

**BALINCAN USA, INC.  
(FORMERLY KNOWN AS MOQIZONE HOLDING CORPORATION)**

**QUARTERLY REPORT FOR OTC PINK**

**SUPPLEMENTAL DISCLOSURES**

**Quarterly Report for Period Ended June 30, 2016**

**Trading Symbol: BCNN( FORMERLY MOQZ)**  
**CUSIP Number: 616348108**

**BALINCAN USA, INC.**  
**(FORMERLY KNOWN AS MOQIZONE HOLDING CORPORATION)**

**OTC Pink Basic Disclosure Guidelines**

**1) Name of the issuer and its predecessors (if any)**

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Balincan USA, Inc. (8/15/2015 –present)  
Mozizone Holding Corporation (8/28/2009 –8/15/2015)

**2) Address of the issuer's principal executive offices**

Company Headquarter

Address 1: Unit 5, 26/F, Greenfield Tower Concordia Plaza

Address 2: 1 Science Museum Road

Address 3: TST Kowloon Hong Kong

Phone: +852 2590 0006

Email: info@beautykinggroup.com

Website(s): www.beautykinggroup.com

IR Contact

N/A

**3) Security Information**

Trading Symbol: BCNN(Previously "MOQZ")

Exact title and class of securities outstanding: COMMON

CUSIP:616348108

Par or Stated Value: \$0.001

Total shares authorized:40,000,000 as of: 30/6/2016

Total shares outstanding: 17,361,876 (1) as of: 30/6/2016

- (1) Such amount does not include the 398,159 shares of common stock committed to be issued in May 2015 or the 1,666,823 shares of common stock committed to be issued in January 2015.

Additional class of securities (if necessary):

Trading Symbol: N/A

Exact title and class of securities outstanding: SERIES A PREFERRED

CUSIP: N/A

Par or Stated Value: \$0.001

Total shares authorized:15,000 as of: 30/6/2016

Total shares outstanding:1,095 as of: 30/6/2016

Additional class of securities (if necessary):

Trading Symbol: N/A

Exact title and class of securities outstanding: SERIES C PREFERRED

CUSIP: N/A

Par or Stated Value: \$0.001

Total shares authorized:2,250,000 as of: 30/6/2016

Total shares outstanding:847,200 as of: 30/6/2016

Transfer Agent

Name: VStock Transfer LLC

Address 1: 18 Lafayette Place

Address 2: Woodmere, NY 11598

Phone: 212-828-8436

Is the Transfer Agent registered under the Exchange Act?\*      Yes: XX      No: ☐

\*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Legal Proceedings

The Company and its subsidiaries are not involved in any legal or pending legal proceedings

Defaults Upon Senior Securities or Credit Lines

The Company and its subsidiaries are not in default upon any of its securities or unsecured credit lines.

Dividends on Common Stock

The Company has not declared or paid a dividend on its common stock.

Dividends on Preferred Stock

The Company has accrued approximately \$192,000 and \$192,000 in dividends in the periods ended June 30, 2016 and 2015 respectively related to its Series A and C preferred shares.

**4) Issuance History**

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

On January 15, 2015, the Company agreed to issue the following shares of common stock for services rendered:

- 877,192 - Lawrence Chor Kiu Cheung
- 526,315 - Nicholas F. Coscia
- 263,316 - Zi Chin Lu

On May 18, 2015, the Company agreed to issue the following shares of common stock for services rendered:

- 175,439 – Man Chan NG
- 175,439 - Nicholas F. Coscia
- 47,281 – David Quatrella

On July 2, 2015, the Company sold the following shares of common stock for \$US 4.00 per share:

- 163,936 – Man Chan NG
- 24,516 – Lam, Shun Kwan

A. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

All shares issued since 2009 contain all appropriate legends.

## **5) Financial Statements**

See financial statements attached to this disclosure statement.

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

In 2009 and 2010, we operated as a Chinese online game delivery platform company that offered digital infrastructure solutions to China's online game industry. Through our subsidiary Shanghai MoqiZone and VIE SZ Alar, we provided the following product solutions and services:

- Installation of WiMAX CPE (Customer Premises Equipment) at internet cafes with connection to our proprietary Moqizone WiMAX Network;
- Access to digital entertainment content such as online games, movies, and video hosted by the Company via the Moqizone WiMAX Network;
- Installation of Netcafe Farmer which is a peer-to-peer program allowing real time gaming content updates for all the PCs within the internet cafes; and
- Publishing online gaming content and issuing prepaid cards for players.

