DISCLOSURE STATEMENT PURSUANT TO
THE PINK BASIC DISCLOSURE GUIDELINES

QIAN YUAN BAIXING, INC.

A Nevada Corporation

601 Union Street Suite 4200
Seattle, WA 98101
(Company's Address)

(206) 923-9200

(Company's telephone number)
open
(Company's Website)
open
(Company's email)

7812 – Motion picture and video production
(Company's SIC Code)

QUARTERLY REPORT

For the Period Ending June 30, 2023
(the "Reporting Period")

Outstanding Shares

As of August 14, 2023, the number of shares outstanding of our Common Stock was:

91,641,747 shares

As of December 31, 2022, the Most Recent Fiscal Year End Reporting Period, the number of shares outstanding of our Common Stock was:

91,641,747 shares

Shell Status

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

Yes: ☐ No: ☒

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

Yes:☐ No:☒

Change in Control

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

Yes:☐ No:☒

Item 1. Name of the issuer and its predecessor (if any).

The name of the issuer is Qian Yuan Baixing, Inc. ("the Company"), formerly MDCorp., General Automotive Co., Utility Investment Recovery Inc., and Bridgefilms Inc. The Company was incorporated in the State of Nevada on October 7, 2005.

On September 16, 2013, a predecessor Company, General Automobile Company, was discharged under Chapter 7 bankruptcy by the State of Nevada.

On February 7, 2017, the Company filed a Form 15-12G, Certificate and Notice of Termination of Registration under Section 12(g) of the Securities Exchange of the 1934 Act.

The Company is currently in good standing in the State of Nevada.

Describe any trading suspension order issued by the SEC concerning the issuer or its predecessors:

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.

On March 3, 2023, the Company acquired all the outstanding shares of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"), a privately held limited liability company organized under the laws of the People's Republic of China. Fifty percent of Mai Jin Li's outstanding shares were owned by the Company's CEO and the remaining shares by an unrelated individual. The Company will issue 3,000,000 unregistered shares of the Company's common stock for 100% of the outstanding shares of Mai Jin Li. The Company's common stock was valued at $9,600 or $0.0032 per share. The net assets of Mai Jin Li were valued at $732,061. Mai Jin Li is an enterprise specializing in the production, processing, distribution and professional technical consulting services of soft capsules for supplements.

The address of the issuer's principal executive office:

601 Union Street Suite 4200.
Seattle, WA 98101

The address of the issuer's principal place of business:
Check box if principal executive office and principal place of business are the same address: ☒

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

Yes:☐ No:☒

If Yes, provide additional details below:
Not applicable

Item 2. Security Information.

Transfer Agent:

Empire Stock Transfer Inc.
1859 Whitney Mesa Dr.
Henderson, NV 89014
Phone (702)818-5898
Email: info@empirestock.com

Publicly Quoted or Traded Securities:

Trading Symbol:	QYBX
Exact title and class of securities outstanding:	Common Stock
CUSIP:	74737T101
Par or Stated Value:	$0.001 par value.
Total Shares Authorized:	100,000,000 as of August 14, 2023
Total Shares Outstanding:	91,641,747 as of August 14, 2023
Total number of shareholders of record:	108 as of August 14, 2023.

Other classes of authorized or outstanding equity securities:

Trading Symbol:	None
Exact title and class of securities outstanding:	Preferred Stock
CUSIP:	None
Par or Stated Value:	$0.001 par value.
Total Shares Authorized:	10,000,000 as of August 14, 2023
Total Shares Outstanding:	-0- shares as of August 14, 2023
Total number of shareholders of record:	-0- as of August 14, 2023.

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.

Our common stock is entitled to one vote per share on all matters submitted to a vote of the stockholders, including the election of directors.

Subject to any preferential rights of any outstanding series of preferred stock created by our board of directors, the holders of shares of our common stock will be entitled to such cash dividends as may be declared from time to time by our board of directors from funds available, therefore. No dividend has been declared.

Holders of our common stock have no pre-emptive rights, no conversion rights and there are no redemption provisions applicable to our common stock.

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

The board of directors has the authority to provide by resolution for the issuance of shares of Preferred Stock in one or more series not exceeding the aggregate number of shares of Preferred Stock authorized by these Articles, and to prescribe with respect to each such series the voting powers, if any, designations, preferences, and relative, participating, optional, or other special rights, and the qualifications, limitations, or restrictions relating thereto, including, without limiting the generality of the foregoing: the voting rights relating to the shares of Preferred Stock of any series (which voting rights, if any, may be full or limited, may vary over time, and may be applicable generally or only upon any stated fact or event); the rate of dividends (which may be cumulative or non-cumulative), the condition or time for payment of dividends and the preference or relation of such dividends to dividends payable on any other class or series of capital stock; the rights of holders of Preferred Stock of any series in the event of liquidation, dissolution, or winding up of the affairs of the Corporation; the rights, if any, of holders of Preferred Stock of any series to convert or exchange such shares of Preferred Stock of such series for shares of any other class or series of capital stock or for any other securities, property, or assets of the Corporation or any subsidiary (including the determination of the price or prices or the rate or rates applicable to such rights to convert or exchange and the adjustment thereof, the time or times during which the right to convert or exchange shall be applicable, and the time or times during which a particular price or rate shall be applicable); whether the shares of any series of Preferred Stock shall be subject to redemption by the Corporation and if subject to redemption, the times, prices, rates, adjustments and other terms and conditions of such redemption. The powers, designations, preferences, limitations, restrictions and relative rights may be made. The Company has no preferred shares outstanding.

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

Item 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.

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 in 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)

Number of Shares Outstanding as of January 1, 2021:	Opening Balance: Common: 89,641,747 Preferred: -0-								
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 or 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 debit conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
9/30/2021	New Issuance	980,000	Common	48,020	Yes	Cao Zhenfeng	Consideration in acquiring business assets (1)	Restricted	Section 4(a)(2) of the 1933 Act
9/30/2021	New Issuance	1,020,000	Common	49,980	Yes	Zheng Wanqiu	Consideration in acquiring business assets (1)	Restricted	Section 4(a)(2) of the 1933 Act
Shares Outstanding on June 30, 2023 (2)	Ending Balance: Common: 91,641,747 Preferred: -0-								

The below space provides any additional details, including footnotes to the table above:

(1) On July 13, 2021, the Company acquired 100% of the assets of Panjin Chunqiu Century Industrial Co., Ltd., ("Chunqiu") a subsidiary of Qianyuan International Group, located in Kowloon, Hong Kong. The Company granted an aggregate of 2,000,000 restricted shares of the Company's common stock to Cao Zhenfeng and Zheng Wanqiu in exchange for the assets of Chunqiu. The shares were valued at $98,000 or $0.049 per share.

