

Amended Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

China Media Inc.

**Room 10128, No. 269-5-1 Taibai South Road,
Yanta District, Xi'an City,
Shaan'xi Province, China, 710068**

Phone: (86) 298765-1114

Email: lidean2014@163.com

SIC Code: 7812

**For the Period Ending: December 31, 2022
(the "Reporting Period")**

Outstanding Shares

The number of shares outstanding of our Common Stock was: 39,750,000 and 39,750,000 as of December 31, 2022 and May 3, 2023

39,750,000 shares of common stock issued and outstanding as of June 30, 2022

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: No:

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

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The issuer is currently in good standing in State of Nevada

China Media Inc. (from August 06, 2009 to present day)

Previous Name: Protecwerx Inc., (from October 16, 2007 to August 6, 2009)

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Nevada

¹ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

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

The address(es) of the issuer's principal executive office:

Room 10128, No. 269-5-1 Taibai South Road,
Yanta District, Xi'an City,
Shaan'xi Province, China, 710068

The address(es) of the issuer's principal place of business:

Check if principal executive office and principal place of business are the same address:

Room 10128, No. 269-5-1 Taibai South Road,
Yanta District, Xi'an City,
Shaan'xi Province, China, 710068

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Securities Transfer Corporation
Phone: (469) 633-0101
Email: PStephan@stctransfer.com
Address: 2901 N. Dallas Parkway, Suite 380, Plano, Texas 75093

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>CHND</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
CUSIP:	<u>169431103</u>	
Par or stated value:	<u>\$0.00001 per share</u>	
Total shares authorized:	<u>180,000,000</u>	as of date: <u>December 31, 2022</u>
Total shares outstanding:	<u>39,750,000</u>	as of date: <u>December 31, 2022</u>
Number of shares in the Public Float ² :	<u>11,243,000</u>	as of date: <u>December 31, 2022</u>
Total number of shareholders of record:	<u>255</u>	as of date: <u>December 31, 2022</u>

All additional class(es) of publicly quoted or traded securities (if any):

Trading symbol: _____

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Exact title and class of securities outstanding: _____
 CUSIP: _____
 Par or stated value: _____
 Total shares authorized: _____ as of date: _____
 Total shares outstanding: _____ as of date: _____
 Total number of shareholders of record: _____ as of date: _____

Trading symbol: _____
 Exact title and class of securities outstanding: _____
 CUSIP: _____
 Par or stated value: _____
 Total shares authorized: _____ as of date: _____
 Total shares outstanding: _____ as of date: _____
 Total number of shareholders of record: _____ as of date: _____

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security: _____
 CUSIP (if applicable): _____
 Par or stated value: _____
 Total shares authorized: _____ as of date: _____
 Total shares outstanding (if applicable): _____ as of date: _____
 Total number of shareholders of record (if applicable): _____ as of date: _____

Exact title and class of the security: _____
 CUSIP (if applicable): _____
 Par or stated value: _____
 Total shares authorized: _____ as of date: _____
 Total shares outstanding (if applicable): _____ as of date: _____
 Total number of shareholders of record (if applicable): _____ as of date: _____

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.**

None

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

None

3. **Describe any other material rights of common or preferred stockholders.**

None

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer’s securities **in the past two completed fiscal years and any subsequent interim period.**

None

Disclosure under this item shall include, in chronological order, all offerings and issuances of 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. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>June 30, 2021</u> Common: <u>39,750,000</u> Preferred: <u>0</u>			*Right-click the rows below and select “Insert” to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)	Individual/ Entity Shares were issued to. *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>June 30, 2022</u> Common: <u>39,750,000</u> Preferred: <u>0</u>									
Shares Outstanding as of <u>December 31, 2022</u> Common: <u>39,750,000</u> Preferred: <u>0</u>									

Example: A company with a fiscal year end of December 31st, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: Yes: (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—

Use the space below to provide any additional details, including footnotes to the table above:

—

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. (Please ensure that these descriptions are updated on the Company's Profile on www.otcmarkets.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

B. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Since our incorporation we have produced one feature-length film, eleven television series and one documentary. Television series in China are similar to those in the North American market, but they do not operate on the basis of seasons. Each series has a definite lifetime of anywhere from 10 to 50 episodes, at which point the series ends and a new one is developed. The new series may be based on previous ones, but the development of a new series does not follow the same type of recurring seasonal structure as in North America.

