MARATHON GROUP CORPORATION

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2018
(UNAUDITED)

MARATHON GROUP CORPORATION
BALANCE SHEET
(UNAUDITED)

		June 30, 2018	December 31, 2017
ASSETS			
Current Assets			
Cash and cash equivalents	$	1,000	500
Total Current Assets		1,000	500
TOTAL ASSETS	**$**	**1,000**	**500**
LIABILITIES AND STOCKHOLDERS' DEFICIT			
Current Liabilities	$	-	276
Accounts payable and accrued liabilities		1,077,879	750,000
Notes payable		545,000	-
Due to related party		-	-
Total Current Liabilities		1,622,879	750,276
TOTAL LIABILITIES		1,622,879	750,276
STOCKHOLDERS' DEFICIT			
Common Stock, at $.000001 par value, 730,000,000 shares authorized, 115,190,557 shares issued and outstanding		115	115
Paid-In Capital		552,888	552,888
Accumulated deficit		(2,174,882)	(1,302,779)
Total Stockholders' Deficit		(1,621,879)	(749,776)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	**$**	**1,000**	**500**

The accompanying notes are an integral part of these unaudited financial statements

MARATHON GROUP CORPORATION
STATEMENTS OF OPERATIONS
(UNAUDITED)

		Three Months Ended		Six Months Ended	
		June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Sales	$	2,466	3,540	7,666	6,560
Operating Expenses					
General and administrative		1,832	3,356	7,650	4,942
Professional services		125,000	334	872,119	1,584
Total operating expenses	$	126,832	3,690	879,769	6,526
Operating Loss	$	(124,366)	(150)	(872,103)	34
Other income (expense)					
Interest expense		2,379	0	-	-
Total other income (expenses)		(2,379)	(2,879)	-	-
Net loss before income taxes	$	(126,745)	(150)	(872,103)	34
Provision for income taxes					
Net Loss	$	(126,745)	(150)	(872,103)	34
Beginning Accumulated Deficit	$	(2,048,137)	(1,052,744)	(1,302,779)	(1,052,928)
Net Loss	$	(126,745)	(150)	(872,103)	34
Total Accumulated Deficit	$	(2,174,882)	(1,052,894)	(2,174,882)	(1,052,894)
Basic and Diluted Loss per Common Share	$	0	0	0	0
Basic and Diluted Weighted Average Common Shares Outstanding	$	115,190,557	115,190,557	115,190,557	115,190,557

The accompanying notes are an integral part of these unaudited financial statements

MARATHON GROUP CORPORATION
STATEMENT OF STOCKHOLDERS' DEFICIT
(UNAUDITED)
MARCH 31, 2018

		Common Stock					
		Shares		**Amount**	**Deficit**		**Total**
Balance- January 1, 2018							
Beginning Balance	$	115,190,557	$	115	(1,302,779.00)	$	(1,302,779.00)
Net loss	$	-	$	-	(745,358.00)	$	(745,358.00)
Balance - March 31, 2018	$	115,190,557	$	115	(2,048,137.00)	$	(2,048,137.00)
Net Loss	$		$		(126,745.00)	$	(126,745.00)
Balance-June 30, 2018	$	115,190,557	$	115	(2,174,882.00)	$	(2,174,882.00)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

MARATHON GROUP CORPORATION
STATEMENT OF CASH FLOWS
(UNAUDITED)

		June 30, 2018	June 30, 2017
NET CASH FROM OPERATING ACTIVITIES			
Net Loss	$	(872,103)	34
Adjustments to reconcile net loss			
to net cash provided by operations:			
Amoritization			-
Depreciation			-
(Increase) decrease account receivables			-
Increase (decrease) in accounts payable & accruals		327,603	
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	(544,500)	34
NET CASH FLOW FROM INVESTING ACTIVITIES		-	-
Purchase of property, plant and equipment		-	-
NET CASH PROVIDED (USED) BY INVESTING ACIVITIES	$	-	0
NET CASH FLOW FROM FINANCING ACTIVITIES			
Note Payable		545,000	
Stock Issued			
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	$	545,000	0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		500	34
CASH AT BEGINNING OF YEAR	$	500	75
CASH AT END OF YEAR	$	**1,000**	**109**
SUPPLEMENTAL DATA:			
Interest paid	$	**2,879**	-

The accompanying notes are an integral part of these unaudited consolidated financial statements.