(2) On March 3, 2023, the Company acquired all the assets of Mai Jin Li for 3,000,000 unregistered shares of the Company's common stock for 100% of the outstanding shares of Mai Jin Li. The Company's common stock was valued at $9,600 or $0.0032 per share. As of August 14, 2023 the shares have not been issued under the agreement.

B. Debt Securities, including 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	Reason for Issuance (e.g., Loan, Services, etc.)
June 29, 2017	130,027	100,000	30,027	June 22, 2022	Indebtedness convertible at an exercise price of the 10-day VWAP of Company common stock prior to the date of conversion	PMT Advisory Ltd. HK (1)	Loan.

The below space provides any additional details, including footnotes to the table above:

(1) A related corporation controlled by Shawn Mesaros, the Company's former CEO.

Item 4. Issuer's Business, Products and Services.

A. __Summary of the Issuer's Business Operations.__

Current Operations

Qian Yuan Baixing, Inc. ("The Company") is a Nevada C Corporation that was originally formed as Bridgefilms Inc. on October 7, 2005. On November 26, 2007, the Company filed with the Secretary of State of the State of Nevada Articles of Merger, effecting a merger with Utility Investment Recovery, Inc., a Nevada Corporation, and simultaneously changed its name to "Utility Investment Recovery, Inc.". On February 21, 2008, the Company filed with the Secretary of State of the State of Nevada Articles of Merger, effecting a merger with GAS Acquisition Corp., a Nevada corporation, and simultaneously changed its name to "General Automotive Company."

On September 16, 2013, General Automobile Company, was discharged under Chapter 7 bankruptcy by the State of Nevada.

From October 20, 2011 to January 30, 2017, the Company did not make any filings with the Secretary of State of the State of Nevada.

On November 17, 2017, the District Court of Clark County, Nevada, entered and Order Granting Application of Joseph Arcaro as Custodian of General Automotive Company Pursuant to NRS 78.347(1)(b), pursuant to which Joseph Arcaro was appointed custodian of the Company and given authority to reinstate the Company with the State of Nevada under NRS 78.347.

On January 31, 2017, Joseph Arcaro filed a Certificate of Reinstatement of the Company with the Secretary of State of the State of Nevada. On January 31, 2017, Joseph Arcaro filed an Annual List of the Company with the Secretary of State of the State of Nevada, designating himself as President, Secretary, Treasurer and Director of the Company from October 2012 to October 2017.

On March 24, 2017, Joseph Arcaro appointed Shawn Mesaros as President, Secretary, Treasurer and Director of the Company and also resigned as President, Secretary, Treasurer and Director of the Company on such date.

On April 5, 2017, the Company filed with the Secretary of State of the State of Nevada a Certificate of Amendment, to change the name of the Company to "MDCorp."

On January 25, 2018, the following individuals were appointed to the Company. Zhi Cao was appointed Chief Executive Officer, President and a Director. Zhujun Cao, was appointed Chief Financial Officer and Treasurer. Jianhao Li was appointed Secretary. In addition, Shawn Mesaros resigned as the Company's CEO, COO, President, Treasurer, Secretary and Director and became an advisor to the Company.

On April 12, 2018, the Company filed with the Secretary of State of the State of Nevada a Certificate of Amendment, to change the name of the Company to "Qian Yuan Baixing, Inc."

On July 13, 2021, the Company acquired 100% of the assets of Panjin Chunqiu Century Industrial Co., Ltd., ("Chunqiu") a subsidiary of Qianyuan International Group, located in Kowloon, Hong Kong. The Company granted 2,000,000 restricted shares of the Company's common stock in exchange for the assets of Chunqiu. The shares were valued at $98,000 or $0.049 per share. Chunqiu focuses on selling goods and services on the internet.

Chunqiu, was founded in May 2017, located in China's Liaoning Internet building, focusing on social networking, an internet shopping mall and health care services. In 2019, the company began to pay more attention to social networking, e-commerce and an internet shopping mall. With the concept of "high quality products and quality service" as the operation concept, Chunqiu should speed up the convenience, specialization and digitalization of small shops, upgrade the gathering areas, innovative services and business environment as the main direction to stabilize employment, expand domestic demand and promote consumption. With the goal of enhancing economic vitality, Chunqiu will promote the formation of a multi-level and multi category small store economic development system to meet the people's growing needs for a better life. The platform of Chunqiu will lead to a larger online presence and strive to reach 10 million people in 100 cities and 1000 districts within five years.

On March 3, 2023, the Company acquired all the outstanding shares of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"), a privately held limited liability company organized under the laws of the People's Republic of China. Fifty percent of Mai Jin Li's outstanding shares were owned by the Company's CEO and the remaining shares by an unrelated individual. The Company issued 3,000,000 unregistered shares of the Company's common stock for 100% of the outstanding shares of Mai Jin Li. The Company's common stock was valued at $9,600 or $0.0032 per share. Mai Jin Li is an enterprise specializing in the production, processing, distribution and professional technical consulting services of soft capsules for supplements.

Mai Jin Li It is positioned to provide high-quality health foods for the national market and build China's high-end high-quality health food brand. Mai Jin Li will utilize the upstream industrial chain of high-end high-quality health food industry. It will use capital to restructure high-end high-quality health food enterprises.

The Company plans to implement the following initiative for Mai Jin Li:

1. Improve product quality:

   We will improve product appearance and internal quality. We will Increase the scientific and technological content of products and gradually transition to the development of varieties with independent intellectual property rights.

2. Strengthen scientific and technological cooperation:

   We will form alliances in China and with pharmaceutical factories in developed countries; strengthen horizontal links, focus on new product development, adjust product structure, and gradually integrate into the international market. With the goal of positioning our Company with international alliances to promote exports and scientific research.

3. Vigorously develop varieties of traditional Chinese medicine:

   Among the traditional Chinese medicine prescriptions, there are many ancient, proven and beneficial prescriptions, which can supplement without dryness, absorb well and have little side effects. We will carry forward the advantages of traditional Chinese medicine with unique effects on rehabilitation and health care, create traditional medicine, folk medicine and health care medicine with Chinese characteristics, strive to play the advantages of traditional Chinese medicine, and actively explore the international market.

4. Integrated production and marketing:

   Panjin Chunqiu Century Industrial Co., Ltd. controls the online and offline sales,
   Mai Jin Li focuses on the production of high-quality, high-efficiency and high-tech products to form a smooth production and marketing chain with complementary industries.

The following proforma statement of operations assumes the acquisition for Mai Jin Li had occurred as of January 1, 2021:

Qian Yuan Baixing, Inc.

