

CHINA XINGBANG INDUSTRY GROUP INC.

FORM 10-Q (Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2016

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-54429

China Xingbang Industry Group Inc.
(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

99-0366034

(I.R.S. Employer
Identification No.)

No. 1108 Sai Wei Avenue
Hi-Tech Development Zone, Xinyu City
Jiangxi Province, P.R.C. 338004

(Address of principal executive offices) (Zip Code)

+ 86 79 07123318

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 81,244,000 shares of common stock, par value \$0.001, as of August 19, 2016.

CHINA XINGBANG INDUSTRY GROUP INC.

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2016

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* * *

In this quarterly report, unless otherwise specified or the context otherwise requires, the terms "we" "us," "our," and the "Company" refer to China Xingbang Industry Group Inc. and our consolidated subsidiaries and variable interest entities taken together as a whole.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CHINA XINGBANG INDUSTRY GROUP INC.

CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2016

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CHINA XINGBANG INDUSTRY GROUP INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	<u>As of June 30, 2016</u>	<u>As of December 31, 2015</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 23,052	\$ 28,781
Accounts receivable, net	14,445	15,437
Prepaid expenses and other current assets	251,524	312,911
Total Current Assets	<u>289,021</u>	<u>357,129</u>
PROPERTY AND EQUIPMENT, NET	<u>508,884</u>	<u>698,616</u>
TOTAL ASSETS	<u>\$ 797,905</u>	<u>\$ 1,055,745</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 11,971	\$ -
Other payables and accrued expenses	4,625,103	4,706,282
Due to stockholders	1,812,424	1,808,421
Due to related companies	9,527,223	9,629,081
Total Current Liabilities	<u>15,976,721</u>	<u>16,143,784</u>
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' DEFICIT		
Preferred stock (\$0.001 par value, 60,000,000 shares authorized, no shares issued as of June 30, 2016 and December 31, 2015)	-	-
Common stock (\$0.001 par value, 300,000,000 shares authorized, 81,244,000 shares issued and outstanding as of June 30, 2016 and December 31, 2015)	81,244	81,244
Additional paid-in capital	959,330	959,330
Unappropriated accumulated deficit	(17,332,672)	(16,867,141)
Appropriated retained earnings	72,493	72,493
Accumulated other comprehensive income	1,040,789	666,035
Total Stockholders' Deficit	<u>(15,178,816)</u>	<u>(15,088,039)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 797,905</u>	<u>\$ 1,055,745</u>

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

CHINA XINGBANG INDUSTRY GROUP INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(UNAUDITED)

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
REVENUE	\$ 67,771	\$ 183,653	\$ 184,105	\$ 227,489
COST OF REVENUE	11,364	1,354,903	135,779	2,203,437
GROSS PROFIT (LOSS)	56,407	(1,171,250)	48,326	(1,975,948)
OPERATING EXPENSES				
Selling expenses	24,450	1,165,456	116,721	1,892,727
General and administrative expenses	54,351	378,046	264,419	750,236
Depreciation – property and equipment	53,881	44,947	101,325	85,018
Total Operating Expenses	132,682	1,588,449	482,465	2,727,981
LOSS FROM OPERATIONS	(76,275)	(2,759,699)	(434,139)	(4,703,929)
OTHER (EXPENSES) INCOME, NET				
Interest income	2	171	7	439
Other income	10	717	16,138	1,534
Other expenses	(409)	(1,530)	(898)	(2,391)
Loss on disposal of property and equipment	(30)	(1,243)	(46,639)	(1,650)
Total Other (Expenses) Income, net	(427)	(1,885)	(31,392)	(2,068)
LOSS BEFORE TAX PROVISION	(76,702)	(2,761,584)	(465,531)	(4,705,997)
Income tax provision	-	-	-	-
NET LOSS	(76,702)	(2,761,584)	(465,531)	(4,705,997)
OTHER COMPREHENSIVE (LOSS) INCOME				
Foreign currency translation (loss) gain	464,771	(1,834)	374,754	(19,983)
TOTAL COMPREHENSIVE LOSS	\$ 388,069	\$ (2,763,418)	\$ (90,777)	\$ (4,725,980)
Net loss per share				
- basic and diluted	\$ (0.00)	\$ (0.03)	\$ (0.00)	\$ (0.06)
Weighted average number of shares outstanding during the period				
- basic and diluted	81,244,000	81,244,000	81,244,000	81,244,000

