



**北京淘百吃科技有限公司**

**BEIJING TAobaichi TECHNOLOGY  
CO. LTD.**

Financial Report  
For the Period Ended  
June 30, 2017

## 1. Name of the issuer and its predecessors, if any.

The name of the issuer is: BCW GROUP HOLDING, INC.

## 2. Address of the issuer's principal executive offices.

Company Headquarters

Room 1201, Building 6, Caimanjie Financial, Chaoyang District, Beijing 10014, China

The issuer's telephone number is: 011-86-10-56253285

Website: [www.taobaichi.cn](http://www.taobaichi.cn)

## Security Information

Security Symbol: BCWG

**Exact title and class of securities outstanding: Common**

CUSIP Number: 2914T 105

Stated Par Value: \$0.0001

Total authorized: 100,000,000 as of June 30, 2017

Total outstanding: 100,000,000 as of June 30, 2017

Total unrestricted: 7,928,000

Total number of shareholders: 1,000

Number of Beneficial Owners: 1,000

**Exact title and class of securities outstanding: Preferred Series "A"**

CUSIP Number: None

Stated Par Value: \$0.001

Total Authorized: 1,000,000 as of March 31, 2017

Total outstanding: None

Total number of shareholders:

Number of Beneficial Owners:

Security Symbol: None

**The Transfer agent is: Globex Transfer, LLC**

780 Deltona Blvd.

Suite 202

Deltona, FL 32725

813-344-4490

<http://www.globextransfer.com>

Globex Transfer, LLC. ., is registered with the Securities and Exchange Commission as a Transfer Agent pursuant to Section 17A(c) of the exchange Act.

List any restrictions of on transfer of security: None

Describe any trading suspension orders issued by the SEC in past 12 months: None

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## 4. Issuance History

On October 23, 2015, the members of Taobaichi exchanged 100% of their membership interest in Taobaichi for 100,000,000 shares of BCW's common stock. BCW and its wholly-owned subsidiary, Taobaichi are hereafter referred to as the "Company."

## 5. Financial Statements

*The Issuer is providing financial statements for the year ending December 31, 2016, and three months ending March 31, 2017, respectively.*

*A. Balance Sheet*

*B. Statement of Operations*

*C. Statement of Cash Flows; and*

*D. Financial Notes*

*These unaudited financial statements are incorporated by reference herein and attached as Exhibit I.*

## 6. Issuer's Business, Products and Services.

### **Business operations:**

BEIJING TAOBAICHI TECHNOLOGY CO., LTD ("BTT") was a company organized in China in 2014 to engage in a internet based food and restaurant membership program.

NOTE: BTT became a wholly-owned subsidiary of BCW in a transaction in 2016 solely for the purpose of BTT forming a U.S. Holding Company.

### **Date; State; and Jurisdiction of Incorporation:**

BCW GROUP HOLDING, INC. ("BCW" or "Seller") was incorporated in the State of Nevada, USA on October 23, 2015 for the purpose of becoming the holding company of BEIJING TAOBAICHI TECHNOLOGY CO., LTD ("BTT" or "Buyer").

### **Issuer's Primary and Secondary SIC Codes;**

7374: Services-Computer Processing & Data Preparation

7380: Services-Miscellaneous Business Services

**Fiscal Year:**

The Company's fiscal year ends on December 31.

**Products:**

BTT has continuously since inception developed and now owns and operates a membership program under the brand Face to Face to Food on Taobaichi.com, an Internet e-commerce platform connecting consumers with restaurants and food and beverages product providers.

Consumers become members of the Network and acquiring points that they can use for food and beverage purchases at select restaurants as well as acquiring food and beverage products from various companies in what the Company calls a Product Mall. Members can use the Network to find other like-minded "foodies" to talk to and invite to dine using the points.

There are three types of members, as follows:

- Star
- Silver Star
- Gold

Costs to join the Network and become a Member vary by category of membership as follows:

- Star – No charge, just sign up.
- Silver Star - Invite 3 friends to join Star members, automatically upgraded to Silver Star
- Gold – Sign up and pay 365 RMB [Approximately \$55.00]

Additional points can be earned at the rate of 5% of the meal amount when a member writes a review after dining.

Star membership is valid for three months. Silver Star members and Gold membership is valid for one year.

