the Company with the interim and annual reporting period beginning January 1, 2012. 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 will not have a material effect on the Company's financial statements.

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE C – GENERAL RELEASE AND SETTLEMENT AGREEMENT

On April 17, 2008, the Company entered into a General Release and Settlement Agreement (the "General Release Agreement") with Total Look, B.V. (“Total Look”), London Finance Group, Ltd., a California corporation (“LFG”), Dojo Enterprises, LLC, a Nevada limited liability company (“Dojo”), Hyperion Fund, L.P., a Colorado limited partnership (“Hyperion”), The Palisades Capital, LLC 401(k) Profit Sharing Trust (“Palisades”), The Morpheus 2005 Trust dated December 1, 2005 (“Morpheus”), Burton Partners, LLC (“Burton”), Picasso, LLC (“Picasso”) and Glacier, LLC (“Glacier,” and, together with Total Look, LFG, Dojo, Hyperion, Palisades, Morpheus, Burton and Picasso, the “Preferred Shareholders”) to settle all accounts and disputes between the parties and to avoid the expense and delay of litigation.

Pursuant to the General Release Agreement, the Company issued to the Preferred Shareholders 75,000,000 shares of its restricted common stock, and 39,000,000 warrants to the Preferred Shareholders, which were subsequently cancelled, to purchase shares of common stock of the Company.

The Preferred Shareholders collectively owned 2,179,533 shares of Class A Convertible Preferred Stock of the Company, which equaled 100% of the outstanding preferred shares of stock of the Company. Pursuant to the General Release Agreement, all of the outstanding preferred shares of the Company were cancelled upon the issuance of the common stock to the Preferred Shareholders.

Subsequent to December 31, 2008, on or around April 11, 2009, the Preferred Shareholders entered into a Release and Settlement Agreement in which the parties agreed to the cancellation of all the warrants and to the cancellation and re-issuing of certain shares of Common Stock that were issued pursuant to the General Release and Settlement Agreement of April 17, 2008.

Pursuant to the Release and Settlement Agreement of April 11, 2009, such shares of common stock of the Company were issued as follows:

Shareholder		Common Stock
Total Look B.V.		62,678,826 shares
Dojo Enterprises, Ltd.		1,120,107 shares
Hyperion Fund, L.P.		1,760,428 shares
Diane Breitman, as Trustee of The Morpheus 2005 Trust		2,720,000 shares
Burton Partners, LLC		2,240,213 shares
Picasso, LLC		2,240,213 shares
Glacier, LLC		2,240,213 shares
	TOTAL	75,000,000 shares

NOTE D - STOCK EXCHANGE AGREEMENT

On April 17, 2008, Genmed Holding Corp. ("Genmed," or the “Company”) entered into a Stock Exchange Agreement (the "Stock Exchange Agreement") with Joost de Metz (“de Metz”), Willem Blijleven (“Blijleven”), Erwin R. Bouwens (“Bouwens”) and Medical Network Holding BV (“MNH,” and collectively with de Metz, Blijlevens and Bouwens, the “Shareholders”). The Shareholders were holders of 100% of the outstanding capital stock of Genmed BV (“GMBV”), a company organized in The Netherlands.

Pursuant to the Stock Exchange Agreement, Genmed agreed to purchase from the Shareholders 18,000 restricted shares of the registered and outstanding capital stock of GMBV (the “GMBV Shares”), representing 100% of its outstanding capital stock, for a purchase price equal to 48,000,000 shares of restricted common stock of Genmed and the issuance of 24,000,000 warrants at $0.10 per share.

Subsequent to December 31, 2008, on or around April 11, 2009, the ‘Shareholders’ entered into a Release and Settlement Agreement in which the parties agreed to the cancellation of all the warrants that were issued pursuant to

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE D - STOCK EXCHANGE AGREEMENT (Continued)

the Stock Exchange Agreement of April 17, 2008.

The fair value of the assets acquired is as follows:

Cash	$ 4,993
Receivables	17,513
Fair Value of Medical Registration Rights	14,600,000
Liabilities Assumed	(6,153)
	14,616,353
Fair value of 48,000,000 shares @ $0.51 per share and 24,000,000 warrants valued at $ 9,881,923	34,361,923
Impairment of Goodwill	$ 19,745,570

The Medical Registration Rights represent a distribution agreement with Atabay Group to distribute generic drugs in various European Union and other countries outside the European Union as well as the registration rights to Paracetamol (acetaminophen), a generic form of Tylenol, in the European Union.

Subsequent to the acquisition of Genmed BV, the Company tested the business unit for impairment. As a result, the Company determined that the Goodwill was impaired and wrote of the entire balance of $19,745,570.

NOTE E – CONSULTING AGREEMENTS

On April 17, 2008, the Company, entered into a Consulting Agreement with London Finance Group, Ltd. (“London”). Pursuant to such Consulting Agreement, London will consult with the Company on achieving Company objectives including merging with other businesses, disposing of businesses or assets, entering into strategic relationships, entering into investment banking relationships, and securing valuable management consulting to assist the Company in its operations, strategy and in its negotiations with vendors, customers and strategic partners. The Consulting agreement commenced on April 17, 2008 and will terminate no earlier than April 17, 2011. London was to receive an initial payment of $65,000 upon execution of the Consulting Agreement, $20,000 per month for the length of the Consulting Agreement, 2,400,000 shares of restricted common stock and 2,400,000 warrants to purchase the Company’s common stock as compensation for its consulting services. For the years ended December 31, 2010 and 2009, the Company recognized $0 and $60,000 in consulting expense, respectively, under this consulting agreement.