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

CHINA XINGBANG INDUSTRY GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six months ended June 30,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (465,531)	\$ (4,705,997)
Adjusted to reconcile net loss to net cash used in operating activities:		
Depreciation – property and equipment	101,325	85,018
Loss on disposal of property and equipment	46,639	1,650
Changes in operating assets and liabilities		
Accounts receivables	612	-
Prepaid expenses and other current assets	54,378	(946,895)
Accounts payable	12,174	-
Other payables and accrued expenses	36,869	1,367,117
Accrued rent payable to a related company	15,348	16,401
Accrued rent payable to a stockholder	29,379	-
Net cash used in operating activities	(168,807)	(4,182,706)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(210,733)
Proceeds from disposals of property and equipment	32,878	423
Net cash provided by (used in) investing activities	32,878	(210,310)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from related parties	126,349	4,282,567
Proceeds from stockholders	21,208	-
Net cash provided by financing activities	147,557	4,282,567
EFFECT OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(17,357)	(33,217)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(5,729)	(143,666)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	28,781	198,744
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 23,052	\$ 55,078
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest expenses	\$ -	\$ -
Cash paid for income tax	\$ -	\$ -

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

CHINA XINGBANG INDUSTRY GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of China Xingbang Industry Group Inc. ("China Xingbang" or the "Company"), its subsidiaries and variable interest entities ("VIEs") (collectively the "Group") have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete audited financial statements. Unless otherwise specified, all amounts set out in the consolidated financial statements are expressed in US Dollars.

In the opinion of management, the unaudited consolidated financial statements contain all adjustments consisting only of normal recurring accruals considered necessary to present fairly the Company's consolidated financial position as of June 30, 2016, the results of operations and comprehensive loss for the three and six months ended June 30, 2016 and 2015 and consolidated statements of cash flows for the six months ended June 30, 2016 and 2015. The consolidated results for the six months ended June 30, 2016 are not necessarily indicative of the results to be expected for a full year. These financial statements should be read in conjunction with the audited consolidated financial statements and footnotes of the Company for the year ended December 31, 2015 as included in our Annual Report on Form 10-K.

Reclassification

Certain amounts for prior periods have been reclassified to conform to the current period presentation.

NOTE 2 GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company's operations resulted in a net loss of \$465,531 and used cash in operations of \$168,807 for the six months ended June 30, 2016. As of June 30, 2016, the Company had an unappropriated accumulated deficit of \$17,332,672 and a working capital deficiency of \$15,687,700.

In the course of its development activities, the Company continues to sustain losses. The Company expects to finance its operations primarily through capital contributions from stockholders and its affiliates as well as investment from external investors. The Company borrowed from related companies with a balance of \$9,527,223 as of June 30, 2016, and the related parties agreed to lend more funds to the Company as needed for management to execute its business plan for at least the next twelve months.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to meet its obligations, to obtain additional financing as may be required until such time as it can generate sources of recurring revenues and to ultimately attain profitability when the Company's e-commerce business is fully developed. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 3 ORGANIZATION

The Company was incorporated in Nevada on April 12, 2011 as a holding company.

Xing Bang Industry Group Limited ("Xingbang BVI") was incorporated in the British Virgin Islands ("BVI") on March 24, 2011 as a holding company and is wholly owned by China Xingbang.

China Group Purchase Alliance Limited ("Xingbang HK") was incorporated in Hong Kong on August 5, 2008 as a holding company and is wholly owned by Xingbang BVI. Xingbang HK established Guangzhou Xingbang Information Consulting Co., Ltd., a wholly foreign owned enterprise (the "WFOE"), on May 12, 2011 in the People's Republic of China ("PRC") to provide consulting, investment and technical services to Guangdong Xingbang Industry Information & Media Co., Ltd. ("Guangdong Xingbang").

Guangdong Xingbang was incorporated in the PRC on January 17, 2005 as a limited liability company. Guangdong Xingbang is a print media advertising operator serving the home furnishing industry in the PRC. Guangdong Xingbang also provides marketing consulting service to clients in the home furnishing industry and local government in the PRC. Starting from August 2011, Guangdong Xingbang began to provide e-commerce services, namely B2B2C (Business-to-Business-to-Consumer) services, to manufacturers and distributors, and brick-and-mortar stores located in different parts of the PRC through an e-commerce platform, referred to as ju51 Mall, developed by Guangdong Xingbang.