As our business developed, we believed our business model could eliminate unnecessary cost associated with traditional digital media content delivery value chain. We commenced our business with Netcafe Farmer (see below). We also commenced reselling prepaid online game cards. We successfully deployed a few WiMAX test sites in Beijing, Suzhou and Shenzhen and commenced building out our Moqizone WiMAX Network business in Chengdu. As of December 31, 2010, over 30 internet cafes in Chengdu had been installed with our WiMAX CPE and approximately 700 Internet Cafes were installed with Netcafe Farmer.

Netcafe Farmer in connection with our WiMAX Network provided the necessary backbone infrastructure to allow us to roll out our gaming services and products. As our business continued to develop, our revenue was mainly to be generated from cash collected from prepaid game cards. We provided a profit sharing online billing system for internet cafes, game providers, marketing promotion companies and ourselves, via [www.moqizone.com](http://www.moqizone.com). This allowed profit sharing through the universal Moqizone Prepaid Card. We believed that this would effectively discourage price wars on prepaid game cards at retail locations, help internet cafes avoid obsolete prepaid card inventory and provide a more user friendly payment system by unifying prepaid game cards across different content providers' games. The universal prepaid game card was distributed via internet cafes and collected through our Point of Sales system. In addition, our software provided real-time reporting, payment and customer tracking via [www.moqizone.com](http://www.moqizone.com) to internet cafes and content providers. As such, Moqizone ran data mine for customer behavior for gaming community management.

On December 31, 2010, we commenced generating revenue from selling prepaid cards and had generated limited revenue from Netcafe Farmer. Since the fall of 2009, we had launched more than 30 WiMAX connected internet cafes in our test cities, however, they utilized our WiMAX Network free of charge for testing purposes and net yet producing revenue. Our goal was to deploy our online game content delivery platform on the WiMAX Network and via Netcafe Farmer in various targeted cities in China.

We intended to expand and redevelop Netcafe Farmer which already as of September 2010, had approximately 700 internet café customers and was generating revenue. Our target was to expand the customer base of Netcafe Farmer to also cover large scale residential development as well as school campuses.

We entered into business partnership with Win's Entertainment Limited ("Win's"), a major motion picture producing company in Hong Kong through a series of proprietary content agreements in November 2009. We have developed one online game – "Flirting Scholars II Online" which began open beta testing on July 9, 2010 in parallel with road show of the original movie "Flirting Scholars II". The official approval of the Ministry of Culture was still pending due to the latest change of the rules and regulations of publishing online games in China in September 2010. After we are granted approval, we plan to begin generating revenue via the sale of this game. We developed and worked towards publishing the game outside of China in other portals or websites.

In July 2010, we entered into a share transfer agreement with Smart Lead Enterprises, Inc. to acquire 51% of Viva Red Limited ("Viva Red"), a company that acquires various licenses of mobile phone game and entertainment products and conducts value-added telecommunications services for mobile phones in China. According to the terms of the agreement, we made an initial cash deposit of approximately \$148,000 and to date we made deposits totaling approximately \$160,706. Once this transfer was completed, we planned to leverage Viva Red to help us achieve our long-term goal of providing mobile gaming platform and service to all China Telecom customers. We were developing our mobile gaming delivery platform, configuring mobile games for different mobile handsets and discussing forming strategic business partnership with various domestic and international content providers. Once we finalized the acquisition of Viva Red, we intended to extend our game delivery platform to cover mobile phone users. Our plan was to roll out our delivery platform by the end of the third quarter of 2010 and began generating revenue in the fourth quarter of 2010.

Our key business development objectives for 2011 and 2012 were as follows:

- Growing and expanding our business penetration that serves Internet cafes throughout selected targeted cities in China;
- Building a diverse gaming platform that serves traditional professional gamers, casual gamers, including mobile phone users; and
- Publishing internally developed games for both PC gamers and mobile users.

Despite achieving the foregoing with limited financing, we were a development stage company and had insufficient revenues to support the growth of our business and ongoing operations. As such, we were dependent upon the obtaining additional financing in the equity markets. Our investment banker, TriPoint Global Equities ("TriPoint") informed us that it would continue to seek investment capital for us in the third quarter of 2010 and we proceeded with our business plan believing that our successes up to that point and the interest in the Company would result in an additional equity raise. However, with the advent of the highly publicized China small cap accounting scandal in the fourth quarter of 2010 and the first quarter of 2011, it became apparent to TriPoint and the Company that we would not be able to raise additional capital to support our operations and business plan. As a result, in May of 2011, we filed a Form 15-12G with the SEC withdrawing our registration and substantially curtailed our operations while attempting to leverage our spectrum ownership, knowledge and considerable industry contacts and move forward with our core business plan and several available offshoots with reduced budgets until we were able to find additional equity financing.