Proforma Consolidated Statements of Operations (unaudited)

	For the Year Ended December 31, 2022		
	QYBX	Mai Jin Li	Grand Total
Revenue	$ 459,602	$ 5,003,464	$ 5,463,066
Cost of Revenue	92,134	4,275,055	4,367,189
Gross margin	367,468	728,409	1,095,877
Operating expenses:			
General and administrative expenses	359,992	528,607	888,599
Total operating expenses	359,992	528,607	888,599
Net operating income (loss)	7,476	199,802	207,278
Other income (expense):			
Other income (expense)	(4,317)	8,157	3,840
Total other income (expense)	(4,317)	8,157	3,840
Loss before provision for taxes	3,159	207,959	211,118
Provision for income taxes	969	2,821	-
Net Income (loss)	$ 2,190	$ 205,138	$ 211,118
Basic income (loss) per share			$ 0.002
Fully diluted income (loss) per share			$ 0.002
Weighted average number of common shares outstanding - basic			91,641,747
Weighted average number of common shares outstanding - diluted			111,726,479

Qian Yuan Baixing, Inc.

Proforma Consolidated Statements of Operations (unaudited)

	For the Year Ended December 31, 2021		
	QYBX	Mai Jin Li	Grand Total
Revenue	$ 180,785	$ 3,592,657	$ 3,773,442
Cost of Revenue	27,485	2,833,267	2,860,752
Gross margin	153,300	759,390	912,690
Operating expenses:			
General and administrative expenses	82,496	519,333	601,829
Total operating expenses	82,496	519,333	601,829
Net operating income (loss)	70,804	240,057	310,861
Other income (expense):			
Other income (expense)	(5,000)	2,620	(2,380)
Total other income (expense)	(5,000)	2,620	(2,380)
Loss before provision for taxes	65,804	242,677	308,481
Provision for income taxes	2,207	-	2,207
Net Income (loss)	$ 63,597	$ 242,677	$ 306,274
Basic income (loss) per share			$ 0.003
Fully diluted income (loss) per share			$ 0.003
Weighted average number of common shares outstanding - basic			90,145,857
Weighted average number of common shares outstanding - diluted			98,950,854

B. ***<u>Describe any subsidiaries, parents or affiliated companies, if applicable, and a description of their contact information for the business, officers, directors, managers or control persons</u>.***

None

C. ***<u>Principal Products or Services, and Their Markets</u>.***

On July 13, 2021, the Company acquired 100% of the assets of Panjin Chunqiu Century Industrial Co., Ltd., ("Chunqiu") a subsidiary of Qianyuan International Group, located in Kowloon, Hong Kong. Chunqiu focuses on selling goods and services on the internet. Qian Yuan Baixing, Inc. will directly or indirectly capitalize its subsidiaries in order to drive the best economics we feel are available for each technology or solution, allowing our subsidiary managers to directly fund themselves or where appropriate or where it creates more value, use equity in the Company to drive investment from our corporate entity. Qian Yuan Baixing, Inc. has long recognized that Asia is the home for more than 50% of the world's population, yet healthcare spending per-capita remains some 75% below developed country averages. Qian Yuan Baixing, Inc. seeks to utilize technology, distribution and brand equity to develop MedTech more rapidly and biotechnology solutions in the local market. We feel this makes Qian Yuan Baixing, Inc. one of the most unique platforms through which we can accelerate local market product development and distribution.

On March 3, 2023, the Company acquired all the outstanding shares of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"). Mai Jin Li is an enterprise specializing in the production, processing, distribution and professional technical consulting services of soft capsules for supplements.

Item 5. Issuer's Facilities.

Description of Corporate Offices

Since approximately March 2017, the Company's corporate offices have been located at 601 Union Street Suite 4200, Seattle, WA 98101, which is property controlled by our former CEO. This office space is provided, on a month-to-month basis, by our former CEO at no charge.

We believe that our current facilities are adequate for our operations as currently conducted and if additional facilities are required, that we can obtain them at commercially reasonable prices.

The Company does not lease any assets, properties or facilities.

Item 6. Officers, Directors and Control Persons.

The below table provides information, as of August 14, 2023, regarding any officers, or directors of the company, individuals or entities controlling more that 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 and Control Person	Affiliation with Company (e.g., Officer/Director/Owner of more than 5%)	Residential Address (City/State only)	Number of Shares owned	Share type/class	Ownership Percentage of Class Outstanding (1)	Names of control person(s) if a corporate entity
Zhi Cao	CEO, President, Director	Qinhuangdao City, Peoples Republic of China	None	None	None	None
Zhujun Cao	CFO and Treasurer	Qinhuangdao City, Peoples Republic of China	None	None	None	None
Jianhao Li	Secretary	Qinhuangdao City, Peoples Republic of China	None	None	None	None
Qinhuangdao Baixing Communication & Tech LTD.	Related Company	Qinhuangdao City, Peoples Republic of China	70,000,000	Common	76.4%	(2)

The below space provides any additional details, including footnotes to the table above:

(1) As of August 14, 2023, there were 91,641,747 shares of common stock and -0- shares of preferred stock shares issued and outstanding.

(2) Zhi Coa, the Company’s CEO, has voting and investment control and resides in Qinhuangdao City, Peoples Republic of China.

Item 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

Item 8. Third Party Providers

Securities Counsel (Counsel preparing Attorney Letters):

Thomas E, Puzzo
Law Offices of Thomas E, Puzzo, PLLC
8823 44th Ave. NE
Seattle, Washington 98105
Phone no.: (206) 522-2256

Accountant or Auditor:

Rick Basse, CPA
Rick Basse Consulting, PLLC
244 Majestic Oak Drive
New Braunfels, Texas 78132
Phone no.: (210) 347-0374
Email: rick.basse@gmail.com

Investor Relations:

Shawn Mesaros
CTM Advisory, LTD
Two Union Square 601 Union Street
Suite # 4200
Seattle, WA 98101

All other means of Investor Communication:

Twitter: None
Discord: None
LinkedIn None
Facebook: None
[Other] None

Other Service Providers:

The name(s) of other service provider(s), including counsel, advisor(s) or consultant(s) that assisted, advised, prepared or provided information with respect to this disclosure statement, or provided assistance or services to the Company during the Reporting Period are as follows:

Name: None
Firm:
Nature of Services: Address:
Phone: Email:

Item 9. Financial Statements.

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

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by:

Name: Rick Basse, CPA
Title: Owner of Rick Basse Consulting, PLLC
Relationship to Issuer: Accountant engaged by Company.
The qualifications of the person who prepared the financial statements: The accountant is a CPA as recognized by the Texas State Board of Public Accountancy.