In 2007, our television series *Special Mission* received a viewership rating of 4% of the entire Chinese market when it was broadcast on China Central Television ("CCTV"), Channel 8. In the same year *Invisible Wings* received the Outstanding Children's Film and Outstanding Young Actress awards during the 12th Film Ornamental Column Awards, the Golden Elephant Award during the Indian International Film Festival, the Golden Angel Award during the Hollywood China-USA Film Festival, and was featured as the opening film of Beijing International Sport Film Week.

Below is a summary of some of our more successful programming that we have already released:

Invisible Wings – A 90 minute feature film, this motivational drama describes the story of a 15-year old Chinese girl who lost her arms in an accident, and whose mother was diagnosed with schizophrenia and anxiety. The young girl's love for her mother motivates her to apply herself diligently to her studies and athletics. She also takes care of her mother while battling her disabilities. The girl overcomes all odds and wins a medal in the Chinese national games for the disabled and represents her country at the Paralympics.

In 2007, *Invisible Wings* received the Outstanding Children's Film and Outstanding Young Actress awards during the 12th Film Ornamental Column Awards, the Golden Elephant Award during the Indian International Film Festival, the Golden Angel Award during the Hollywood China-USA Film Festival, and was featured as the opening film of Beijing International Sport Film Week.

Special Mission – A 40-episode television series with each episode lasting 40 minutes. *Special Mission* is a war drama that focuses on the actions of members of the Chinese military intelligence community as they fight against the Japanese army which invaded China. The series describes various characters who sacrificed their lives in order to protect their country and uncover the plans of the Japanese forces.

Lotus Lantern Prequel – A 46 episode television series with each episode lasting 52 minutes. *Lotus Lantern Prequel* is a drama based on traditional Chinese mythology that describes the story of God Erlang, a popular mythological figure, who battles through adversity and many enemies to reunite with his mother and younger sister.

After being broadcast on CCTV-8 in April 2009, *Lotus Lantern Prequel* achieved a first-run audience rating of 3.9% during prime time and was syndicated on many Chinese regional television stations.

We plan to invest approximately \$7,990,000 in producing and distributing six new television series over the next two years. We anticipate raising sufficient capital for these expenditures through debt or equity financing as well as engaging in joint venture productions with other established production companies.

We plan to undertake the development and production of our programming through a series of different stages from development to post-production. The process can be summarized as follows:

Development Stage

This is the initial stage during which we develop and research a concept. We undertake market research and hold focus groups to establish whether demand exists for a particular type of programming. Once we receive positive feedback on a concept we instruct our writers to produce a plot of the program based on suggestions from the focus groups and the results of our market research. Alternatively, we can acquire original works or rights to adapt classic works, both from China and abroad, that we believe will be marketable to the Chinese market. If we complete any such acquisition, we generally produce a plot based on the work which may be further revised as we continue developing the project. The plot provides a basic outline of the program and provides a foundation upon which our writers can produce a screenplay or script.

Our plot is then reviewed by our development committee. This committee is made up of recognized television and film professionals in China as well as members of our local Shaan'Xi Province Administration of Radio, Film and Television ("ARFT") agency, who are responsible for approving the programming for distribution to television stations. By having a development committee in place, we hope to avoid producing works that will either not be granted government approval for distribution, will be too difficult to produce or will not be attractive to television stations and viewers.

Once we have decided upon the basic plot for a project, we determine its production schedule, a rough budget and terms of financing. We may provide the financing directly or through a joint venture with one or more third parties interested in participating in the project. Potential investors include advertisers and distributors, home video publishers and private investors. Currently, we partner primarily with such investors to provide the financing required to develop our television programming, but we also plan on raising capital through the sale of our debt or equity securities.

The development stage usually takes six months to several years, subject to our market research, co-production negotiations and script judgment from focus groups and the development committee.

Pre-Production Stage

The next stage involves developing a detailed script or screenplay based on the basic plot outline produced in the first stage of the process. The script generally incorporates all of the themes and major characteristics of the outline while taking into account production scenarios. Our scripts and screenplays are based on our own original work as well as adaptations of books, musical works, folklore and classic Chinese or international stories.