Xinyu Xingbang Information Industry Co., Ltd (“Xinyu Xingbang”) was incorporated in the PRC on June 11, 2012 for the purpose of continuing the business of Guangdong Xingbang as Guangdong Xingbang winds down its operations. Pursuant to the Articles of Associations of Xinyu Xingbang, Guangdong Xingbang and the WFOE each invested \$787,030 (RMB 5,000,000) in Xinyu Xingbang and each owns 50% of the equity interest of Xinyu Xingbang. Under the Xinyu Xingbang Articles of Association, the WFOE is entitled to appoint the sole director and all members of the management team of Xinyu Xingbang and the WFOE is entitled to receive 99.99% of Xinyu Xingbang’s net profit. Based on the relevant PRC regulations, an Internet Content Provider license, or ICP license, issued by the Chinese Ministry of Industry and Information Technology, is required for Xinyu Xingbang to conduct business as currently contemplated. In order to be granted the ICP license, foreign investor’s ownership of Xinyu Xingbang cannot exceed 50%. Xinyu Xingbang obtained its ICP license in February 2013. Guangdong Xingbang which does not have any revenue generating operations will continue its corporate existence to hold the equity interest in Xinyu Xingbang.

Pursuant to (i) a series of contractual arrangements between the WFOE, Guangdong Xingbang and all the stockholders of Guangdong Xingbang (ii) the share exchange agreement between Xingbang NV, Xingbang BVI and all the stockholders of Xingbang BVI, and (iii) the WFOE’s 50% equity ownership of Xinyu Xingbang, the results of all these entities are consolidated together. Since they are under common control, the contractual arrangements and share exchange were accounted for as a reorganization of entities under common control.

NOTE 4 PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the financial statements of China Xingbang, its wholly owned subsidiaries, Xingbang BVI, Xingbang HK and the WFOE, its contractually controlled affiliate, Guangdong Xingbang, and Xinyu Xingbang which is 50% owned by Guangdong Xingbang and 50% owned by WFOE.

All significant inter-company accounts and transactions have been eliminated in consolidation.

NOTE 5 USE OF ESTIMATES

The preparation of the unaudited consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the group financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 6 THE EFFECT OF RECENTLY ISSUED ACCOUNTING STANDARDS

In February 2015, FASB issued ASU No. 2015-02, Consolidation (Topic 810): Amendments to the Consolidation Analysis. The new consolidation standard changes the way reporting enterprises evaluate whether (a) they should consolidate limited partnerships and similar entities, (b) fees paid to a decision maker or service provider are variable interests in a VIE, and (c) variable interests in a VIE held by related parties of the reporting enterprise require the reporting enterprise to consolidate the VIE. The guidance is effective for public business entities for annual and interim periods in fiscal years beginning after December 15, 2015. Early adoption is allowed, including early adoption in an interim period. A reporting entity may apply a modified retrospective approach by recording a cumulative-effect adjustment to equity as of the beginning of the fiscal year of adoption or may apply the amendments retrospectively. The Company is in process of assessing the impact of the adoption of this guidance on the consolidated financial statements.

In March 2016, FASB issued ASU 2016-08, "Revenue from Contract with Customers - Principal versus Agent Considerations (Reporting Revenue Gross versus Net)". The core principle of this ASU is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The intention of this ASU is to improve the operability and understandability of the implementation guidance on principal versus agent considerations. This ASU is effective for annual and interim periods beginning on or after December 15, 2017, and early adoption will be permitted, but not earlier than annual and interim periods beginning on or after December 15, 2016, for public entities. The Company is currently evaluating the potential impact of adopting this new standard on its consolidated statements and related disclosures.

All other accounting standards that have been issued or proposed by the FASB that do not require adoption until a future date are not expected to have a material impact on the financial statements upon adoption.

NOTE 7 OTHER PAYABLES AND ACCRUED EXPENSES

Other payables and accrued expenses consisted of the following:

	<u>As of June 30, 2016</u>	<u>As of December 31, 2015</u>
Customers deposits and prepayments	\$ 1,261,231	\$ 1,461,759
Business and other taxes payable	104,374	99,000
Accrued salary	1,438,077	1,316,728
Accrued social benefit and housing allowance	1,396,622	1,367,395
Other accrued expenses and payables	424,799	461,400
	<u>\$ 4,625,103</u>	<u>\$ 4,706,282</u>

NOTE 8 COMMITMENTS AND CONTINGENCIES

(a) Defined contribution retirement plans

The full time employees of Guangdong Xingbang and Xinyu Xingbang are entitled to employee benefits including medical care, welfare subsidies, unemployment insurance and pension benefits through a Chinese government mandated multi-employer defined contribution plan. The Company is required to accrue for those benefits based on certain percentages of the employees' salaries and make contributions to the plans out of the amounts accrued for medical and pension benefits. The total provision and contributions made for such employee benefits for the six months ended June 30, 2016 and 2015 were \$56,992, and \$597,986 respectively. The Chinese government is responsible for the medical benefits and the pension liability to be paid to these employees.