Throughout 2012 and 2013 the company operated continuously, maintaining its WiMAX spectrum and exploring possible partnerships and joint ventures with firms interested in utilizing our spectrum for various applications. In

2013 we had revenue of approximately \$17,000 in revenue from a consultancy contract with Towngas Telecom which engaged us to assist them in utilizing their nationwide fibre optics networks for the aviation industry.

Our core business has always been in the integration and delivery of contents based on broadband internet using the WiMAX technology. Whilst we have successfully applied this capability of ours on private networks of internet cafes and created a business model to help them save costs, we are contemplating to apply the same to university campuses and airports. At the same time, we will work with some industrial experts on exploring the business opportunities in equipping airplanes and high speed trains with Wi-Fi connectivity. With our system installed, passengers can go online with free Wi-Fi while we can push our contents including advertisements and B2C shopping malls to their devices. On the content front, we look to expand our reach to cover broadband delivery of live concerts, movies and games and plan to utilize our technical capability on creating smart phone APPs and websites for the sales of consumer products such as investment, fashion, healthcare, skincare, and beauty products.

Through years of experience in market research and knowledge about our customers, we have identified three major categories of consumers, namely online game players, business travelers and female consumers, who can afford and willing to spend. We will thus focus on developing platforms and business models for delivering goods and services to meet their demand in the next twelve months and years ahead.

#### *Online game players*

There are over 150,000 internet cafes in China and most people go there to play online games and watch movies and other multimedia contents. Internet cafe users are mainly youngsters, college students, and blue-collar workers who are typically single and live in a city away from home. In most cases, Internet cafes are their prime entertainment venues where they can relax and carry out their social activities.

Due to the social and cultural situation in China, people feel more secured to interact with people in the cyber world or online games in which they can play virtual roles. This has led to the tremendous growth of the online game industry in China which is still seeing strong demand for the games.

Between 2010 and 2012, Moqizone has launched several online games featured with movie characters as supplementary products of the movies produced by certain top-tier movie companies. This has proved to be a big success with 200,000 subscribers subscribed to the games. The Company has also successfully set up a WiMAX network in 2010 connecting 40 internet cafes in Chengdu so the players can network together with better and safer internet connections.

Although the Company had to shut down its online game and Internet cafe operation due to the lack of working capital in 2012, it has since maintained working relationships with its original key staff members and numerous multimedia companies such as online game producers and operators, broadcasting portals, production houses, movie makers and concert organizers, etc. With these resources on hand, we plan to raise funds for producing a concert to be broadcast live over several broadcasting portals in China.

#### *Business Travelers*

There are approximately 200 million business travelers per year in China and these people demand seamless connectivity so they can receive information and can stay in touch all the time. On the other hand, these people's busy schedules often mean that they can only have time to shop while waiting at airports or being on board an airplane. We therefore planned to target this market in 2014.

During the past few years, the Company continued to seek business opportunities for utilizing its 3.3GHz spectrum. In 2013, we participated, through our partners such as China Mobile and certain equipment providers, in an ATG ("Air to Ground") project utilizing our spectrum. This ATG technology enabled flight data to be seamlessly streamed from the airplane to the ground control units so the whole flight can be monitored on a real time basis. This will substantially enhance aviation safety and is highly desirable by the Chinese government. Two commercial

aircrafts on the flight routes CA 4116 and CA 4109 flying between Beijing to Chengdu were equipped with the relevant equipment and they commenced the ATG pilot run from July 3, 2013. As the data transfer speed can reach 30Mbps, it is sufficient to provide passengers with high speed internet connections in the plane at the same time. However, as this project was for demonstration purposes only so it did not produce any revenue.

Shenzhen Alar, our VIE, entered into a non-binding and confidential MOU with China Hang Tong Group for the ATG project. According to the MOU, China Hang Tong is the network integrator and Shenzhen Alar is to provide in-flight broadband connectivity to the passengers so they can access the Internet with their devices through Wi-Fi and an e-commerce platform so they can shop on the plane.