The following financial statements described below are provided and incorporated by this reference for the most recent fiscal year or quarter:

C. Consolidated Balance Sheets;
D. Consolidated Statements of Operations;
E. Statement of Changes in Shareholders' Equity
F. Statement of Cash Flows;
G. Financial Notes; and
H. Audit letter, if audited (the Company was not Audited)

Management's Discussion and Analysis or Plan of Operation.

A. Plan of Operation.

With our July 13, 2021 acquisition of Panjin Chunqiu Century Industrial Co., Ltd., ("Chunqiu"), and our March 3, 2023 acquisition of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"), we will be focusing on executing the business plan for our new acquisitions, selling goods and services on the internet and the production, processing, distribution and professional technical consulting services of soft capsules. For the six months ended June 30, 2023 and 2022, we had revenues of $2,305,137 and $119,072, respectively, and incurred a net income of $787,366 and $33,549 for the six months ended June 30, 2023 and 2022, respectively. During the six months ended June 30, 2023, we reported a net gain of $722,461 on the acquisition of Mai Jin Li. At June 30, 2023, we had an accumulated deficit since inception of $9,675,591.

For the foreseeable future, our operating plan is dependent upon the ability execute the business plan for Chunqiu. We are still relying on cash generated from operations and cash contributions from our shareholders. In the event that we are unable to obtain the additional and necessary capital, the Company may have to cease or significantly curtail our operations. This could materially impact on the Company's ability to continue as a going concern for a reasonable period of time.

Liquidity and Capital Resources

As of June 30, 2023, we had cash of $651,949 and working capital of $303,121. This compares to cash of $42,587 and a working capital deficit of $199,555 at December 31, 2022. The $502,676 improvement in working capital is a result of the March 3, 2023 acquisition of Mai Jin Li.

We have commenced, and will continue to pursue, efforts to raise additional equity financing and/or debt financing from a variety of sources and means. There are no assurances that we will be able to obtain any additional financing and, even if obtained, that such financing will be in a sufficient amount to be able to continue operations for a sufficient period until the Company is able to generate sufficient revenues and to sustain profitability. We are optimistic about our positive cash flow from our July 13, 2021 acquisition of Chunqiu and our March 3, 2023 acquisition of Mai Jin Li.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations for the three months ended June 30, 2023 compared to the three months ended June 30, 2022:

Overview. Qian Yuan Baixing, Inc. is a Nevada corporation, originally formed on October 7, 2005. Qian Yuan Baixing, Inc. is attempting to grow by selling consumer goods and services on the internet. With our July 13, 2021 acquisition of Chunqiu and our March 3, 2023, acquisition of Mai Jin Li, we will focus on executing the business plan for our new acquisitions. The Company has generated sales of $1,674,409 and $65,692 for the three months ended June 30, 2023 and 2022, respectively. The Company has generated net income of $81,178 and $14,847 for the three months ended June 30, 2023 and 2022, respectively. The increase in net income of $66,331 is attributable to the factors discussed below.

Revenues. We had revenues of $1,674,409 and $65,692 for the three months ended June 30, 2023 and 2022, respectively, the increase of $1,608,717 is attributable to our March 3, 2023, acquisition of Mai Jin Li.

Gross Margin. Once cost of revenue and other expenses to generate revenue are considered, we had gross margins of $277,764 and 17% of revenue and $52,969 and 80% of revenues from our operations for the three months ended June 30, 2023 and 2022, respectively. The $225,068 increase in gross margin is attributable to our March 3, 2023, acquisition of Mai Jin Li. The margins for Mai Jin Li are lower than for our Chunqiu business.

Operating Expenses. Our operating expenses were $173,921 and $36,094 for the three months ended June 30, 2023 and 2022, respectively. The increase of $137,827 was primarily attributable to our March 3, 2023, acquisition of Mai Jin Li, which resulted in an approximate $131,000 increase in other general and administrative expenses and an approximate $8,000 increase in amortization and depreciation expense, offset by an approximate $1,000 decrease in professional fees.

Other Income (Expense). Our other income (expense) was ($20,389) and ($1,247) for the three months ended June 30, 2023 and 2022, respectively. The $19,142 increase in other expense was other expense of $19,142 for other items and interest expense.

Results of Operations for the six months ended June 30, 2023 compared to the six months ended June 30, 2022:

Overview. Qian Yuan Baixing, Inc. is a Nevada corporation, originally formed on October 7, 2005. Qian Yuan Baixing, Inc. is attempting to grow by selling consumer goods and services on the internet. With our July 13, 2021 acquisition of Chunqiu and our March 3, 2023, acquisition of Mai Jin Li, we will focus on executing the business plan for our new acquisitions. The Company has generated sales of $2,305,137 and $119,072 for the six months ended June 30, 2023 and 2022, respectively. The Company has generated net income of $787,366 and $33,549 for the six months ended June 30, 2023 and 2022, respectively. The increase in net income of $753,817 is attributable to the factors discussed below.

Revenues. We had revenues of 2,305,137 and $119,072 for the six months ended June 30, 2023 and 2022, respectively, the increase of $2,186,065 is attributable to our March 3, 2023, acquisition of Mai Jin Li.

Gross Margin. Once cost of revenue and other expenses to generate revenue are considered, we had gross margins of $399,187 and 17% of revenue and $96,743 and 81% of revenues from our operations for the six months ended June 30, 2023 and 2022, respectively. The $302,444 increase in gross margin is attributable to our March 3, 2023, acquisition of Mai Jin Li. The margins for Mai Jin Li are lower than for our Chunqiu business.

Operating Expenses. Our operating expenses were $312,407 and $59,711 for the six months ended June 30, 2023 and 2022, respectively. The increase of $252,696 was primarily attributable to our March 3, 2023, acquisition of Mai Jin Li, which resulted in an approximate $240,000 increase in other general and administrative expenses and an approximate $16,000 increase in amortization and depreciation expense, offset by an approximate $3,000 decrease in professional fees.

Other Income (Expense). Our other income (expense) was $703,754 and ($2,479) for the six months ended June 30, 2023 and 2022, respectively. The $706,233 increase in other income was from a net gain of $722,461 on the acquisition of Mai Jin Li on March 3, 2023, offset by other expense of $16,228 for other items and interest expense.

Capital Structure and Resources

As of June 30, 2023, we had assets of $1,982,690 consisting of cash of $651,949, accounts receivable of $128,050, inventory of $800,942, prepaid expenses of $3,827, cash advances to suppliers of 27,966, other current assets of $6,111, property and equipment of $269,620 (net of accumulated depreciation), patents of $2,110 (net of accumulated amortization), goodwill of 78,911 and other assets of $13,174. The large increase in cash, accounts receivable and inventory was a result of our acquisition of Mai Jin Li on March 3, 2023.

