CHINA NETWORK MEDIA, INC.

FORM 10-K
(Annual Report)

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

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2014

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: **333-152539**

CHINA NETWORK MEDIA, INC.

(Exact name of registrant as specified in its charter)

Delaware	**32-0251358**
(State or other jurisdiction of incorporation or organization)	(I.R.S Employer Identification No.)
Room 205, Building A **No. 1 Torch Road, High-Tech Zone** **Dalian, China**	**116023**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **+86 (411) 3973-1515**

Securities registered under Section 12(b) of the Act:

Title of each class:	Name of each exchange on which registered:
None	**None**

Securities registered under Section 12(g) of the Act:

None
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☒ No ☐

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 Web site, 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer (Do not check if a smaller reporting company)	☐	Smaller reporting company	☒

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

Aggregate market value of the voting and non-voting common equity held by non-affiliates as of June 30, 2014: none.

As of March 31, 2015, there were 65,604,533 shares of the registrant’s common stock outstanding.

TABLE OF CONTENTS

SPECIAL NOTE REGARDING VOLUNTARY FILER STATUS

The Company is a "voluntary filer" with the U.S. Securities and Exchange Commission. This means that the Company is not required to file Current and Periodic Reports with the U.S. Securities and Exchange Commission. The Company is not a fully reporting company that is subject to review under Section 408 of the Sarbanes-Oxley Act of 2002. Furthermore, the Company is not subject to the going private rules and certain tender offer regulations, and the beneficial holders of the Company's securities do not need to report on acquisitions or depositions of the Company's securities or their plans regarding their influence and control over the Company. Therefore the Company's status a voluntary filer reduces investors' rights to access significant information regarding the Company and its controlling shareholders.

The Company's voluntary filer status may lead to its removal from the Over-the-Counter Bulletin Board ("OTCBB"), as Rule 6530 of the Financial Industry Regulatory Authority provides that issuers must be required to file reports pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934 in order to remain listed.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This Annual Report on Form 10-K (this "Report") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as "anticipate," "believe," "estimate," "intend," "could," "should," "would," "may," "seek," "plan," "might," "will," "expect," "predict," "project," "forecast," "potential," "continue" negatives thereof or similar expressions. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements.

We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management, any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

CERTAIN TERMS USED IN THIS REPORT

When this report uses the words "we," "us," "our," and the "Company," they refer to the combined business of China Network Media Inc. and its consolidated subsidiaries and variable interest entities.

In addition, unless the context otherwise requires and for the purposes of this Report only:

- "MGYS" refers to Metha Energy Solutions Inc., a Delaware corporation;
- "PRC" and "China" refers to the People's Republic of China, excluding, for the purpose of this prospectus, Taiwan and the special administrative regions of Hong Kong and Macau;
- "PRC Operating Subsidiaries" and "PRC Operating Entities" refers to "Science & Technology (Dalian)" and "Dalian Tianyi";
- "Renminbi" and "RMB" refers to the legal currency of China;
- "Science & Technology Trading" or "WFOE" refers to our indirect subsidiary of Science & Technology World Website Trade (Dalian) Co., Ltd., a PRC limited company;
- "Science & Technology (Dalian)" refers to our variable interest entity Science & Technology World Network (Dalian) Co., Ltd., a PRC limited company;
- "Dalian Tianyi" refers to our variable interest entity Dalian Tianyi Culture Development Co., Ltd., a PRC limited company;

PART I

Item 1. Business.

Overview

We operate a multi-lingual portal website that offers advertising opportunities, technical support, and industrial information and community functions to science and technology companies and entrepreneurs in China. We conduct our business through our variable interest entities Dalian Tianyi Culture Development Co., Ltd., a PRC limited company ("Dalian Tianyi") and Science & Technology World Network (Dalian) Co., Ltd., a PRC limited company ("Science & Technology (Dalian)") in China, which we control through a series of contractual arrangements.

Our website has 28 domestic channels featuring different regions in greater China area and two user interactive and information sharing platforms bulletin board system (BBS) and Blog and, is available in three languages Chinese, English and Japanese.

Our vision is to develop a worldwide online platform for science and technology companies and entrepreneurs to:

- Build brand image through a package of online magazine and multimedia advertisement, executive interview display, and online institutional alliances;
- Showcase products through our customer-made corporate and factory facilities online show room;
- Host product purchase for businesses and end-users;
- Publish job openings and seek talents for corporate clients; and
- Post corporate blogs;

Advertisement

We currently derive a substantial portion of our revenues from online advertising services. Our advertising solutions present corporate users with attractive opportunities to combine the visual impact of traditional television-like multimedia advertisements and online magazines with the interactivity and precise targeting capabilities of the internet. We strive to promote a novel and unique advertising environment on our website to attract technology enterprises.

Technical Support

We offer a range of business management software, internet infrastructure services and export-related services, and provide educational services to incubate enterprise management and e-commerce professionals.

Industrial Information and Online Community

We provide “home-oriented” online experience to our technicians, science and technology professionals, where they can easily find industrial information, job openings, and social opportunities to meet friends and professionals through our website. In addition, through our BBS, users can upload and download software and data, read news and bulletins, and exchange messages with other users either through emails or on public message board.

We mainly focused on the technology development, and clients marketing in 2013 and 2012. This effort brought us an increase in online members to 41 with average annual contract price of $41,220 from 30 with average annual contract price of $51,344.

Despite said above, we also allay with traditional media channels, such as magazine, TV channels, by mutual referrals of clients in need of advertisement or publicity So far, we have built a steady relationship with four major Chinese magazines: 315online, China Brand, China High-Tech zone and Dalian Machinery.

Moreover, we also work closely with WO 3G mobile TV, which is a new media channel through mobile that developed by Liaoning broadcast TV and China Unicom, which is the second largest mobile phone operator in China. With the new strategic cooperation with 3G, we are building a new mobile platform for entrepreneurs, local government or any entities that have the needs to advertise their business and corporate cultures through a new channel.

During the past two years, we have attracted clients from different industries: governments, academic institutions, OEM, Environmental technology firms, and other high-tech companies.

In 2015, we plan to continue to focus on marketing our online advertisement service to build sustainable income steam.

In addition to the business described above, the Company intends to explore business opportunities in retirement home industry in Dalian, China.

Our Corporate History

We were founded on April 18, 2008 as Instructor, Inc., a development stage company, under the laws of the State of Delaware. On October 12, 2009, we changed our name to Metha Energy Solutions Inc. We entered into our current line of business on October 29, 2012 by acquiring Science& Technology World Website Media Group Co., Ltd., a British Virgin Islands company ("Science & Technology BVI").

On October 12, 2009, we entered into a Share Exchange Agreement (the "Exchange Agreement") with (i) Science & Technology BVI, (ii) the sole shareholder of Science & Technology BVI, Science & Technology World Website Media Holding Co., Ltd., a corporation organized under the laws of British Virgin Islands ("Science & Technology Media") and the shareholders of Science & Technology Media (together with Science & Technology Media, as the "Science & Technology BVI Shareholders") and (iv) our former principal shareholder pursuant to which we acquired all of the outstanding capital stock of Science & Technology BVI in exchange for the issuance of 50,000,000 shares of our common stock to the Science& Technology Shareholders (the "Share Exchange"). The shares issued to the Science & Technology Shareholders in the Share Exchange constituted approximately 95% of our issued and outstanding shares of common stock as of and immediately after the consummation of the Share Exchange. In connection with the closing, 10,000,000 shares of our common stock held by our former principal shareholder have been cancelled. As a result of the Share Exchange, Science & Technology BVI became our wholly owned subsidiary and, Wei Jiang and HuiAn Peng became our principal beneficial shareholders.

The transaction was regarded as a reverse merger whereby Science & Technology Media was considered to be the accounting acquirer as it retained control of the Company after the Share Exchange.

Science & Technology World was organized under the laws of the British Virgin Islands on February 15, 2011 as a holding company of our PRC operations. On September 16, 2011, Science & Technology BVI established Science & Technology World Website Hong Kong Media Holding Co., Ltd., a Hong Kong company ("Science & Technology HK"), as an intermediate holding company.

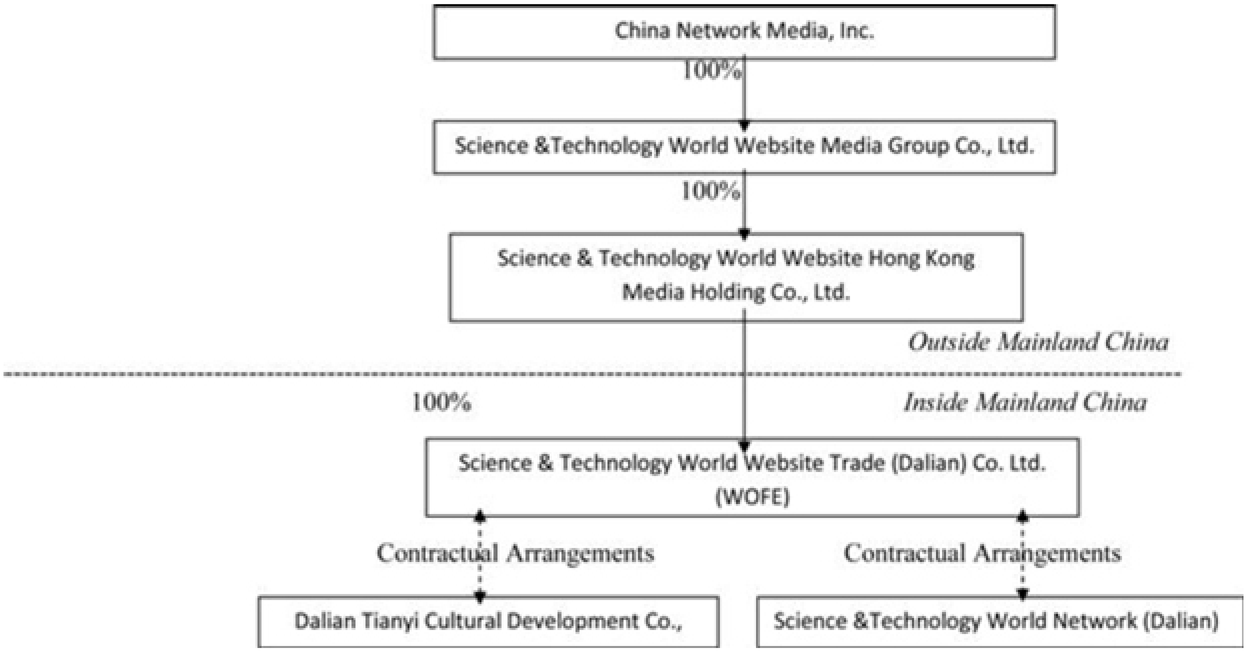
On January 20, 2012, Science & Technology HK established Science & Technology World Website Trade (Dalian) Co., Ltd., a PRC limited company ("WOFE"). On January 21, 2012, WOFE respectively entered into a series of agreements with Dalian Tianyi, Science & Technology World Network (Dalian) Co., Ltd., a PRC limited company ("Science & Technology Dalian") and their respective shareholders (the "Contractual Arrangements"). The Contractual Arrangements is comprised of a series of agreements, including Exclusive Technical Consulting Service Agreements and Operating Agreements, through which WFOE has the right to advise, consult, manage and operate Dalian Tianyi and Science & Technology Dalian, and collect 85% of their respective net profits. The shareholders of Dalian Tianyi and Science & Technology Dalian have granted WFOE, under the Exclusive Equity Interest Purchase Agreement, the exclusive right and option to acquire all of their equity interests respectively in Dalian Tianyi and Science & Technology Dalian. Furthermore, the shareholders of Dalian Tianyi and Science & Technology Dalian is under the procedure of pledging all of their equity interests respectively in Dalian Tianyi and Science & Technology Dalian to WFOE under the Exclusive Equity Interest Pledge Agreement, and through the Exclusive Equity Interest Pledge Agreement, WFOE can collect the remaining 15% of Dalian Tianyi and Science & Technology Dalian's respective net profits. According to the Power of Attorney executed by the shareholders of Dalian Tianyi and Science & Technology Dalian, they exclusively authorized WFOE to perform and exercise any and all of the shareholder's rights in Dalian Tianyi and Science & Technology Dalian.

HK Science and Technology and WFOE are considered foreign investor and foreign invested enterprise respectively under PRC law. As a result, HK Science and Technology and WFOE are subject to limitations under PRC law on foreign ownership of Chinese companies. According to the Catalogue of Industries for Guiding Foreign Investment (2011 Revision) (the "Catalogue"), there are four kinds of industries which are encouraged, permitted, restricted and prohibited for foreign investment. The primary business of Dalian Tianyi and Science & Technology Dalian are within the category in which foreign investment is currently restricted. The Contractual Arrangements with Dalian Tianyi and Science & Technology Dalian allow the Company to substantially control Dalian Tianyi and Science & Technology Dalian through WFOE without any equity relationship.

According to the Power of Attorney executed by the shareholders of Dalian Tianyi and Science & Technology Dalian, they exclusively authorized WFOE to perform and exercise any and all of the shareholder's rights in Dalian Tianyi and Science & Technology Dalian.

As a result of the Contractual Arrangements, under generally accepted accounting principles in the United States, or U.S. GAAP, Science & Technology BIV is considered the primary beneficiary of Dalian Tianyi and Science & Technology Dalian and thus consolidates their results in its consolidated financial statements.

Our corporate structure is set forth below:



Corporate Information

Our principal executive offices are located at Room 205, Building A, No. 1, Torch Road, Hi-tech Zone, Dalian, China, 116023, the People's Republic of China. Our telephone number at this address is +86 (411) 39731515.