Moqizone has thus developed several smartphone APPs and e-commerce platform prototypes to test the feasibility of this business model. China Hang Tong Group, however, was undergoing a corporate restructuring exercise and it is still unable to come up with a definite timetable for completing this ATG networks for all the aircrafts in China. Despite this uncertainty, we are of the view that we should not rely solely on China Hang Tong but to leverage our knowledge and spectrum to further explore possible ways to tap into this lucrative business travelers market.

#### *Female consumers*

During the course of developing the in-flight e-commerce platforms, we have contacted several luxury product suppliers such as StrawberryNET.com which targets to attract more female China consumers to their website. At the same time, a financial products provider PUPU (under Safe Capital Holdings Limited) worked with us on a new business model to target the female consumer market and the first task is to attract as many female users as possible to install their APP.

Having considered numerous options, we noticed that Korean pop stars and their concerts in China can attract a large female audience. We then organised a Korean pop (“K-pop”) concert held in Shanghai in late 2014 with PUPU and StrawberryNet.com as sponsors. Given our strengths, we have also broadcasted the concert live over several popular platforms in China in order to reach out to the massive female market.

#### *“PUPU 2014 K-pop Concert” live broadcast over the Internet*

In November 2014, the Company has successfully launched the first K-pop concert with live broadcast over several online platforms, including Baidu, Youku, Iqiyi, PPTv, sina and tv.sohu.com, in China. It was held in the Shanghai Stadium located at the center of the Shanghai City with six very popular Korean music groups performing on the stage. The concert was organized by a Chinese licensed organizer, Shanghai Lezi Culture Communications Co., Ltd, under a commercial contract with us. We set up all the necessary equipment for the live broadcast and entered into profit sharing agreements with the online platforms. We have also developed a smartphone APP with PUPU, our sponsor, for targeting the female consumer market in China.

Through their designated agent Beijing HuaXia Yunzhong Information Technology Limited (“HuaXia” or “北京华夏云众信息技术有限责任公司”), we entered into an agreement with Baidu to conduct the first ever live online broadcast of K-pop concert in China. Under the agreement, Baidu and HuaXia together share approximately 50% of the revenue made by charging RMB9.9 per IP address which was logged onto the Baidu platform for watching our concert, while our company shares the remaining 50%. Baidu provided all the technical infrastructure for the live broadcast, payment gateway and online activities to promote the concert among its users and subscribers. Moqizone was responsible for obtaining the relevant copyrights for the concert from the K-pop artists so as to ensure that the concert can be conducted and broadcasted as planned.

Except for some complaints on the quality of the online broadcast, which was due to a large number of concurrent internet users watching it at the same time, the live broadcast was carried out well. In our opinion, the quality problem was caused by Baidu’s underestimation of the number of concurrent users hence their under-allocation of bandwidth for the broadcast on the day. Based on our record, there were over 2 million subscribers registered and shown on the broadcast platforms and Moqizone can gain access to this user database from HuaXia. According to

our record and calculation, our company is entitled to receive a profit share of approximately \$1.5 million from Baidu through HuaXia. However, Baidu and HuaXia counterclaimed that the number of users were substantially less than what we have recorded. While we are still communicating with them for reaching a conclusion, our expected income from this venture has not been recognized as revenue in 2014 due to the prudence principle.

The concert was conducted very successfully and has attracted a lot of media attention. We estimated that there was an audience of more than 25,000 people at the stadium compared with the maximum capacity of 30,000 on the day. Our database has registered over 2 million users watching our live broadcast online on the day. Most of the audience members are young females aged between 15 and 35 and these are exactly what our sponsors and co-investor would like to target for promoting their goods and services in China. For us, this huge database of young female consumers can help us explore the opportunity in starting an e-commerce business with them as a focus.

According to our agreement, we recognized PUPU's sponsorship fee of \$2,223,350 as income while all the ticket sales belonged to PUPU. In addition to PUPU, we have also received sponsorship fees from the largest jewelry chain in China, Chow Tai Fook Jewelry Group Limited and promotional items sponsored by StrawberryNet.com which is one of the major online cosmetics sellers in Asia. We have made a total revenue of \$2,398,510 from sponsorship fees and ticket sales but incurred a net loss of approximately \$1.17 million for 2014 mainly due to the high costs associated with K-pop artists.