We had total liabilities of $1,315,754 as of June 30, 2023 consisting of accounts payable for $892,491, accrued expenses of $168,135, shareholder advances of $155,128 and a $100,000 related party convertible promissory note payable. The large increase in accounts payable is a result of our acquisition of Mai Jin Li on March 3, 2023.

At June 30, 2023, we had total stockholders' equity of $666,936. We have had net losses since inception and had an accumulated deficit of $9,675,591 at June 30, 2023.

Cash of $632,673 was provided by operating activities for the six months ended June 30, 2023 compared to $3,162 cash provided by operation for the six months ended June 30, 2022. The $629,511 increase was primarily from our AR collection efforts, higher accounts payable due to timing differences and cash generated by our acquisition of Mai Jin Li on March 3, 2023.

Cash of $79,327 was provided from investing activities for the six months ended June 30, 2023, as a result of cash received from the acquisition of Mai Jin Li on March 3, 2023.

We used cash of $57,694 from our financing activities for the six months ended June 30, 2023 compared to $9,890 of cash provided by financing activities for the six months ended June 30, 2022. The $67,584 decrease in cash was primarily due to our $66,193 repayment of third-party advance during the six months ended June 30, 2023.

Item 10. Issuer's Certifications.

Principal Executive Officer:

I, Zhi Cao, as CEO, President, and Director, certify that:

1. I have reviewed this Quarterly Report of Qian Yuan Baixing, 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 restated financial statement, 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.

Dated: August 14, 2023

Qian Yuan Baixing, Inc.

By /s/ Zhi Cao
Zhi Cao, CEO, President, Director

Principal Financial Officer:

I, Zhujun Cao as CFO and Treasurer, certify that:

1. I have reviewed this Quarterly Report of Qian Yuan Baixing, 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 restated financial statement, 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.

Dated: August 14, 2023

Qian Yuan Baixing, Inc.

By /s/ Zhujun Cao
Zhujun Cao, CFO, Treasurer

Exhibit A

QIAN YUAN BAIXING, INC.
601 Union Street Suite 4200
Seattle, WA 98101

Financial Statements and Notes
For the Six Months ended June 30, 2023 and 2022

Qian Yuan Baixing, Inc.

Consolidated Balance Sheets (Unaudited)

	June 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash	$ 651,949	$ 42,587
Accounts receivable	128,050	468
Inventory	800,942	31,829
Prepaid expenses	3,827	31,724
Cash advances to suppliers	27,996	33,060
Other current assets	6,111	1,993
Total current assets	1,618,875	141,661
Other assets		
Property and equipment, net of accumulated depreciation of $18,743 and at June 30, 2023 and December 31, 2022, respectively	269,620	31,628
Patents, net of accumulative amortization of $372 and $131 at June 30, 2023 and December 31, 2022, respectively	2,110	2,480
Goodwill	78,911	78,911
Other assets	13,174	1,450
Total other assets	363,815	114,469
Total Assets	$ 1,982,690	$ 256,130
Liabilities and Stockholders' Equity (Deficiency)		
Current liabilities:		
Accounts payable	$ 892,491	$ -
Accrued expenses	168,135	28,394
Third-party cash advances	-	66,193
Stockholders advances	155,128	146,629
Related party convertible promissory note payable	100,000	100,000
Total current liabilities	1,315,754	341,216
Commitments and contingencies	-	-
Stockholders' Equity (Deficiency):		
Preferred stock, $0.001 par value; 10,000,000 shares authorized, -0- shares issued and outstanding as of June 30, 2023 and December 31, 2022	-	-
Common stock, $0.001 par value, 100,000,000 shares authorized 91,641,747 issued and outstanding as of June 30, 2023 and December 31, 2022	91,642	91,642
Additional paid-in capital	10,292,030	10,292,030
Common stock to be issued	9,600	-
Accumulated other comprehensive income (loss)	(50,745)	(5,801)
Accumulated deficit	(9,675,591)	(10,462,957)
Total stockholders' equity (deficiency)	666,936	(85,086)
Total Liabilities and Stockholders' Equity (Deficiency)	$ 1,982,690	$ 256,130

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

Qian Yuan Baixing, Inc.

Consolidated Statements of Operations (unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Revenue	$ 1,674,409	$ 65,692	$ 2,305,137	$ 119,072
Cost of Revenue	1,396,645	12,996	1,905,950	22,329
Gross margin	277,764	52,696	399,187	96,743
Operating expenses:				
Professional fees	$ 2,640	$ 3,350	6,840	9,815
Amortization and depreciation expense	7,888	418	17,263	886
General and administrative expenses	163,393	32,326	288,304	49,010
Total operating expenses	173,921	36,094	312,407	59,711
Net operating income (loss)	103,843	16,602	86,780	37,032
Other income (expense):				
Other income (expense)	(19,323)	-	(16,501)	-
Gain on acquisition	-	-	722,461	-
Interest expense	(1,066)	(1,247)	(2,206)	(2,479)
Total other income (expense)	(20,389)	(1,247)	703,754	(2,479)
Loss before provision for taxes	83,454	15,355	790,534	34,553
Provision for income taxes	2,276	508	3,168	1,004
Net income (loss)	$ 81,178	$ 14,847	$ 787,366	$ 33,549
Basic income (loss) per share	$ 0.001	$ 0.000	$ 0.009	$ 0.000
Diluted income per share	$ 0.001	$ 0.000	$ 0.006	$ 0.000
Weighted average number of common shares outstanding - basic	91,641,747	91,641,747	91,641,747	91,641,747
Weighted average number of common shares outstanding - diluted	123,656,659	106,186,000	126,767,719	104,518,183

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

Qian Yuan Baixing, Inc.

Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Net income (loss)	$ 81,178	$ 14,847	$ 787,366	$ 33,549
Other comprehensive gain (loss):				
Foreign currency translation adjustment	(46,773)	(5,454)	(44,944)	(5,191)
Total comprehensive income (loss)	$ 34,405	$ 9,393	$ 742,422	$ 28,358

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

Qian Yuan Baixing, Inc.