Our Competitive Strengths

We believe that the following strengths contribute to our success and differentiate us from our competitors:

We are well positioned in a highly fragmented and competitive market. Our China-based website for technology allows us to utilize cost-competitive domestic labor and resources to manage costs, provides a close proximity to our customers to better understand and service their needs and allows us to have real time updates on prevailing market conditions in China.

We run our business with an attractive and diverse business models. We provide a broad range of services to entrepreneurs and corporations that include online exhibition, online magazine, online corporate multimedia advertisement, executive interviews, institutional alliances and flexible membership package that is tailor made based on what our customers need.

We have development strong business relationship with enterprises throughout China, and business professionals; we also work closely with main media press. We work closely with major scientifically magazines, local governments, major media channels, and high-tech enterprises throughout China from different industry. So far, we have built a steady relationship with four major Chinese magazines: 315online, China Brand, China High-Tech Zone and Dalian Machinery. We also work closely with WO (UMTS/3G network service brand by China Unicom) 3G mobile TV, which is a new mobile media that developed by Liaoning broadcast TV and China Unicom (China Unicom is the second largest mobile phone operator in the country).

We also undertake big events to spread out our brand name, and therefore, earn the opportunities with other major media companies and enterprises. For example, from June to November in year of 2012, we have organized on the events called “China Brand image spokesman competition” During the 21st century, Chinese brands are poised to step into a new age. To set up a well-known brand, a company would need a high quality image spokesman to represent its product besides the high quality of its product. The aim of this contest is to select high quality image spokesman for emerging national brand, the advisory institutions for this contest include General Administration of Quality Supervision, Inspection and Quarantine of PRC, China Enterprise Confederation, China Enterprise Directors Association, China Radio and Television Association and China Council for the Promotion of Famous Brand Strategy. After local selection and final contest, a hundred brand image spokesmen will be chosen as winners of this contest. We have set up a team to deal with the work of contest design, operation, promotion and sponsorship. Local contest will be held by different local enterprises who have related qualifications and our authorization. The income of this event is mainly from the sponsorship of the final contest, endowment of co-organizers, sponsor from exclusive product enterprise, and 500,000 RMB from each enterprise who undertake the local contest.

We have an experienced management and operational teams with extensive market knowledge. Our management team and key operations and technical personnel have extensive management skills, relevant operational experience and industry knowledge. We have created and maintained a stable management team and have been able to retain our core management and key technical personnel since our inception. We believe that our management team’s experience, longstanding customer relationships and in depth knowledge of the Chinese market will enable us to continue our successful execution of expansion strategies and take advantage of market opportunities that may arise.

Multi-language website provides potential opportunities to attract clients from all over the world. We currently operate our website through three (3) languages: Chinese, English and Japanese. We believe with our multi-language portal website, more audience from the world will be able to learn, to communicate, and share information through our website.

Our Growth Strategy

Our vision is to become the primary source of technology information, knowledge, products platform for companies and entrepreneurs in China and, in the future, we hope to attract international technology professionals and enterprises through our multi-languages website. We intend to achieve our vision by expanding our content library and user base, enhancing our brand and improving our business model. More specifically, we plan to implement the following strategies:

- *Increase the breadth and depth of our online technology content library* . We currently have more than 34 in-house editors to collect and translate the most updated news through the world. We believe that the long-term strategy of having a global growth is to improve the strength and capability to collect prompt information in time, and therefore, turning ourselves into one of the Chinese top online news channel.

- *Further enhance our brand recognition* . We have a limited operating history that has yet to build adequate exposure in our business. We plan to dedicate more effort on company brand management through a cost effective way, such as promoting our brand through our strategic cooperation partners, high-technology product representative agent, carrying out important social events with famous media channels and brands.

- *Expand our revenue sources.* Our current revenue is mainly generated from online advertising for our customers through membership sales model. After the 2008 Olympic competition was rebroadcasted on mobile TV for the first time, the new media such as mobile TV created a new space for advertising business, which provide possibilities for us to expand our advertising business into new media. The 12th Five-Year Plan issued by China’s Ministry of Industry and Information Technology (MIIT) established aggressive development targets for the China telecommunications industry from 2011 to 2015. During this time, China’s mobile communications user base will reach more than 1.1 billion with total Internet users climbing to 600 million, representing a 40% penetration rate (www.iresearchchina.com). We regard the development of a base of smart phone users a key to grasp the opportunity in new media advertising business. We have engaged WO 3G mobile TV, which is a new mobile media that developed by Liaoning broadcast TV and China Unicom, the second largest mobile phone operator in the country, to build a mobile platform for advertisement and publicity demands. As of this Report, we are uncertain when the mobile platform will be completed.

- *Diversify our revenue sources* . With the increase of our market share, brand recognition, and technology development, we expect to be able to work with most high-tech companies to develop a stable and active online trading platform, and by then, we anticipate that we will derive a new revenue stream from the trading platform. See “our business and service” section for more information.

- *Expand our online network infrastructure and optimize our services* . In order to increase website hits, we modify our website from time to time to provide the most user-oriented set up.

- *Recruit additional qualified employees and enhance our research and development capabilities* . In connection with the expansion of our business, we plan to continue recruiting more highly qualified individuals to conduct our operations of our website while maintaining the consistency and quality of the services that we deliver. We also plan to recruit more high profile personnel in our research and development department and invest in enhancing our research and development capabilities to be more competitive.

Our Services

We currently generate revenues through our diverse advertisement package to our business clients. We generally target the companies with the following three distinct criteria to o be our customers:

- Companies that have its own innovative technology and project or have had significant success in the technology industry;

- Companies that are reputable and have great influence in their respective industry; and

- Companies that have fine product quality and recognized brand in the industry.

We have classified our service package as follow (Service fee in RMB):

	Platinum Package	Gold Package	Silver Package	Bronze Package
Fee/ year	500,000	300,000	200,000	100,000
Service Item				
Front page ad	1 years, 20MM* 50MM	1 years, 20MM* 50MM	1 years, 20MM* 50MM	No
Online exhibition display	1years	1 years	1 years	No
Multi-lingual online profile	1 years	1 years	1 years	1 year
Trading platform setup	1 years	1 years	1 years	No
Job recruitment	1 years	1 years	1 years	1 year
Online magazine advertisement	1 years	1 years	1 year	1 year
Annual conference or summit	at least once a year	at least once a year	at least once a year	once a year
Public relations	Yes	Yes	Yes	Yes
Keyword for searching engine	1 year	1 year	No	No
Website design	Yes	No	No	No
Business Referrals	1 year	1 year	1 year	1 year
Discount for partnership members with S&T	Yes	Yes	No	No

Details of Service Offered in Package

Front page ad: front page advertisement for our member companies on our website;

Online exhibition display: display our member companies' products and corporate profile on our website;

Multilingual online profile: develop the member company's corporate profile with more than one language. They can choose to develop their corporate profile in English, Japanese or other languages;

Setup trading platform: help our member company setup an online trading section on our website under the online trading section;

Job recruitment: setup a corporate recruiting section on our website for our member companies, to help them recruit new employees from our website resources;

Online magazine advertisement: we help our member companies design and display their own corporate magazine on our website;

Annual conference/summit: we organize conferences for more than one time in a year; the topic for each conference can vary. The membership companies will be invited to join the conference we organize;

Public Relations: we provide public relation services by running articles based on a specific topic for our member company's core business and/or background of the executive officers.

Keyword for searching engine: we can set the name of our member company's firm as the keyword in our search engine, so when any individual or corporate wants to search any information on our website, the keyword will show up immediately;

Website design: we provide website design service to our member company;

Business Referrals: we introduce business relations for our member company within our website;

Discount for partnership members with S&T: we offer exclusive discounts to our member company who wants to enter into partnership relationship with Science and Technology (Dalian). This innovative business model differentiates us from other advertising companies:

Online Exhibition

The "Online-Expo" of the Company is a brand-new model of product exhibition. We put our members product information on the internet through this window based on actual exhibition locations; it is a percept complement to the "International High-tech product exhibition of Dalian". Each exhibiter has its own web page, and all information about the exhibiter and its products are available to internet users on the page. According to actual exhibition, we divide the "Internet Expo" into 14 sections, including software, electronics, internet, cartoon, manufacture, biology, medicine, communications, automobile, energy, environmental protection, aerospace, new material and agriculture.

We have set up an integral database for every single exhibiter on the "Internet Expo," all the data such as exhibition information; daily turnover and the attention rate of the product are available on their respective web page.

Business Mode of Software and Information Service

The Company has established a research and development team to handle our website's daily technique upgrade and support related research and development efforts. Meanwhile, we make available to our clients software outsource services, such as building corporate websites or office management systems.

Online Trading Platform

We plan to derive revenue from providing marketplace to market and distribute technology products. The Company has a self-contained online trading platform for technology products, which caters for the needs of most of the internet users who are likely to make technology product deals on the internet. For the new products that cannot be shown on the internet due to its own technical characteristics, we also have an offline team to promote and distribute these products.

Our Company has strict product selecting procedures. Before we introduce a product to customers, we verify the qualification of the manufacturing enterprise and conduct a series of test of the products' function and performance. Furthermore, we work directly with enterprises, enhancing the price advantage of these products.

We have two strategies to offer online trading platform services: exclusive distribution of technology product and equity participation program. The first strategy requires us to buy out all the distribution right of a product in a specific area from a company; on top of that we will put this product on our promotion network. Our revenue comes from the price difference of the product. With the second strategy, we will select a product which is likely to have a vigorous momentum in the future. We cooperate with the manufacturing enterprise through cash investment, technology investment or other cooperative mode. Investing in these businesses and being part of the operations of these companies, we are able to generate revenues from the profit distribution of the enterprise.

Our Customers

We seek to target science and technology companies and entrepreneurs that:

- need to have its own technology created and have innovative project or have had significant success in the technology industry;
- are reputable in their industry, and can influence the whole industry with their reputation;
- offer quality product and are well recognized in the industry.

We have various customers that come from different industries, such as: logistics, energy, social society, healthcare, construction, machinery, clothing, food and retailing and so forth.

Sales and Marketing

Sales to customers in China account for all of our revenue. We target our sales efforts primarily in major leading companies in China; however, we tend to focus on the local companies in Dalian and Northeast China for the beginning of our business, and then expand to companies throughout all China. We have developed and strive to maintain a diversified sales network that allows us to effectively market products and services to our customers. Our sales and marketing team currently consists of ten (10) full time employees and some part-time workers. Our executive management team is also actively involved in business development and in managing our key client relationships.

Research and Development

The nature of our business requires us to update our technology frequently in order to compete with other business competitors in the business.

Since the beginning of our operation in 2010, we have striven to work on our website by increasing the input of our database, developing new channels and functions on our website, creating new platform for job recruitment, trading through different industries, and designing, editing, and publishing online journals and carrying out other activities to dramatically enlarge our service capability.

During 2014, the development and continuing upgrade of our website for Science & Technology website was the cornerstone of our services, as our current website offers more features to the users. First, we added several distinctive columns into our columns list in Chinese, English and Japanese version, including Gallery Week, Sci-tech Translate, Web Map, Sci-tech Search and Today in History, as we spent great efforts to advertise them deeply in our website. Second, we allocated more resources on the development of nation channels, as we used six months to launch four new national channels consecutively, which are Sci-tech Russia, Sci-tech UK, Sci-tech Germany and Sci-tech South-Africa. We expect the launch of the four channels to help us attract more new users from these four countries to visit our website and expand our business opportunities.

Competition

Our business model is to provide our business to business, or “B2B” platform to technology enterprises, and our revenue is generated from advertisement business through our membership payment model. We believe that our major competitors are companies that provide the same advertising portal website to B2B customers and also the portal website that provide services to individuals, the large internet companies such as, Sohu.com, Sina.com, Baidu.com and others. We also face competition from large online video advertisers such as Youku.com, Tudou.com and 56.com and others.

Traditional media channel (magazine, newspapers, and radio), telecommunications, street showcase, billboard, frame and public transport advertising companies are also our competitors.

Our advantage is that we provide a multi-lingual platform focus on a specific area, scientific and technology industry, to our customers. We can also provide more tailor-made services to different demand stratification customers with lower price. We also provide a platform for our members to have the opportunities to communicate with each other.

Our disadvantage is our less famous brand in the industry which will require us to put more efforts and fund to exploit sales channels and market shares.

Factors and Trends Affecting our Business

The internet and internet-related markets in China continued to evolve rapidly during 2014. According to an annual report issued by the China Internet Network Information Center (“CNNIC”), the total number of internet users in China had reached 649 million by the end of December 2014, with an increase of 31.17 million from the end of 2013. The number of mobile internet users in China had reached 557 million by the end of December 2014, with an increase of 56.72 million compared with the last year. Mobile internet is becoming the top channel for Internet users to access websites in China. Meanwhile, the rising of the Blog and E-commerce platform in China contributed to attracting an increasing number of internet users. We believe that this large and expanding user base will continue to provide significant opportunities for our company to expand our product offerings and to explore new revenue streams.

However, China’s economy has been experiencing slower growth recently, with the result that many large advertisers were cautious regarding their spending on advertising in light of this economic uncertainty. At the same time, we have been facing fierce competition arising from existing and new internet companies, which have been seizing advertising market share. We have noted that this macro-economic environment and increased competition has had some impact on our brand advertising business.

Due to above various factors, however, it is difficult for us at this point to predict growth trends for our brand advertising business through the end of 2014.

We continue to be pleased with, and optimistic regarding, its growth and potential profitable opportunity. Our performance in the first half reflects the resilience of the online media industry in China despite the weakening global macroeconomic environment and economic slowdown in China. It also reflects the ongoing strength of our online content and the successful expansion into other fast-growing segments of the industry.

We believe, as discussed above, that there are significant opportunities to explore new revenue streams related to the online internet advertising market, in that regard, we will need to catch up with our peer competitors with respect to penetration of new online functions and features.