As part of our funding for the concert, we entered into a co-investment agreement with Star Pictures Entertainment (Hong Kong) Limited ("Star Pictures"), which is a major movie production company in Hong Kong. Pursuant to the agreement, Star Pictures invested approximately \$330,000 in the concert, accounting for 10% of the total budgeted production costs. In return, Star Pictures can receive 7% of the event's distributable profits plus repayment of its full investment amount with a minimum 10% guaranteed return. Star Pictures agreed to reward our company with 40% of its total net return as a bonus. However, as the concert was loss making, we were unable to repay Star Pictures their full investment amount with a 10% guaranteed return by December 15, 2014 as required by the agreement, we are currently negotiating on an alternative repayment arrangement.

In addition to Star Pictures, our company has also borrowed a total of approximately \$570,000 from four private individuals for funding the concert based on similar terms. These loans are accounted for as other payables in our accounts and we are currently negotiating on some settlement agreements.

#### *"Entry into a Material Definitive Agreement"*

On July 14, 2015 the Company and its CEO entered into and executed an agreement with Beijing Balincan Cosmetics Company Limited and its principal Shi, Wei Lun collectively ("BCCL") pursuant to which the Company will develop a smartphone App which will allow BCCL's estimated 10,000,000 customers to schedule appointments for cosmetic procedures and/or purchase cosmetics and skin care products at any of Balincan's 3,000 + China based retail outlets using their smartphones. Pursuant to the terms of this agreement, BCCL and/or its designees may be issued up to 2,000,000 shares of the Company's \$0.001 par value common stock if up to 2,000,000 of the Company's customers download and install the App on terms satisfactory to the Company, within 180 days of delivery by the Company to BCCL of an operative version of the aforementioned App.

#### *"Unregistered Sales of Equity Securities"*

From June 30, 2015 through July 2, 2015 the Company sold 188,452 shares of its \$0.001 par value common stock to two (2) Non-US Persons pursuant to Regulation S for \$US 4.00 per share for total net proceeds of \$US 753,808. The Company paid no commissions or fees in connection with such sales. Management of the Company believes that this \$US 753,808 investment will be sufficient to support the Company's operations until at least October 1, 2015. However, there can be no assurances that the investment and revenues will be sufficient to fund the Company's operations for that period.

#### *"Engagement of new auditors"*

On August 18, 2015, the Company's Board of Director's engaged GBH CPA's. PC of Houston, TX ("GBH") as its new independent registered public accounting firm effective immediately. In deciding to engage GBH, the Company's Director's reviewed auditor independence issues and existing commercial relationships with GBH and concluded that GBH has no commercial relationship with the Company that would impair its independence for the fiscal year ended December 31, 2014 During the Company's two most recent fiscal years ended December 31, 2014 and the subsequent interim periods through June 30, 2015.

The Company is in the process of reviewing financial information and preparing unaudited financial statements in order for the Company to file such information for the fiscal years ended December 31, 2013 and 2014, and for the periods ended June 30, June 30 and September 30 2014, and June 30, June 30, September 30 and December 31, 2015. As soon as the foregoing financial information is completed, it will be filed with the OTC Markets website to enable the Company's common stock to be regularly quoted on the OTC Markets "Pink Sheets" quotation system. As soon as the Company's auditors complete their audit of the Company's financial statements for the years ended December 31, 2014 and 2015, and the Company files its Annual Reports on Form 10-K for such years and Quarterly Reports on Form 10-Q for the interim periods mentioned above with the Securities and Exchange Commission (the "SEC"), the Company will apply to have its common stock quoted on the OTC Market's OTCQB quotation system, or, if qualified therefor, on The NASDAQ Stock Market ("NASDAQ"). The Company believes it will be able to make the filings with the SEC and apply for the OTCQB quotation and/or NASDAQ, but there can be no assurances that the Company will be successful in such efforts or, if successful in such efforts, successful by such date.

#### *"Change of company name and symbol"*

On August 24, 2015, the Company amended its Certificate of Incorporation to change the Company's name from Moqizone Holding Corp. to Balincan USA, Inc., to have its name more accurately reflect its ongoing business operations in the People's Republic of China. On September 8, 2015, the Company filed its Issuer Company-Related Action Notification Form with the Financial Industry Regulatory Authority ("FINRA"), requesting the Company's name be changed on the OTC Markets website and a new ticker symbol, more reflective of the Company's new name, issued. On September 29, 2015, the Company's name change to Balincan USA, Inc. and ticker symbol change to "BCNN" was announced on the FINRA daily list.