Statement of Changes in Stockholders' Deficiency (Unaudited)

	Common Stock		Additional Paid-In Capital	Common Stock to be Issued	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Deficiency
	Shares	Amount					
For the Three Months Ended June 30, 2022							
Balance at March 31, 2022	91,641,747	$ 91,642	$ 10,292,030	$ -	$ 1,152	$ (10,446,445)	$ (61,621)
Other comprehensive income (loss)	-	-	-	-	(5,454)	-	(5,454)
Net loss	-	-	-	-	-	14,847	14,847
Balance at June 30, 2022	91,641,747	$ 91,642	$ 10,292,030	$ -	$ (4,302)	$ (10,431,598)	$ (52,228)
For the Six Months Ended June 30, 2022							
Balance at December 31, 2021	91,641,747	$ 91,642	$ 10,292,030	$ -	$ 889	$ (10,465,147)	$ (80,586)
Other comprehensive income (loss)	-	-	-	-	(5,191)	-	(5,191)
Net loss	-	-	-	-	-	33,549	33,549
Balance at June 30, 2022	91,641,747	$ 91,642	$ 10,292,030	$ -	$ (4,302)	$ (10,431,598)	$ (52,228)
For the Three Months Ended June 30, 2023							
Balance at March 31, 2023	91,641,747	$ 91,642	$ 10,292,030	$ 9,600	$ (3,972)	$ (9,756,770)	$ 632,530
Other comprehensive income (loss)	-	-	-	-	(46,773)	-	(46,773)
Net loss	-	-	-	-	-	81,179	81,179
Balance at June 30, 2023	91,641,747	$ 91,642	$ 10,292,030	$ 9,600	$ (50,745)	$ (9,675,591)	$ 666,936
For the Six Months Ended June 30, 2023							
Balance at 12/31/2022	91,641,747	$ 91,642	$ 10,292,030	$ -	$ (5,801)	$ (10,462,957)	$ (85,086)
Other comprehensive income (loss)	-	-	-	-	(44,944)	-	(44,944)
Acquisition of Hangzhou Mai Jin Li Biotechnology Co., Ltd	-	-	-	9,600	-	-	9,600
Net loss						787,366	787,366
Balance at June 30, 2023	91,641,747	$ 91,642	$ 10,292,030	$ 9,600	$ (50,745)	$ (9,675,591)	$ 666,936

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

Qian Yuan Baixing, Inc.

Statements of Cash Flows (Unaudited)

	For the Six Months Ended June 30, 2023	For the Six Months Ended June 30, 2022
Cash flows from operating activities:		
Net loss	$ 787,366	$ 33,549
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	33,124	886
Amortization of Intangibles	370	-
Gain on acquisition	(722,461)	-
Changes in operating assets and liabilities:		
Accounts receivable	198,523	65,302
Inventory	(364)	7,556
Prepaid expenses	27,897	12,506
Advances to suppliers	5,064	-
Other current assets	258	(36,725)
Other assets	31,983	-
Accounts payable	250,676	(8,192)
Accrued expenses	20,237	(71,720)
Net cash provided by operating activities	632,673	3,162
Cash flows from investing activities:		
Cash received from acquisition	79,327	-
Net cash provided in investing activities	79,327	-
Cash flows from financing activities		
Shareholder advances	8,499	9,890
Repayment of third-party cash advances	(66,193)	-
Net cash provided by financing activities	(57,694)	9,890
Net increase (decrease) in cash	654,306	13,052
Effect of foreign exchange adjustment	(44,944)	(5,191)
Cash - beginning of the year	42,587	3,481
Cash - end of the year	$ 651,949	$ 11,342
Supplemental disclosures:		
Interest paid	$ -	$ -
Taxes Paid	$ 3,168	$ 1,004
Supplemental disclosure for non-cash financing activities:		
Common stock to be issued to acquire Hangzhou Mai Jin Li Biotechnology Co., Ltd	$ 9,600	$ -

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

QIAN YUAN BAIXING, INC.
Notes to Financial Statements (Unaudited)
As of June 30, 2023

NOTE 1 – ORGANIZATION

Description of Business

Qian Yuan Baixing, Inc. ("The Company") is a Nevada C Corporation that was originally formed as Bridgefilms Inc. on October 7, 2005. On November 26, 2007, the Company filed with the Secretary of State of the State of Nevada Articles of Merger, effecting a merger with Utility Investment Recovery, Inc., a Nevada Corporation, and simultaneously changed its name to "Utility Investment Recovery, Inc.". On February 21, 2008, the Company filed with the Secretary of State of the State of Nevada Articles of Merger, effecting a merger with GAS Acquisition Corp., a Nevada corporation, and simultaneously changed its name to "General Automotive Company."

On September 16, 2013, General Automobile Company, was discharged under Chapter 7 bankruptcy by the State of Nevada.

From October 20, 2011 to January 30, 2017, the Company did not make any filings with the Secretary of State of the State of Nevada.

On November 17, 2017, the District Court of Clark County, Nevada, entered and Order Granting Application of Joseph Arcaro as Custodian of General Automotive Company Pursuant to NRS 78.347(1)(b), pursuant to which Joseph Arcaro was appointed custodian of the Company and given authority to reinstate the Company with the State of Nevada under NRS 78.347.

On January 31, 2017, Joseph Arcaro filed a Certificate of Reinstatement of the Company with the Secretary of State of the State of Nevada. On January 31, 2017, Joseph Arcaro filed an Annual List of the Company with the Secretary of State of the State of Nevada, designating himself as President, Secretary, Treasurer and Director of the Company from October 2012 to October 2017.

On March 24, 2017, Joseph Arcaro appointed Shawn Mesaros as President, Secretary, Treasurer and Director of the Company and also resigned as President, Secretary, Treasurer and Director of the Company on such date.

On April 5, 2017, the Company filed with the Secretary of State of the State of Nevada a Certificate of Amendment, to change the name of the Company to "MDCorp".

On January 25, 2018, the following individuals were appointed to the Company. Zhi Cao was appointed Chief Executive Officer, President and a Director. Zhujun Cao, was appointed Chief Financial Officer and Treasurer. Jianhao Li was appointed Secretary. In addition, Shawn Mesaros resigned as the Company's CEO, COO, President, Treasurer, Secretary and Director and became an advisor to the Company.

On April 12, 2018, the Company filed with the Secretary of State of the State of Nevada a Certificate of Amendment, to change the name of the Company to "Qian Yuan Baixing, Inc."

On July 12, 2018, the Company filed with the Secretary of State of the State of Nevada to increase the authorized shares from 90,000,000 to 100,000,000.

On July 13, 2021, the Company acquired 100% of the assets of Panjin Chunqiu Century Industrial Co., Ltd., ("Chunqiu") a subsidiary of Qianyuan International Group, located in Kowloon, Hong Kong. The Company granted 2,000,000 restricted shares of the Company's common stock in exchange for the assets of Chunqiu. The shares were valued at $98,000 or $0.049 per share. Chunqiu focuses on selling goods and services on the internet.

On March 3, 2023, the Company acquired all the outstanding shares of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"), a privately held limited liability company organized under the laws of the People's Republic of China. Fifty percent of Mai Jin Li's outstanding shares were owned by the Company's CEO and the remaining shares by an unrelated individual. The Company issued 3,000,000 unregistered shares of the Company's common stock for 100% of the outstanding shares of Mai Jin Li. The Company's common stock was valued at $9,600 or $0.0032 per share. Mai Jin Li is an enterprise specializing in the production, processing, distribution and professional technical consulting services of soft capsules for supplements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America.