Subsequent to December 31, 2008, on or around April 11, 2009, the Company and London Finance Group entered into a Release and Settlement Agreement in which the parties agreed to rescind the Consultancy Agreement entered into by the Company and the London Finance Group on April 17, 2008 and to cancel the shares and warrants that have been issued pursuant to the Consulting Agreement as well as to waive all monies owed by the Company to the London Finance Group as part of the same Consulting Agreement. As part of this agreement, the Company recognized $285,000 as a Gain on the cancellation of the amounts due under the consulting agreements during the year ended December 31, 2009.

Also on April 17, 2008, the Company entered into a Consulting Agreement with Total Look B.V. ("Total Look"), a company organized in The Netherlands. Pursuant to such Consulting Agreement, Total Look will consult with the Company on finding, analyzing, structuring and negotiating sales and marketing agreements, alliances and other desirable projects with regard to the Company's sales of its generic pharmaceutical products. The Consulting agreement commenced on April 17, 2008 and will terminate no earlier than April 17, 2011. Total Look will receive an initial payment of $40,000 upon execution of the Consulting Agreement, $20,000 per month for the length of the Consulting Agreement, and two and one-half percent (2.5%) of the total revenues from all sales and other revenues actually received by the Company, until such time as Total Look has received a total of $3,000,000, as compensation for its consulting services. For the years ended December 31, 2010 and 2009, the Company recognized $240,000 in consulting expense, under this consulting agreement.

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE E – CONSULTING AGREEMENTS (Continued)

On March 3, 2010, the Company entered into a Management Services Agreement with E.R. Bouwens Beheermaatschappij B.V. ("ERB"), a company organized in The Netherlands and owned by the Company's CEO. Pursuant to such Management Services Agreement, ERB will act as CEO of the Company and will manage and control the conduct of the business of the Company in accordance with the resolutions passed by and the instructions of the shareholders of the Company and the articles of association of the Company and the laws of the United States and The Netherlands. The Consulting agreement commenced on January 1, 2010 and is indefinite. ERB received an initial payment of $100,000 upon execution of the Management Services Agreement as part of the services rendered from April 17, 2009 to December 31, 2009, and will receive $20,000 per month for the length of the Management Services Agreement. For the year ended December 31, 2010 the Company recognized $340,000 in management services expense, under this consulting agreement.

On March 3, 2010, the Company entered into a Management Services Agreement with R. Hibma ("RHI"), the Company's CFO. Pursuant to such Management Services Agreement, RHI will continue to act as CFO of the Company. The agreement commenced on January 1, 2010 and is indefinite . RHI will receive €6,500 per month for the length of the Management Services Agreement. For the year ended December 31, 2010 the Company recognized €78,000 (approx. $ 104,000) in management services expense, under this consulting agreement.

NOTE F – IMPAIRMENT OF MEDICAL REGISTRATION RIGHTS

The Company reviewed its Medical Registration Rights as at December 31, 2010 and 2009 for impairment. The Company has the registration rights to sell a product called Paracetamol in the European Union and is in the process of obtaining additional approvals for variations which are required for the marketing and distribution of the product. The Company has incurred delays in obtaining the approvals, resulting in delays in receiving revenue compared to its original projections. The Company has utilized the income approach to value its Medical Registration Rights and at December 31, 2010, the discounted cash flows did not support the carrying value of the asset as a result of the revenue delays. In accordance with U.S. Generally Accepted Accounting Standards, the Company was required to impair the Rights. Accordingly, the Company has recognized an impairment loss of $5,405,606 and $6,252,359 at December 31, 2010 and 2009, respectively.

NOTE G - NOTES PAYABLE TO RELATED PARTIES

On June 30, 2009, the Company and two note holders agreed upon the consolidation of their notes, including the unpaid interest, and to issue a new 100% Premium Secured Convertible Promissory Note. The new note is issued for the amount of $925,000, bears an annual interest rate of 8% and is convertible into shares of the Company's Common Stock at a share price of $0.04 per share. The Secured Promissory Note is due on June 30, 2010. A beneficial conversion feature of $462,500 was recognized as part of this conversion and is being amortized over the year of the Secured Promissory Note.

On December 31, 2009, the Company and Mr. Bouwens, the CEO of the Company, agreed upon the conversion of his note, including the unpaid interest, and to issue a new 100% Premium Secured Convertible Promissory Note. The new note is issued for the amount of $221,557, bears an annual interest rate of 8% and is convertible into shares of the Company's Common Stock at a share price of $0.04 per share. The Secured Promissory Note is due on December 31, 2010. A beneficial conversion feature of $110,779 was recognized as part of this conversion and is being amortized over the year of the Secured Promissory Note.

On March 3, 2010, the holders of the Convertible notes have converted their notes including the unpaid interest into shares of the Company's Common Stock. As such, the Company has issued 29,948,794 shares of Common Stock of the Company.