MARATHON GROUP CORPORATION

Notes to Unaudited Financial Statements

June 30, 2018

NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Operations:

Marathon Group Corp.(formerly Pediatric Prosthetics, Inc.) (the "Company") formerly an Idaho corporation, consummated a reverse merger on December 31, 2009 with a private Delaware corporation, Marathon Healthcare Corp.("Marathon") with the shareholders of Marathon becoming the majority shareholders but Marathon remaining as a wholly-owned subsidiary. In addition the Company carried out a one for ten reverse stock split that was approved on April 16, 2010.The Company deemed to be the acquirer for accounting purposes changed its name to Marathon Group Corp. The operations of the Company are conducted primarily through its subsidiary Marathon Healthcare Corp. and its affiliate Abundant Nursing, Inc. These companies are nurse staff nursing and home health providers in Metropolitan New York and the state of Pennsylvania.

On May 19, 2011, the Company re-domiciled to the State of Wyoming. This was followed on July 25, 2011, with an amendment to the Articles of Incorporation and the Bylaws to increase the authorized shares to stock to 50,000,000,000**.** Subsequently on August 26, 2011 the Company carried out one for 100 reverse stock split. In addition, on January 31, 2012 the Company carried out a one for 5,000 reverse split that was approved on November 29, 2011.

On December 31, 2013, the Company liquidated its subsidiaries and business as a health care provider concentrated its business on website properties and technology development, marketing and advertising. It also reduced its authorized shares to 730,000,000 shares of common stock

Going Concern:

The accompanying unaudited consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which contemplate the Company's continuation as a going concern. The Company incurred operating loss of ($126,745) for the three months ended June 30, 2018. The Company also incurred operating loss of ($872,103) for the six months ended June 30, 2018 and had an accumulated deficit of ($2,174,882) as of June 30, 2018. In addition, current liabilities exceed current assets by $1,621,879) as of June 30, 2018.

The ability of the Company to continue as a going concern is dependent on the successful execution of its operating plan which includes expanding its operations and raising either debt or equity financing. There is no assurance that the Company will be able to expand its operations or obtain such financing on satisfactory terms or at all. If the Company is unsuccessful in these endeavors, it may be required to curtail or cease its operations.

The accompanying unaudited consolidated financial statements do not include any adjustments related to the recoverability or classification of asset-carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

Basis of Presentation:

The financial statements and related disclosures have been prepared by management and are unaudited. The unaudited consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles of the United States ("GAAP").

Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions about collection of accounts and notes receivable, the valuation and recognition of stock-based compensation expense, the valuation and recognition of derivative liability, valuation allowance for deferred tax assets and useful life of fixed assets.

Cash and cash equivalents:

Cash equivalents are short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired. As of June 30, 2018, the Company had $1,000 in cash and cash equivalents.

Revenue recognition:

The Company recognizes revenue in accordance with Accounting Standards Codification subtopic 605-10, "Revenue Recognition," which requires that four basic criteria must be met before revenue can be recognized: (i) persuasive evidence of an arrangement exists; services have been rendered; (iii) the fee is fixed or is determinable; and (iv) collectability is reasonably assured. Determination of criteria (iii) and (iv) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts.

Revenues from the services rendered are recognized in proportion to the services delivered.

Any amount receivable or received, but unrecognized for revenue recognition purpose is recorded as deferred revenues.

Income taxes:

The Company accounts for income taxes in accordance with Accounting Standards Codification No. 740, "Income Taxes." ("ASC 740"). This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carry-forward tax losses. Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Deferred tax liabilities and assets are classified as current or non-current based on the classification of the related asset or liability for financial reporting, or according to the expected reversal dates of the specific temporary differences, if not related to an asset or liability for financial reporting.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740, which provides guidance as to the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the unaudited financial statements, under which a company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

The tax benefits recognized in the unaudited consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Accordingly, the Company would report a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company elects to recognize any interest and penalties, if any, related to unrecognized tax benefits in tax expense.

Earnings per Share:

The Company computes basic and diluted earnings per share amounts in accordance with Accounting Standards Codification Topic 260, "Earnings per Share." Basic earnings per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share reflects the potential dilution that could occur if stock options and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company. As of June 30, 2018, the company has no dilutive securities.

Fair Value of Financial Instruments:

The Company's financial instruments consist primarily of cash, accounts payable and accrued liabilities, notes payable – related parties, and due to related party. The carrying amounts of such financial instruments approximate their respective estimated fair value due to the short-term maturities and approximate market interest rates of these instruments.

Recently Issued Accounting Standards:

Management has considered all recent accounting pronouncements issued. The Company's management believes that these recent pronouncements will not have a material effect on the Company's financial statements.