Use of Estimates

In preparing financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenue and expenses in the statement of expenses. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified for comparative purposes to conform to the current-year financial statement presentation. These reclassifications had no effect on previously reported results of operations.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivables are recorded at the invoiced amount and are stated net of an allowance for doubtful accounts. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the existing accounts receivable. The allowance is based on historical collection data and current franchisee information. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. At June 30, 2023, no allowance for doubtful accounts was deemed necessary. The accounts receivable balance was $128,050 and $468 at June 30, 2023 and December 31, 2022, respectively. The large increase for accounts receivable is a result of the Company's acquisition of Mai Jin Li on March 3, 2023.

Inventory

Inventories are valued at the lower of cost (determined on a weighted average basis) or market. Management compares the cost of inventories with the market value and allowance is made to write down inventories to market value, if lower. The Company's inventory consists of products available for sale. The Company evaluated the inventory at June 30, 2023 and determined no inventory reserve was necessary. The large increase for inventory is a result of the Company's acquisition of Mai Jin Li on March 3, 2023.

A summary of the Company's inventory as of June 30, 2023 and December 31, 2022 is as follows:

Type	June 30, 2023	December 31, 2022
Mai Jin Li:		
Raw Materials	$ 746,197	$ -
Supplements held for sale	36,450	-
Subtotal	782,647	-
Chunqiu:		
Personal hygiene items for sale on the internet	18,195	31,829
Total Inventory	$ 800,942	$ 31,829

Prepaid Expenses

The Company considers all items incurred for future services to be prepaid expenses. The prepaid expenses were $3.827 and $31,724 at June 30, 2023 and December 31, 2022, respectively, consisting of worker insurance, the OTC Markets semi-annual fee and various other items.

Related parties

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

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

Cash Advances to Supplier

The Company will advance funds to supplier on a short-term basis. The advances are non-interest bearing and are due on demand. The supplier advances were $27,966 and $33,060 at June 30, 2023 and December 31, 2022, respectively.

Property and equipment

Property and equipment is recorded at cost and depreciated on the straight-line method over the estimated useful lives. Expenditures for normal repairs and maintenance are charged to expense as incurred. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the accounts, and any gain or loss is included in operations.

The Company recorded depreciation expenses of $7,712 and $418 for the three months ended June 30, 2023 and 2022, respectively and $17,021 and $886 for the six months ended June 30, 2023 and 2022, respectively. The large increase for depreciation expenses is a result of our acquisition of Mai Jin Li on March 3, 2023.

Patents

The Company records the cost to acquire a patent as the initial asset cost. When the Company files for a patent application, this cost will include the filing and registration, documentation, and other legal fees associated with filing the application and legal costs to get the patent to be granted. Once the patents are approved and in use, and assuming no litigations expenses, the Company amortizes the patent cost over the useful life using the straight-line method. The amortization period will not exceed the lifespan of the protection afforded by the patent. If the expected useful life of the patent is even shorter, the Company will use the useful life for amortization purposes. Thus, the shorter of a patent's useful life and its legal life will be used for the amortization period.

Goodwill

The Company test goodwill for impairment on an annual basis, or more frequently if circumstances, such as material deterioration in performance, indicate reporting unit carrying values may exceed their fair values. When evaluating goodwill for impairment, we may first perform a qualitative assessment to determine if the fair value of the reporting unit is more likely than not greater than its carrying amount. If we do not perform a qualitative assessment or if the fair value of the reporting unit is not more likely than not greater than its carrying amount, we calculate the implied estimated fair value of the reporting unit. If the carrying amount of goodwill exceeds the implied estimated fair value, an impairment charge to current operations is recorded to reduce the carrying value to the implied estimated fair value. As of June 30, 2023, no impairment of goodwill was deemed necessary.

Commitments and contingencies

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

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

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

Revenue recognition

Revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount: (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

Once a contract is determined to be within the scope of ASC 606 at contract inception, the Company reviews the contract to determine which performance obligations the Company must deliver and which of these performance obligations are distinct. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company's performance obligations are transferred to customers at a point in time, typically upon delivery.

Concentrations of Risk

Cash and cash equivalents deposited with financial institutions are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company did not hold cash in excess of FDIC insurance coverage at a financial institution as of June 30, 2023.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For option-based derivative financial instruments, The Company uses the Black-Scholes option-pricing model to value the derivative instruments at inception and subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is reassessed at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

Fair Value Measurements

In September 2006, the FASB issued ASC 820 which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The provisions of ASC 820 were effective January 1, 2008.

As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company classifies fair value balances based on the observations of those inputs. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

The three levels of the fair value hierarchy defined by ASC 820 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities and listed equities.

Level 2 – Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options and collars.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

The Company did not identify any assets or liabilities that are required to be adjusted on the balance sheet at fair value in accordance with ASC 825-10 as of June 30, 2023 and December 31, 2022.

Income Tax Provisions

The Company's policy is to provide for deferred income taxes based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates that will be in effect when the differences are expected to reverse. The U.S. Tax Cuts and Jobs Act (TCJA) legislation reduces the U.S. federal corporate income tax rate from 35.0% to 21.0% and is effective June 22, 2018 for the Company. On January 1, 2023, the U.S. federal corporate income tax increased from 21% to 28%. We did not provide any current or deferred U.S. federal income tax provision or benefit for any of the periods presented because we have experienced operating losses since inception. When it is more likely than not that a tax asset cannot be realized through future income the Company must allow for this future tax benefit. We provided a full valuation allowance on the net deferred tax asset, consisting of net operating loss carryforwards, because management has determined that it is more likely than not that we will not earn income sufficient to realize the deferred tax assets during the carryforward period.

The Company is not aware of any uncertain tax position that, if challenged, would have a material effect on the financial statements for the six months ended June 30, 2023 or during the prior three years applicable under FASB ASC 740. We did not recognize any adjustment to the liability for uncertain tax position and therefore did not record any adjustment to the beginning balance of accumulated deficit on the consolidated balance sheet. All tax returns for the Company remain open for examination.

Net income (loss) per common share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

There were approximately 42,402,000 potentially dilutive shares outstanding as of June 30, 2023 from the Company's related party convertible promissory note and common stock to be issued for the acquisition of Mai Jin Li on March 3, 2023 .

Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Recently Issued Accounting Standards

Management believes recently issued accounting pronouncements will have no impact on the financial statements of the Company.

