
BAND REP MANAGEMENT, INC.

Financial Statements

For The Years Ended May 31, 2015 and 2014

BAND REP MANAGEMENT, INC.

INDEX TO FINANCIAL STATEMENTS

	Page
Balance Sheets	F-2
Statements of Operations And Comprehensive Loss	F-3
Statements of Cash Flows	F-4
Statements of Changes in Stockholders' Deficit	F-5
Notes to Financial Statements	F-6 – F-12

BAND REP MANAGEMENT, INC.
BALANCE SHEETS
AS OF MAY 31, 2015 AND 2014
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	As of May 31,	
	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ 515
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 515</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	\$ -	\$ 6,450
Amount due to a shareholder	31,952	25,830
Total current liabilities	<u>31,952</u>	<u>32,280</u>
Total liabilities	<u>31,952</u>	<u>32,280</u>
Stockholders' deficit:		
Common stock, \$0.001 par value; 200,000,000 shares authorized; 110,022,572 shares and 110,022,572 shares issued and outstanding, respectively	110,023	110,023
Additional paid-in capital	25,830	-
Accumulated deficit	<u>(167,805)</u>	<u>(141,788)</u>
Total stockholders' deficit	<u>(31,952)</u>	<u>(31,765)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ -</u>	<u>\$ 515</u>

See accompanying notes to financial statements.

BAND REP MANAGEMENT, INC.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED MAY 31, 2015 AND 2014
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	Years ended May 31,	
	2015	2014
Revenues, net	\$ -	\$ -
Operating expenses:		
General and administrative expenses	(4,130)	(4,019)
Consulting and professional fee	(21,887)	(19,250)
Total operating expenses	(26,017)	(23,269)
LOSS BEFORE INCOME TAXES	(26,017)	(23,269)
Income tax expense	-	-
NET LOSS	<u>\$ (26,017)</u>	<u>\$ (23,269)</u>
Net loss per share – Basic and diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average common shares outstanding – Basic and diluted	<u>110,022,572</u>	<u>101,799,695</u>

See accompanying notes to financial statements.

BAND REP MANAGEMENT, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2015 AND 2014
(Currency expressed in United States Dollars (“US\$”))

	Years ended May 31,	
	2015	2014
Cash flow from operating activities:		
Net loss	\$ (26,017)	\$ (23,269)
Changes in operating assets and liabilities:		
Accounts payable and accrued liabilities	(6,450)	2,450
Net cash used in operating activities	(32,467)	(20,819)
Cash flows from financing activities:		
Issue of common stocks	-	5,350
Advance from a shareholder	32,982	15,830
Net cash provided by financing activities	32,982	21,180
NET CHANGE IN CASH AND CASH EQUIVALENTS	(515)	361
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	515	154
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ -	\$ 515
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Forgiveness of related party debts	\$ 25,830	\$ -

See accompanying notes to financial statements.

BAND REP MANAGEMENT, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED MAY 31, 2015 AND 2014
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	Common stock		Additional paid-in capital	Accumulated deficit	Total stockholders' deficit
	No. of shares	Amount			
Balance as of June 1, 2013	60,000,072	\$ 60,000	\$ -	\$ (73,846)	\$ (13,846)
Shares issued for cash at \$0.001 par value on May 30, 2013	50,022,500	50,023	-	(44,673)	5,350
Net loss for the year	-	-	-	(23,269)	(23,269)
Balance as of May 31, 2014	110,022,572	\$ 110,023	\$ -	\$ (141,788)	\$ (31,765)
Forgiveness of related party debts	-	-	25,830	-	25,830
Net loss for the year	-	-	-	(26,017)	(26,017)
Balance as of May 31, 2015	<u>110,022,572</u>	<u>\$ 110,023</u>	<u>\$ 25,830</u>	<u>\$ (26,017)</u>	<u>\$ (31,952)</u>

See accompanying notes to financial statements.

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

1. DESCRIPTION OF BUSINESS AND ORGANIZATION

Band Rep Management Inc. ("BNRM" or the "Company") was incorporated in the State of Nevada as a for-profit Company on May 4, 2012 and established a fiscal year end of May 31. It is a development-stage company that intends to find and manage new music talents and bands for a 25% take of the earnings. The Company is currently in the development stage as defined under FASB ASC 915-10, "Development Stage Entities". All activities of the Company to date relate to its organization, initial funding and share issuances.

The Company has not yet commenced any significant operations and, in accordance with ASC Topic 915, the Company is considered a development stage company. The Company is in the initial development stage and has incurred losses since inception.

On February 6, 2014, the Company approved a 187:1 forward split of the common stock.

2. GOING CONCERN UNCERTAINTIES

These financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future.