Members have the following benefits:

**Benefits of Stars members**

- Make reservations to use/redeem points at participating restaurants in your city
- Receive three names of other members in your city with whom you can have further chats

**Silver Star Member:**

- Make reservations to use/redeem points at participating restaurants in your city
- Receive ten names of other members in your city with whom you can have further chats
- Use Points to receive free or at discounted price only featured dishes.

Gold Star Member:

- Make reservations to use/redeem points at participating restaurants in your city
- Receive thirty names of other members in your city with whom you can have further chats
- Be able to invite other members to join you in dining and taking advantage of promotions such as a percentage discount on meals
- Use Points to receive free or at discounted price only featured dishes.

Product Mall

Members can also use points to acquire from various companies in what the Company calls a Product Mall food and beverage products at various discount amounts based upon the type of Member.

Business Status

The Networks have an aggregate of the following types of members:

- Star – 14,000
- Silver Star – 3,000
- Gold – 3,000

## 7. Describe the Issuer's Facilities.

BTT currently has Networks operating in the following cities:

- **Beijing Headquarters: Chaoyang District, Beijing Gaobeidian booming Street, Building A 17-12 Phone: 010-62983358**
- **Shanghai Branch Address: Shanghai Zhabei District, 188 Lane in the mountain sun Khaiwan Jincheng Building 8, Room 606 (near Shanghai Railway Station North Square, metro lines 1,3,4), Zip 200070**
- **Xi'an Branch Address: Room 11104 door D Block Xi'an High-tech Zone Kam Yip Road One city of Tel: 029-81021891**

## 8. Officers, Directors, and Control Persons

Wei Lu	President and Director
Yuehong Yan	Secretary
Fan Wenyi	Director
Guo Changchen	Director

## **Wei Lu, 63**

Current position: Founder and Director of Beijing Taobaichi Technology Co., Ltd. since formation in November 2014 and and Director of BCW since inception.

Experience:

- In 1976, he was graduated from the Department of International Trade at Chinese Culture University.
- In 1973, he was awarded the First Prize for the First Director Class of Taiwan Television, and gave lecture training at well-known enterprises in Taiwan.
- In 1995, he was awarded the title of Top 10 Famous People by the Gleaning in Taiwan during the Spring Festival, and received interviews by newspapers, magazines and TV stations in Taiwan.
- In 1989, he went to the Chinese Mainland to negotiate on investment and cooperation of projects after the opening.
- In 2000, he settled down in Beijing; besides, he gave lecture training for such well-known enterprises as Haier, Mengniu, Donglong, Lite-On, Yutai, Aquarium and Great Wall and Capital Museum in the Chinese Mainland, and served as a lecturer in a number of university education institutions. His original view and teaching method deeply inspired his students.
- In 2013, he received the interview by the Top Leader.
- In 2015 he established the brand “Face to Face to Food” of Taobaichi.com, and officially launched it online after continuously working on site development since inception.

## **Yuehong Yan, 35**

During the past ten years, Ms. Yuehong has been involved in the administrative and managerial capacities.

- From June 2012 to current date, Ms. Yuehong has been the assistant to the president of Shaanxi Biying Ecological Industrial Development Co., Ltd., where she is involved in assisting the president's daily administration and management transactions, provides a comprehensive understanding of company operations and operating environment and is responsible to major businesses and public relations activities on behalf of the president.
- From approximately 2009 to 2012, Ms. Yuehong was an assistant to the president in Shaanxi Haishi High-Tech Products Co. Ltd, where she was involved in important business decision making regarding the company's operations, assisted the president in dailt administration and management transactions, mastered a comprehensive understanding of operational environment and was responsible for major business and public relations activities.
- From approximately 2005 to 2009, Ms. Yuehong was the assistant to the president in Shaanxi Haishi Venture Capital Co., Ltd., where she assisted the president's daily administration and management transactions and was involved in important decision-making of the company's operations.

Ms. Yuehong earned a Bachelor Degree in 2004 from Xi'an International University.

### **Fan Wenyi, 59**

Current position: General Counsel and Director of Beijing Taobaichi Technology Co., Ltd. since inception and Director in BCW since inception.