(b) Rental leases commitment

Guangdong Xingbang leases office premises from two stockholders (Mr. Yao and his spouse) for a monthly rent of \$14,680 pursuant to an operating lease which was to expire on December 31, 2016. As of April 1, 2016, the lease has been terminated without a termination agreement.

In September 2013, Guangdong Xingbang leased Zhongshan office premises from an independent third party, Zhongshan Guzhen Asset Management Ltd, pursuant to a lease agreement at a monthly rent of \$1,750. The lease was to expire on August 31, 2018. As of April 1, 2016, the lease has been terminated without a termination agreement.

Xinyu Xingbang leases office premises from Xinyu Xingbang Industry Co., Ltd (“Xinyu Industry”) at a monthly rent of \$2,600 pursuant to a lease, which will expire on June 30, 2018. Mr. Yao and his spouse own 90% and 10% respectively, of the registered capital of Xinyu Industry.

In March 2015, Xingyu Xingbang leased premises from an independent third party, Guangdong Guangwu Specialized Market Investment Management Co., Ltd., pursuant to a lease agreement and paid a monthly rent of \$967. The lease was to expire on February 28, 2016. As of January 1, 2016, the lease has been terminated without a termination agreement.

As of June 30, 2016, the Company had outstanding commitments with respect to the above operating leases, which are due as follows:

Six months ending December 31, 2016	\$ 15,608
Fiscal years ending December 31,	
2017	31,216
2018	15,608
Total	<u>\$ 62,432</u>

Rental expenses for the three and six months ended June 30, 2016 and 2015 were \$7,844, \$66,443, \$69,627 and \$129,439 respectively.

(c) Capital commitment

As of June 30, 2016, the Company had contracted capital commitment of \$280,863 for the purchase of office equipment.

NOTE 9 RELATED PARTY TRANSACTIONS AND BALANCES

Transactions:

	For the six months ended June 30,	
	2016	2015
Transactions with stockholders		
- Accrued rent for Guangdong office	\$ 29,379	\$ 109,917
- Rent paid	-	(109,917)
	<u>\$ 29,379</u>	<u>\$ -</u>

On August 11, 2015, the Company obtained a loan of \$160,059 from Mr. Yao. The loan is non-interest bearing and due on August 10, 2016.

The Company has a lease agreement with Mr. Yao. See Note 8 for details.

	For the six months ended June 30,	
	2016	2015
Transactions with related companies		
Xinyu Industry (a)		
- Loan received	\$ 40,627	\$ 4,259,095
- Expenses paid on behalf of the company	68,556	-
- Repayment	(3,824)	-
- Accrued rent	15,348	16,401
Other related companies (b)		
- Expenses paid on behalf of company	27,633	23,472
- Repayment	(6,643)	-
	<u>\$ 141,697</u>	<u>\$ 4,298,968</u>

(a) Xinyu Industry is organized in China and Mr. Yao and his wife, own 90% and 10% of the Company respectively.

The Company borrowed \$40,627 and \$4,259,095 from Xinyu Xingbang during the six months ended June 30, 2016 and 2015, respectively. The loans are non-interest bearing and due on various dates before September 2016.

The Company has a lease agreement with Xinyu Industry. See Note 8 for details.

(b) Other related companies also paid expenses on behalf of the Company and the Company made repayments to those companies.

Other related companies include the following entities:

Xinyu Zhongxing Decoration Technical Network Co., Ltd. is organized in China. Mr. Yao and his wife own 80% and 20%, of the company, respectively.

Xinyu Qiuying Technology Network Co., Ltd is organized in China and Mr. Yao is a director of the company.

Guangzhou Efee Pay Network Co., Ltd. is organized in China and Mr. Yao is a director of the company.

Xinyu Media Alliance Advertising Co., Ltd. is organized in China and Mr. Yao is a director of the company.

Other related companies paid expenses on behalf of the Company for \$27,633 and \$16,401 for the six months ended June 30, 2016 and 2015, respectively. The advances are non-interest bearing and due on demand.

The Company made repayment of \$10,467 and \$0 for the six months ended June 30, 2016 and 2015, respectively.

Balances:

Due to stockholders consist of the following:

	As of June 30, 2016	As of December 31, 2015
Mr. & Mrs. Yao	\$ 1,812,424	\$ 1,808,421

As of June 30, 2016 and December 31, 2015, WFOE owed \$752,344 and \$771,867 respectively, to Mr. Yao. The loan is interest free and unsecured. The loan was entered into on May 31, 2012, and the loan period started on June 11, 2012 and was due on June 10, 2013. On May 31, 2013, August 7, 2014 and June 11, 2015, the loan was renewed with the same terms and had a renewed due date of June 11, 2016. The proceeds of the loan were used as the capital investment in Xinyu Xingbang. The loans are currently overdue.