Intellectual Property

To establish and protect our proprietary rights, we rely on a combination of trademarks, copyrights, trade secrets, license agreements, patent applications, confidentiality agreements and other contractual rights.

Trademarks

Registered trademarks in the PRC are protected by the Trademark Law of the PRC which came into effect in 1982 and was revised in 1993 and 2001 and the Regulations for the Implementation of Trademark Law of PRC which came into effect in 2002. A trademark can be registered in the PRC with the Trademark Office under the State Administration for Industry and Commerce, or the SAIC. The protection period for a registered trademark in the PRC is ten years starting from the date of registration and may be renewed if an application for renewal is filed within six months prior to expiration.

We have received the approval on the following trademark with the Trademark Office, State Administration for Industry and Commerce in the PRC:

No.	Registration No.	Trademark	Applicant	Item Category	Trademark Validity
1	10494489		Science & Technology (Dalian)	42*	April 7,2013—April 6,2023
2	10494453 and 10494499	TWWTN	Science &Technology (Dalian)	35* 42*	April 7, 2013—April 6, 2023
3	10494470		Science &Technology (Dalian)	35*	August 28, 2013—August 27, 2023

*35: Product/service category: 1. Advertising; 2 advertising agency; 3 Advertising space for rent;4 Online advertising on the data communication network; 5 advertising planning; 6 advertising design; 7 advertising publication; 8 Rental for advertising time on communication media; 9 direct email advertising;10 provide models for advertising or promotion purpose

*42: Product/service category: 1. Computer software design; 2 transfer data and document into electronic media;3 help the others to create or maintain website; 4 packaging design; 5 Exterior design for industrial product;6 Fashion design; 7 artwork appraisal; 8.Written graphic arts design; 9 Computer programming; 10 Managing computer stations.

Domain Names

Dalian Tianyi owns five domain names, including www.twwtn.com , www.twwtn.cn , www.twwtn.net , www.twwtn.com.cn and www.twwtn.org .

Governmental Approvals and Regulations

Patent

In accordance with the PRC Patent Law, the State Intellectual Property Office is responsible for administering patents in the PRC. The patent administration departments of provincial, autonomous region or municipal governments are responsible for administering patents within their respective jurisdictions.

The Chinese patent system adopts a “first to file” principle, which means that, where more than one person files a patent application for the same invention, a patent will be granted to the person who filed the application first. To be patentable, invention or utility models must meet three conditions: novelty, inventiveness and practical applicability. A patent is valid for twenty (20) years in the case of an invention and ten (10) years in the case of utility models and designs. A third-party user must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the use constitutes an infringement upon patent rights.

Copyright

Copyright in the PRC is protected by the Copyright Law of the PRC which was promulgated in 1990 and revised in 2001 and February 2010 and the Regulation for the Implementation of the Copyright Law of the PRC which came into effect in September 2002. Under the revised Copyright Law, copyright protections have been extended to information network and products transmitted on information network. Copyrights are reserved by the author, unless specified otherwise by the laws. According to Article 16 of the Copyright Law, if a work constitutes "work for hire", the employer, instead of the employee, is considered the legal author of the work and will enjoy the copyrights of such "work for hire" other than rights of authorship. "Works for hire" include, (1) drawings of engineering designs and product designs, maps, computer software and other works for hire, which are created mainly with the materials and technical resources of the legal entity or organization with responsibilities being assumed by such legal entity or organization; (2) those works the copyrights of which are, in accordance with the laws or administrative regulations or under contractual arrangements, enjoyed by a legal entity or organization. The actual creator may enjoy the rights of authorship of such "work for hire."

A copyright owner may transfer its copyrights to others or permit others to use its copyrighted works. Use of copyrighted works of others generally requires a licensing contract with the copyright owner. The protection period for copyrights in the PRC varies, with 50 years as the minimum. The protection period for a "work for hire" where a legal entity or organization owns the copyright (except for the right of authorship) is 50 years, expiring on December 31 of the fiftieth year after the first publication of such work.

Employees

As of the date of this Report, we had a total of 61 employees. We have paid the social insurance coverage for our full time employees for certain pension benefits, medical care, unemployment insurance, employee housing fund and other welfare benefits are provided to employees, which are in compliance with PRC law. The following table shows the number of our employees by function.

Function	Number Of Employees
Management	6
Technicians and Engineers	9
Editorials	26
Sales and Marketing	10
Accounting	3
Administration	7
Total	**61**

We believe that we maintain a satisfactory working relationship with our employees, and we have not experienced any significant labor disputes or any difficulty in recruiting staff for our operations. None of our employees is represented by a labor union.

Our employees in China participate in a state pension plan organized by Chinese municipal and provincial governments. We are required to make monthly contributions to the plan for each employee at the rate of 20% of his or her average assessable salary. In addition, we are required by Chinese law to cover employees in China with various types of social insurance. We believe that we are in material compliance with the relevant PRC laws.

Item 1A. Risk Factors.

Smaller reporting companies are not required to provide information required under this item.

Item 1B. Unresolved Staff Comments.

Smaller reporting companies are not required to provide information required under this item.

Item 2. Properties.

We currently operate in the following facility under a lease agreement. The aggregate monthly payment under these leases is RMB 43,828 (approximately $6,929), as set forth on the table below:

Facility	Address	Lessor	Space (Square Meters)	Monthly Rent	Lease Period
Dalian (headquarters)	Room 205, Building A, No. 1, Torch Road, Hi-tech Zone, Dalian, China	Dalian Hi-Tech Enterprises Service Center	1,440.92	$ 6,929	May 1, 2014 to April 30, 2015

Item 3. Legal Proceedings.

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock is quoted on the OTC Markets, or OTC, under the symbol "CNNM". As of March 31, 2015, the closing price for our common stock was $1.5 per share. The bid prices set forth below reflect inter-dealer quotations, do not include retail markups, markdowns or commissions and do not necessarily reflect actual transactions.

The following table sets forth, for the periods indicated, the high and low bid prices of our common stock.

Our common stock is currently quoted on OTC Markets under the symbol "CNNM."

	High	Low
Fiscal Year Ended December 31, 2015		
First Quarter	$ 1.5	$ 0.1
Fiscal Year Ended December 31, 2014		
First Quarter	$ N/A	$ N/A
Second Quarter	$ N/A	$ N/A
Third Quarter	$ N/A	$ N/A
Fourth Quarter	$ N/A	$ N/A
Fiscal Year Ended December 31, 2013		
First Quarter	$ N/A	$ N/A
Second Quarter	$ N/A	$ N/A
Third Quarter	$ N/A	$ N/A
Fourth Quarter	$ N/A	$ N/A

Holders

As of March 31, 2015, there were 250 stockholders of record of common stock. This does not reflect the number of persons or entities who held stock in nominee or street name through various brokerage firms.

Dividends

To date, we have not declared or paid any dividends on our common stock. We currently do not anticipate paying any cash dividends in the foreseeable future on our common stock, when issued pursuant to this offering. Although we intend to retain our earnings, if any, to finance the exploration and growth of our business, our Board of Directors will have the discretion to declare and pay dividends in the future.

Payment of dividends in the future will depend upon our earnings, capital requirements, and other factors, which our Board of Directors may deem relevant.

Recent Sales of Unregistered Securities

On April 8, 2014 the Company granted equity awards of 2,377,950 and 820,354 shares to 10 part-time consultants and 53 employees respectively, for the services rendered.

On September 17, 2014 the Company granted equity awards of 373,200 shares to 13 part-time consultants for the services rendered.

On December 14, 2014 the Company granted equity awards of 1,218,000 shares to 9 part-time consultants for the services rendered.

The issuances of the aforementioned shares were exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to Section 4(2) thereof as a transaction by an issuer not involving a public offering.

Item 6. Selected Financial Data.

Smaller reporting companies are not required to provide information required under this item.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation.

The following discussion provides information which management believes is relevant to an assessment and understanding of our results of operations and financial condition for the fiscal years ended December 31, 2014, and December 31, 2013. The discussion should be read along with our financial statements and notes thereto contained elsewhere in this Report. The following discussion and analysis contains forward-looking statements, which involve risks and uncertainties. Our actual results may differ significantly from the results, expectations and plans discussed in these forward-looking statements. See "Cautionary Statement On Forward-Looking Information."

Overview

We operate a multi-lingual portal website that offers advertising opportunities, technical support, and industrial information and community functions to science and technology companies and entrepreneurs in China. We conduct our business through our variable interest entities Dalian Tianyi Culture Development Co., Ltd., a PRC limited company ("Dalian Tianyi") and Science & Technology World Network (Dalian) Co., Ltd., a PRC limited company ("Science & Technology Network") in China, which we control through a series of contractual arrangements.

Our website has twenty-eight (28) domestic channels featuring different regions in greater China area and two user interactive and information sharing platforms bulletin board system (BBS) and Blog and, is available in three languages Chinese, English and Japanese.

- Build brand image through multiple languages online magazines, online corporate multimedia advertisement, executives interviews, institutional alliances and flexible membership package that are tailored to each business' needs.

- Showcase products to the public, through our customer-made corporate and factory facilities online show room;

- Develop intelligent leisure retirement industry through building a unique international intelligent technology health leisure endowment industrial district including residential area, holiday resort, spa area etc.;

- Develop an e-commercial platform to combine the online sales business with above intelligent leisure district and all the branches over the world to provide elderly products and also exclusive products provided by our agents;

- Host product purchase for businesses and end-users;

- Publish job openings and seek talents for corporate clients; and

- Post corporate blogs;

We currently derive a substantial portion of our revenues from online advertising services. Our advertising solutions present corporate users with attractive opportunities to combine the visual impact of traditional television-like multimedia advertisements and online magazines with the interactivity and precise targeting capabilities of the Internet.

Critical Accounting Policies and Management Estimates

Our discussion and analysis of our financial condition and results of operations relates to our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. We believe the consolidation, revenue recognition, income taxes and uncertain tax positions, computation of net loss per share, determination of net accounts receivable, and determination of functional currencies represent critical accounting policies that reflect the more significant judgments and estimates used in the preparation of our consolidated financial statements.

Principles of consolidation

The consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiaries and VIEs. Upon consolidation, all balances and transactions between the Company and its subsidiaries and VIEs have been eliminated.

Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Management makes these estimates using the best information available at the time the estimates are made; however actual results could differ from those estimates. Significant items subject to such estimates and assumptions include valuation allowances for receivables and recoverability of carrying amount and the estimated useful lives of long-lived assets.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 605, *Revenue Recognition* . Revenues are recognized when the four of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the service has been rendered, (iii) the fees are fixed or determinable, and (iv) collectability is reasonably assured. The recognition of revenue involves certain management judgments. The amount and timing of our revenues could be materially different for any period if management made different judgments or utilized different estimates.

Online Membership Revenue

Online membership revenue includes revenue from members for brand advertising services as well as others services such as planning and advertising revenue and information revenue.

The Company has the arrangements with nonrefundable up-front fees model ("the Model") to recognize revenue for the online membership business. We apply the Model, where a contract is signed to establish a fixed price for our services to be provided for a period of time as a membership enrollment, for a majority of our online membership revenue. Revenue is recognized ratably over the membership periods on a straight line basis, unless evidence suggests that the revenue is earned or obligations are fulfilled in a different pattern, over the contractual term of the arrangement or the expected period during which those specified services will be performed, whichever is longer. We provide advertisement placements to our advertising customers on our different Website channels and in different formats, which can include, among other things, banners, links, logos, buttons, rich media, pre-roll and post-roll video screens, pause video screens and content integration, as specified in the contracts with the members. The members can choose various on line services from the membership contracts based on their yearly membership.

Others Revenues

Other revenues are primarily generated from online advertisement planning services which introduce our customer's profile, product, and awareness promotion for their executive officers to build a better brand name for non-member companies. We follows the guidance of FASB Accounting Standards Codification No. 605 for revenue recognition for others revenues. The Company recognize others revenue when they are realized or realizable and earned. The Company considers revenue realized or realizable and earned when it has persuasive evidence of an arrangement that the services have been rendered to the customer, the sales price is fixed or determinable, the services are rendered and collectability is reasonably assured.

Income Taxes and Uncertain Tax Positions

Income Taxes

The Company follows ASC 740, *Income Taxes* , which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates, applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

The Company adopted ASC 740-10-25, which provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax position. The Company must recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate resolution. Our estimated liability for unrecognized tax benefits, may be affected by changing interpretations of laws, rulings by tax authorities, changes and/or developments with respect to tax audits, and expiration of the statute of limitations. The outcome for a particular audit cannot be determined with certainty prior to the conclusion of the audit and, in some cases, appeal or litigation process. The actual benefits ultimately realized may differ from our estimates. As each audit is concluded, adjustments, if any, are recorded in our financial statements. Additionally, in future periods, changes in facts, circumstances, and new information may require us to adjust the recognition and measurement estimates with regard to individual tax positions. Changes in recognition and measurement estimates are recognized in the period in which the changes occur. The Company has elected to classify interest and penalties related to an uncertain tax position, if and when required, as part of income tax expense in the combined statements of operations. The Company did not recognize any additional liabilities for uncertain tax positions as a result of the implementation of ASC 740-10-25.

Accounts Receivable

Accounts receivable are recorded at net realizable value consisting of the carrying amount less an allowance for uncollectible accounts as needed. The allowance for doubtful accounts is the Company’s best estimate of the amount of probable credit losses in the Company’s existing accounts receivable. The Company determines the allowance based on aging data, historical collection experience, customer specific facts and economic conditions. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company did not have any off-balance-sheet credit exposure relating to its customers, suppliers or others. As of December 31, 2014 and December 31, 2013, management has determined that no allowance for doubtful accounts is required.