During 2010 and 2009, the Company has received other advances from individuals related to the Company at various times for working capital and to fund required operating expenses. These advances are unsecured and bear interest at

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NOTE G - NOTES PAYABLE TO RELATED PARTIES (Continued)

the rate of 8% per year. The amounts outstanding at December 31, 2010 and 2009 aggregate $119,822 and $204,690 respectively.

In August 2010, the Company requested the related note holders and its officers to subordinate the loans and unpaid interest as well as unpaid fees and salaries receivable from the Company to all bonds (see Note H) that have been issued and will be issued for the term of such bonds. At August 25, 2010, the Company and the related note holders as well as the officers of the Company entered into various subordination agreements, subordinating a total amount of approximately $960,000. The new notes bear an annual interest of 7.8%, payable each calendar quarter and include an option to convert the subordinated amounts into shares of Common Stock of the Company at a fixed conversion price of $0.04 per share. A beneficial conversion feature of approximately $960,000 was recorded as part of this conversion and is being amortized as interest expense over the term of the bonds, which is four years.

On December 8, 2010, two subordinated note holders sold their note and other amounts receivable from the Company including the unpaid interest to an unrelated party. The Company issued a new 10% Secured Convertible Debenture with the new party. The new note is issued for the amount of $855,960, bears an annual interest rate of 10% and is convertible into shares of the Company’s Common Stock equal to the lesser of (i) $0.02 per share, or (ii) if the shares are quoted, listed or admitted to trading on the OTCBB, any national securities exchange or quotation system, 50% of the lowest “Bid”price on the date of conversion. The debenture is subordinated to all outstanding Bond Agreements of the Company as the debt originated from the conversion of subordinated debt agreements. A beneficial conversion feature of approximately $149,000, after adjusting for the unamortized amount of $706,875 which remained on the August 25, 2010 subordinated debt, was recorded as part of this conversion. The discount is being amortized over the term of the bonds, which is four years.

On December 8, 2010, the Company and a subordinated note holder, agreed upon the conversion of the subordinated note, including the unpaid interest and any other amount owed to him, and to issue a new 10% Secured Convertible Debenture. The new note is issued for the amount of $132,914, bears an annual interest rate of 10% and is convertible into shares of the Company’s Common Stock equal to the lesser of (i) $0.02 per share, or (ii) if the shares are quoted, listed or admitted to trading on the OTCBB, any national securities exchange or quotation system, 50% of the lowest “Bid”price on the date of conversion. The debenture is subordinated to all outstanding Bond Agreements of the Company as the debt originated from the conversion of subordinated debt agreements. A beneficial conversion feature of approximately $39,000, after adjusting for the unamortized amount of $93,750 which remained on the August 25, 2010 subordinated debt, was recorded as part of this conversion. The discount is being amortized over the term of the bonds, which is four years.

Amortization of the discounts amounted to $424,908 and $231,250 during the years ended December 31, 2010 and 2009, respectively.

NOTE H - BONDS PAYABLE

As of June 2010, as part of the implementation of its business plan, the Company issued approximately €866,000 ($1,147,500) in bonds. The bonds have a term of 48 months and, depending on the participated amount, bear an annual interest rate of 7.4% or 7,8%. The Bonds are recallable, after 10, 22 or 34 months, with a notice of two months and with a penalty of 10% of the value of the bond, up to a yearly maximum of 5% of the total funds received through the issuances of such bonds. Buyback requests will be handled in order of entries.

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he loss before income taxes consists of the following:

	For the Years Ended December 31, 2010	2009
United States	$(7,322,832)	$(8,282,591)
Foreign	(406,295)	(312,124)
Totals	(7,729,127)	(8,594,715)

The income tax expense (benefit) differs from the amount computed by applying the United States statutory corporate tax rate as follows:

	For the Years Ended December 31, 2010	2009
United States Statutory Corporate Income Tax Rate	(34.0 %)	(34.0 %)
Permanent Differences	0.0 %	0.0 %
Change in Valuation Allowance on Deferred Tax Assets	34.0 %	34.0 %
Effect of Foreign Earnings, Net of Allowable credits	0.0 %	0.0 %
Income Tax	0.0 %	0.0 %

The components of deferred tax assets (liabilities) at December 31, 2010 and 2009 are as follows:

	For the Years Ended December 31, 2010	2009
Deferred Tax Assets (Liabilities) - Long Term		
Net Operating losses	$2,587,000	$1,935,000
Medical Registration Rights	3,964,000	2,126,000
Stock Based Compensation	35,000	35,000
Valuation Allowance	(6,586,000)	(4,096,000)
Net Deferred Tax Asset	$-	$-

The Company has established a full valuation allowance on its deferred tax asset because of a lack of sufficient positive evidence to support its realization. The valuation allowance increased by approximately $2,490,000 and $2,909,000 in the years ended December 31, 2010 and 2009.

As of December 31, 2010, there are approximately $7,610,000 in US net operating loss carryforwards expiring through 2030. Section 382 of the Internal Revenue Code limits the utilization of these losses when there is a change in ownership, as defined in the code. As a result of stock issued for acquisitions, the utilization of net operating loss carryforwards are limited.

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NOTE J - STOCKHOLDERS' EQUITY

Conversion of Convertible Debentures

On March 3, 2010, the holders of the 8% Convertible notes have converted their notes including the unpaid interest into shares of the Company's Common Stock. In this connection, the Company issued 29,948,794 shares of Common Stock of the Company.