As of June 30, 2016 and December 31, 2015, Guangdong Xingbang owed \$902,813 and \$805,854 respectively, to Mr. Yao. The loans are interest free, unsecured and were due on June 18, 2016 and August 10, 2016. The loans are currently overdue.

As of June 30, 2016 and December 31, 2015, Guangdong Xingbang accrued rental expenses of \$29,379 and \$88,919 respectively, to Mr. Yao for the office premises. The amount due is unsecured and interest free.

Due to related parties consist of the following:

	As of June 30, 2016	As of December 31, 2015
Xinyu Xingbang Industry Co., Ltd - loan payable	\$ 9,109,376	\$ 9,346,469
Xinyu Xingbang Industry Co., Ltd - other advances	386,628	272,118
Xinyu Zhongxing Decoration Technical Network Co., Ltd	38,456	19,385
Xinyu Qiuying Technology Network Co., Ltd	(4,161)	(1,686)
Xinyu Qiuying Technology Network Co., Ltd - Guangzhou Branch	(57,667)	(59,183)
Xinyu Qiuying Technology Network Co., Ltd - Beijing Branch	(150)	-
Guangzhou EFee Pay Network Co., Ltd	1,329	1,517
Xinyu Media Alliance Advertising Co., Ltd	53,418	49,711
Guangzhou Cross-Border E-Commerce International Trade Co., Ltd.	(6)	(42)
	-	772
Total	\$ 9,527,223	\$ 9,629,081

The Company had various loan agreements with Xinyu Industry as of June 30, 2016 and December 31, 2015.

Those loans are non-interest bearing and due on various dates before December 2016.

Due to (due from) related parties are non-interest bearing and due on demand.

NOTE 10 CONCENTRATIONS AND CREDIT RISKS

As of June 30, 2016 and December 31, 2015, all of the Company's assets were located in the PRC and Hong Kong and all of the Company's revenues were derived from customers located in the PRC.

NOTE 11 INCOME TAX

China Xingbang was incorporated in the United States on April 12, 2011 and has net operating loss carry forwards for income taxes amounting to approximately \$1.7 million as of June 30, 2016 which may be available to reduce future years' taxable income. These net operating loss carry forwards will expire, if not utilized, commencing in 2030. Management believes that the realization of the benefits from these losses appears uncertain due to our operating history and continuing losses. Accordingly, a full deferred tax asset valuation allowance has been provided and no net deferred tax asset benefit has been recorded.

Xingbang BVI was incorporated in the BVI on March 24, 2011 and under current laws of the BVI it is not subject to income tax.

Xingbang HK was incorporated in Hong Kong and is subject to the income tax regulation of Hong Kong. No provision for income tax has been made. Xingbang HK has incurred operating loss for the six months ended June 30, 2016.

The Company's Chinese subsidiaries and VIEs are governed by the Income Tax Law of the PRC concerning the privately run and foreign invested enterprises, which are generally subject to tax at a statutory rate of 25% on income reported in the statutory financial statements after appropriate tax adjustments.

The Company has net operating loss carry forwards in China for income taxes amounting to approximately \$9.9 million as of June 30, 2016 which may be available to reduce future year's taxable income. These net operating loss carry forwards will expire, if not utilized, commencing in 2016. Management believes that the realization of the benefits from these losses appears uncertain due to continuing losses. Accordingly, a full deferred tax asset valuation allowance has been provided and no net deferred tax asset has been recorded.

The reconciliation of income tax expense (benefit) at the U.S. statutory rate of 35% to the Company's effective tax rate is as follows:

	Six Months Ended June 30,	
	2016	2015
U.S. Statutory rate	\$ (162,936)	\$ (1,647,099)
Tax rate difference	41,924	457,613
Change of valuation allowance	121,012	1,189,486
Effective tax rate	\$ -	\$ -

The provisions for income taxes are summarized as follows:

	Six Months Ended June 30,	
	2016	2015
Current	\$ -	\$ -
Deferred	-	-
Total	\$ -	\$ -

NOTE 12 SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the company has analyzed its operations subsequent to June 30, 2016 to the date these financial statements were issued, and has determined that it does not have any material subsequent events to disclose in these financial statements, other than noted herein.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of our results of operations and financial condition should be read together with our consolidated group financial statements and the notes thereto and other financial information, which are included in this quarterly report. Our financial statements have been prepared in accordance with U.S. generally accepted accounting principles. In addition, our financial statements and the financial information included in this report reflect our organization transactions and have been prepared as if our current corporate structure had been in place throughout the relevant periods.