Property and equipment

Property and equipment mainly comprise computer equipment, hardware and office furniture. Property and equipment are recorded at cost less accumulated depreciation with no residual value.

Depreciation for financial reporting purposes is provided using the straight-line method over the estimated useful lives of the assets:

Office and other equipment	5 years
Computers	3 years

Depreciation expense is allocated among research and development expenses, selling and marketing expenses and general and administrative expenses.

When office equipment and electronic devices are retired or otherwise disposed of, resulting gain or loss is included in net income or loss in the year of disposition for the difference between the net book value and proceeds received thereon. Maintenance and repairs which do not improve or extend the expected useful lives of the assets are charged to expenses as incurred.

Foreign currency transactions and translations

An entity’s functional currency is the currency of the primary economic environment in which it operates, normally that is the currency of the environment in which the entity primarily generates and expends cash. Management’s judgment is essential to determine the functional currency by assessing various indicators, such as cash flows, sales price and market, expenses, financing and inter-company transactions and arrangements. The reporting currency of the Company is United States dollars (“U.S. dollars” or “$”), and the functional currency of HK Science & Technology is Hong Kong dollars (“HK dollar”). The functional currency of the Company’s PRC subsidiary and VIEs is the Renminbi (“RMB’), and PRC is the primary economic environment in which the Company operates. The reporting currency of these consolidated financial statements is the United States dollar.

For financial reporting purposes, the financial statements of the Company's PRC subsidiary and VIEs, which are prepared using the RMB, are translated into the Company's reporting currency, the United States dollar. The financial statements of HK Science & Technology, which are prepared using the HK dollar, are translated into the Company's reporting currency, the United States dollar. Assets and liabilities are translated using the exchange rate at each balance sheet date. Revenue and expenses are translated using average rates prevailing during each reporting period, and shareholders' equity is translated at historical exchange rates. Adjustments resulting from the translation are recorded as a separate component of accumulated other comprehensive income in owners' equity.

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. The resulting exchange differences are included in the determination of net income (loss) of the consolidated financial statements for the respective periods.

The exchange rates used for foreign currency translation were as follows
(US$1 = RMB):

	Year End	Average
12/31/2014	6.1535	6.1482
12/31/2013	6.1140	6.1982

(US$1 = HKD)

	Year End	Average
12/31/2014	7.7580	7.7549
12/31/2013	7.7638	7.7546

No representation is made that the RMB amounts and HKD amounts could have been, or could be, converted into U.S. dollars at the rates used in translation.

Translations adjustments resulting from this process are included in accumulated other comprehensive loss in the shareholder's deficit were $56,845 at December 31, 2014 and $59,158 at December 31, 2013, respectively.

Results of Operations for Years Ended December 31, 2014 and 2013

The following table shows key components of the results of operations during the years ended December 31, 2014 and 2013 :

	For Years Ended December 31, 2014	For Years Ended December 31, 2013	Change of Amount	Change of %
Revenue				
- Third parties	$ 1,256,987	850,034	$ 406,953	48%
- Related parties	27,108	26,890	218	1%
	1,284,095	876,924	407,171	46%
Cost of revenue				
- Third parties	443,685	496,291	(52,606)	(11)%
- Related parties	9,568	15,700	(6,132)	(39)%
	453,253	511,991	(58,738)	(11)%
Gross profit	830,842	364,933	465,909	128%
Operating expenses:				
Research and development expenses	120,013	114,243	5,770	5%
Selling and marketing expenses	29,620	56,243	(26,623)	(47)%
General and administrative expenses	644,998	552,512	92,482	17%
Total operating expenses	794,631	722,998	71,633	10%
Income (Loss) from Operations	36,221	(358,065)	394,276	(110)%
Other income	155,473	1,282,492	(1,127,019)	(88)%
Income from operations before income taxes	191,684	924,427	(732,743)	(79)%
Provision for income taxes	150,829	306,945	(156,116)	(51)%
Net income	40,855	617,482	(576,627)	(93)%
Other comprehensive loss				
Foreign currency translation adjustment	2,313	(24,446)	26,759	(109)%
Comprehensive income	$ 43,168	593,036	$ (549,868)	(93)%

Revenue

Total revenues were $1,284,095 for the year ended December 31, 2014, compared to $876,924 for the corresponding period in 2013. The increase in total revenues from the year ended December 31, 2013 to the year ended December 31, 2014 was $407,171, or 46%. The increase was mainly attributable to increases in online members to 54 with average annual contract price of $66,284 from 40 with average annual contract price of $41,220, driven by the business development activities since the second half of year 2012.

Costs and Expenses

Cost of revenue

Total cost of revenues was $453,253 for the year ended December 31, 2014, compared to $511,991 for the corresponding period in 2013. The decrease in cost of revenues from the year ended December 31, 2013 to the year ended December 31, 2014 was $58,738, or 11%. The main decrease in cost of revenues was mainly a result of decrease in the fees paid to WO 3G mobile TV for mobile platform construction of $101,656 due to the termination of collaboration in fiscal year 2014, decrease in information cost of $9,429, and other expenses of $2,020, offset by increase in labor related cost of $54,366.

Operating Expenses

Total operating expenses were $794,631 for the year ended December 31, 2014, compared to $722,998 for the corresponding period in 2013. The increase in operating expenses from the year ended December 31, 2013 to the year ended December 31, 2014 was $71,633, or approximately 9.91%. The increase was mainly attributed to the increase of research and development expenses of $5,770 and general and administrative expenses of $92,486, which are mainly due to the issuance of share based payment and offset by decrease of selling expenses of $26,623.

Research and Development Expenses

Research and development expenses mainly consist of personnel-related expenses incurred for costs associated with research in new products and services, development and enhancement of existing products, services, techniques, or processes. The research and development expenses of the Company mainly represented the labor-related cost of technical department, which engaged in developing and inputting new content into the Company's website and improving existing services.

Research and development expenses were $120,013 for the year ended December 31, 2014, compared to $114,243 for the corresponding period in 2013. The increase in research and development expenses from the year ended December 31, 2013 to the year ended December 31, 2014 was $5,770, or 5%. The increase was mainly related to increase in salary and benefits expenses.

Selling and Marketing Expenses

Selling and marketing expenses mainly consist of advertising and promotional expenditures, salary and benefits expenses, sales commissions and travel expenses.

Selling and marketing expenses were $29,620 for the year ended December 31, 2014, compared to $56,243 for the corresponding period in 2013. The decrease in selling and marketing expenses from the year ended December 31, 2013 to the year ended December 31, 2014 was $26,623, or 47%. The decrease was mainly contributed by decrease in office expenses by $12,525, salary by $4,259 and miscellaneous expense by $9,839. The Company put more emphasis on exploring sizable customers and customers located in the northeast district of China, which led to a decrease in marketing expenses in 2014.

General and Administrative Expenses

General and administrative expenses mainly consist of salary and benefits expenses, professional service fees, and website hosting service fee, and office rental expenses.

General and administrative expenses were $644,998 for the year ended December 31, 2014, compared to $552,512 for the corresponding period in 2013. The increase in general and administrative expenses from the year ended December 31, 2013 to the year ended December 31, 2014 was $92,486, or approximately 16.74%. The increases were mainly due to a difference of an increase of $133,953 related to shares granted and issued to employees, and a $27,454 increase in professional fees and a $23,921 decrease in staff expenses, a $17,675 decrease in office expenses, a $11,095 decrease in transportation and $16,230 decrease in miscellaneous fee.

Income from Operations

As a result of the foregoing, our operating income was $36,211 for the year ended December 31, 2014, compared to loss of $358,065 for the year ended December 31, 2013.

Other Income

Other income was $155,473 for the year ended December 31, 2014, compared to other income of $1,282,492 for the corresponding period in 2013. There was no customer deposit recognized as other income in 2014. The other income in 2014 was mainly for the governmental subsidy.

Income Tax Expense

Income tax expense was $150,829 for the year ended December 31, 2014, compared to $306,945 for the year ended December 31, 2013. The decrease of income tax mainly due to less profit was driven from business operating.

Net Income

For the year ended December 31, 2014, we had net income of $40,855, compared to the net income of $617,482 for the year ended December 31, 2013.

Going Concern

The financial statements have been prepared assuming that the Company will continue as a going concern. The Company currently has limited revenue and has accumulated deficit of $1,514,655 and $1,555,510 as of December 31, 2014 and December 31, 2013 and net income of $40,855 and $617,482 for the year ended December 31, 2014 and 2013, respectively. Also, the Company's current liability exceeds current assets. These conditions raise substantial doubt about the Company's ability to continue as a going concern. As of December 31, 2014, the Company generated net income of $40,855 and generated more revenue to help achieve profitable operations. Management plans to fund continuing operations through new financing from related parties and equity financing arrangements. 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 2016 when it can generate sources of recurring revenues and to ultimately attain profitability. The financial statements do not include any adjustments that might result from the outcome of this uncertainty

Liquidity and Capital Resources

Our principal sources of liquidity are cash and cash equivalents, short-term investments, loans from shareholders, as well as the cash flows generated from our operations.

As of December 31, 2014, we had cash and cash equivalents of approximately $909,922. As of December 31, 2013, we had cash and cash equivalents of approximately $135,465. Cash equivalents primarily comprise petty cash and cash in the bank accounts.

We believe that the current cash and cash equivalents combined with proceeds that it expect to generate from operating activities are sufficient to meet anticipated working capital needs, commitments and capital expenditures over the next twelve months. It may, however, require additional cash resources due to changes in business conditions and other future developments, or changes in general economic conditions.

Cash Generating Ability

We believe that we will generate cash flow from our membership business and other business, which, along with our available cash, will provide sufficient liquidity and financial flexibility.

Our cash flows were summarized below:

	Year Ended December 31,	
	2014	2013
Net cash provided by (used in) operating activities	$ 776,162	$ (559,200)
Net cash used in investing activities	(2,277)	(5,683)
Net cash provided by financing activities	2,109	-
Effect of exchange rate change on cash and cash equivalents	(1,537)	14,881
Net increase (decrease) in cash and cash equivalents	774,457	(550,002)
Cash and cash equivalents at beginning of period	135,465	685,476
Cash and cash equivalents at end of period	$ 909,922	$ 135,465

Net Cash Used in Operating Activities

For the year ended December 31, 2014, $776,162 net cash provided by operating activities was primarily attributable to our net income of $40,885 adjusted by non-cash items of depreciation and amortization of $30,819 and issuance of stocks to employees of $161,133, prepaid expenses and other current assets decreased by $80,897 due to decreased advanced payment for advertising strategic cooperation fee, prepaid taxes decreased by $2,517, income tax payable increased by $116,125, accounts receivable decreased by $7,455 and deferred revenue increased by $414,373 and offset by advance from a customer decreased by $48,795 deferred revenue-noncurrent decreased by $11,295 and other current liabilities decreased by $12,888.

For the year ended December 31, 2013, $559,200 net cash used in operating activities was primarily attributable to our net income of $617,482 adjusted by non-cash items of depreciation and amortization of $37,423 and issuance of stocks to employees of $27,180, prepaid expenses and other current assets decreased by $171,383 due to decreased advanced payment for advertising strategic cooperation fee, prepaid taxes decreased by $14,375, income tax payable increased by $179,249 and advance from a customer increased by $80,669 and offset by accounts receivable increased by $7,395, deferred revenue decreased by $216,177, deferred revenue-noncurrent decreased by $265,311 and other current liabilities decreased by $1,198,078.

Net Cash Used in Investing Activities

For the year ended December 31, 2014, net cash used in investing activities of $2,277 was primarily the result of the purchase of office equipment.

For the year ended December 31, 2013, net cash used in investing activities of $5,683 was primarily the result of the purchase of office equipment.

Net Cash Provided by Financing Activities

For the year ended December 31, 2014, net cash provided by financing activities of $2,109 was primarily the result of the increase of due to a related party.

For the year ended December 31, 2013, there was no cash used in financing activities.

Off-Balance Sheet Commitments and Arrangements

As of December 31, 2014 and December 31, 2013, we had lease agreements for the principal offices with commitment amount of $25,883 and $13,634, respectively. We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as shareholder’s equity, or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or product development services with us.

Impact of Recently Issued Accounting Standards

In February 2013, the FASB issued ASU 2013-02, "Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income", The ASU does not change the current requirements for reporting net income or other comprehensive income in financial statements. However, this ASU requires an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts. The guidance is effective prospectively for reporting periods beginning after December 15, 2012 for public entities. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial position or results of operations.

The Company does not believe other recently issued but not yet effective accounting standards from ASU 2014-01 to ASU 2014-25, if currently adopted, would have a material effect of the consolidated financial position, results of operation and cash flows.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable because we are smaller reporting company.

Item 8. Financial Statements and Supplementary Data.

INDEX TO FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED DECEMBER 31, 2014 AND 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
China Network Media, Inc.