#### Positions

- Chief Advisor of Taiwan Yutai Group 1990-1998
- Senior Expert Advisor of CAS Talent Exchange & Development Center 1998-2000
- Standing Director of China International Exchange Association 2000-2002
- Researcher of Global Competitive Organization 2002-2007
- Chief Advisor of PASCO Financial Group 2007-2012
- CEO of Beijing Gaoerbosi International Marketing Consultant Co., Ltd., Beihai Fuzuo of Gobo Group 2012-Present

#### Educational

Graduated from the Department of Law at National Chung Hsing University, 1983

International Marketing Master from Fudan University, 1988

Lecture Professor of Peking University and Tsinghua University, 1988-1998

Visiting Professor of Bohai University, Hebei Normal University and China Information University; 2000-2006

### **Guo Changchen, 56**

Current position: Technical Advisor of Beijing Taobaichi Technology Co., Ltd. and Director of Beijing Taobaichi Technology Co., Ltd. since inception.

#### Experience:

Graduated from the Faculty of Engineering, the University of Tokyo; 1985

- Served as the Head of the Asia-Pacific Region in the Department of Oracle ISV, Sun Microsystems 1990-2002
- Master of Oracle International Database-Certificate obtained 2000
- President of Fujian West Strait Investment Group; 2002-2005
- President of Shenzhen Eaglelink Technology Co., 2005-2008

#### Legal/Disciplinary History:

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



NONE

2. The entry of an order, judgment or decree, not subsequently 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.

NONE

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

NONE

## 9. Third Party Providers

### Legal Counsel:

Michael T. Williams, ESQ  
2503 W. Gardner Ct.  
Tampa, Florida 33611

### Accountant

None

### Investor Relations Advisor

Pivo Associates, Inc.  
277 West 11<sup>th</sup> Street, Suite 2F  
NY, NY 10014  
(212)-924-3548

## 10. Issuer Certification.

I, Wei Lu, certify that:

1. I have reviewed this Interim Financial Disclosure for the quarter ended June 30, 2017; and the year ended December 31, 2016;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material aspects the financial condition, results of operations and cash flows of the issuer as of and for the periods presented in the disclosure statement.

Dated: September 20, 2017

/s/ Wei Lu

Principal Officer

**BCW Group Holding, Inc. and Subsidiary**  
**Consolidated Financial Statements**  
**For The Years Ended December 31, 2016**  
**And For the Six Months Ended June 30, 2017**

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**BCW GROUP, INC. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**  
(A Development Stage Enterprise)

	June 30, 2017	December 31, 2016	December 31, 2015
<b><u>ASSETS</u></b>			
Current Assets:			
Cash	\$ 2,317	\$ 6,003	\$ 1,224
Inventory	1,708	1,670	1,349
Other current assets	<u>11,621</u>	<u>11,369</u>	<u>25</u>
Total current assets	15,645	19,042	2,598
Equipment, net	4,429	4,452	5,021
Intangible assets, net	<u>669,760</u>	<u>698,400</u>	<u>885,240</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>689,835</u></b>	<b>\$ <u>721,894</u></b>	<b>\$ <u>892,859</u></b>
<b><u>LIABILITIES AND MEMBERS' INTEREST/STOCKHOLDERS' EQUITY</u></b>			
Current Liabilities:			
Accounts payable	\$	\$ 2,880	\$ -
Other current liabilities	<u>(50,855)</u>	<u>(55,288)</u>	<u>(74,341)</u>
Total current liabilities	(50,855)	(52,408)	(74,341)
<b>TOTAL LIABILITIES</b>	<b><u>-50,855</u></b>	<b><u>-52,408</u></b>	<b><u>-74,341</u></b>
<b>MEMBERS' INTEREST/STOCKHOLDERS' EQUITY:</b>			
Common stock, \$0.0001 par value, 500,000,000 shares authorized, 41,970,000 and 41,970,000 shares issued and outstanding	1	1	1
Additional paid-in capital	2,379,328	2,160,000	1,903,487
Accumulated other comprehensive income(loss)	119,357	95,167	(34,840)
Deficit accumulated during the development stage	<u>(1,757,996)</u>	<u>(1,480,866)</u>	<u>(901,448)</u>
Total members' interest/stockholders' equity	740,690	774,302	967,200
<b>TOTAL LIABILITIES AND MEMBERS' INTEREST/STOCKHOLDERS' EQUIT</b>	<b>\$ <u>689,835</u></b>	<b>\$ <u>721,894</u></b>	<b>\$ <u>892,859</u></b>