This section contains forward-looking statements. These forward-looking statements are subject to various factors, risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Further, as a result of these factors, risks and uncertainties, the forward-looking events may not occur. Relevant factors, risks and uncertainties include, but are not limited to, those discussed in “Item 1. Business” and elsewhere in our annual report on Form 10-K for the fiscal year ended December 31, 2015. Readers are cautioned not to place undue reliance on forward-looking statements, which reflect management’s beliefs and opinions as of the date of this report. We are not obligated to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

Overview and Strategy

We were formed as a Nevada corporation on April 12, 2011 to acquire operational control over Guangdong Xingbang. Since foreign investors are restricted by the laws and regulations of the PRC to operate the media and e-commerce business in China, we operate our business through ownership of the WFOE that provides management, consulting, investment and technical services to Guangdong Xingbang. We do not own any direct equity interest in Guangdong Xingbang. In May 2011, the WFOE entered into a series of contractual arrangements which effectively give the WFOE operational control over Guangdong Xingbang despite the lack of direct ownership. As a result of these contractual arrangements, we treat Guangdong Xingbang as a variable interest entity, or VIE, under U.S. generally accepted accounting principles, and we have included its historical financial results in our consolidated financial statements.

Our subsidiaries, Xingbang BVI and Xingbang HK are holding companies which do not have any operations or own any assets except for the ownership of the WFOE. Guangdong Xingbang and WFOE each own 50% of the equity interest of Xinyu Xingbang. The only current operation of the WFOE is to provide consulting and management services to Guangdong Xingbang. Currently, we rely on results of operations of Xinyu Xingbang.

Due to certain technical problems with our Ju51Mall platform and tightening financial resources, our operation has been temporarily suspended since May 2016. Our management is currently seeking financing to continue to fund our operations as well as working with a third party technology company to fix the problems with and further improve our platform. We estimate we will resume operations in the fourth quarter of 2016.

Critical Accounting Policies and Estimates

In preparing our consolidated group financial statements in conformity with accounting principles generally accepted in the United States, we make estimates and assumptions that affect the accounting, recognition and disclosure of our assets, liabilities, stockholders’ equity, revenues and expenses. We make these estimates and assumptions because certain information that we use is dependent upon future events, which cannot be calculated with a high degree of precision from data available or cannot be readily calculated based upon generally accepted methodologies. In some cases, these estimates are particularly difficult and therefore require a significant amount of judgment. Actual results could differ from the estimates and assumptions that we use in the preparation of our consolidated group financial statements.

During the six months ended June 30, 2016, there were no significant changes to our critical accounting policies and estimates as reported in our Annual Report on Form 10-K for the year ended December 31, 2015.

Results of Operations – Three Months Ended June 30, 2016 Compared to Three Months Ended June 30, 2015

Revenue

During the three months ended June 30, 2016 and 2015, we had total revenue of \$67,771 and \$183,653, respectively, all of which was generated from e-commerce related services. \$35,517 was attributed to revenue generated from service flagship stores and \$32,254 was attributed to revenue generated from technical service stations. The decrease of \$115,882 or approximately 63% was mainly because of the temporary suspension of our operations in May 2016.

Cost of Revenue

Cost of revenue is mainly comprised of employee salaries, business tax relating to e-commerce and commissions paid to technical service stations.

Cost of revenue for the three months ended June 30, 2016 was \$11,364, compared to \$1,354,903 for the three months ended June 30, 2015, with a decrease of \$1,343,539, or approximately 99%. The decrease was mainly due to the decrease in employee salaries due to our temporary suspension of business operation since May 2016.

Gross Profit (Loss)

Gross profit was \$56,407 during the three months ended June 30, 2016, an increase of \$1,227,657, or approximately 105%, compared to gross loss of \$1,171,250 during the same period in 2015. The increase was mainly due to the decrease in employee salaries resulting from the temporary suspension of our operation since May 2016.

Operating Expenses

Operating expenses consist of selling, general and administrative expenses and depreciation.

Operating expenses for the three months ended June 30, 2016 were \$132,682, mainly composed of \$24,450 in selling expenses, \$54,351 in general and administrative expenses, and \$53,881 in depreciation. Operating expenses for the three months ended June 30, 2015 were \$1,588,449, mainly composed of \$1,165,456 in selling expenses, \$378,046 in general and administrative expenses, and \$44,947 in depreciation. The decrease in operating expenses was \$1,455,767, or approximately 92%. The decrease was primarily due to suspension of a substantial number of employees as a result of the temporary suspension of our operation.

Other Expenses

Other expenses consist mainly of interest income, other income, other expenses and loss on disposal of property and equipment.