#### *"Plan to file form 10"*

In its August 25,, 2015 Report on Form 8-K, the Company disclosed that it planned to file certain Annual and Quarterly Reports in order to regain its status as a reporting company and have its common stock quoted on the OTC Markets'OTCQB or OTCQX markets or the NASDAQ Stock Market. In the interim, the Company and its counsel have determined that instead the Company will file a Registration Statement on Form 10 (the "Form 10") with the Securities and Exchange Commission (the "SEC") in order to re-establish its status as a reporting company under the Securities Exchange Act of 1934 (the "Exchange Act"). The Company will automatically become subject to the reporting obligations of the Exchange Act 60 days after it files the Form 10, pursuant to the rules and regulations of the SEC. However, there can be no assurances that the Company will be able to complete the Form 10 or the audited financial statements that are required to be contained therein.

#### *"Cooperation with TWH to issue MasterCard in China"*

On October 12, 2015, the Company's wholly owned China subsidiary, Shenzhen Ming Xuan, Ltd. ("SMX") entered into a binding Memorandum of Understanding ("Memorandum") with Guandong TWHpay Technology Company. Ltd. ("TWH") to create and issue a Balincan USA MasterCard co-branded Debit/Credit Card for Balincan's PRC customers. The Balincan MasterCard is intended allow PRC residents to pay for goods and services online and at authorized vendors within the PRC and internationally. Management believes Balincan USA will be the first Chinese day spa/salon chain in the PRC with a co-branded MasterCard. Under the terms of the Memorandum, SMX and TWH will attempt to jointly establish a payment gateway, O2O ("online to offline") IT service system

and cross border commerce logistics centre to service the Balincan existing and future customer base. The Memorandum will be supplemented by a final definitive contract between the parties which is expected to be executed at an event at Balincan, China corporate offices in Guangzhou on October 23, 2015. While Management believes that the execution of the Memorandum and issuance of Balincan MasterCards to existing and new customers will be beneficial to its efforts to grow the numbers of consumers utilizing the Company's ecommerce platform, there can be no assurances that this strategy will work or even that SMX and TWH will be able to successfully establish a payment gateway, O2O IT service system or cross border commerce logistics centre.

TWH, which has a class of shares listed on the Shenzhen Stock Exchange (code 002512), is a Chinese MasterCard licensee and operates an online payment gateway and e-commerce system.

#### *"New setup for e-commerce business"*

During the last two quarters, more staff were hired to administer the newest business in e-commerce and a new office rented in Hong Kong. As a key element in the e-commerce business, a trial version of our smartphone APP was released.

#### **Business activities throughout the next 12 months:**

During the course of 2014, our focus has been put on the K-pop concert and we did not put any effort in further developing businesses in the markets of business travelers and online games. Throughout the next 12 months, we target to materialise our intended business venture with Balincan, which is one of the largest chain of beauty salons in China.

#### *Female online shopping APPs*

Over the recent years, we noticed a very prominent change in social and consumer behavior in China and probably all the developed countries in the world. When it comes to making a purchase decision, the utilization and popularity of smartphone based social media and APPs have substantially surpassed that of traditional PC based B2C websites. Social media is an important tool. It is where people exchange ideas and experiences about products and services among peers rather than receiving hard selling information direct from the merchants. Wechat, by far, is the mostly used and populated social media APP in China with over 400 million registered users. In 2014, Wechat had over 8 million "promotion accounts" which allowed companies to make social media promotions. In addition to selling through our own and other popular APPs, we also plan to set up on Wechat for promoting and selling our products to female consumers in China.

We expect that, during the course of promotion for our K-pop concert, we published pictures and videos of the Korean artists on a number of social media websites and APPs on which we allow fans to exchange comments. We target to record a subscriber base of over 50,000 subscribers who shall follow us closely and created a strong impetus among themselves for having to go to our concert. We will also co-develop an APP for our sponsor PUPU for releasing concert information in conjunction with promotion of their products to subscribers. As we found that a lot of subscribers watched the promotional videos of the artists that we put on the websites and APPs, we believe that the current generation of consumers would prefer to obtain product information through video on their smartphones rather than just seeing pictures and texts. The results would be like moving shopping channels on TV to APPs on smartphones.

We therefore plan to create and operate an e-commerce platform for selling products and services to the affluent female consumers in China based our "promotion trio" combining Wechat, APPs and videos on smartphones. From our K-pop concert experience, we realized that although young Chinese females are very passionate for their idols, they may not be able to spend too much on expensive consumables such as cosmetics and skincare treatments which would yield more profits for us. While we were finding ways to tap into a wealthier group of Chinese females, who are between 35 and 60 years of age, we were introduced to the Balincan chain of beauty salons in Chi-

na. Balincan operates its own shops as well as having over 3,000 franchisee shops in China. All in all, Balincan possesses approximately 10 million customers of whom about 30% are regular customers who go to their salons for regular treatments. As their customer base meets very well our criteria for a high net worth consumer group and because Balincan operates their physical offline shops, we will work with Balincan in creating an e-commerce and O2O (“online to offline”) business to serve their existing loyal customers.