We hire part-time writers who work out of our offices to create the screenplays and scripts for our television series and films. Occasionally, we also purchase completed screenplays and scripts from suppliers such as professional writers, other film producers or the general public.

After the screenplay or script is finalized, our financial department plans the investment budget and our film and television series production center prepares a detailed production plan and searches for a suitable director, production manager and executive producer, as well as actors and crew. The production manager is responsible for executing all facets of production, the executive producer supervises the production process and the director is responsible for the actors, crew and cinematography.

This part of the process generally takes one to two months depending on the complexity of the script and the production.

Production Stage

This stage deals with the actual filming of the television series or film. The director, actors and crew gather at a studio at our offices, at a sound stage we rent out or that is provided by one of the production partners, or at another location to film a particular scene or scenes. Our involvement in this stage is minimal unless modifications to the script or screenplay must be made. Currently, we outsource the principal photography and filming of the various scenes to the Xi'An Television Production Center. We do not directly employ any directors, actors or crew.

Depending on the complexity of the project, the production stage can last up to six months for a television series and up to three months for a film.

Post-Production Stage

Once production has wrapped up, we are responsible for coordinating all of the tasks required to produce a finished product for television or the cinema. We assign an editor to assemble the various pieces of film and determine scene transitions, and we add musical elements, subtitles, visual and/or digital effects to the television series or film. Once the editing process is complete, which takes up to three months, the director provides input on any changes and a final version of the program or film is produced.

C. List any subsidiaries, parent company, or affiliated companies.

Wholly owned subsidiary: Vallant Pictures Entertainment Co., Ltd., a company incorporated under the laws of the British Virgin Islands

D. Describe the issuers' principal products or services.

Development of films and television series for the Chinese market.

5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company has a five-year lease agreement with Shaanxi Gede Trading Co., Ltd. ("Gede") to lease its main office for a monthly rent of RMB11,167 (approximately \$1,600) with a term of five years and expiration date on December 31, 2022. Gede's Legal Representative and Chief Executive Officer is a major shareholder of the Company. As of December 31, 2021, the Company had a right-of-use asset of \$Nil and lease liability of \$97,148 related to this lease. The Company also owed Gede rent payable of \$43,790 for another lease that ended December 31, 2017. As of December 31, 2022 and June 30, 2022, total rent payable owed to Gede were \$140,938 and \$135,123, respectively.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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 or beneficial shareholders.

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Title of Class	Number of shares owned	Ownership Percentage of Class Outstanding (1)
Bin Li	Director	Xi'An Shaan'Xi Province, China	Common Stock	2,007,000	5.05%
Dean Li	President, Chief Executive Officer, Secretary and Director	Xi'An Shaan'Xi Province, China	Common Stock	0	0
Ruijuan Hou	Chief Financial Officer	Xi'An Shaan'Xi Province, China	Common Stock	0	0
Baoxing Li	5% Stockholder	Xi'An Shaan'Xi Province, China	Common Stock	3,000,000	7.55%
Jing Mu	5% Stockholder	Xi'An Shaan'Xi Province, China	Common Stock	7,509,000	18.89%
Hao Sun	5% Stockholder	Xi'An Shaan'Xi Province, China	Common Stock	10,000,000	25.16%
Wenxin Nie	5% Stockholder	Xi'An, Shaan'Xi Province, China	Common Stock	3,000,000	7.55%

(1) Based on 39,750,000 issued and outstanding shares of our common stock as of December 31, 2022 and as of May 3, 2023

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 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 offenses);

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

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Bin Zhou
Firm: Bernard & Yam, LLP
Address 1: 140-75 Ash Avenue, Suite 2C
Address 2: Flushing, NY 11355
Phone: 212-219-7783
Email: binzhou@bernardyam.com

Accountant or Auditor

Name: Frances Cai
Firm: _____
Address 1: 1179 Vail Road
Address 2: Parsippany, New Jersey 07054
Phone: 9736520531
Email: 867308983@qq.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

Twitter: _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other]: _____

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Financial Statements

A. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

B. The following financial statements were prepared by (name of individual)³:

Name: France Cai
Title: Consultant
Relationship to Issuer: Outside Accountant / Consultant

Describe the qualifications of the person or persons who prepared the financial statements:

Ms. Cai has served as director of CN Energy Group Inc. (Nasdaq: CNEY) since August 2019. From July 23, 2019 to November 11, 2020, Ms. Cai has served as the Chief Financial Officer of China Eco-Materials Group Co., Limited. From October 2017 to July 22, 2019, Ms. Cai has served as manager of Wealth Financial Services LLC. From December 2013 to September 2017, Ms. Cai served as audit manager at Friedman, LLP. From December 2006 to November 2013, Ms. Cai served as audit manager at Patrizio & Zhao, LLC. Ms. Cai graduated from Jiangsu Radio & TV University with a major in Economic Management in December 2003. Ms. Cai is a U.S. citizen and resides in the U.S.

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Important Notes:

- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- All financial statements for a fiscal period must be published together with the disclosure statement in one Annual or Quarterly Report.

³ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

CHINA MEDIA INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	December 31, 2022	June 30, 2022
	<u> </u>	<u> </u>
Assets		
Current assets		
Cash and cash equivalents	\$ 748	\$ 770
Other receivable, net of allowance of \$117,603 and \$121,099 at December 31, 2022 and June 30, 2022, respectively	3,762	3,874
Total current assets	<u>4,510</u>	<u>4,644</u>
Fixed assets, net	346	356
Operating lease right of use asset – related party	-	9,905
Total assets	<u>\$ 4,856</u>	<u>\$ 14,905</u>
 Liabilities and Stockholders' Deficit		
Current liabilities		
Accounts payable	\$ 9,180	\$ 9,365
Accrued liabilities and other payable	396,751	421,656
Accrued liabilities – related party	43,790	45,091
Operating lease liabilities, current – related party	97,148	99,937
Due to related party	1,030,802	1,032,496
Total current liabilities	<u>1,577,671</u>	<u>1,608,545</u>
 Stockholders' deficit		
Common stock, \$0.00001 par value, 180,000,000 shares authorized; 39,750,000 shares issued and outstanding at December 31, 2022 and June 30, 2022	398	398
Additional paid-in capital	11,441,713	11,422,968
Accumulated other comprehensive income	645,428	599,803
Accumulated deficit	(13,660,354)	(13,616,809)
Total stockholders' deficit	<u>(1,572,815)</u>	<u>(1,593,640)</u>
 Total liabilities and stockholders' deficit	<u>\$ 4,856</u>	<u>\$ 14,905</u>

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

CHINA MEDIA INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	For The Six Months Ended December 31,		For The Three Months Ended December 31,	
	2022	2021	2022	2021
Selling, general and administrative	\$ 24,800	\$ 76,381	\$ 12,221	\$ 23,200
Total operating expenses	24,800	76,381	12,221	23,200
Other expense				
Interest expense	18,745	19,396	9,199	9,744
Net loss before income taxes	(43,545)	(95,777)	(21,420)	(32,944)
Income taxes	-	-	-	-
Net loss	<u>\$ (43,545)</u>	<u>\$ (95,777)</u>	<u>\$ (21,420)</u>	<u>\$ (32,944)</u>
Comprehensive loss				
Net loss	(43,545)	(95,777)	(21,420)	(32,944)
Foreign currency translation adjustment	45,625	(23,573)	(47,728)	(24,683)
Comprehensive Income (loss)	<u>\$ 2,080</u>	<u>\$ (119,350)</u>	<u>\$ (69,148)</u>	<u>\$ (57,627)</u>
Net loss per common share - basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	39,750,000	39,750,000	39,750,000	39,750,000

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

CHINA MEDIA INC.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2022
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount				
Balance, July 1, 2022	39,750,000	\$ 398	\$ 11,422,968	\$ 599,803	\$ (13,616,809)	\$ (1,593,640)
Foreign currency translation adjustment	-	-	-	93,353	-	93,353
Imputed interest on related party loan	-	-	9,546	-	-	9,546
Net loss	-	-	-	-	(22,125)	(22,125)
Balance, September 30, 2022	<u>39,750,000</u>	<u>\$ 398</u>	<u>\$ 11,432,514</u>	<u>\$ 693,156</u>	<u>\$ (13,638,934)</u>	<u>\$ (1,512,866)</u>
Foreign currency translation adjustment	-	-	-	(47,728)	-	(47,728)
Imputed interest on related party loan	-	-	9,199	-	-	9,199
Net loss	-	-	-	-	(21,420)	(21,420)
Balance, December 31, 2022	<u><u>39,750,000</u></u>	<u><u>\$ 398</u></u>	<u><u>\$ 11,441,713</u></u>	<u><u>\$ 645,428</u></u>	<u><u>\$ (13,660,354)</u></u>	<u><u>\$ (1,572,815)</u></u>