Total other expense for the three months ended June 30, 2016 was \$427, compared to other expense of \$1,885 for the three months ended June 30, 2015, a decrease of \$1,458, or approximately 77%. The decrease was due to temporary suspension of our operation since May 2016.

Income Tax Expense

Income tax expense was \$0 for the three months ended June 30, 2016 and 2015.

Net Loss

Net loss was \$76,702 for the three months ended June 30, 2016 as compared with \$2,761,584 for the three months ended June 30, 2015. The decrease was mainly the result of the decrease in cost of revenue and operating expenses and other expenses.

Results of Operations – Six Months Ended June 30, 2016 Compared to Six Months Ended June 30, 2015

Revenue

During the six months ended June 30, 2016 and 2015, we had total revenue of \$184,105 and \$227,489, respectively, all of which was generated from e-commerce related services. \$99,702 was attributed to revenue generated from service flagship stores and \$84,402 was attributed to revenue generated from technical service stations. The decrease of \$43,384 or approximately 19% was mainly due to the temporary suspension of our operations since May 2016.

Cost of Revenue

Cost of revenue mainly comprises of employee salaries, business tax relating to e-commerce and commissions paid to technical service stations.

Cost of revenue for the six months ended June 30, 2016 was \$135,779, compared to \$2,203,437 for the six months ended June 30, 2015, with a decrease of \$2,067,658, or approximately 94%. The decrease was mainly due to the decrease in employee salaries as a result of the suspension of a large number of employees resulting from the temporary suspension of our operation starting in May 2016.

Gross Profit (Loss)

Gross profit was \$48,326 during the six months ended June 30, 2016, an increase of \$2,024,274, or approximately 102%, compared to gross loss of \$1,975,948 during the same period in 2015. The increase was mainly due to the decrease in employee salaries resulting from the temporary suspension of our operation starting in May 2016.

Operating Expenses

Operating expenses consist of selling, general and administrative expenses and depreciation.

Operating expenses for the six months ended June 30, 2016 were \$482,465, mainly composed of \$116,721 in selling expenses, \$264,419 in general and administrative expenses, and \$101,325 in depreciation. Operating expenses for the six months ended June 30, 2015 were \$2,727,981, mainly composed of \$1,892,727 in selling expenses, \$750,236 in general and administrative expenses, and \$85,018 in depreciation. The decrease in operating expenses was \$2,245,516, or approximately 82%. The decrease was primarily due to less commissions paid and the suspension of a substantial number of employees.

Other Expenses

Other expenses consist mainly of interest income, other income, other expenses and loss on disposal of property and equipment.

Total other expense for the six months ended June 30, 2016 was \$31,392, compared to other expense of \$2,068 for the six months ended June 30, 2015, an increase of \$29,324, or approximately 1,418%. The increase was due to the increase in loss on disposal of office equipment of Xinyu Xingbang in the current period.

Income Tax Expense

Income tax expense was \$0 for the six months ended June 30, 2016 and 2015.

Net Loss

Net loss was \$465,531 for the six months ended June 30, 2016 as compared with \$4,705,997 for the six months ended June 30, 2015. The decrease was mainly the result of the decrease in cost of revenue and operating expenses and other expenses.

Liquidity and Capital Resources

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of cash on hand and demand deposits at banks. We had \$23,052 and \$28,781 of cash and cash equivalents on hand as of June 30, 2016 and December 31, 2015, respectively. There was a decrease of \$5,729 in our cash and cash equivalents from December 31, 2015 to June 30, 2016.

The decrease in our cash and cash equivalents from December 31, 2015 to June 30, 2016 was largely a combined effect of a decrease in net cash used in operating activities of \$168,807, increase in net cash provided by investing activities of \$32,878, and increase in cash provided by financing activities of \$147,557 on a period-to-period basis.

We require cash for working capital, capital expenditures, repayment of debt, salaries, commissions and related benefits and other operating expenses and income taxes. We expect that our working capital needs will increase for the foreseeable future, as we continue to develop and grow our business.