We have audited the accompanying consolidated balance sheets of China Network Media, Inc. and Subsidiaries (the "Company") as of December 31, 2014 and 2013, and the related consolidated statements of operations and comprehensive income, changes in shareholders' deficit and cash flows for the years then ended. The Company's management is responsible for these consolidated financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material aspects, the financial position of China Network Media, Inc. and its subsidiaries as of December 31, 2014 and 2013, and the result its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has a shareholder's deficit that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Marcum Bernstein & Pinchuk LLP

New York, New York
March 31, 2015

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China Network Media Inc.
Consolidated Balance Sheets
(U.S. Dollars)

	December 31, 2014	December 31, 2013
Assets		
Current assets		
Cash and cash equivalents	$ 909,922	$ 135,465
Accounts receivable	-	7,496
Prepaid taxes	92,127	90,191
Prepaid expenses and other current assets	41,234	122,850
Total current assets	1,043,283	356,002
Property and equipment, net	20,485	49,319
Total assets	$ 1,063,768	$ 405,321
Liabilities and shareholders' deficit		
Current Liabilities		
Deferred revenue	$ 964,252	$ 553,790
Due to a related party	84,662	83,088
Advance from a customer	32,502	81,779
Income tax payable	133,620	17,707
Other current liabilities	32,229	45,397
Total current liabilities	1,247,265	781,761
Deferred revenue, non current	-	11,358
Total liabilities	$ 1,247,265	$ 793,119
Shareholders' deficit		
Common stock ($0.001 par value,100,000,000 shares authorized; 65,175,333 and 60,395,829 shares issued and outstanding as of December 31, 2014 and 2013, respectively)	65,175	60,396
Additional paid in capital	1,322,828	1,166,474
Accumulated deficit	(1,514,655)	(1,555,510)
Accumulated other comprehensive loss	(56,845)	(59,158)
Total shareholders' deficit	(183,497)	(387,798)
Total liabilities and shareholders' deficit	$ 1,063,768	$ 405,321

See accompanying notes to the consolidated financial statements.

** The assets of the variable interest entities (the "VIEs") can be used to settle obligations of the consolidated entities. Conversely, liabilities recognized as a result of consolidating these VIEs do not represent additional claims on the Company's general assets (Note 3).*

China Network Media Inc.
Consolidated Statements of Operations and Comprehensive Income
(U.S. Dollars, except shares)

	For the Year Ended December 31, 2014	2013
Revenue		
- Third parties	$ 1,256,987	$ 850,034
- Related parties	27,108	26,890
	1,284,095	876,924
Cost of revenue		
- Third parties	443,685	496,291
- Related parties	9,568	15,700
	453,253	511,991
Gross profit	830,842	364,933
Operating expenses:		
Research and development expenses	120,013	114,243
Selling and marketing expenses	29,620	56,243
General and administrative expenses	644,998	552,512
Total operating expenses	794,631	722,998
Income (Loss) from Operations	36,211	(358,065)
Other income	155,473	1,282,492
Income from operations before income taxes	191,684	924,427
Provision for income taxes	150,829	306,945
Net income	40,855	617,482
Other comprehensive income (loss)		
Foreign currency translation adjustment	2,313	(24,446)
Comprehensive income	$ 43,168	$ 593,036
Basic and diluted income per share	$ 0.001	$ 0.01
Weighted-average number of shares outstanding -Basic and diluted	62,891,032	60,011,005

See accompanying notes to the consolidated financial statements.

China Network Media Inc.
Consolidated Statement of Changes in Shareholders' Deficit
For the Years Ended December 31, 2014 and 2013
(U.S. Dollars)

	Common Stock Outstanding	Common Stock Amount	Additional Paid in Capital	Accumulated Other Comprehensive Loss	Deficit	Total Shareholders Deficit
Balances at December 31, 2012	**56,300,452**	**56,300**	**1,143,390**	**(34,712)**	**(2,172,992)**	**(1,008,014)**
Issuance of shares to employees	4,260,410	4,261	22,919	-	-	27,180
Cancellation of shares to employees	(165,033)	(165)	165	-	-	-
Foreign currency translation adjustment	-	-	-	(24,446)	-	(24,446)
Net income	-	-	-	-	617,482	617,482
Balances at December 31, 2013	**60,395,829**	**$ 60,396**	**$ 1,166,474**	**$ (59,158)**	**$ (1,555,510)**	**$ (387,798)**
Issuance of shares to employees	4,789,504	4,791	156,342	-	-	161,133
Cancellation of shares to employees	(12,000)	(12)	12	-	-	-
Foreign currency translation adjustment	-	-	-	2,313		2,313
Net income	-	-	-	-	40,855	40,855
Balances at December 31, 2014	**65,173,333**	**$ 65,175**	**$ 1,322,828**	**$ (56,845)**	**$ (1,514,655)**	**$ (183,497)**

See accompanying notes to the consolidated financial statements.

China Network Media Inc.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013
(U.S. Dollars)

	For the Year Ended December 31, 2014	2013
Cash Flows From Operating Activities		
Net income	$ 40,855	$ 617,482
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation expense	30,819	27,180
Issuance of shares to employees and part-time consultants	161,133	37,423
Changes in operating assets and liabilities:		
Accounts receivable	7,455	(7,395)
Prepaid expenses and other current assets	80,897	171,383
Advance from a customer	(48,795)	80,669
Deferred revenue	414,373	(216,177)
Prepaid taxes	(2,517)	14,375
Income tax payable	116,125	179,249
Other current liabilities	(12,888)	(1,198,078)
Deferred revenue, non current	(11,295)	(265,311)
Net cash provided (used in) by operating activities	776,162	(559,200)
Cash Flows From Investing Activities		
Purchases of property and equipment	(2,277)	(5,683)
Net cash used in investing activities	(2,277)	(5,683)
Cash Flows From Financing Activities		
Cash proceeds from related parties	181,023	-
Cash repayment to a related party	(178,914)	-
Net cash used in financing activities	2,109	-
Effect of exchange rate fluctuation on cash and cash equivalents	(1,537)	14,881
Net increase (decrease) in cash and cash equivalents	774,457	(550,002)
Cash and cash equivalents, beginning of year	135,465	685,467
Cash and cash equivalents, end of year	$ 909,922	$ 135,465
Supplemental disclosure information:		
Income taxes paid	$ 34,704	$ 127,680

See accompanying notes to the consolidated financial statements.

NOTE 1. DESCRIPTION OF BUSINESS AND ORGANIZATION

China Network Media Inc. (formerly known as Metha Energy Solutions Inc.) was incorporated on April 18, 2008 under the laws of the State of Delaware.

Science & Technology World Website Media Holding Co., Ltd. (“Science & Technology Holding”) was organized under the laws of the British Virgin Island on February 15, 2011.

Science & Technology World Website Media Group Co., Ltd. (“Science & Technology Media”) was organized under the laws of the British Virgin Island on February 15, 2011 to serve as a holding company for the People's Republic of China (the "PRC") operations. On September 16, 2011, Science & Technology Media established Science & Technology World Website Hong Kong Media Holding Co., Ltd. (“HK Science & Technology”) in Hong Kong to serve as an intermediate holding company.

On January 20, 2012, HK Science and Technology established Science& Technology World Website Trade (Dalian) Co., Ltd (the “WFOE” or “Science & Technology Trading”) in the PRC. Its purposes are, among others, a platform for online B2B service.

HK Science and Technology and the WFOE are considered foreign investor and foreign invested enterprise respectively under PRC law. As a result, HK Science & Technology and the WFOE are subject to limitations under PRC law on foreign ownership of Chinese companies. According to the Catalogue of Industries for Guiding Foreign Investment (2011 Revision) (the “Catalogue”), there are four kinds of industries which are encouraged, permitted, restricted and prohibited for foreign investment. The primary business of Dalian Tianyi Culture Development Co., Ltd (“Dalian Tianyi”) and Science & Technology World Network (Dalian) Co., Ltd (“Science & Technology (Dalian)”) are within the category in which foreign investment is currently restricted.

On January 21, 2012, the WFOE respectively entered into a series of agreements with Dalian Tianyi, Science & Technology (Dalian) and their respective shareholders (“Contractual Arrangements”). The relationship with Dalian Tianyi, Science & Technology (Dalian) and their respective shareholders are governed by the Contractual Arrangements. The Contractual Arrangements is comprised of a series of agreements, including Exclusive Technical Consulting Service Agreements and Operating Agreements, through which WFOE has the right to advise, consult, manage and operate Dalian Tianyi and Science & Technology (Dalian), and collect 85% of their respective net profits. The shareholders of Dalian Tianyi and Science & Technology (Dalian) have granted WFOE, under the Exclusive Equity Interest Purchase Agreement, the exclusive right and option to acquire all of their equity interests respectively in Dalian Tianyi and Science & Technology (Dalian). Furthermore, the shareholders of Dalian Tianyi and Science & Technology (Dalian) is under the procedure of pledging all of their equity interests respectively in Dalian Tianyi and Science & Technology (Dalian) to WFOE under the Exclusive Equity Interest Pledge Agreement, and through the Exclusive Equity Interest Pledge Agreement, WFOE can collect the remaining 15% of Dalian Tianyi and Science & Technology (Dalian)’s respective net profits.

According to the Power of Attorney executed by the shareholders of Dalian Tianyi and Science & Technology (Dalian), they exclusively authorized WFOE to perform and exercise any and all of the shareholder’s rights in Dalian Tianyi and Science & Technology (Dalian).

As a result of the Contractual Arrangements, under generally accepted accounting principles in the United States, or U.S. GAAP, Science & Technology Media is considered the primary beneficiary of Dalian Tianyi and Science & Technology (Dalian) (“VIEs”)

On October 29, 2012, Science & Technology Media entered into a Share Exchange Agreement by and among (i) Science & Technology Holding, (ii) the principal shareholders of China Network Media Inc., (iii) China Network Media Inc., (iv) the shareholders of Science & Technology Holding and (v) Science & Technology Media.

The acquisition was accounted for as a “reverse merger,” and Science & Technology Media was deemed to be the accounting acquirer in the reverse merger. Consequently, the assets and liabilities and the historical operations that would be reflected in the financial statements prior to the acquisition would be those of Science &Technology Media and its wholly owned subsidiaries and VIEs, and would be recorded at the historical cost, and the consolidated financial statements after completion of the acquisition would include the assets, liabilities and operation of China Network Media Inc., Science & Technology Media and its wholly owned subsidiaries and VIEs from the closing date of the acquisition. As a result of the issuance of the shares of common stock pursuant to the Exchange Agreement, a change in control of occurred as a result of the acquisition.

In connection with the closing of the Exchange Agreement, Toft ApS, China Network Media Inc.’ principal shareholder, agreed to cancel its 10,000,000 shares of the common stock that it owned in China Network Media Inc. and to issue 50,000,000 shares to shareholders of Science & Technology Holding, who acquired a majority interest in China Network Media Inc., in October 2012 for the purpose of the reverse acquisition of Science & Technology Media. Additionally, the existing officers and directors from China Network Media Inc. resigned from its board of directors and all officer positions effective immediately after the closing of the reverse merger. Accordingly, China Network Media Inc. appointed Mr. Jiang Wei, the former major shareholder of Science & Technology Holding as the Chairman of the Board and appointed Mr. Peng HuiAn, the former major shareholder of Science & Technology Holding as the Chief Executive Officer. The shareholders of Science & Technology Media shareholder were issued common stock of China Network Media Inc. constituting approximately 95.02% of the fully diluted outstanding shares. After the RTO, 52,620,030 common stock were outstanding.

China Network Media Inc.’ directors approved the Exchange Agreement and the transactions contemplated thereby. Simultaneously, the directors of Science & Technology Media also approved the Exchange Agreement and the transactions contemplated thereby.

As a result of the Exchange Agreement, China Network Media Inc. acquired 100% of the processing and production operations of Science & Technology Media and its subsidiaries, the business and operations of which now constitutes its primary business and operations.

On March 19, 2013, the Company submitted dissolution application for Science & Technology Holding which was approved on April 2, 2013.

China Network Media Inc., its wholly-owned subsidiaries and VIEs are collectively referred as “the Company”, “we”, “us”, “our” for the purposes of these notes.

We operate a multi-languages portal website that serves to the technology industry and provide advertising opportunities to the companies through our diverse business network in China. The Company currently operates its website through different versions in China.

As our main target, we provide online platform to business entrepreneurs and corporations with a B2B marketplace that can help our customers:

- ☐ Set their brand image through multiple languages online magazine, online corporate multimedia advertisement, executives interviews, institutional alliances and flexible membership package that tailor made based on what our customers need;
- ☐ Set up customer's online exhibition to introduce their products to the public, where they have our tailor-made corporate introduction with 3D product description and factory facilities online show room ;
- ☐ Develop intelligent leisure retirement industry through building a unique international intelligent technology health leisure endowment industrial district including residential area, holiday resort, spa area etc. ;
- ☐ Develop an e-commercial platform to combine the online sales business with above intelligent leisure district and all the branches over the world to provide elderly products and also exclusive products provided by our agents;
- ☐ B2B product purchase platform for companies and end-users;
- ☐ Online job opportunity section for corporate clients; and
- ☐ Corporate blogs.

We currently derive a substantial portion of our revenues from online advertising membership services. Our advertising membership solutions present corporate users with attractive opportunities to combine the visual impact and engagement of traditional television-like multimedia advertisements and online magazines with the interactivity and precise targeting capabilities of the Internet. We strive to promote a novel and unique advertising environment on our website to attract technology enterprises.

NOTE 2. GOING CONCERN AND LIQUIDITY

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company currently has limited revenue and has accumulated deficit of $1,514,655 and $1,555,510 as of December 31, 2014 and December 31, 2013, respectively. Also, the Company's current liability exceeds current assets. These conditions raise substantial doubt about the Company's ability to continue as a going concern. As of December 31, 2014, the Company generated net income of $40,855 and generated more revenue to help achieve profitable operations. Management plans to fund continuing operations through new financing from related parties and equity financing arrangements. 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 2015 when it can generate sources of recurring revenues and to ultimately attain profitability. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The principal sources of liquidity are cash and cash equivalents, short-term investments, loans from shareholders, as well as the cash flows generated from our operations.

As of December 31, 2014, the Company had cash and cash equivalents of approximately $909,922. As of December 31, 2013, the Company had cash and cash equivalents of approximately $135,465. Cash and cash equivalents include cash on hand, deposits in banks with maturities of three months or less, and all highly liquid investments which are unrestricted as to withdrawal or use, and which have original maturities of three months or less at the time of purchase.