Stock Issuances

On May 19, 2010, in exchange for $14,880 (€12,000) in cash, the Company issued 297,600 shares of its common stock at $0.05 per share to a non-related individual.

On June 8, 2010, in exchange for $5,970 (€5,000) in cash, the Company issued 119,400 shares of its common stock at $0.05 per share to a non-related individual.

On July 8, 2010, in exchange for $378,090 (€300,000) in cash, the Company issued 6,000,000 shares of its common stock at $0.06 (€0.05) per share to a non-related individual.

On July 11, 2010, in exchange for $12,645 (€10,000) in cash, the Company issued 200,000 shares of its common stock at $0.06 (€0.05) per share to a non-related individual.

On July 15, 2010, in exchange for $127,260 (€100,000) in cash, the Company issued 2,000,000 shares of its common stock at $0.06 (€0.05) per share to a non-related individual.

On July 16, 2010, in exchange for $64,165 (€50,000) in cash, the Company issued 1,000,000 shares of its common stock at $0.06 (€0.05) per share to a non-related individual.

On October 12, 2010, in exchange for $139,233 (€100,000) in cash, the Company issued 2,000,000 shares of its common stock at $0.07 (€0.05) per share to a non-related individual.

On October 23, 2010, in exchange for $13,926 (€10,000) in cash, the Company issued 200,000 shares of its common stock at $0.07 (€0.05) per share to a non-related individual.

NOTE K – AMOUNT DUE FROM RELATED PARTY

At December 31, 2010, the Company has an amount due from a related party of $298,170 (€225,000). The amount was transferred to a deposit account of a company which is owned by the Company's CEO. The amount due is non-interest bearing and was received in full in April 2011.

NOTE L - EMPLOYMENT CONTRACT

On October 1, 2008, the Company renewed the employment contract with the Chief Financial Officer. The agreement is indefinite and calls for an annual salary of $99,600 per year. On October 31, 2009, the Company and the Chief Financial Officer jointly agreed to terminate the employment agreement and to continue the collaboration as of January 1, 2010 on a consulting basis.

NOTE M - LITIGATION

The Company has been named as a defendant in a lawsuit filed in the Circuit Court of the 11th Judicial Circuit in Miami-Dade County, Florida, Case No. 08-79227CA25. The Company’s former Chief Executive Officer, Jerri Palmer, has instigated the lawsuit against the Company alleging Breach of Contract and Unjust Enrichment. Ms. Palmer is claiming damages in excess of $15,000. Ms. Palmer was the Company’s Chief Executive Officer from

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HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE M – LITIGATION (Continued)

December 5, 2005, until her resignation on May 19, 2006. The Company has alleged counter claims against Ms. Palmer for breach of contract and breach of fiduciary duty.

In March 2010, the Company and Ms. Palmer have settled the lawsuit for an amount of $40,000. The Company has accrued this settlement in the financial statements for the year ended December 31, 2009.

On July 20, 2010, since the Company was not able to pay this amount, Ms. Palmer entered into a final judgment against the Company for $40,000 bearing an annual interest rate at 6%. In July the Company and Ms. Palmer agreed upon a payment plan for 6 installments payable at the end of each month. On December 29, 2010, the Company made the final installment after which the case was resolved and fully concluded.

NOTE N – COMMITMENTS AND CONTINGENCIES

On December 9, 2010, the Company entered into a Securities Purchase Agreement with the holder of the $855,960 note whereby the note holder may enter into another Secured Convertible Debenture with the Company for the aggregate principal amount of $875,225 whereby the Company and the holder will agree on the amount of the initial advance, based upon a budget proposed by the Company. Thereafter, the Company is entitled to make a monthly request which shall not exceed $50,000 unless approved by the Holder. The aggregate amount of all advances shall not exceed $875,225. The debenture bears interest based on the outstanding principal amount outstanding from time to time at the rate of 10% per annum and is subordinated to all bonds that have been issued and will be issued by the Company for the term of such bonds. As of December 31, 2010, no requests for advances have been made by the Company.

On December 9, 2010, the Company entered into a Securities Purchase Agreement with the holder of the $132,914 note whereby the note holder may enter into another Secured Convertible Debenture with the Company for the aggregate principal amount of $135,903 whereby the Company and the holder will agree on the amount of the initial advance, based upon a budget proposed by the Company. Thereafter, the Company is entitled to make a monthly request which shall not exceed $50,000 unless approved by the Holder. The aggregate amount of all advances shall not exceed $135,903. The debenture bears interest based on the outstanding principal amount outstanding from time to time at the rate of 10% per annum and is subordinated to all bonds that have been issued and will be issued by the Company for the term of such bonds. As of December 31, 2010, no requests for advances have been made by the Company.

The Company leases its office space from its CEO pursuant to an operating lease which expires April 30, 2013. The Company is obligated to make quarterly payments of €4,556 (approximately $6,000) through December 2011. Each year the rental will be indexed according Dutch CPI percentage.