The following table summarizes our cash flows for the six months ended June 30, 2016 and 2015:

	Six months ended	
	June 30,	
	2016	2015
Net cash used in operating activities	\$ (168,807)	\$ (4,182,706)
Net cash provided by (used in) investing activities	\$ 32,878	\$ (210,310)
Net cash provided by financing activities	\$ 147,557	\$ 4,282,567

Net Cash Used in Operating Activities . Net cash used in operating activities was \$168,807 and \$4,182,706 for the six months ended June 30, 2016 and 2015 respectively. The most significant items affecting our operating cash flow for the six months ended June 30, 2016 and 2015 are summarized below:

- Decrease in cash loss from operations - Our net loss from operations, excluding depreciation, amortization, bad debt provision and net gain (loss) on disposal of property and equipment, increased by \$4,301,762 on a period-to-period basis, from cash loss of \$4,619,329 for the six months ended June 30, 2015 to \$317,567 for the six months ended June 30, 2016, which negatively impacted our cash flows from operations. The decrease in cash loss from operations was mainly due to the decrease in the cost of revenue, selling expenses, general and administrative expenses and other expenses as a result of the temporary suspension of a substantial number of employees since May 2016 and weakening business operation.
- Decrease in other payables and accrued expenses - The change in other payables and accrued expenses was \$36,869 during the six months ended June 30, 2016, compared with \$1,367,117 for the six months ended June 30, 2015. The decrease was mainly due to the downturn of business.

Net Cash Provided by (Used in) Investing Activities . Our investing activities for the six months ended June 30, 2016 provided cash of \$32,878 as compared with cash of \$210,310 uses for the six months ended June 30, 2015. The change in cash provided by investing activities was largely caused by the increase of \$32,878 in proceeds from disposal of property and equipment in 2016.

Net Cash Provided by Financing Activities . Net cash provided by financing activities was \$147,557 for the six months ended June 30, 2016 as compared with \$4,282,567 for the six months ended June 30, 2015. The decrease was mainly due to the decrease in advances from related companies and stockholders.

Capital Resources

We had a negative working capital of \$15,687,700 and \$15,786,655 as of June 30, 2016 and December 31, 2015, respectively. The decrease was primarily due to increase in amounts due to related companies and stockholders, prepaid expense and current assets.

We are a holding company with no significant revenue-generating operations of our own, and thus any cash flows from operations are and will be generated by Xinyu Xingbang. Due to certain technical problems with our Ju51Mall platform and tightening financial resources, our operation has been temporarily suspended since May 2016. Our management is currently seeking financing to continue to fund our operations as well as working with a third party technology company to fix the problems with and further improve our platform. We estimate we will resume operations in the fourth quarter of 2016.

Debt Obligations

The following is a summary of amounts outstanding under our debt obligations as of June 30, 2016 and December 31, 2015, respectively.

	As of June 30, 2016	As of December 31, 2015
Due to stockholders	\$ 1,812,424	\$ 1,808,421
Due to related companies	9,527,223	9,629,081
Total debt	\$ 11,339,647	\$ 11,437,502

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable to smaller reporting companies.

Item 4. Controls and Procedures.**Evaluation of Disclosure Controls and Procedures**

The Company's management, including our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of June 30, 2016 and has determined that our disclosure controls and procedures were not effective as of June 30, 2016 due to certain material weaknesses, including: (i) a lack of sufficient accounting personnel with appropriate understanding of U.S. GAAP and SEC reporting requirements; and (ii) a lack of standard chart of accounts and written accounting manual and closing procedures to facilitate preparation of financial statements under U.S. GAAP for financial reporting processes.

Limitations on the Effectiveness of Disclosure Controls

Readers are cautioned that our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2016 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

We are currently not a party to any legal proceeding and are not aware of any legal claims that we believe will have a material adverse effect on our business, financial condition or operating results. However, from time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business.

Item 1A. Risk Factors.

As a smaller reporting company, we are not required to provide the information required by this Item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit No.	Description
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934*
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
101.INS	XBRL Instance Document*
101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

*Filed herewith.

**Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 22, 2016

China Xingbang Industry Group Inc.

By: /s/ Xiaohong Yao
Xiaohong Yao, Chairman, President and
Chief Executive Officer
(principal executive officer)

By: /s/ Haigang Song
Haigang Song, Chief Financial Officer
(principal financial and accounting officer)

EXHIBIT INDEX

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101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

*Filed herewith.

**Furnished herewith.

Certification

I, Xiaohong Yao, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 of China Xingbang Industry Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 22, 2016

By: /s/ Xiaohong Yao
Xiaohong Yao
Chief Executive Officer
(Principal Executive Officer)

Certification

I, Haigang Song, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 of China Xingbang Industry Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 22, 2016

By: /s/ Haigang Song

Haigang Song
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

**Certification Pursuant To
Section 906 of Sarbanes-Oxley Act of 2002**

I, Xiaohong Yao, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2016 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 22, 2016

By: /s/ Xiaohong Yao

Xiaohong Yao

Chief Executive Officer

(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.

**Certification Pursuant To
Section 906 of Sarbanes-Oxley Act of 2002**

I, Haigang Song, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2016 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 22, 2016

By: /s/ Haigang Song

Haigang Song

Interim Chief Financial Officer

(Principal Financial and Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.