For the year ended May 31, 2015, the Company has incurred a net loss of \$26,017 and experienced negative operating cash flows of \$32,467 with an accumulated deficit of \$167,805 as of that date. The continuation of the Company is dependent upon the continuing financial support of its shareholders. Management believes this funding will continue, and is also actively seeking new investors. Management believes the existing stockholders will provide the additional cash to meet the Company's obligations as they become due. However, there is no assurance that the Company will be successful in securing sufficient funds to sustain the operations.

These and other factors raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result in the Company not being able to continue as a going concern.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

● **Basis of presentation**

These accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP").

● **Use of estimates and assumptions**

In preparing these financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenues and expenses during the years reported. Actual results may differ from these estimates.

● **Shell company**

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

The Company has not operated or commenced any significant business with no nominal assets. It is currently considered as a shell company.

- Cash and cash equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions and all highly liquid investments with an original maturity of three months or less as of the purchase date of such investments.

- Income taxes

The Company adopted the provisions of paragraph 740-10-25-13 of the FASB Accounting Standards Codification. Paragraph 740-10-25-13 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under paragraph 740-10-25-13, the 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 financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Paragraph 740-10-25-13 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of paragraph 740-10-25-13.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying balance sheets, as well as tax credit carry-backs and carry-forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its balance sheets and provides valuation allowances as management deems necessary.

- Uncertain tax positions

The Company did not take any uncertain tax positions and had no adjustments to its income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 for the years ended May, 31 2015 and 2014.

- Net loss per share

The Company calculates net loss per share in accordance with ASC Topic 260, "*Earnings per Share*." Basic loss per share is computed by dividing the net income by the weighted-average number of common shares outstanding during the period. Diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common stock equivalents had been issued and if the additional common shares were dilutive.

There were no potentially outstanding dilutive shares for the years ended May 31, 2015 and 2014.

- Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

Pursuant to section 850-10-20 the related parties include a) affiliates of the Company; b) entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of section 825-10-15, to be accounted for by the equity method by the investing entity; c) trusts for the benefit of employees, such as pension and Income-sharing trusts that are managed by or under the trusteeship of management; d) principal owners of the Company; e) management of the Company; f) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a) the nature of the relationship(s) involved; b) a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c) the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d) amount due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

● Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or un-asserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or un-asserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
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● Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and has adopted paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 of the FASB Accounting Standards Codification establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, paragraph 820-10-35-37 of the FASB Accounting Standards Codification establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by paragraph 820-10-35-37 of the FASB Accounting Standards Codification are described below:

- | | |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | Quoted market prices available in active markets for identical assets or liabilities as of the reporting date. |
| Level 2 | Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. |
| Level 3 | Pricing inputs that are generally observable inputs and not corroborated by market data. |

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as cash and accounts payable and accrued expenses, approximate their fair values because of the short maturity of these instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

● Recent accounting pronouncements

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers* (Topic 606)" which amended the existing accounting standards for revenue recognition. ASU 2014-09 establishes principles for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. The guidance was effective for fiscal years beginning after December 15, 2016 and for

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
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interim periods within those fiscal years. In recent re-deliberations, the FASB approved a one-year deferral of the effective date of this guidance, such that it will be effective on January 1, 2018. Early adoption is not permitted. The amendments may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of initial application. The Company is currently in the process of evaluating the impact of adoption of the ASU on its condensed consolidated financial statements, but does not expect the impact to be material.

In June 2014, the FASB issued ASU 2014-12, “*Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period (Topic 718)*”. ASU 2014-12 requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant-date fair value of the award. ASU 2014-12 is effective for annual reporting periods beginning after December 15, 2015, with early adoption permitted. The Company is evaluating the potential impacts of the new standard on its existing share-based compensation plans, but does not expect the impact to be material.

In August 2014, the FASB issued ASU 2014-15, “*Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*”. ASU 2014-15 addresses management’s responsibility in evaluating whether there is substantial doubt about a company’s ability to continue as a going concern and to provide related footnote disclosures. Management’s evaluation should be based on relevant conditions and events that are known and reasonably knowable at the date that the financial statements are issued. This guidance is effective for fiscal years ending after December 15, 2016 and for interim periods within those fiscal years, with early adoption permitted. The Company is currently in the process of evaluating the impact of adoption of the ASU on its condensed consolidated financial statements, but does not expect the impact to be material.

In April 2015, the FASB issued ASU 2015-03, “*Simplifying the Presentation of Debt Issuance Costs (Subtopic 835-30)*” which requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts or premiums. ASU 2015-03 is effective for annual reporting periods beginning after December 15, 2015, with early adoption permitted. The Company is currently in the process of evaluating the impact of adoption of the ASU on its condensed consolidated financial statements, but does not expect the impact to be material.