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

CHINA MEDIA INC.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2021
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount				
Balance, July 1, 2021	39,750,000	\$ 398	\$ 11,384,310	\$ 539,879	\$ (13,473,647)	\$ (1,549,060)
Foreign currency translation adjustment	-	-	-	1,110	-	1,110
Imputed interest on related party loan	-	-	9,601	-	-	9,601
Net loss	-	-	-	-	(62,833)	(62,833)
Balance, September 30, 2021	<u>39,750,000</u>	<u>\$ 398</u>	<u>\$ 11,393,911</u>	<u>\$ 540,989</u>	<u>\$ (13,536,480)</u>	<u>\$ (1,601,182)</u>
Foreign currency translation adjustment	-	-	-	(24,683)	-	(24,683)
Imputed interest on related party loan	-	-	9,743	-	-	9,743
Net loss	-	-	-	-	(32,944)	(32,944)
Balance, December 31, 2021	<u><u>39,750,000</u></u>	<u><u>\$ 398</u></u>	<u><u>\$ 11,403,654</u></u>	<u><u>\$ 516,306</u></u>	<u><u>\$ (13,569,424)</u></u>	<u><u>\$ (1,649,066)</u></u>

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

CHINA MEDIA INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

For The Six Months Ended December 31

	<u>2022</u>	<u>2021</u>
CASH FLOWS OPERATING ACTIVITIES		
Net loss	\$ (43,545)	\$ (95,777)
Adjustments to reconcile net loss to net cash used in operating activities:		
Imputed interest	18,745	19,344
Noncash lease expense	9,507	9,580
Changes in operating assets and liabilities:		
Accounts payable	-	-
Accrued liabilities and other payable	(12,583)	31,550
Operating lease liability – related party	94	839
Net cash used in operating activities	<u>(27,782)</u>	<u>(34,464)</u>
CASH FLOW FINANCING ACTIVITIES		
Proceeds from related party	<u>27,782</u>	<u>35,078</u>
Net cash provided by financing activities	<u>27,782</u>	<u>35,078</u>
Effect of exchange rate changes on cash and cash equivalents	(22)	24
Net change in cash and cash equivalents	(22)	638
Cash and cash equivalents at beginning of the period	<u>770</u>	<u>987</u>
Cash and cash equivalents at end of the period	<u>\$ 748</u>	<u>\$ 1,625</u>
SUPPLEMENTAL INFORMATION:		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

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

CHINA MEDIA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
December 31, 2022

NOTE 1. Description of Business

China Media Inc. (“we”, “our”, the “Company”, “China Media”), formerly Protecwerx Inc., was incorporated in the State of Nevada on October 16, 2007.

The Company does not conduct any substantive operations of its own; rather, it conducts its primary business operations through Vallant Pictures Entertainment Co., Ltd. (“Vallant”), its wholly owned subsidiary incorporated under the laws of the British Virgin Islands, which in turn, conducts its business through Xi’an TV Media Co. Ltd. (“Xi’an TV”). Effective control over Xi’an TV was transferred to the Company through the series of contractual arrangements without transferring legal ownership in Xi’an TV. As a result of these contractual arrangements, the Company maintained the ability to approve decisions made by Xi’an TV and was entitled to substantially all of the economic benefits of Xi’an TV.

Xi’an TV was incorporated in Xi’an, Shaan’xi Province, People’s Republic of China (“PRC”) and is in the business of investing, producing and developing film and television programming for the Chinese market.