NOTE 3 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the accompanying financial statements, the Company had an accumulated deficit at June 30, 2023 of $9,675,591 since inception as the Company is attempting to assimilate two new business into the operations. These factors among others raise substantial doubt about the Company's ability to continue as a going concern. The Company's results are improving since the July 13, 2021 acquisition of Panjin Chunqiu Century Industrial Co., Ltd and the acquisition of Hangzhou Mai Jin Li Biotechnology Co., Ltd on March 3, 2023. The Company generated $2,305,137 revenues and $787,366 net income for the six months ended June 30, 2023. During the six months ended June 30, 2023, the Company reported a net gain of $722,461 on the acquisition of Mai Jin Li. The adjusted net loss for the six months ended June 30, 2023 was $64,905 with removal of the $722,461 gain on acquisition of Mai Jin Li.

While the Company is attempting to commence operations and generate revenues, 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 a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The consolidated financial statements do not contain any adjustments to reflect the possible future effects on the classification of assets or the amounts and classification of liability that may result should the Company be unable to continue as a going concern.

NOTE 4 – PATENT

On July 1, 2022, the Company acquired a Chinese patent for an internet logistics management device. The initial cost of the patent was $2,607, which will be amortized over the 10-year patent life. The annual patent amortization expense is $253. The Company reported amortization expenses of $176 and $242 for three and six months ended June 30, 2023. A Chinese third-party appraisal firm valued the Patent at 10,000,000 CNY ($1,493,000 USD). The patent balance net of accumulated amortization was $2,110 and $2,480 at June 30, 2023 and December 31, 2022, respectively, in the accompanying consolidated balance sheet.

NOTE 5 – ACQUISITION

On March 3, 2023, the Company acquired all the outstanding shares of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"), a privately held limited liability company organized under the laws of the People's Republic of China. Fifty percent of Mai Jin Li's outstanding shares were owned by the Company's CEO and the remaining shares by an unrelated individual. The Company will issue 3,000,000 unregistered shares of the Company's common stock for 100% of the outstanding shares of Mai Jin Li. As of June 30, 2023 the 3,000,000 have not been issued. The Company's common stock was valued at $9,600 or $0.0032 per share. Mai Jin Li is an enterprise specializing in the production, processing, distribution and professional technical consulting services of soft capsules.

The following tables summaries the purchase price and fair value of the assets and liabilities acquired and gain on the acquisition of Mai Jin Li:

Purchase price	$	9,600
Asset and liabilities acquired:		
Cash		79,327
Accounts receivable		326,105
Inventory		768,749
Other current		4,368
Fixed assets		271,116
Other assets		43,707
Accounts payable		(641,806)
Other accrued expenses		(119,505)
Total assets and liabilities acquired		732,061
Gain on acquisition of Mai Jin Li	$	722,461

The gain on acquisition for Mai Jin Li of $722,461 was considered negative goodwill and was included in other income in the accompanying consolidated statements of operations.

Proforma Financial Information:

The following unaudited proforma financial information presents the consolidated results of operations of the Company and Mai Jin Li for three and six months ended June 30, 2023, as if the acquisition had occurred as January 1, 2023 instead of on March 3, 2023. The proforma information does not necessarily reflect the results of operations that would have occurred had the entities been a single company during those periods.

The proforma financial information for the Company and Mai Jin Li, is as follows:

	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023
Revenues	$ 1,674,409	$ 3,127,108
Net income (1)	$ 81,178	$ 113,924
Net income per basic common share	$ 0.001	$ 0.001
Net income per diluted common share	$ 0.001	$ 0.001
Weighted average common shares outstanding:		
Basic	91,641,747	91,641,747
Diluted	123,656,659	126,767,719

(1) The above net income excludes the gain on acquisition of Mai Jin Li for $722,461.

NOTE 6 – CONVERTIBLE NOTES PAYABLE

On June 29, 2017, the Company signed a Convertible Promissory Note (the Note) in connection with a long-term loan received from a related party controlled by the Company's former CEO (Holder) for a total of One Hundred Thousand and 00/100 Dollars ($100,000.00). The Note is payable together with interest thereon at the rate of five percent (5%) per annum on the unpaid balance.

Maturity Date; Interest Payments.

All outstanding principal together with interest on the Note shall be due June 29, 2022 ("Maturity Date"). The Company shall make Annual interest payments of Five Hundred Dollars ($500.00), commencing August 1, 2017, and continuing on the first calendar day of each succeeding three months during the term of the Note or until paid in full, provided, however, that the first interest payment hereunder shall also include any unpaid interest between the date of the Note and June 29, 2022. As of June 30, 2023, no interest has been paid.

Conversion of Principal and Interest Owed.

Optional Conversion into Common Stock. Either of the Holder or the Company, each in its sole discretion and election, may convert any part or all of the outstanding principal and/or interest on this Note into shares of common stock of the Company obtained by dividing (i) any amount of part or all of the outstanding principal and/or interest on the Note, by (ii) the 10-day VWAP of Company common stock prior to the date of conversion; provided, however, that the price of conversion shall not be less than $0.000001 per share. The Company follows the guidance of ASC Subtopic 470-20 Debt with Conversion and Other Options to evaluate as to whether beneficial conversion feature exists. The Management concluded that the issuance of the convertible notes did not contain a beneficial conversion feature. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note was $-0-. The unpaid balance and accrued interest was $130,027 and $127,548 at June 30, 2023 and December 31, 2022, respectively. The Company is in default on the repayment terms of the promissory note.

NOTE 7 – EQUITY TRANSACTIONS

Shares Authorized and Activity

The Company was established with two classes of stock, common stock – 100,000,000 shares authorized at a par value of $0.001 and preferred stock 10,000,000 shares authorized at a par value of $0.001. At June 30, 2023 and December 31, 2022, the Company has 91,641,747 issued and outstanding shares of common stock and -0- shares of preferred stock issued and outstanding.

On March 3, 2023, the Company acquired all the outstanding shares of Hangzhou Mai Jin Li Biotechnology Co., Ltd ("Mai Jin Li"), for 3,000,000 unregistered shares of the Company's common stock. The Company's common stock was valued at $9,600 or $0.0032 per share. As of June 30, 2023 the shares have not been issued.

NOTE 8 – RELATED PARTY TRANSACTIONS

Free Office Space

The Company has been provided office space by its former majority stockholder and chief executive officer at no cost. The management determined that such a cost is nominal and did not recognize the rent expense in its financial statements.

Stockholder Advances

The Company's stockholders have directly paid to vendors certain expenditures of the Company. The balance due to the stockholders is $155,128 and $146,628 at June 30, 2023 and December 31, 2022, respectively, and recorded as stockholder advances in the accompanying consolidated balance sheets. The advances are due on demand and do not provide interest.

NOTE 9 – SUBSEQUENT EVENTS

The Company has evaluated all other events occurring subsequently to these financial statements through August 14, 2023 and determined there were no other items to disclose.