NOTE 2. STOCKHOLDER'S EQUITY

On March 15, 2007, we filed an amendment to our Articles of Incorporation with the Secretary of State of Idaho to increase our authorized shares of common stock to 950,000,000 shares of Common Stock, $0.001 par value per share, and to re-authorize 10,000,000 shares of preferred stock, $0.001 par value per share (the "Amendment").

On April 16, 2010 the amount of authorized shares of common stock was decreased to 350,000,000 and the authorized amount of preferred stock was increased to 50,000,000 as a result of a 1:10 reverse stock split and reauthorization. The par value of the common and preferred stock is $0.001 per share. As of June 30, 2011 there was a retirement of 1,000,000 Preferred and re-issuance of 2,000,000 Preferred Series “A” stock and 1,000,000 Preferred Series “B” stock.

On May 19, 2011, the Company re-domiciled to the State of Wyoming. This was followed on July 25, 2011 with an amendment to the Articles of Incorporation and the Bylaws to increase the authorized shares to stock to 50,000,000,000**.** All the authorized preferred were retired and have not been re-issued.

On August 26, 2011 the Company carried out one for 100 reverse stock split. In addition, on January 31, 2012 the Company carried out a one for 5,000 reverse split that was approved on November 29, 2011.

On December 31, 2013 an amendment decreased the authorized shares common shares to 730,000,000 shares.

For the period ending June 30, 2018 there were 115,190,557 shares of common stock outstanding.

NOTE 3. INCOME TAXES

The Company provides for income taxes under ASC 740. Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax basis of assets and liabilities and the tax rates in effect when these differences are expected to reverse. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

The provision for income taxes differs from the amounts which would be provided by applying the statutory federal income tax rate of 34% to the net loss before provision for income taxes for the following reasons:

NOTE 4. ACCOUNTS PAYABLE

The Company on July 1st, 2015 entered into a consulting agreement to develop the Company’s business model on website properties and technology, marketing and advertising. The agreement was to cover a two (2) year period 2015 and 2016 with a renewal option that was excised in 2017 at a cost of $250,000 per year. The account payable outstanding balance as of June 30, 2018 is allocated as follows:

- Consulting Fees----$1,000,000
- Legal Fees--------------$75,000

Total--------------------------------$1,075,000

NOTE 5. NOTES PAYABLE

On March 9, 2018 the Company made a demand note payable of $420,000 in favor of Parisian Summer Inc, for services in developing its website properties and technology. This note is unsecured, bears interest at the short-term annual applicable federal rate of 1.96% per annum and is due on demand.

The interest for the three and six months ended June 30, 2018 was $2,077 and $2,577 respectfully.

On May 21, 2018, the Company made a demand note of $125,000 (“Second Note”) in favor of Parisian Summer Inc, for services rendered to the Company after March 9, 2018.This note is unsecured bears interest at the short-term rate annual applicable federal rate of 2.18 per annum and is due on demand

Second note interest for the three months ended June 30, 2018 was $302.

NOTE 6.-SUBSEQUENT EVENTS

Debt and Lawsuit:

The Company’s debt includes the following:

- The demand note of $420,000 payable to Parisian Summer Inc.
- The demand note of $125,000 payable to Parisian Summer Inc.
- Garden State Securities Inc. - $125,000 for due diligence and investment banking services under an invoice dated July 2, 2018 rendered to the Company.
- Casaro, S.A.-$75,000 for legal services under a retainer agreement between the Company and Casaro S.A. dated March 9, 2018
- Phil Tudeme-$1,000,000 under a Guaranty, dated March 12, 2018 for a business development agreement dated July1st. 2015 that was extended to June 30, 2018 between Mr. Tudeme and the Company.

RA and Associates, Inc. (“RA”) acquired all of the above debt which total $1,745,000, and on July 5th. 2018, filed a lawsuit against the Company in the Circuit Court of the Tenth Judicial Court at Polk County, Florida, seeking a judgment against the Company for said amount, together with court costs and attorney’s fees.

Settlement :

The Circuit Court of the Tenth Judicial Circuit, in and for Polk County, Florida approved a settlement agreement between the Company and RA whereby the Company admitted the allegations set forth in the complaint. The Company under the agreement will issue an indefinite number of shares of common stock in payment of such debt in one or more tranches, each tranche to be issued at a 50% discount (subject to increase in certain events) from Market Place, as defined in the Settlement Agreement. Theses shares are to be publicly salable under the exemption from registration afforded by Section 3(a)(10) of the Securities Act of 1933.