We will deploy our APP and test and roll it out initially in the south china market; then expand it throughout China when it is stable. We will continue to bring in suitable merchandise for e-commerce. We will test some “shops within a shop” to demonstrate new products in existing Balincan shops and train the beauticians in these franchise shops to promote new products to their existing clients in order to increase their revenue.

We will bring in experience senior management in China with proven e-commerce track records to conduct our business in China.

Our business objectives for the next 12 months include:

1. Form a business venture with Balincan so we can gain access to their strong customer base of approximately 3 million active high net worth females.
2. Develop our “promotion trio” combining Wechat, APPs and videos on smartphones to ensure that we can take full benefit of this upcoming opportunity with Balincan.
3. Restructure our group of companies for conducting our intended e-commerce business rather than the wireless network platform business.
4. Continue our efforts to sell common equity to Balincan’s franchisees and employees, as well as other Chinese individual and institutional investors who have indicated significant interest in investing in the Company pursuant to Reg. S.

A. Date and State (or Jurisdiction) of Incorporation:

Incorporated in the state of Delaware on May 7, 2002 as Sunland Entertainment Co. (Delaware), Inc.

B. The issuer’s primary and secondary SIC Codes:

7900

C. The issuer’s fiscal quarter end date:

June 30

D. Principal products or services, and their markets:

We will work with Balincan in creating an e-commerce and O2O (“online to offline”) business in China to serve their existing loyal customers with products such as cosmetics, skincare and healthcare products.

## **7) Describe the Issuer’s Facilities**

The Company paid approximately \$2,000 annually to maintain a Registered Office in Hong Kong for statutory and correspondence purposes. The CEO of the Company has operated the Company’s business largely from his private residence and occasionally from the accounting office of a business associate in Hong Kong.

In September 2015 the Company leased approximately 2,200 sq.ft. of office space at Unit 2605 Greenfield Tower, Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong for a period of 24 months for \$HK 95,417 (approximately \$US12,232) per month.

## 8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Our executive officers, directors, and key employees are:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Lawrence Chor Kiu Cheung	48	Director, CEO & Chairman
Zi Chin Lu	52	Director

Our shareholders elect our directors annually and our board of directors appoints our officers annually. As of the date of this filing, we have not held an annual meeting. All current directors have been held over until such time the annual meeting is held. Vacancies in our board are filled by the board itself. Set forth below are brief descriptions of the recent employment and business experience of our executive officers and directors.

**Lawrence Chor Kiu Cheung**, Chairman of the Board and Chief Executive Officer. Mr. Cheung is one of the founders of Beauty King Group (formerly known as MobiZone Hong Kong) in 2007 and since then has been acting as the Director of MobiZone Hong Kong. Through a Share Exchange Agreement with the previous shareholders of our Company (known as Trestle Holdings, Inc. at the time), Mr. Cheung became major shareholder of our Company in 2009 and facilitated the acquisition of the MobiZone operating business. Mr. Cheung is an expert in online entertainment business in China with extensive senior management experience including successful IPO of Gama-nia, the top online game company in Taiwan. He served as COO for Gama-nia Digital Entertainment Ltd in 2002 and founded MobiChannel Ltd subsequently. Mr. Cheung pioneered the first interactive TV company which was also the first foreign ISP in Shanghai delivering online video streaming in 1998. Prior to becoming an entrepreneur, Mr. Cheung was Finance Director of J Walter Thompson Advertising Ltd in 1996 and Audit Manager at KPMG Shanghai in 1994. Mr. Cheung was Executive Director of New Trend Lifestyle Group Plc, a company listed on the Alternative Investment Market of the London Stock Exchange between January 2012 and July 2013. He has a BSc (Honors) degree from the University of Bradford, England.

During the last five years, Mr. Cheung did not hold directorship in any other public companies. During the past 10 years, Mr. Cheung has not been involved in any of the following types of legal proceedings: (a) any judicial or administrative proceedings resulting from involvement in mail or wire fraud or fraud in connection with any business entity; (b) any judicial or administrative proceedings based on violations of federal or state securities, commodities, banking or insurance laws or regulations, or any settlement to such actions; or (c) any disciplinary sanctions or orders imposed by a stock, commodities or derivatives exchange or other self-regulatory organization.