Based upon the historical index percentages, future minimum rentals under the operating lease over the next three years are as follows:

	Amount	Amount
December 31, 2011	17,024	22,560

December 31, 2012	17,450	23,124
December 31, 2013	17,886	23,702

HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER GENMED 31, 2010

NOTE O – SUBSEQUENT EVENTS

In 2011, the Company entered into bond agreements for an additional €375,000 (approximately $497,950). The Company has also entered into agreements with some of the bondholders for a conversion feature, whereby the bondholder has the right to convert the bond, or a portion of it, during the term of the bond into shares of the Company's common stock at prices of $0.35 to $0.50 per share. Holders of approximately $1,371,000 of bonds may convert the bonds into 3,806,484 shares of common stock

On March 23, 2011, the Company issued 167,000 shares of its common stock to an individual for promotional services valued at $0.20 per share for a total value of $33,400.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no disagreements between the Company and Meyler & Company, LLC (“MC”) in connection with any services provided to us by each of them for the periods of their engagement on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

No accountant’s report on the financial statements for the past two years contained an adverse opinion or a disclaimer of opinion or was qualified or modified as to uncertainty, audit scope, or accounting principles, except such reports did contain a going concern qualification; such financial statements did not contain any adjustments for uncertainties stated therein.

ITEM 9A(T). CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining adequate controls over financial reporting. The Company’s disclosure controls and procedures are designed to ensure (i) that information required to be disclosed by the Company in the reports the Company files or submits under the Exchange Act of 1934, as amended (the “Exchange Act”), are recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms; and (ii) that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives. Furthermore, smaller reporting companies face additional limitations. Smaller reporting companies employ fewer individuals and may find it difficult to properly segregate duties. Often, one or two individuals control every aspect of the Company's operation and are in a position to override any system of internal control. Additionally, smaller reporting companies tend to utilize general accounting software packages that lack a rigorous set of software controls.

Pursuant to rules adopted by the SEC as directed by Section 302 of the Sarbanes-Oxley Act of 2002, the Company’s management, with the participation of the Chief Executive Officer and Chief Financial, evaluated the effectiveness of the Company’s disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules13a-15(e)) as of December 31, 2010. In making this assessment, our Chief Executive Officer and Chief Financial Officer used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework.

Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that, as of that date, the Company’s disclosure controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15, were not effective at a reasonable assurance level. Management’s assessment identified the following material weaknesses:

- As of December 31, 2010, there was a lack of accounting personnel with the requisite knowledge of Generally Accepted Accounting Principles ("GAAP") in the US and the financial reporting requirements of the Securities and Exchange Commission.

- As of December 31, 2010, there were insufficient written policies and procedures to insure the correct application of accounting and financial reporting with respect to the current requirements of GAAP and SEC disclosure requirements.

- As of December 31, 2010, there was a lack of segregation of duties, in that we only had one person performing all accounting-related duties.

  - As of December 31, 2011, there were no independent directors and no independent audit committee.

Notwithstanding the existence of these material weaknesses in our internal control over financial reporting, our management believes that the financial statements included in its reports fairly present in all material respects the Company's financial condition, results of operations and cash flows for the periods presented. We continue to evaluate the effectiveness of internal controls and procedures on an on-going basis. We plan to further address these issues once we commence operations and are able to hire additional personnel in financial reporting.

During the most recently completed fiscal quarter, there has been no change in our internal control over financial reporting that has materially affected or is reasonably likely to materially affect our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

On April 17, 2008, the Company entered into a Stock Exchange Agreement whereby the Company acquired 100% of the outstanding capital stock of Genmed B.V., a company organized in The Netherlands, for a purchase price equal to 48,000,000 shares of restricted common stock of Genmed and warrants to purchase 24,000,000 shares of restricted common stock of GenMed at an exercise price of $0.10 per share. Also On April 17, 2008, the Company also entered into a General Release and Settlement Agreement with certain entities whereby the Company issued 75,000,000 shares of its restricted common stock, and issued warrants to purchase 39,000,000 shares of common stock of the Company, to such entities in order to settle all accounts and disputes between the Company and such entities.

On April 17, 2008, the Company entered into a consulting agreement with London Finance Group, Ltd. whereby the Company issued 2,400,000 shares of its restricted common stock, and issued warrants to purchase 2,400,000 shares of common stock of the Company to London Finance Group, Ltd. Also on April 17, 2008, the Company entered into a consulting agreement with Total Look, B.V.

On April 17, 2008, Mr. Erwin R. Bouwens was appointed as Chief Executive Officer, President, and director of the Company, effective April 17, 2008.

Subsequent to December 31, 2008, on or around April 11, 2009, the parties to the Stock Exchange Agreement, General Release and Settlement Agreement, and the consulting agreement described above agreed and formalized by written agreement to the cancellation of all of the warrants issued to such agreements, and to the cancellation and re-issuing of certain shares issued pursuant to such agreements, and to the cancellation of the consulting agreement with the London Finance Group, including the cancellation of the shares and warrants that have been issued to the London Finance Group as part of this agreement. See Exhibit 1.02 hereto, Release and Settlement Agreement between the Company, Joost de Metz , Willem Blijleven, E.R. Bouwens Beheermaatschappij B.V., Medical Network Holding

BV , Total Look, BV , London Finance Group, Ltd., Dojo Enterprises, LLC, Hyperion Fund, L.P., The Palisades Capital, LLC 401(k) Profit Sharing Trust , The Morpheus 2005 Trust dated December 1, 2005 , Burton Partners, LLC , Picasso, LLC and Glacier, LLC