NOTE 2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The accompanying unaudited interim consolidated financial statements of China Media Inc. have been prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP”) and the rules of the Securities and Exchange Commission, and should be read in conjunction with the audited financial statements and notes thereto contained in the Company’s annual financial statements for the year ended June 30, 2022. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the consolidated financial statements which would substantially duplicate the disclosure contained in the unaudited financial statements for the year ended June 30, 2022 have been omitted.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes, including estimates of ultimate revenues and ultimate costs of film and television products, the amount of receivables that ultimately will be collected, the potential outcome of future tax consequences of events that have been recognized in the Company’s financial statements and loss contingencies. Actual results could differ from those estimates. To the extent that there are material differences between these estimates and actual results, the Company’s financial condition or results of operations will be affected. Estimates are made based on past experience and other assumptions that management believes are reasonable under the circumstances, and management evaluates these estimates on an ongoing basis. The COVID-19 pandemic and general economic environment also increase the degree of uncertainty inherent in these estimates and assumptions.

Concentration of Credit Risk

The Company maintains cash balances at various financial institutions in the PRC which do not provide insurance for amounts on deposit. The Company has not experienced any losses in such accounts and believes it is not exposed to significant credit risk in this area.

The Company operates principally in the PRC and grants credit to its customers in this geographic region. Although the PRC is economically stable, it is always possible that unanticipated events in foreign countries could disrupt the Company’s operations.

Recent Adopted Accounting Pronouncements

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on our financial statements.

Going Concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Company has suffered recurring losses from operations and has a working capital deficit as of December 31, 2022. The Company also generated negative operating cash flows and incurred net loss for the six months ended December 31, 2022.

These matters, among others, raise substantial doubt about our ability to continue as a going concern. While the Company’s cash position may not be significant enough to support the Company’s daily operations, management intends to raise additional funds by way of cooperation with other film and television producers, obtaining loans from shareholders and borrowing from Dean Li, the President and Chief Executive Officer of the Company, to

fund operations. The consolidated financial statements do not include any adjustments that may result should the Company be unable to continue as a going concern.

NOTE 3. Related Party Transactions

From time to time, the Company borrowed loans from Dean, Li, the President and Chief Executive Officer of the Company. As of December 31, 2022 and June 30, 2022, the Company owed Dean Li \$1,030,802 and \$1,032,496, respectively. The loans borrowed from Mr. Dean Li are unsecured, free of interest with no specified maturity date. The imputed interests are assessed as an expense to the business operation and an addition to the paid-in-capital and calculated based on the average annual interest rate of 3.68% with reference to a one-year loan.

The Company has a five-year lease agreement with Shaanxi Gede Trading Co., Ltd. (“Gede”) to lease its main office for a monthly rent of RMB11,167 (approximately \$1,600) with a term of five years and expiration date on December 31, 2022. Gede’s Legal Representative and Chief Executive Officer is a major shareholder of the Company. As of December 31, 2021, the Company had a right-of-use asset of \$Nil and lease liability of \$97,148 related to this lease. The Company also owed Gede rent payable of \$43,790 for another lease that ended December 31, 2017. As of December 31, 2022 and June 30, 2022, total rent payable owed to Gede were \$140,938 and \$135,123, respectively.

Results of Operations

Comparison of the six months ended December 31, 2022 and 2021:

	For Six Months Ended December 31,	
	<u>2022</u>	<u>2021</u>
Operating expenses		
Selling, general and administrative expenses	\$ 24,800	\$ 76,381
Total operating expenses	<u>24,800</u>	<u>76,381</u>
Other expense:		
Interest expense	<u>18,745</u>	<u>19,396</u>
Total other expense	<u>18,745</u>	<u>19,396</u>
Net loss before income taxes	(43,545)	(95,777)
Income taxes	-	-
Net loss	<u>\$ (43,545)</u>	<u>\$ (95,777)</u>

Revenue and Cost

We had no sales and cost for the six months ended December 31, 2022 and 2021.

Operating expenses

During the six months ended December 31, 2022, our total operating expenses were \$24,800, a decrease of \$51,581 or 68% as compared to \$76,381 for the six months ended December 31, 2021. The decrease was primarily due to decrease in professional expense - audit fees.

Net loss

For the six months ended December 31, 2022, we incurred a net loss of \$43,545, as compared to a net loss of \$95,777 for the six months ended December 31, 2021, a decrease of \$52,232 or 55%. This decrease was primarily due to the decrease in operating expenses.