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

**BCW GROUP, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(A Development Stage Enterprise)**

	<u>Period Ended Jun. 30,</u>	<u>Year Ended Dec. 31,</u>	<u>Year ended Dec.</u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Sales</b>	\$	\$ 1,829	\$ 7,725
<b>Cost of services</b>		-	106
<b>Gross profit</b>	-	1,829	7,619
<b>Operating expenses:</b>			
Selling expenses	14,929	43,648	286,752
General and administrative expenses	262,209	536,974	463,500
Total operating expenses	277,138	580,623	750,252
<b>Income from operations</b>	(277,138)	(578,793)	(742,633)
<b>Other income (expense)</b>			
Interest expense		(661)	(36,898)
Other income	9	36	
Total other income (expense)	9	(625)	(36,898)
<b>Income (loss) before provision for income tax:</b>	(277,129)	(579,419)	(779,531)
<b>Provision for income taxes</b>	-	-	
<b>Net income (loss)</b>	\$ (277,129)	\$ (579,419)	\$ (779,531)
<b>Weighted average shares outstanding :</b>			
Basic	100,000,000	100,000,000	100,000,000
Diluted	100,000,000	100,000,000	100,000,000
<b>Earnings (loss) per share</b>			
Basic	\$ (0.00)	\$ (0.01)	\$ (0.01)
Diluted	\$ (0.00)	\$ (0.01)	\$ (0.01)

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

**BCW GROUP, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF MEMBERS' INTEREST/STOCKHOLDERS' EQUITY**

	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated other comprehensive gain Translation adjustments	Accumulated Deficit	Total Stockholders' Equity
	\$	-	\$	-	\$	-
Issuance of common stocks to shareholders @0.001						
Per share on February 7, 2011	100,000,000	1	163,000			163,001
Adjustment for Exchange rate changes				(73)		(73)
Net loss through the inception date to the end of Year 2014					(121,917)	(121,917)
						-
<b>Balance, December 31, 2014</b>	100,000,000	1	163,000	(73)	(121,917)	41,011
Additional paid-in capital			1,740,487			1,740,487
Adjustment for Exchange rate changes				(34,767)		(34,767)
Net loss for the period ended December 31, 2015					(779,531)	(779,531)
<b>Balance, December 31, 2015</b>	100,000,000	1	1,903,487	(34,840)	(901,448)	967,200
Additional paid-in capital			256,513			256,513
Adjustment for Exchange rate changes				130,007		130,007
Net loss for the period ended December 31, 2015					(579,419)	(579,419)
<b>Balance, December 31, 2016</b>	100,000,000	1	2,160,000	95,167	(1,480,866)	774,302
Additional paid-in capital			219,328			219,328
Adjustment for Exchange rate changes				24,190		24,190
Net loss for the period ended June 30, 2017					(277,129)	(277,129)
<b>Balance, June 30, 2017</b>	100,000,000	1	2,379,328	119,357	(1,757,996)	740,690

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

**BCW GROUP, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<u>Period Ended Jun. 30,</u>	<u>Year Ended Dec. 31,</u>	<u>Year ended Dec. 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>		
<b>OPERATING ACTIVITIES:</b>					
Net income (loss)	\$ (277,129)	\$ (579,419)	\$ (779,531)		
Adjustments to reconcile net income (loss) to net provided by operating activities:					
Depreciation and amortisation	28,662	54,111	91,407		
Change in current assets and liabilities:					
Other current assets	(253)	(321)	253		
Inventory	(37)	(11,344)	(1,223)		
Accounts payable	(2,880)	2,880			
Other current liabilities	4,432	19,053	(44,000)		
Net cash provided by operating activities	<u>(247,204)</u>	<u>(515,039)</u>	<u>(733,094)</u>		
<b>INVESTING ACTIVITIES:</b>					
Payment for equipment		2,296	3,597		
Net cash used by investing activities	<u>-</u>	<u>2,296</u>	<u>3,597</u>		
<b>FINANCING ACTIVITIES:</b>					
Additional paid-in capital	219,328	387,516	765,487		
Net cash used in financing activities	<u>219,328</u>	<u>387,516</u>	<u>765,487</u>		
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>(27,876)</u>	<u>(125,228)</u>	<u>35,990</u>		
<b>Effect of Exchange Rate on Cash</b>	24,190	130,007	(34,767)		
<b>CASH, BEGINNING BALANCE</b>	<u>6,003</u>	<u>1,223</u>	<u>-</u>		
<b>CASH, ENDING BALANCE</b>	\$ <u><u>2,317</u></u>	\$ <u><u>6,003</u></u>	\$ <u><u>1,223</u></u>	(0)	(0)
<b>CASH PAID FOR:</b>					
Interest	\$ <u><u>-</u></u>	\$ <u><u>661</u></u>	\$ <u><u>36,898</u></u>		
Income taxes	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>		