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PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our directors hold office until the annual meeting of shareholders next held after their election. Our officers and directors are as follows:

Name	Age	With Company Since	Director/Position
Erwin R. Bouwens	48	4/2008	Chief Executive Officer, Chairman of the Board of Directors
Randy Hibma	39	1/2004	Chief Financial Officer, Director

Mr. Erwin R. Bouwens – Chief Executive Officer and President. Mr. Bouwens is an entrepreneur who owns six restaurants and more than forty buildings and apartments through E.R. Bouwens Holding B.V. In the year 2000, Mr. Bouwens began De Witte Raaf, an occupational health care services company organized in The Netherlands, and in 1999, Mr. Bouwens began Medical Network Holding B.V. Mr. Bouwens maintains a majority interest in De Witte Raaf and Medical Network Holding B.V. In 1981, Mr. Bouwens completed his technical education in building and water projects.

Mr. Randy Hibma - Chief Financial Officer, Vice-President. From 2004 to the present, Mr. Hibma has been employed with the Company, and has served as Chief Financial Officer since May 23, 2005. From 2000 to 2003, Mr. Hibma served as Financial Controller of the Satellite Newspapers group of companies and affiliated companies. Prior to joining the Company, Mr. Hibma was manager of the Nostro department at Banque Parisbas Bank and manager at the Foreign Payment Department of ABN AMRO Bank.

Audit Committee

The Board of Directors does not have a Compensation, Audit, or Nominating Committee. The usual functions of such committees are performed by the entire Board of Directors. The Board of Directors has determined that at present we do not have an independent audit committee financial expert. The Board believes that the members of the Board of Directors are collectively capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. In addition, we have been seeking and continue to seek an appropriate individual to serve on the Board of Directors and the Audit Committee who will meet the requirements necessary to be an independent financial expert.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our executive officers, directors and beneficial owners of more than ten percent (10%) to report their beneficial ownership of equity interests in the company to the SEC. Their initial reports are required to be filed using the SEC's Form 3, and they are required to report subsequent purchases, sales, and other changes using the SEC's Form 4, which must be filed within two business days of most transactions. Officers, directors, and persons owning more than 10% of our capital shares are required by SEC regulations to furnish us with copies of all of reports they file pursuant to Section 16(a).

According to our records, Erwin R. Bouwens and Roy Piceni have not filed their Form 3's in a timely manner.

Code of Ethics

In 2005, the Company adopted a "Code of Ethics" that applies to the Company's Chief Executive Officer, Chief Financial Officer, principal accounting officer or controller, and persons performing similar such functions.

ITEM 11. EXECUTIVE COMPENSATION

The following table provides summary information for the fiscal years ended December 31, 2007 and 2008 concerning cash and non-cash compensation paid or accrued by us for our executive officers in excess of $60,000.

Name/ Position	Year	Salary	Bonus	Stock	Other	Total
Erwin R. Bouwens	2010	$ 240,000	$ 0	$ 0	$ 0	$ 240,0000
Chief Executive Officer	2009	$ 0	$ 0	$ 0	$ 0	$ 0
Randy Hibma	2010	$ 99,430	$ 0	$ 0	$ 0	$ 99,430
Chief Financial Officer	2009	$ 82,800	$ 0	$ 0	$ 0	$ 82,800
	2008	$ 69,900	$ 0	$ 0	$ 0	$ 69,900

Employment Contracts

The Company currently has no employees on the payroll. The Company entered into Management Service Agreements with the executive officers of the Company. The Management Service Agreements are indefinite and have commenced on January 1, 2010.
As per the Management Service Agreements, Mr. Bouwens will be paid a monthly fee of $20,000 and Mr. Hibma will be paid a monthly fee of € 6,500.

Family Relationships

There are no family relationships among the Company's current directors, executive officers, or other persons nominated or chosen to become officers or executive officers.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth information regarding the beneficial ownership of our common stock as of December 31, 2010. The information in this table provides the ownership information for:

§ each person known by us to be the beneficial owner of more than 5% of our common stock;
§ each of our directors;
§ each of our executive officers; and
§ our executive officers and directors as a group.

Beneficial ownership has been determined in accordance with the rules and regulations of the SEC and includes voting or investment power with respect to the shares. Unless otherwise indicated, the persons named in the table below have sole voting and investment power with respect to the number of shares indicated as beneficially owned by them.

Title of Class	Name and Address	Number of Shares	Percent of Class
Common Stock	Erwin R. Bouwens Rontgenlaan 27, 2719 DX Zoetermeer, The Netherlands	99,208,794(1)(2)	60,1%

Common Stock	Randy Hibma Rontgenlaan 27, 2719 DX Zoetermeer, The Netherlands	2,000,000(3)	1.2%
Common Stock	Officers and Directors as a group (two persons)	101,208,794	61,3%

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(1) Mr. Bouwens' share ownership consists of 28,877,219 shares of common stock held by E.R. BouwensBeheermaatschappij B.V., 6,480,000 shares of common stock held by Medical Network Holding B.V. (Mr.Bouwens is owner and controlling officer of both entities), and 63,851,575 shares of common stock held by Total Look B.V., of which Mr. Bouwens is a 50% owner.