**Zi Chin Lu (Also known as Paul Lu)**, Director. Mr. Lu founded Green Power (Baoding) Limited in 2007 and first introduced CPV (Concentrated Photo Votic) technology into China. Green Power (Baoding) Limited was pioneer in many advanced renewable energy technologies regarding solar, wind, geothermal, and energy storage. Mr. Lu is currently Chairman and Director of Green Power (Baoding) Limited. He was also an independent director of Astro Corporation, a company listed on the GreTai Securities Market of the Taiwan Stock Exchange and a director

of Dejin Resources Group Company Limited (previously known as Bright International Group Limited), a company listed on the Hong Kong Stock Exchange. Mr. Lu is managing director of Twin Oaks Capital LLC. Mr. Lu holds a MBA degree from the California State University at Los Angeles.

During the last five years, Mr. Lu did not hold directorship in any other public companies. During the past 10 years, Mr. Lu has not been involved in any of the following types of legal proceedings: (a) any judicial or administrative proceedings resulting from involvement in mail or wire fraud or fraud in connection with any business entity; (b) any judicial or administrative proceedings based on violations of federal or state securities, commodities, banking or insurance laws or regulations, or any settlement to such actions; or (c) any disciplinary sanctions or orders imposed by a stock, commodities or derivatives exchange or other self-regulatory organization.

Mr. Cheung, officer and director, devotes his complete business time to the Company. Mr. Lu attends meetings of the board of directors when held and provides 30% of his business time in a professional capacity to the Company.

The following table sets forth information about the remuneration of our Principal Executive Officer(s) for the periods ended June 30, 2016 and 2015 having earned in excess of \$100,000 per annum during any of the two fiscal quarters.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Non-equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Lawrence Chor Kiu Cheung Director, Chairman & CEO	2016	30,461	-	-	-	-	-	38,461
	2015	-	-	-	-	-	-	-
Zi Chin Lu Director	2016	-	-	-	-	-	-	-
	2015	-	-	-	-	-	-	-

Mr. Cheung has served as Chairman, Chief Executive Officer and Principal Executive Officer since 2009.

During the fiscal periods ended June 30, 2016 and 2015, both directors did not receive any payment of compensation as a result of our limited cash flow. The salaries owing to Mr Cheung have been accrued on the accounts but the related payments have never been paid. Both directors have agreed to accept stock awards and other forms of non-cash rewards in lieu of the compensation owing to them. They have also agreed to refrain from receiving compensation payments until such time as the Company has the necessary resources available to provide a traditional compensation plan.

Name of beneficial owner, officer and director	Number of shares	Percentage of outstanding shares of common stock
Lawrence Chor Kiu Cheung, Chairman, CEO and Director	8,556,092	61.76%
Zi Chin Lu, Director (1)	75,000	0.44%
Directors, officers and beneficial owners as a group	8,631,092	62.20%

(1) Based on stock options to purchase 75,000 shares of common stock.

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offences);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or

otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Lawrence Chor Kiu Cheung, residing at Room 1808 Baoli Luyuan Building, 33 Lu Yuan Road, Yue xiu District, Guangzhou, PR China, owns 8,556,092 shares of the issuer's common stock, representing [60.0%] of the total common stock outstanding, as at June 30, 2016.

## 9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

### Legal Counsel

Name: Nicholas F. Coscia

Firm: Attorney at Law

Address 1: P.O. Box 789

Address 2: Cardiff by the Sea, CA 92007

Phone: 619-993-3361

Email: Nick@CosciaSec.com

### Legal Counsel

Name: Lance Kimmel

Firm: SEC Law Firm

Address: 11693 San Vicente Blvd

Suite 357

Los Angeles, CA 90049

USA

Independent Auditor

Firm: GBH CPAs, PC

Name: Jason Liu

Address: 6002 Rogerdale Road

Houston, TX 77072

**10) Issuer Certification**

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

## CERTIFICATION

I, Lawrence Chor Kiu Cheung, certify that;

- (1) I have reviewed this Disclosure Statement and Quarterly Report for the period ended June 30, 2016 of Balinca USA, Inc. (formerly known as Moqizone Holding Corporation);
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) reevaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
- (5) I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 23, 2016

/s/Lawrence Chor Kiu Cheung  
Lawrence Chor Kiu Cheung  
Principal Executive Officer and a Director  
(Principal Financial Officer)