The Company believes that the current cash and cash equivalents combined with proceeds that it expect to generate from operating activities are sufficient to meet anticipated working capital needs, commitments and capital expenditures over the next twelve months. It may, however, require additional cash resources due to changes in business conditions and other future developments, or changes in general economic conditions.

NOTE 3. VARIABLE INTEREST ENTITIES

To satisfy PRC laws and regulations, the Company conducts certain business in the PRC through its Variable Interest Entities (“VIEs”).

The significant terms of the VIE Agreements are summarized below:

Exclusive Technical Consulting Service Agreement: During the term of this Agreement, Science & Technology Trading shall provide the following technical consulting services to Dalian Tianyi and Science & Technology (Dalian) in accordance with this Agreement: (i) Provision of advanced management skills to offer a framework for the construction of a new management platform; (ii) Provision of technology information and materials related to Dalian Tianyi and Science & Technology (Dalian)’s business development and operation. The content of the technology information and documents may be enhanced or diminished during the performance of this Agreement and upon mutual agreement to address each Party’s requirements; and (iii) Training of technical and managerial personnel for Dalian Tianyi and Science & Technology (Dalian) and provision of required training documents. Science & Technology Trading will send technologists and managerial personnel to Dalian Tianyi and Science & Technology (Dalian) to provide related technology and training services as necessary. Dalian Tianyi and Science & Technology (Dalian) hereby agrees to accept the technical consulting services provided by Science & Technology Trading. Dalian Tianyi and Science & Technology (Dalian) further agrees that, during the term of this Agreement, it shall not accept technical consulting and services from any other party without the prior written consent of Science & Technology Trading. Science & Technology Trading shall be the sole and exclusive owner of all right, title and interests to any and all intellectual property rights arising from the performance of this Agreement, including but not limited to, copyrights, patent, know-how and commercial secrets, whether such intellectual property is developed by Science & Technology Trading or Dalian Tianyi and Science & Technology (Dalian).

Exclusive Equity Interest Purchase Agreement: Under the Exclusive Option Agreements entered into by and among Science & Technology Trading, each of the PRC Shareholders irrevocably granted to Science & Technology Trading the exclusive right to purchase or designate one or more persons to purchase all or any portion of the Equity Interest from the PRC Shareholders subject to compliance with legal restrictions under applicable PRC laws. The PRC Shareholders shall not sell or transfer all or any portion of the Equity Interest to any party other than Science & Technology Trading and/or the Specified Person.

Equity Interest Pledge Agreement: Under the Equity Pledge Agreements entered into by and among Science& Technology Trading, the PRC Operating Entities and each of the PRC Shareholders, the PRC Shareholders pledged all of their equity interests in the PRC Operating Entities as security to ensure that Science& Technology Trading collects the Consulting Fee under the Service Agreement. The Pledge shall be effective as of the date that the Pledge is recorded in the register of shareholders of Dalian Tianyi and Science & Technology (Dalian) and shall remain effective so long as this Agreement remains in effect. During the Term of the Pledge, Science& Technology Trading shall be entitled to foreclose on the Pledge in accordance with this Agreement in the event that Dalian Tianyi and Science & Technology (Dalian) fail to pay the Consulting Fees in accordance with the Service Agreement. Science& Technology Trading shall be entitled to exercise, dispose of or assign the Pledge in accordance with this Agreement.

Powers of Attorney: The PRC Shareholders have each executed an irrevocable power of attorney to appoint Science& Technology Trading as their sole representative with full authority to perform and exercise any and all shareholder’s rights associated with the Equity Interest, including but not limited to, the right to attend shareholders’ meetings, the right to execute shareholders’ resolutions, the right to sell, assign, transfer or pledge any or all of the Equity Interest and the right to vote the Equity Interest for all matters, including but not limited to, the appointment of legal representatives, board members, executive directors, inspectors, chief managers and other senior management officers and the submission of all the Company’s related documentations to the competent authorities. The term of each power of attorney is valid so long as such shareholder is a shareholder of the respective PRC Operating Entity.

As a result of these VIE Agreements, the Company through its wholly-owned subsidiary, Science& Technology Trading, was granted with unconstrained decision making rights and power over key strategic and operational functions that would significantly impact the PRC Operating Entities or the VIEs' economic performance, which includes, but is not limited to, the development and execution of the overall business strategy; important and material decision making; decision making for merger and acquisition targets and execution of merger and acquisition plans; business partnership strategy development and execution; government liaison; operation management and review; and human resources recruitment and compensation and incentive strategy development and execution. Science& Technology Trading also provides comprehensive services to the VIEs for their daily operations, such as operational technical support, OA technical support, accounting support, general administration support and technical support for products and services. As a result of the Exclusive Business Cooperation Agreements, the Equity Pledge Agreements and the Exclusive Option Agreements, the Company will bear all of the VIEs' operating costs in exchange for 100% of the net income of the VIEs. Under these agreements, the Company has the absolute and exclusive right to enjoy economic benefits similar to equity ownership through the VIE Agreements with our PRC Operating Entities and their shareholders.

These contractual arrangements may not be as effective in providing the Company with control over the VIEs as direct ownership. Due to its VIE structure, the Company has to rely on contractual rights to effect control and management of the VIEs, which exposes it to the risk of potential breach of contract by the shareholders of the VIEs for a number of reasons. For example, their interests as shareholders of the VIEs and the interests of the Company may conflict and the Company may fail to resolve such conflicts; the shareholders may believe that breaching the contracts will lead to greater economic benefit for them; or the shareholders may otherwise act in bad faith. If any of the foregoing were to happen, the Company may have to rely on legal or arbitral proceedings to enforce its contractual rights, including specific performance or injunctive relief, and claiming damages. Such arbitral and legal proceedings may cost substantial financial and other resources, and result in a disruption of its business, and the Company cannot assure that the outcome will be in its favor. Apart from the above risks, there are no significant judgments or assumptions regarding enforceability of the contracts.

In addition, as all of these contractual arrangements are governed by PRC law and provide for the resolution of disputes through either arbitration or litigation in the PRC, they would be interpreted in accordance with PRC law and any disputes would be resolved in accordance with PRC legal procedures. The legal environment in the PRC is not as developed as in other jurisdictions, such as the United States. As a result, uncertainties in the PRC legal system could further limit the Company's ability to enforce these contractual arrangements. Furthermore, these contracts may not be enforceable in China if PRC government authorities or courts take a view that such contracts contravene PRC laws and regulations or are otherwise not enforceable for public policy reasons. In the event the Company is unable to enforce these contractual arrangements, it may not be able to exert effective control over the VIEs, and its ability to conduct its business may be materially and adversely affected.

The assets of the variable interest entities (the "VIEs") can be used to settle obligations of the consolidated entities. Conversely, liabilities recognized as a result of consolidating these VIEs do not represent additional claims on the Company's general assets.

Most of our operations are conducted through our affiliated companies which the Company controls through contractual agreements in the form of variable interest entities. Current regulations in China permit our PRC subsidiaries to pay dividends to us only out of its accumulated distributable profits, if any, determined in accordance with their articles of association and PRC accounting standards and regulations. The ability of these Chinese affiliates to make dividends and other payments to us may be restricted by factors that include changes in applicable foreign exchange and other laws and regulations.

A. Under PRC law, our subsidiary may only pay dividends after 10% of its after-tax profits have been set aside as reserve funds, unless such reserves have reached at least 50% of its registered capital. Such cash reserve may not be distributed as cash dividends.

B. The PRC Income Tax Law also imposes a 10% withholding income tax on dividends generated on or after January 1, 2008 and distributed by a resident enterprise to its foreign investors, if such foreign investors are considered as non-resident enterprise without any establishment or place within China or if the received dividends have no connection with such foreign investors' establishment or place within China, unless such foreign investors' jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement.

As of December 31, 2014, there were no such retained earnings available for distribution.

The following financial statement amounts and balances of the VIEs were included in the accompanying consolidated financial statements as of and for the year ended December 31, 2014 and 2013, respectively:

	December 31, 2014	December 31, 2013
Total assets	$ 1,063,768	$ 405,321
Total liabilities	$ 1,247,265	$ 793,119

	For the Year Ended December 31,	
	2014	2013
Revenues	$ 1,284,095	$ 876,924
Net income	$ 40,855	$ 617,482

All of our current revenue is generated in PRC currency Renminbi ("RMB"). Any future restrictions on currency exchanges may limit our ability to use net revenues generated in Renminbi to make dividends or other payments in U.S. dollars or fund possible business activities outside China.

Foreign currency exchange regulation in China is primarily governed by the following rules:

☐ Foreign Exchange Administration Rules (1996), as amended in August 2008, or the Exchange Rules;

☐ Administration Rules of the Settlement, Sale and Payment of Foreign Exchange (1996), or the Administration Rules.

Under the Administration Rules, RMB is freely convertible for current account items, including the distribution of dividends, interest payments, trade and service related foreign exchange transactions, but not for capital account items, such as direct investments, loans, repatriation of investments and investments in securities outside of China, unless the prior approval of the State Administration of Foreign Exchange (“SAFE”) is obtained and prior registration with the SAFE is made. Foreign-invested enterprises like ours that need foreign exchange for the distribution of profits to their shareholders may affect payment from their foreign exchange accounts or purchase and pay foreign exchange rates at the designated foreign exchange banks to their foreign shareholders by producing board resolutions for such profit distribution. Based on their needs, foreign-invested enterprises are permitted to open foreign exchange settlement accounts for current account receipts and payments of foreign exchange along with specialized accounts for capital account receipts and payments of foreign exchange at certain designated foreign exchange banks.

NOTE 4. SUMMARIES OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

b. Principles of consolidation

The consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiaries and VIEs. Upon consolidation, all balances and transactions between the Company and its subsidiaries and VIEs have been eliminated.

c. Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Management makes these estimates using the best information available at the time the estimates are made; however actual results could differ from those estimates. Significant items subject to such estimates and assumptions include valuation allowances for receivables and recoverability of carrying amount and the estimated useful lives of long-lived assets.

d. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash on deposit with various financial institutions in PRC and all highly-liquid investments with original maturities of three months or less at the time of purchase. Cash accounts are not insured or otherwise protected. Should any bank or trust company holding cash deposits become insolvent, or if the Company is otherwise unable to withdraw funds, the Company would lose the cash on deposits with that particular bank or other financial institutions.

e. Accounts Receivable

Accounts receivable are recorded at net realizable value consisting of the carrying amount less an allowance for uncollectible accounts as needed. The allowance for doubtful accounts is the Company’s best estimate of the amount of probable credit losses in the Company’s existing accounts receivable. The Company determines the allowance based on aging data, historical collection experience, customer specific facts and economic conditions. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company did not have any off-balance-sheet credit exposure relating to its customers, suppliers or others. As of December 31, 2014 and December 31, 2013, management has determined that no allowance for doubtful accounts is required.

f. Property and equipment

Property and equipment mainly comprise computer equipment, hardware and office furniture. Property and equipment are recorded at cost less accumulated depreciation with no residual value.

Depreciation for financial reporting purposes is provided using the straight-line method over the estimated useful lives of the assets:

Office and other equipment	5 years
Computers	3 years

Depreciation expense is allocated among Research and development expenses, Selling and marketing expenses and General and administrative expenses.

When office equipment and electronic devices are retired or otherwise disposed of, resulting gain or loss is included in net income or loss in the year of disposition for the difference between the net book value and proceeds received thereon. Maintenance and repairs which do not improve or extend the expected useful lives of the assets are charged to expenses as incurred.

g. Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets to be held and used is measured by a comparison of the carrying amount of the asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount of the asset and its fair value. There were no impairment losses for the years ended December 31, 2014 and 2013, respectively.

h. Revenue recognition

The Company recognizes revenue in accordance with ASC 605, *Revenue Recognition* . Revenues are recognized when the four of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the service has been rendered, (iii) the fees are fixed or determinable, and (iv) collectability is reasonably assured. The recognition of revenue involves certain management judgments. The amount and timing of our revenues could be materially different for any period if management made different judgments or utilized different estimates.

Online Membership Revenue

Online membership revenue includes revenue from members for brand advertising services as well as others services such as planning and advertising revenue and information revenue.

The Company has the arrangements with nonrefundable up-front fees model ("the Model") to recognize revenue for the online membership business. We apply the Model, where a contract is signed to establish a fixed price for our services to be provided for a period of time as a membership enrollment, for a majority of our online membership revenue. Revenue is recognized ratably over the membership periods on a straight line basis, unless evidence suggests that the revenue is earned or obligations are fulfilled in a different pattern, over the contractual term of the arrangement or the expected period during which those specified services will be performed, whichever is longer. The Company provides advertisement placements to our advertising customers on our different Website channels and in different formats, which can include, among other things, banners, links, logos, buttons, rich media, pre-roll and post-roll video screens, pause video screens and content integration, as specified in the contracts with the members. The members can choose various on line services from the membership contracts based on their yearly membership.