Comparison of the three months ended December 31, 2022 and 2021:

	For Three Months Ended December 31,	
	<u>2022</u>	<u>2021</u>
Operating expenses		
Selling, general and administrative expenses	\$ 12,221	\$ 23,200
Total operating expenses	<u>12,221</u>	<u>23,200</u>
Other expense:		

Interest expense	9,199	9,744
Total other expense	<u>9,199</u>	<u>9,744</u>
Net loss before income taxes	(21,420)	(32,944)
Income taxes	-	-
Net loss	<u>\$ (21,420)</u>	<u>\$ (32,944)</u>

Revenue and Cost

We had no sales and cost for the three months ended December 31, 2022 and 2021.

Operating expenses

During the three months ended December 31, 2022, our total operating expenses were \$12,221, a decrease of \$10,979 or 47% as compared to \$23,200 for the three months ended December 31, 2021. The decrease was primarily due to decrease in professional expense - review fees.

Net loss

For the three months ended December 31, 2022, we incurred a net loss of \$21,420, as compared to a net loss of \$32,944 for the three months ended December 31, 2021, a decrease of \$11,524 or 35%. This decrease was primarily due to the decrease in operating expenses.

Liquidity and Capital Resources

The following table sets forth a summary of our cash flows for the periods indicated:

	For the Six Months Ended December 31,	
	2022	2021
Net cash used in operating activities	\$ (27,782)	\$ (34,464)
Net cash provided by financing activities	27,782	35,078
Effect of exchange rate changes on cash and cash equivalents	(22)	24
Net change in cash and cash equivalents	(22)	638
Cash and cash equivalents at beginning of period	770	987
Cash and cash equivalents at end of period	\$ 748	\$ 1,625

As of December 31, 2022, we had cash of \$748 in our bank accounts and a working capital deficit of \$1,573,161.

For the six months ended December 31, 2022, we used net cash of \$27,782 in operating activities, compared to net cash used of \$34,464 in operating activities during the same period of 2021. The decrease of \$6,682 for net cash used in operating activities was mainly due to the decrease in net operating loss and off set with the change in accrued liabilities and other payable in this period.

During the six months ended December 31, 2022, we received net cash of \$27,782 from financing activities, compared to net cash received of \$35,078 in financing activities during the same period of 2021. The decrease of \$7,296 in net cash provided by financing activities was due to the decrease in proceeds received from a related party.

Our cash level decreased by \$22 during the six months ended December 31, 2022, compared to an increase of \$638 in the same period of 2021. The changes in cash were a result of the factors described above.

We anticipate that we will meet our ongoing cash requirements through equity or debt financing. We plan to cooperate with various individuals and institutions to acquire the financing required to produce and distribute our products and anticipate this will continue until we accrue sufficient capital reserves to finance all of our productions independently.

We intend to meet our cash requirements for the next 12 months through a combination of debt financing and equity financing and partnerships with finance groups on television and movie projects.

Critical Accounting Policies and Estimates

Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2021 annual report for disclosures regarding our critical accounting policies and estimates. The interim financial statements follow the same accounting policies and methods of computations as those for the year ended June 30, 2022.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Impact of COVID-19 Pandemic

Since late January 2020, the coronavirus (“COVID-19”) was rapidly evolving in China and globally led to disruptions in the business and transportation. The Chinese government has ordered quarantines, travel restrictions, and the temporary closure of stores and facilities. Companies are also taking precautions, such as requiring employees to work remotely, imposing travel restrictions and temporarily closing businesses. Our operation in the six months ended December 31, 2022 and 2021 was not significantly impacted by the COVID-19 Pandemic. As the date of this report, the Chinese government has loosened its policy and is no longer planning to impose lockdown measures due to COVID-19. As a result, China's economy is expected to become more active. We will continue to closely monitor the situation throughout 2023 and beyond.

10) Issuer Certification

Principal Executive Officer:

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) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Dean Li, certify that:

1. I have reviewed this Disclosure Statement for China Media Inc.
2. Based on my knowledge, this disclosure statement 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 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 respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

05/07/2023[Date]

/s/ Dean Li [CEO's Signature]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

Principal Financial Officer:

I, Ruijuan Hou certify that:

1. I have reviewed this Disclosure Statement for China Media Inc.
1. Based on my knowledge, this disclosure statement 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 disclosure statement; and
2. 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 respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

05/07/2023[Date]

Ruijuan Hou [CFO's Signature]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)