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

## **Note 1 - Organization and Basis of Presentation**

### **Organization and Line of Business**

BCW Group Holding, Inc., (“BCW”) was incorporated on October 23, 2015 under the laws of the state of Nevada. Beijing Taobaichi Technology Co.,Ltd., a Chinese limited liability company, was originally founded on November 25, 2015 (“Taobaichi”). On October 23, 2015, the members of Taobaichi exchanged 100% of their membership interest in Taobaichi for 100,000,000 shares of BCW’s common stock. BCW and its wholly-owned subsidiary, Taobaichi are hereafter referred to as the “Company.”

The Company owns a website for online business, which is call as Taobaichi.com. Taobaichi.com is a domestic O2O (online-to-offline) Internet e-commerce platform between catering enterprises and consumers in cities. With “integral points” as stickiness, it organically glues consumers, merchants and Taobaichi.com.

### **Development Stage Company**

The Company is considered to be in the development stage as defined in Statement of Financial Accounting Standards (SFAS) ASC 915, “Development Stage Entities”. The Company has devoted substantially all of its efforts to establishing a new business and for which either of the following conditions exists: planned principal operations have not commenced; or the planned principal operations have commenced, and rising of capital and attempting to raise sales.

### **Basis of Presentation**

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Taobaichi. Prior to October 23, 2015 the financial statement only include the accounts of Taobaichi. The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. All significant intercompany transactions and balances have been eliminated.

## **Note 2 – Summary of Significant Accounting Policies**

### **Accounting Method**

The Company’s financial statements are prepared using the accrual method of accounting. The Company has elected a fiscal year ending on December 31.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by management include, among others, revenue recognition. Actual results could differ from those estimates. It is possible that accounting estimates and assumptions may be material to the Company due to the levels of subjectivity and judgment involved.

### **Concentration of credit risk**

The Company maintains its cash in bank accounts which, at times, may exceed the federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.



### Economic and Political Risks

The Company's operations are conducted in the PRC. Accordingly, the Company's business, financial condition and results of operations may be influenced by the political, economic and legal environment in the PRC, and by the general state of the PRC economy.

The Company's operations in the PRC are subject to special considerations and significant risks not typically associated with companies in North America and Western Europe. These include risks associated with, among others, the political, economic and legal environment and foreign currency exchange. The Company's results may be adversely affected by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion, remittances abroad, and rates and methods of taxation, among other things.

### Currency Translation

The Company's functional currency is that of the PRC which is the Chinese Renminbi (RMB). The reporting currency is that of the US Dollar. Capital accounts of the consolidated financial statements are translated into United States dollars from RMB at their historical exchange rates when the capital transactions occurred. Assets and liabilities are translated at the exchange rates as of the balance sheet date. Income and expenditures are translated at the average exchange rate of the year. The year-end US dollar to RMB as of December 31, 2017 and June 30, 2017 were 0.1624 and 0.1571, respectively, and the average yearly US dollar to RMB for 2016 and the six month ended June 30, 2017 were 0.1545 and 0.1505, respectively. The RMB is not freely convertible into foreign currency and all foreign currency exchange transactions must take place through authorized institutions. No representation is made that the RMB amounts could have been, or could be, converted into US dollar at the rates used in translation. The Company records these translation adjustments as accumulated other comprehensive income (loss). Gains and losses from foreign currency transactions are included in other income (expense) in the results of operations. For the six ended June 30, 2017 and December 31, 2016, the Company recorded approximately \$(277,129) and \$(579,419) in accumulated other comprehensive income (loss) as a result of currency translation.

### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. As of June 30, 2017 and December 31, 2016, the company had cash and cash equivalents of \$2,317 and \$ 6,003 respectively.

### Inventory

Inventory is valued at the lower of cost or market (using the weighted average method) and net realizable value. Inventory includes raw material, work in process and finished goods. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, selling expenses and related taxes.