Others Revenues

Other revenues are primarily generated from online advertisement planning services which introduce our customer's profile, product, and awareness promotion for their executive officers to build a better brand name for non-member companies. We follow the guidance of FASB Accounting Standards Codification No. 605 for revenue recognition for others revenues. The Company recognize others revenue when they are realized or realizable and earned. The Company considers revenue realized or realizable and earned when it has persuasive evidence of an arrangement that the services have been rendered to the customer, the sales price is fixed or determinable, the services are rendered and collectability is reasonably assured.

i. Related parties

A party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and 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. A party which can significantly influence the management or operating policies of the transacting parties or if it has 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 is also a related party.

j. Earnings per common share

Basic earnings per share is computed by dividing income attributable to common shareholders by the weighted average number of common shares outstanding for all periods. Diluted earnings per share is computed by dividing net income attributable to common shareholders by the weighted average number of shares outstanding, increased by common stock equivalents. Common stock equivalents represent incremental shares issuable upon exercise of outstanding warrants. However, potential common shares are not included in the denominator of the diluted earnings per share calculation when inclusion of such shares would be anti-dilutive, such as in a period in which a net loss is recorded.

k. Foreign currency transactions and translations

An entity's functional currency is the currency of the primary economic environment in which it operates, normally that is the currency of the environment in which the entity primarily generates and expends cash. Management's judgment is essential to determine the functional currency by assessing various indicators, such as cash flows, sales price and market, expenses, financing and inter-company transactions and arrangements. The reporting currency of the Company is United States dollars ("U.S. dollars" or "$"), and the functional currency of HK Science & Technology is Hong Kong dollars ("HK dollar"). The functional currency of the Company's PRC subsidiary and VIEs is the Renminbi ("RMB'), and PRC is the primary economic environment in which the Company operates. The reporting currency of these consolidated financial statements is the United States dollar.

For financial reporting purposes, the financial statements of the Company's PRC subsidiary and VIEs, which are prepared using the RMB, are translated into the Company's reporting currency, the United States dollar. The financial statements of HK Science & Technology, which are prepared using the HK dollar, are translated into the Company's reporting currency, the United States dollar. Assets and liabilities are translated using the exchange rate at each balance sheet date. Revenue and expenses are translated using average rates prevailing during each reporting period, and shareholders' equity is translated at historical exchange rates. Adjustments resulting from the translation are recorded as a separate component of accumulated other comprehensive income in owners' equity.

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. The resulting exchange differences are included in the determination of net income (loss) of the consolidated financial statements for the respective periods.

The exchange rates used for foreign currency translation were as follows

(US$1 = RMB):

	Year End	Average
12/31/2014	6.1535	6.1482
12/31/2013	6.1140	6.1982

(US$1 = HKD):

	Year End	Average
12/31/2014	7.7580	7.7549
12/31/2013	7.7638	7.7546

No representation is made that the RMB amounts and HKD amounts could have been, or could be, converted into U.S. dollars at the rates used in translation.

Translations adjustments resulting from this process are included in accumulated other comprehensive loss in the shareholder's deficit were $56,845 at December 31, 2014 and $59,158 at December 31, 2013, respectively.

l. Fair Value Measurements

The Company applies the provisions of ASC Subtopic 820-10, Fair Value Measurements, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements. ASC 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

Fair value is defined as 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. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

ASC 820 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes three levels of inputs that may be 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 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value.

There were not transfers between level 1, level 2 or level 3 measurements for the years ended December 31, 2013 and 2012, respectively.

As of December 31, 2014, the Company used Level 2 to measure the fair value of the shares that the Company issued to employees and part-time consultants for the service rendered. As the Company’s shares were still not active on OTCBB, no quoted price for those shares.

The carrying values of the Company’s financial assets and liabilities, including accounts receivables, other current assets, and accrued expenses and other current liabilities, are a reasonable estimate of fair value because of the short period of time between the origination of such instruments and their expected realization and if applicable, their stated interest rate approximates current rates available.

m. Share-Based Compensation

Pursuant to ASC Topic 718, *Compensation - Stock Compensation* , the Company measures the cost of employee services received in exchange for an award of stock-based compensation based on the grant-date fair value of the award. The cost is recognized over the requisite service period, except for awards granted to employees for past services, which are fully expensed by the grant date.

n. Recently adopted accounting pronouncements

In February 2013, the FASB issued ASU 2013-02, "Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income", The ASU does not change the current requirements for reporting net income or other comprehensive income in financial statements. However, this ASU requires an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts. The guidance is effective prospectively for reporting periods beginning after December 15, 2012 for public entities. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial position or results of operations.

The Company does not believe other recently issued but not yet effective accounting standards from ASU 2014-01 to ASU 2014-18, if currently adopted, would have a material effect of the consolidated financial position, results of operation and cash flows.

NOTE 5. EARNINGS PER SHARE

The FASB's accounting standard for earnings per share requires presentation of basic and diluted earnings per share in conjunction with the disclosure of the methodology used in computing such earnings per share. Basic earnings per share excludes dilution and is computed by dividing income available to common stockholders by the weighted average common shares outstanding during the period. Diluted earnings per share takes into account the potential dilution that could occur if securities or other contracts to issue common stock were exercised and converted into common stock. The Company has no potential dilutive securities as of December 31, 2013.

NOTE 6. OTHER INCOME

Other income represented subsidy income in 2014, and non-refundable customer's deposit and subsidy income from government in 2013. The deposit of $1,198,741 from a customer in 2013 was for the project entered into in 2012. During the year of 2013, the customer confirmed not to request for the refund on the deposit. Therefore, the Company recognized the deposit as other income in 2013.

NOTE 7. CONCENTRATION OF RISK

Credit risk

Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash, cash equivalents, and accounts receivables The Company places its cash and cash equivalents with financial institutions, which management believes are of high-credit ratings and quality.

The Company conducts credit evaluations of customers and generally does not require collateral or other security from its customers. The Company establishes an allowance for doubtful accounts primarily based upon the age of the receivables and factors surrounding the credit risk of specific customers.

Concentration

During the years ended December 31, 2014 and 2013, the Company had concentration of sales to the top customer accounting for 13% and 29%, respectively. No other customer accounting for over 10% of total revenue.

For the years ended December 31, 2014 and 2013, the top supplier accounted for 17% and 32% of the Company's purchases, respectively.

NOTE 8. PREPAID EXPENSES AND OTHER CURRENT ASSETS

At December 31, 2014 and December 31, 2013, prepayment and other current assets consist of:

	December 31, 2014	December 31, 2013
Prepaid rental, phone and to other vendors	$ 5,199	$ 11,036
Prepayment to advertisement and internet resources providers	18,428	75,106
Other current assets	17,607	36,708
	$ 41,234	$ 122,850

Prepayment to advertisement and internet resource providers consists of the deposits required by and made to the telecommunication platform operators for using their network services.

NOTE 9. PROPERTY AND EQUIPMENT

Property and equipment consists of network equipment and servers used for hosting Company's website and furniture, equipment and computers used in the office.

Property and equipment consists of the following:

	December 31, 2014	December 31, 2013
Office and other equipment	$ 96,022	$ 102,334
Computers	64,444	65,351
Property and equipment, cost	160,466	164,595
Less: accumulated depreciation	(139,981)	(118,366)
Property and equipment, net	$ 20,485	$ 49,319

Depreciation expense for the years ended December 31, 2014 and 2013 were $30,289 and $37,423, respectively.

NOTE 10. RELATED PARTY TRANSACTIONS

At December 31, 2014 and December 31, 2013, the Company had a balance due to Xie He Si Decoration Co., Ltd, a related company owned by the Chairman, Mr. Jiang Wei, of $84,662 and $83,088, respectively, for advances made to fund operations. This payable is due on demand, is non-interest bearing and has no maturity date.

NOTE 11. ADVANCES FROM A CUSTOMER AND DEFERRED REVENUE

Advances from a customer represent customer payment for membership contract but membership has not started. Deferred revenue represents customer payments made in advance for membership contracts while services have not been fully provided. Membership contracts are typically billed on full basis in advance and revenue is recognized ratably over the membership period. Deferred revenue, non-current consists of customer payments made in advance for membership contracts with terms of more than 12 months.

As of December 31, 2014 and December 31, 2013, advances from a customer and deferred revenue consisted of the following:

	December 31, 2014	December 31, 2013
Advances from a customer	$ 32,502	$ 81,779
Deferred revenue, current	964,252	553,790
Deferred revenue, non-current	-	11,358
Total	$ 996,754	$ 646,927

NOTE 12. OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

	December 31, 2014	December 31, 2013
Payroll payable	21,103	33,793
Other payable	11,126	11,604
Total	$ 32,229	$ 45,397

NOTE 13. TAXATION

A) Income Tax

Science & Technology Trading and our combined VIEs are established in Dalian, Province, PRC, and governed by the Income Tax Law of the PRC concerning privately-held 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 in 2014 and 2013.

The effective tax rate for the Company for the years ended December 31, 2014 and 2013 was 79% and 33% respectively.

A reconciliation of the provision for income taxes determined at the U.S. federal corporate income tax rate to the Company's effective income tax rate is as follows:

	December 31, 2014	December 31, 2013
US federal rate	34%	35%
Taxable income	191,684	924,427
Computed expected income tax (expense)/ benefit	(65,173)	(323,549)
Reconciliation items:		
Rate differential for domestic earnings	17,252	92,443
Non-deductible expenses	(2,164)	(2,084)
Valuation allowance on deferred tax assets	(100,744)	(73,755)
Effective income tax expense	$ (150,829)	$ (306,945)

Realization of the net deferred tax assets is dependent on factors including future reversals of existing taxable temporary differences and adequate future taxable income, exclusive of reversing deductible temporary differences and tax loss or credit carry forwards. The Company evaluates the potential realization of deferred tax assets on an entity-by-entity basis. As of December 31, 2014, valuation allowances were provided against deferred tax assets in entities where it was determined it was more likely than not that the benefits of the deferred tax assets will not be realized. The Company had deferred tax assets which consisted of tax loss carry-forwards, which can be carried forward to offset future taxable income. The management determines it is more likely than not that these deferred tax assets could not be recognized, so full allowances were provided as of December 31, 2014 and December 31, 2013. The deferred tax assets arising from net operating losses will expire from 2017 if not utilized.

B) Business Tax and relevant surcharge

Revenue of our membership and advertising planning services are subject to 5% business tax and 0.6% total surcharge of the gross service income for the business incurred prior to October 31, 2013. Business tax charged was included in cost of sales.

The Company pays the business tax when the contracts payments are received from customers and estimates the income tax as the full received amounts had been recognized as revenue. The prepaid business tax and income tax are deductible in the following years.

C) Value Added Tax and relevant surcharge

Revenue of our membership and advertising planning services are subject to 3% value added tax (“VAT”) and 0.36% total surcharge of the gross service income for the business incurred on and after November 1, 2013.

The Company pays the VAT when the invoices are issued to customers and estimates the income tax as the full received amounts had been recognized as revenue. The prepaid VAT and income tax are deductible in the following years.

NOTE 14. SHAREHOLDERS’ DEFICIT AND STATUTORY RESERVES

On October 29, 2012, Science & Technology Media entered into a Share Exchange Agreement by and among (i) Science & Technology Holding, (ii) the principal shareholders of China Network Media Inc. (iii) China Network Media Inc. and (iv) the shareholders of Science &Technology Holding.

As a result of the Exchange Agreement, China Network Media Inc. acquired 100% of the processing and production operations of Science & Technology Media and its subsidiaries, the business and operations of which now constitutes its primary business and operations. Specifically, as a result of the Exchange Agreement on October 29, 2012:

- China Network Media Inc. acquired and now owns 100% of the issued and outstanding shares of capital stock of Science &Technology Media, a British Virgin Islands holding company which controls Dalian Tianyi, Science &Technology (Dalian) and their telecommunications business;

- China Network Media Inc. issued 50,000,000 shares of common stock to the shareholders of Science & Technology Media shareholders; and

- Science & Technology Media were issued common stock of China Network Media Inc. constituting approximately 95.02% of the fully diluted outstanding shares.

As stipulated by the laws and regulations for enterprises operating in PRC, the subsidiaries of the Company are required to make annual appropriations to a statutory surplus reserve fund. Specifically, the subsidiaries of the Company are required to allocate 10% of their profits after taxes, as determined in accordance with the PRC accounting standards applicable to the subsidiaries of the Company, to a statutory surplus reserve until such reserve reaches 50% of the registered capital of the subsidiaries of the Company. The Company can use the statutory surplus reserve to offset deficits, expand its plant or increase capital when and only when the reserve balance exceeds 50% of the registered capital, and the amount capitalized should be limited to 50% of the statutory surplus reserve. The Company is not yet subject to the requirement to appropriate statutory reserves as they have not produced accumulated net earnings since inception

NOTE 15. SHARES GRANTED AND ISSUED TO EMPLOYEES

On January 16, 2013 and January 17, 2013, the Company determined to grant equity awards of 5,950 shares and 3,838,830 shares to 2 employees and 37 part-time consultants, respectively, for the services rendered. The total fair value of these shares at the date of grant was estimated to be $15,445. The fair value of the shares granted was $0.004 per share calculated through the application of an income approach technique known as Discounted Cash Flow (“DCF”) method to evaluate the future value of the operation into a present market value. This method eliminates the discrepancy in time value of money by using a discount rate to reflect all business risks including intrinsic and extrinsic uncertainties in relation to the operation.

On July 8, 2013 the Company determined to grant equity awards of 156,140 shares to 13 part-time consultants, for the services rendered. The total fair value of these shares at the date of grant was estimated to be $4,409.

On July 29, 2013 the Company determined to cancel 115,128 shares which have been issued to 6 employees, for the contracts terminated. The total fair value of these shares was estimated to be $461.

On October 24, 2013 the Company determined to cancel 49,905 shares which have been issued to 6 employees, for the contracts terminated. The total fair value of these shares was estimated to be $200.

On November 22, 2013 the Company determined to grant equity awards of 219,200 shares and 40,290 shares to 14 part-time consultants and 2 employees, respectively, for the services rendered. The total fair value of these shares was estimated to be $7,327.

On February 25, 2014 the Company determined to cancel 10,000 shares which have been issued to 1 consultant, for the contract terminated. The total fair value of these shares were estimated to be $40.

On April 8, 2014 the Company determined to grant equity awards of 2,377,950 and 820,354 shares to 10 part-time consultants and 53 employees respectively, for the services rendered. The total fair value of these shares at the date of grant was estimated to be $90,305.