In July 2015, the FASB issued ASU 2015-11, “*Simplifying the Measurement of Inventory*.” Under this ASU, inventory will be measured at the “lower of cost and net realizable value” and options that currently exist for “market value” will be eliminated. The ASU defines net realizable value as the “estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.” No other changes were made to the current guidance on inventory measurement. ASU 2015-11 is effective for interim and annual periods beginning after December 15, 2016, with early adoption permitted. The Company is currently in the process of evaluating the impact of adoption of the ASU on its condensed consolidated financial statements, but does not expect the impact to be material.

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

4. AMOUNT DUE TO A DIRECTOR

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
(Currency expressed in United States Dollars (“US\$”), except for number of shares)

As of May 31, 2015, the balance represented temporary advances made by a director, Xiaoying Lei to the Company for its working capital purposes, which were unsecured, interest free and with no fixed terms of repayment.

5. STOCKHOLDERS’ DEFICIT

The Company is authorized to issue an aggregate of 200,000,000 common shares with a par value of \$0.001 per share. No preferred shares have been authorized or issued.

On May 30, 2012, the sole director purchased 6,000,000 shares of the common stock in the Company at \$0.001 per share for \$6,000.

On July 31, 2013, the Company issued 267,500 Common shares at \$0.020 per share for \$5,350.

On February 6, 2014 the Company approved a 187:1 forward split of the common stock.

On February 7, 2014, the Company redeemed 5,679,144 shares belonging to the President for no cash. All shares have been retroactively restated.

As of May 31, 2015 and 2014, the Company had a total of 110,022,572 shares of its common stock issued and outstanding.

6. INCOME TAXES

The Company is incorporated in the State of Nevada and is subject to United States of America tax law.

As of May 31, 2015, the Company incurred \$69,132 of cumulative net operating losses which can be carried forward to offset future taxable income. The net operating loss carryforwards begin to expire between 2033 and 2034, if unutilized. The Company has provided for a full valuation allowance against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

The following table sets forth the significant components of the aggregate deferred tax assets of the Company as of May 31, 2015 and 2014:

	As of May 31,	
	2015	2014
Deferred tax assets:		
Net operating loss carryforwards	\$ 24,196	\$ 15,090
Less: valuation allowance	(24,196)	(15,090)
Deferred tax assets	\$ -	\$ -

Management believes that it is more likely than not that the deferred tax assets will not be fully realizable in the future. Accordingly, the Company provided for a full valuation allowance against its

BAND REP MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2015 and 2014
(Currency expressed in United States Dollars (“US\$”), except for number of shares)

deferred tax assets as of May 31, 2015. In 2015, the valuation allowance increased by \$9,106, primarily relating to net operating loss carryforwards from the local tax regime.

The Company is delinquent in filing its United States corporation income tax returns for the periods from inception to 2014. The Company does not expect any tax to be due upon filing of these delinquent returns.

7. RELATED PARTY TRANSACTIONS

On November 14, 2014, the Company received advances from Sergio Galli, the former Director, in the amount of \$25,830, to pay for general operating expenses. The amount due to Sergio Galli was unsecured and non-interest bearing with no set terms of repayment. On November 14 2014, Sergio Galli forgave all the outstanding amounts due to him.

On November 14, 2014, Xiaoying Lei, the new director paid \$3,491 transfer agent fees for the Company and such payment was classified as due to related parties. The amount due to Xiaoying Lei is unsecured and non-interest bearing with no set terms of payment.

During the three months ended February 28, 2015, Xiaoying Lei, the new director paid off the entire amount of \$17,171 of the Company’s accounts payables and accrued liabilities and \$21,121 was recorded as due to related party.

Since November 14, 2014, the Company utilized office space occupied by a director at no charge. Such costs are immaterial to the financial statements and accordingly are not reflected herein.

8. CHANGE OF CONTROL

On November 14, 2014, Sergio Galli, who was the controlling shareholder of the Company, sold all of his 60,000,072 shares of common stock to Lei Xiaoying for an aggregated price of \$ 160,000.00. The sold 60,000,072 shares of common stock represented approximately 54.53% of the total issued and outstanding common stock of the Company. As result of this share purchase transaction, Lei Xiaoying became the controlling shareholder of the Company. Lei Xiaoying used personal funds for the transaction.

On November 14, 2014, Lei Xiaoying became the President, Board Director, Secretary, Treasurer, Chief Executive Officer and Chief Financial Officer of the Company.

9. SUBSEQUENT EVENTS

In accordance with ASC Topic 855, “*Subsequent Events*”, which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, the Company has evaluated all events or transactions that occurred after May 31, 2015 up through the date the Company issued this financial statements. During the period, the Company did not have any material recognizable subsequent events.