As of June 30, 2017 and December 31, 2016, the company had low value consumables of \$1,708 and \$1,670 respectively.

### Equipment

Equipment is stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of equipment is provided using the straight-line method for substantially all assets with estimated lives as follows:

Equipment (Continued)

Furniture	5 years
Computer and other equipment	3 years

### Long-Lived Assets

The Company applies the provisions of ASC Topic 360, “Property, Plant, and Equipment,” which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. ASC 360 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets’ carrying amounts. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair value of the long-lived assets. Loss on long-lived assets to be disposed of is determined in a similar manner, except that fair values are reduced for the cost of disposal. Based on its review at June 30, 2017 and December 31, 2016, the Company believes there was no impairment of its long-lived assets.

### Intangible Assets

Two kinds of internal use software are recognized as intangible assets in the company. The intangible assets are invested by the shareholders and the cost is determined by the software licensing agreement. The assets have a 10-year licensing using period therefore, it is amortized in 10 years. As at June 30, 2016, the net value of the intangible assets is \$669,760.

### Revenue Recognition

The Company recognizes revenues derived from membership sales, advertising income, online mall, activity income and Taobaichi Zengzhibao, when the service has been provided and when there is persuasive evidence of an arrangement, the fee is fixed or determinable, and collection of the receivable is reasonably assured. Taxes collected from customers and remitted to a governmental authority are reported on a net basis and are excluded from revenue. Most revenue is billed in advance on a fixed-rate basis. The remainder of revenue is billed in arrears on a transactional basis determined by customer usage.

The Company often bills customers for upfront charges. These charges relate to down payments or prepayments for future services or equipment and are influenced by various business factors including how the Company and customer agree to structure the payment terms. These payments are recognized as deferred revenue until the service is provided or equipment is delivered and installed. All ongoing fees are billed and recognized as revenue on a monthly basis as service is provided.

### Stock-Based Compensation

The Company records stock-based compensation in accordance with FASB ASC Topic 718, “*Compensation – Stock Compensation*.” FASB ASC Topic 718 requires companies to measure compensation cost for stock-based employee compensation at FV at the grant date and recognize the expense over the employee’s requisite service period. The Company recognizes in the statement of operations the grant-date FV of stock options and other equity-based compensation issued to employees and non-employees. The Company for the period ended June 30, 2017 and December 31, 2016 did not grant any options or warrants that would need to be valued under such method.

### Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740, “Income Taxes.” ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. The adoption had no effect on the Company’s consolidated financial statements.

No recognition of federal or state income taxes for the Company has been provided for the year ended December 31, 2016 or the period ended June 30, 2017, in the accompanying financial statements.

### Basic and Diluted Earnings Per Share

Earnings per share is calculated in accordance with ASC Topic 260, “Earnings Per Share.” Basic earnings per share (“EPS”) is based on the weighted average number of common shares outstanding. Diluted EPS is based on the assumption that all dilutive convertible shares and stock warrants were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. There are no potentially dilutive securities outstanding during any periods presented. For purposes of the EPS, the exchange of 100% interest of Taobaichi for 100,000,000 shares of BCW common stock is assumed to have occurred on November 24, 2015.

### **Note 3 – Equipment**

Equipment at June 30, 2017 and December 31, 2016 consisted of the following:

	<b>June 30, 2017</b>	<b>December 31, 2016</b>
Furniture	\$ 1,039	\$ 1,030
Computer equipment	1,101	1,050
Less accumulated depreciation	2,289	2,372
Equipment, net	<u>\$ 4,429</u>	<u>\$ 4,452</u>

Depreciation expense for the period ended June 30, 2016 and December 31, 2015 was \$1,016 and \$1,647, respectively.


## Note 5 – Intangible Assets

Intangible assets at June 30, 2017 and December 31, 2016 consisted of the following:

	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Client APP system	\$ 534,850	\$ 608,640
Less accumulated amortisation	134,910	89,760
Equipment, net	\$ 669,760	\$ 698,400

Amortisation expense for the period ended June 30, 2016 and December 31, 2015 was \$45,150 and \$89,760 respectively.