(2) Mr. Bouwens has a contractual right of first refusal to purchase 9,120,000 shares of common stock of Mr. J.E. deMetz and 9,120,000 shares of common stock of Mr. W. Blijleven. If Mr. Bouwens were to acquire all 18,240,000shares of common stock, assuming the same number of outstanding shares, his ownership would then consist of 117,448,794 shares of common stock of the Company, or 71.2% of the common stock of the Company.

(3) Mr. Hibma is the holder of a subordinated note which is convertible into 1,768,928 shares of common stock. If Mr. Hibma will convert the entire amount of the note, his ownership would then consist of 3,768,928 shares of common stock of the Company, or 2,26% of the common stock of the Company.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTORINDEPENDENCE

On June 30, 2009, the Company and two note holders agreed upon the consolidation of their notes, including the unpaid interest, and to issue a new 100% Premium Secured Convertible Promissory Note. The new note is issued for the amount of $925,000, bears an annual interest rate of 8% and is convertible into shares of the Company's Common Stock at a share price of $0.04 per share. The Secured Promissory Note is due on June 30, 2010. A beneficial conversion feature of $462,500 was recognized as part of this conversion and is being amortized over the year of the Secured Promissory Note.

On December 31, 2009, the Company and Mr. Bouwens, the CEO of the Company, agreed upon the conversion of his note, including the unpaid interest, and to issue a new 100% Premium Secured Convertible Promissory Note. The new note is issued for the amount of $221,557, bears an annual interest rate of 8% and is convertible into shares of the Company's Common Stock at a share price of $0.04 per share. The Secured Promissory Note is due on December 31, 2010. A beneficial conversion feature of $110,779 was recognized as part of this conversion and is being amortized over the year of the Secured Promissory Note.

On March 3, 2010, the holders of the Convertible notes have converted their notes including the unpaid interest into shares of the Company's Common Stock. As such, the Company has issued 29,948,794 of newly shares of Common Stock of the Company.

Besides the funds that The Company has received from the convertible note holders, the Company has received other advances from individuals related to the Company at various times for working capital and to fund required operating expenses. These advances are unsecured and bear interest at the rate of 8% per year. The amount outstanding at December 31, 2010 and 2009 aggregate $119,822 and $204,690 respectively.

In August 2010, the Company has requested the related note holders and its officers to subordinate the loans and unpaid interest as well as unpaid fees and salaries receivable from the Company to all bonds that have been issued and will be issued for the term of such bonds. At August 25, 2010, the Company and the related note holders as well as the officers of the Company entered into various subordination agreements, subordinating a total amount of approximately $960,000. The new notes bear an annual interest of 7.8%, payable each calendar quarter and include an option to convert the subordinated amounts into shares of Common Stock of the Company at a fixed conversion price of $0.04 per share. A beneficial conversion feature of approximately $960,000 was recognized as part of this conversion and was amortized as interest expense at the issuance date as the notes are convertible immediately.

On December 8, 2010, the Company and a subordinated note holder, agreed upon the conversion of the subordinated note, including the unpaid interest and any other amount owed to him, and to issue a new 10% Secured Convertible Debenture. The new note is issued for the amount of $132,914, bears an annual interest rate of 10% and is convertible into

shares of the Company's Common Stock equal to the lesser of (i) $0.02 per share, or (ii) if the shares are quoted, listed or admitted to trading on the OTCBB, any national securities exchange or quotation system, 50% of the lowest "Bid"price on the date of conversion.
The debenture is subordinated to all outstanding Bond Agreements of the Company as the debt originated from the conversion of subordinated debt agreements

Acquisition of Genmed B.V.. On April 17, 2008, Genmed Holding Corp. ("Genmed," or the "Company") entered into a Stock Exchange Agreement (the "Stock Exchange Agreement") with Joost de Metz ("de Metz"), Willem Blijleven ("Blijleven"), Erwin R. Bouwens ("Bouwens") and Medical Network Holding BV ("MNH," and collectively with de Metz, Blijlevens and Bouwens, the "Shareholders"). The Shareholders were holders of 100% of the outstanding capital stock of Genmed BV ("GMBV"), a company organized in The Netherlands.

Pursuant to the Stock Exchange Agreement, Genmed agreed to purchase from the Shareholders 18,000 restricted shares of the registered and outstanding capital stock of GMBV (the "GMBV Shares"), representing 100% of its outstanding capital stock, for a purchase price equal to 48,000,000 shares of restricted common stock of Genmed and the issuance of 24,000,000 warrants at $0.10 per share.

Subsequent to December 31, 2008, on or around April 11, 2009, the 'Shareholders' entered into a Release and Settlement Agreement in which the parties agreed to the cancellation of all the warrants that have been issued pursuant to the Stock Exchange Agreement of April 17, 2008.

The fair value of the assets acquired is as follows:

Cash	$ 4,993
Receivables	17,513
Fair Value of Medical Registration Rights	14,600,000
Liabilities Assumed	(6,153)
	14,616,353
Fair value of 48,000,000 shares @ $0.51 per share	24,480,000
Impairment of Goodwill	$ 9,863,647

ITEM 14. PRINCIPAL ACCOUNTANTS FEES AND SERVICES

The following table sets forth fees billed to us by our auditors during the fiscal years ended December 31, 2010 and December 31, 2009 for: (i) services rendered for the audit of our annual financial statements and the review of our quarterly financial statements, (ii) services by our auditor that are reasonably related to the performance of the audit or review of our financial statements and that are not reported as Audit Fees, (iii) services rendered in connection with tax compliance, tax advice and tax planning, and (iv) all other fees for services rendered.