## Note 6 – Members' Interest/Stockholders' Equity

### Members' Interest

Taobaichi is governed by the terms and conditions of the Limited Liability Company Agreement (the Agreement) dated November 23, 2015. Taobaichi shall continue until terminated in accordance with the terms of the Agreement or as provided by law, including events of dissolution. Taobaichi shall be dissolved only upon any of the following events: (i) the vote of Member(s) holding a majority to the dissolution and winding up of Taobaichi, (ii) the entry of a decree of judicial dissolution of Taobaichi and (iii) at any time there are no Member(s), subject to remedy within 90 days of occurrence of termination event by the last remaining Member in writing.

Taobaichi originally consisted of three Members. On October 23, 2015, all of the members exchanged their 100% interest in Taobaichi for 100,000,000 shares of BCW common stock.

### Preferred stock

The Company has authorized the issuance of 10,000,000 shares of preferred stock, \$0.001 par value. At June 30, 2017, the Company had 0 shares of preferred stock issued and outstanding.

### Common stock

The Company has authorized the issuance of 100,000,000 shares of common stock, \$0.001 par value. At October 31, 2015, the Company had 100,000,000 shares of common stock issued and outstanding.

During the period ended October 31, 2015, the Company issued the following shares of common stock:

- 100,000,000 shares in connection with the exchange for 100% of the membership interest in BCW Group Holding, Inc described in Note 1;
- 100,000,000 shares for cash proceeds of \$100,000;

### Stock options

Stock Incentive Plan (the "Plan"). The Plan is designed to help attract and retain for the Company and its affiliates personnel of superior ability for positions of exceptional responsibility, to reward those personnel for their services and to motivate such individuals through added incentives to further contribute to the success of the Company and

its affiliates. The Plan shall terminate upon the close of business on the day next preceding the tenth (10th) anniversary of the effective date and may be terminated on any earlier date. Award Agreements outstanding on such date shall continue to have force and effect in accordance with the provisions thereof. There are currently no awards outstanding under the Plan.

#### **Note 7 – Income Taxes**

Income taxes are provided for tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the bases of assets and liabilities for financial statement and income tax purposes. The differences in asset and liability bases relate primarily to organization and start-up costs (use of different methods and periods to calculate deduction). Deferred taxes are also recognized for operating losses and tax credits that are available to offset future income taxes. The deferred tax assets and/or liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. The components of the deferred tax asset and liability are classified as current and concurrent based on their characteristics. Valuation allowances are provided for deferred tax assets based on management's projection of the sufficiency of future taxable income to realize the assets. For the period ended June 30, 2017 and December 31, 2016, there is no income tax expenses incurred.

At June 30, 2017, there were no significant deferred tax assets.

The Company annually conducts an analysis of its tax positions and has concluded that it has no uncertain tax positions as of June 30, 2017. The 2015 to 2016 tax years are still subject to audit.

#### **Note 8 – Commitments and Contingencies**

##### Indemnities and Guarantees

During the normal course of business, the Company has made certain indemnities and guarantees under which it may be required to make payments in relation to certain transactions. These indemnities include certain agreements with (i) the Company's officers, under which the Company may be required to indemnify such persons for liabilities arising out of their employment relationship, (ii) certain customers who enter into collocation agreements. The duration of these indemnities and guarantees varies and, in certain cases, is indefinite. The majority of these indemnities and guarantees do not provide for any limitation of the maximum potential future payments the Company could be obligated to make. Historically, the Company has not been obligated to make significant payments for these obligations and no liabilities have been recorded for these indemnities and guarantees in the accompanying balance sheet.

##### Legal

The Company may be involved from time to time in claims, lawsuits and disputes with third parties, actions involving allegations or discrimination or breach of contract actions incidental in the normal operations of the business. The Company is currently not involved in any such litigation or disputes which management believes could have a material adverse effect on its financial position or results of operations.

#### **Note 9 – Subsequent Events**

Pursuant to ASC 855-10, the Company has evaluated all events or transactions that occurred to June 30, 2017. The Company did not have any material recognizable subsequent events during this period.

**Note 10- Shareholder list**

As at July 30, 2017, the shareholder list is as follows:

Name of shareholder	Number of shares	Percentage
Wei Lu	18,078,114	18.08%
Huachu Tang	20,000,000	20.0%
Yuehong Yan	11,000,000	11.0%
Fengling Tang	10,000,000	10.0%
Other shareholders	11,430,000	11.43
Total	100,000,000	100%