FIRM	FISCAL YEAR 2010	FISCAL YEAR 2009
Meyler & Company, LLC		
(i), (ii) Audit Related Fees	$50,000	$51,600
(iii) Tax Fees	$0	$0

(iv) All Other Fees	$0	$0

TOTAL FEES

FIRM	FISCAL YEAR 2010	FISCAL YEAR 2009
Meyler & Company, LLC	$50,700	$51,600

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Exhibits:

Exhibit Number	Document Description
3.1	Corporate Charter of Beck & Co. as filed with the Nevada Secretary of State on April 6, 1998, incorporated by reference from the Company's Registration Statement on Form 10-SB filed with the Securities and Exchange Commission on April 4, 2000.
3.2	Bylaws of Beck & Co., incorporated by reference from the Company's Registration Statement on Form 10-SB filed with the Securities and Exchange Commission on July 6, 1999.
3.3	Amendment to the Company's Articles of Incorporation as filed with the Nevada Secretary of State on March 31, 2000, changing the authorized number of shares of the Company, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
3.4	Amendment to the Company's Articles of Incorporation as filed with the Nevada Secretary of State on September 11, 2000, changing the name of the Company, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
3.5	Amendment to the Company's Articles of Incorporation as filed with the Nevada Secretary of State on September 12, 2000, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
3.6	Amendment to the Company's Articles of Incorporation whereby the authorized number of shares of the Company's common stock increased from 200,000,000 to 500,000,000, incorporated by reference herein from Exhibit 3 to the Company's Form 8-K filed with the Securities and Exchange Commission on April 5, 2004 and as filed with the Nevada Secretary of State on August 23, 2004.
3.7	Amendment to the Company's Articles of Incorporation whereby the Company changed its corporate name, incorporated by reference herein from Exhibit 3 to the Company's Form 8-K filed with the Securities and Exchange Commission on December 5, 2005.
3.8	Amendment to the Company's Articles of Incorporation whereby the Company changed its corporate name, as filed with the Nevada

Secretary of State on December 12, 2007, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.

3.9	Stock Exchange Agreement between the Company and Joost de Metz ("de Metz"), Willem Blijleven ("Blijleven"), Erwin R. Bouwens ("Bouwens") and Medical Network Holding BV dated April 17, 2008, incorporated herein by reference from Exhibit 9.2 to the Form 8-K of the Company filed on May 2, 2008.
3.10	General Release and Settlement Agreement, incorporated herein by reference from Exhibit 9.1 to the Form 8-K of the Company filed on May 2, 2008.

3.11	Consulting Agreement between the Company and London Finance Group, Ltd., incorporated herein by reference from Exhibit 9.1 to the Form 8-K of the Company filed on May 2, 2008.
3.12	Draft Release and Settlement Agreement amending and rescinding certain agreements made on April 17, 2008.
10.1	Settlement Agreement between the Company and Mssrs. Fred De Vries and Renato Mariani, incorporated by reference herein from Exhibit 10 to the Company's Form 8-K filed with the Securities and Exchange Commission on March 27, 2007, File No. 07721776.
10.2	Release and Settlement Agreement between the Company, Joost de Metz , Willem Blijleven, E.R. Bouwens Beheermaatschappij B.V., Medical Network Holding BV , Total Look, BV , London Finance Group, Ltd., Dojo Enterprises, LLC, Hyperion Fund, L.P., The Palisades Capital, LLC 401(k) Profit Sharing Trust , The Morpheus 2005 Trust dated December 1, 2005 , Burton Partners, LLC , Picasso, LLC and Glacier, LLC
10.3	Employment Contract between the Company and Randy Hibma, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
10.4	Ethics Code of the Company, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
10.5	Employment Contract between the Company and Randy Hibma, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
10.6	Ethics Code of the Company, incorporated by reference from the Company's Form 10-KSB filed with the Securities and Exchange Commission on April 15, 2008.
10.7	Subrdinated Agreement ER Bouwens Beheermaatscheppij
10.8	Subrodinated Agreement Naranja
10.9	Subordinated Agreement R. Hibma
10.10	Subordinated Agreement R.P. Piceni
10.11	Subordinated Agreement Total Look
10.12	Addendum to 10% Convertible Debt Admefo
10.13	Addendum to 10% Convertible Deb. RPP

10.14	Convertible Debenture - Admefo
10.15	Convertible Debenture - Piceni
10.16	Securities Purchase Agreement - Admefo
10.17	Securities Purchase Agreement - Piceni
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act.
32	Certification Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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, there unto duly authorized.

GENMED HOLDING CORP.
(Registrant)

Date: April 15, 2011

By: /s/ ERWIN R. BOUWENS
Erwin R. Bouwens
Chief Executive Officer and
Chairman of the Boards

Date: April 15, 2011

By: /s/ RANDY HIBMA
Randy Hibma
Chief Financial Officer
Director