On September 17, 2014 the Company determined to grant equity awards of 373,200 shares to 13 part-time consultants for the services rendered. The total fair value of these shares at the date of grant was estimated to be $10,538.

On December 14, 2014 the Company determined to grant equity awards of 1,218,000 shares to 9 part-time consultants for the services rendered. The total fair value of these shares at the date of grant was estimated to be $60,234.

ASC 820 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes three levels of inputs that may be 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 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value.

Based on the guidance and background noted above, there was no quoted price for those shares as the Company's shares still not active on OTCBB. The Company decided to use Level 2 to measure the fair value of the shares.

The fair value of the shares granted was $0.04945 per share calculated through the application of an income approach technique known as Discounted Cash Flow ("DCF") method to evaluate the future value of the operation into a present market value. This method eliminates the discrepancy in time value of money by using a discount rate to reflect all business risks including intrinsic and extrinsic uncertainties in relation to the operation.

Major assumptions used for measuring the fair value as follow:

- It is assumed that there will be no material change in the existing political, legal, technological, fiscal or economic condition which may adversely affect the business of the Company;

- The Company will adhere to the terms that bond with the contracts and agreements;

- The Company's competitive advantages and disadvantages will not change significantly during the period.

NOTE 16. SUBSEQUENT EVENTS

On February 10, 2015, the Company determined to grant equity awards of 429,200 shares to 2 part-time consultants and 46 employees for the services rendered. The total fair value of these shares at the date of grant was estimated to be $21,224.

There were no other significant events occurred subsequent to the balance sheet date but prior to the filing of this report that would have a material impact on our consolidated financial statements.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 (“Exchange Act”), the Company carried out an evaluation, with the participation of the Company’s management, including the Company’s Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of the Company’s disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Company’s CEO and CFO concluded that despite our hiring of a financial consultant who is familiar with U.S. GAAP in January 2013 and additional trainings offered to our staff in the accounting department and improvements in internal control over financial reporting, our disclosure controls and procedures were not effective as of December 31, 2014 for the material weakness describe below.

Management's Annual Report on Internal Control over Financial Reporting.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Our internal control system was designed to, in general, provide reasonable assurance to the Company’s management and board regarding the preparation and fair presentation of published financial statements, but because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company’s internal control over financial reporting as of December 31, 2014. The framework used by management in making that assessment was the criteria set forth in the document entitled “ Internal Control – Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, our management has concluded that despite our hiring of a financial consultant who is familiar with U.S. GAAP in January 2013, additional trainings offered to our staff in the accounting department and improvements in areas identified below, our internal controls were not effective as of December 31, 2014 for the material weakness describe below.

- Lack of US GAAP expertise - Despite our efforts to improve the Company’s controls and procedures, our accounting personnel do not have sufficient knowledge, experience and training in maintaining our books and records and preparing financial statements in accordance with US GAAP standards and SEC rules and regulations. As such, our personnel do not have adequate accounting skills and understanding necessary to fulfill the requirements of US GAAP-based reporting, including the skills of US GAAP-based period end closing, consolidation of financial statements, and US GAAP conversion, and they are inadequately supervised by persons with requisite qualifications.

Our management has identified the following steps to address the above material weakness:

(1) In January 2013, we engaged a financial accountant to assist us in preparing our financial statements in accordance with US GAAP standards and SEC rules and regulations.

(2) We intend to hire, as needed, key accounting personnel with technical accounting expertise and reorganize the finance department to ensure that accounting personnel with adequate experience, skills and knowledge relating to complex, non-routine transactions are directly involved in the review and accounting evaluation of our complex, non-routine transactions.

This annual report does not include an attestation report of the Company’s registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm as we are a smaller reporting company and not required to provide the report.

Changes in Internal Control over Financial Reporting

No change in our system of internal control over financial reporting occurred during the fourth quarter of the fiscal year ended December 31, 2014 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The following sets forth information about our directors and executive officers as of the date of this Report:

Name	Age	Position	Date of Appointment
Wei Jiang	58	Chairman of the Board	October 29, 2012
HuiAn Peng	60	Chief Executive Officer and Director	October 29, 2012
		Interim Chief Financial Officer	March 27, 2013
Jie Liang	35	Secretary and Director	October 29, 2012

Wei Jiang , Chairman of the Board, served as the President of Xie He Si Decoration Company of Dalian from 1995 to 2000. From 2000 to November 2009, Mr. Jiang served as the head of the academy of Pulan Building Design Institution. Mr. Jiang has over 20 year’s management experience, as he is currently in charge of the management and public relationship of the company. Mr. Jiang launched two new companies in 2014, which are Science & Technology Website Health Industry Co., Ltd and Science & Technology Website Business Co., Ltd, and served as the chairman in both companies.

HuiAn Peng , Chief Executive Officer, Interim Chief Financial Officer and Director, has published over 40 articles on journals, reporting articles, and enterprise operation management works. He has also published hundreds of news articles in the provincial level and central governmental level journals. He has over 20 years of management experience in the media industry. He served as the company’s Managing Director at Dalian Northeast Cultural Development Corporation from 2002 to 2010. In 2010, he became a member of board of directors and Vice President for Dalian Tianyi, and the beginning of 2011, he was appointed as the Chief Executive Officer of Science & Technology World Network (Dalian) Co., Ltd. In 2014, Mr. Peng was appointed as the CEO respectively by Science & Technology Website Health Industry Co., Ltd and Science & Technology Website Business Co., Ltd.

Jie Liang , Corporate Secretary and Director, has over 7 years working experience in financial related and business administration work. Before she joined our company, she was the security business representative for Acctrue, a publicly listed company that listed on China Gem board. She started her career in 2004 as an editor manager for commodities information channel at Shihua International Financial Information Co., Ltd, a wholly owned subsidiary by Sino-i Technology Ltd. (HK stock: 0250).

Family Relationship

There are no family relationships among any of our executive officers and directors.

Term of Office

Directors are appointed for a one-year term to hold office until the next annual general meeting of stockholders or until removed from office in accordance with our bylaws. Our officers are appointed by our Board and hold office until removed by our Board.

All officers and directors listed above will remain in office until the next annual meeting of our stockholders, and until their successors have been duly elected and qualified. Our bylaws provide that officers are appointed annually by our Board and each executive officer serves at the discretion of our Board.

Director Independence

We use the definition of "independence" of The NASDAQ Stock Market to make this determination. NASDAQ Listing Rule 5605(a)(2) provides that an "independent director" is a person other than an officer or employee of the company or any other individual having a relationship which, in the opinion of the Company's Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The NASDAQ listing rules provide that a director cannot be considered independent if:

- the director is, or at any time during the past three years was, an employee of the company;
- the director or a family member of the director accepted any compensation from the company in excess of $120,000 during any period of 12 consecutive months within the three years preceding the independence determination (subject to certain exclusions, including, among other things, compensation for board or board committee service);
- a family member of the director is, or at any time during the past three years was, an executive officer of the company;
- the director or a family member of the director is a partner in, controlling stockholder of, or an executive officer of an entity to which the company made, or from which the company received, payments in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenue for that year or $200,000, whichever is greater (subject to certain exclusions);

Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has, during the past ten years:

- been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
- been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;
- been found by a court of competent jurisdiction in a civil action or by the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

- been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Except as set forth in our discussion below in "Certain Relationships and Related Transactions," none of our directors or executive officers has been involved in any transactions with us or any of our directors, executive officers, affiliates or associates which are required to be disclosed pursuant to the rules and regulations of the SEC.

Compliance with Section 16(a) of the Exchange Act

The Company does not have a class of securities registered under the Exchange Act and therefore its directors, executive officers, and any persons holding more than ten percent of the Company's common stock are not required to comply with Section 16 of the Exchange Act.

Code of Ethics

Given the limited number of persons in the management of the Company, we have not adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer, or persons performing similar functions.

Board Committees

We have not formed an Audit Committee, Compensation Committee, or Nominating and Corporate Governance Committee as of this Report. Our Board of Directors performs the principal functions of an Audit Committee. We currently do not have an audit committee financial expert serving on our Board of Directors.

Item 11. Executive Compensation.

Summary Compensation Table

The following table sets forth information regarding each element of compensation that we paid or awarded to our executive officers for fiscal 2014 and 2013. These executive officers are referred to as the "named executive officers" throughout this Report.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Totals ($)
Wei Jiang	2013	$ 13,548	0	0	0	0	0	0	$ 13,548
Chairman	2014	$ 0	0	0	0	0	0	0	$ 0
HuiAn Peng	2013	$ 13,548	0	0	0	0	0	0	$ 13,548
CEO, Interim CFO and director	2014	$ 0	0	0	0	0	0	0	$ 0
Jie Liang (1)	2013	$ 11,612	0	0	0	0	0	0	$ 11,612
Secretary and Director	2014	$ 0	0	11,315	0	0	0	0	$ 11,315

(1) Including 400,666 shares as equity award received on April 24, 2014, valued at $0.028 per share.

Outstanding Equity Awards at Fiscal Year-End Table

None.

Employment Agreements

The Company entered into an employment agreement to engage Jie Liang as Corporate Secretary under the laws of PRC. Other officers and directors have no employment agreements with the Company.

Compensation of Directors

The Company has not compensated any of its directors for service on the Board of Directors. Management directors are not compensated for their service as directors; however they may receive compensation for their services as employees of the Company. The compensation received by our management directors is shown in the "Summary Compensation Table" above.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The following table sets forth certain information regarding our shares of common stock beneficially owned as of the date hereof for (i) each stockholder known to be the beneficial owner of 5% or more of our outstanding shares of common stock, (ii) each named executive officer and director, and (iii) all executive officers and directors as a group. A person is considered to beneficially own any shares: (i) over which such person, directly or indirectly, exercises sole or shared voting or investment power, or (ii) of which such person has the right to acquire beneficial ownership at any time within 60 days through an exercise of stock options or warrants or otherwise. Unless otherwise indicated, voting and investment power relating to the shares shown in the table for our directors and executive officers is exercised solely by the beneficial owner or shared by the owner and the owner's spouse or children.

For purposes of this table, a person or group of persons is deemed to have "beneficial ownership" of any shares of common stock that such person has the right to acquire within 60 days as of the date hereof. For purposes of computing the percentage of outstanding shares of our common stock held by each person or group of persons named above, any shares that such person or persons has the right to acquire within 60 days of the Closing Date is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. The inclusion herein of any shares listed as beneficially owned does not constitute an admission of beneficial ownership.

Unless otherwise specified, the address of each of the persons set forth below is in care of Science & Technology Website (Dalian) Media Co., Ltd., Room 205, Building A, No. 1 Torch Road, High-Tech Zone, Dalian, China 116023.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Common Stock (1)
Executive Officers and Directors:		
Wei Jiang Chairman	18,538,000	28.26%
HuiAn Peng Chief Executive Officer and Director	13,000,000	19.82%
Jie Liang Secretary and Director	1,610,666	2.46%
All directors and executive officers as a group (3 persons)		50.54%
Other 5% Shareholders:		
None		

(1) Based on 65,604,533 shares of common stock issued and outstanding as of March 31, 2015.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Transactions with Related Persons

The following includes a summary of transactions since the beginning of fiscal 2012, or any currently proposed transaction, in which we were or are to be a participant and the amount involved exceeded or exceeds $120,000 and in which any related person had or will have a direct or indirect material interest (other than compensation described under “Executive Compensation”). We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that would be paid or received, as applicable, in arm’s-length transactions.

- At December 31, 2014 and December 31, 2013, the Company had a balance due to Xie He Si Decoration Co., Ltd, a related company owned by the Chairman, Mr. Jiang Wei, of $83,088 and $83,088, respectively, for advances made to fund operations. This payable is due on demand, is non-interest bearing and has no maturity date.

Other than stated above, none of the following persons has any direct or indirect material interest in any transaction to which we are a party since our incorporation or in any proposed transaction to which we are proposed to be a party:

(A) Any of our directors or officers;
(B) Any proposed nominee for election as our director;
(C) Any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to our ordinary shares; or
(D) Any relative or spouse of any of the foregoing persons, or any relative of such spouse, who has the same house as such person or who is a director or officer of any parent or subsidiary of our company.

Item 14. Principal Accounting Fees and Services.

Audit Fees

For the Company’s fiscal years ended December 31, 2014 and 2013, we were billed approximately $75,000 and $75,000, respectively for professional services rendered for the audit and reviews of our financial statements.

Audit Related Fees

For the Company’s fiscal years ended December 31, 2014 and 2013, we were billed approximately $52,500 and $52,500, respectively for audit related fees from Marcum Bernstein& Pinchuk LLP.

Tax Fees

For the Company’s fiscal years ended December 31, 2014 and 2013, we were not billed for professional services rendered for tax compliance, tax advice, and tax planning by our auditors.

All Other Fees

The Company did not incur any other fees related to services rendered by our principal accountant for the fiscal years ended December 31, 2014 and 2013.

Pursuant to the requirements of Section 13 or 15(d) 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.

Effective May 6, 2003, the Securities and Exchange Commission adopted rules that require that before our auditor is engaged by us to render any auditing or permitted non-audit related service, the engagement be:

- approved by our audit committee; or
- entered into pursuant to pre-approval policies and procedures established by the audit committee, provided the policies and procedures are detailed as to the particular service, the audit committee is informed of each service, and such policies and procedures do not include delegation of the audit committee's responsibilities to management.

We do not have an audit committee. Our entire board of directors pre-approves all services provided by our independent auditors. The pre-approval process has just been implemented in response to the new rules. Therefore, our board of directors does not have records of what percentage of the above fees were pre-approved. However, all of the above services and fees were reviewed and approved by the entire board of directors either before or after the respective services were rendered.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(1) Financial Statements and Report of Independent Registered Public Accounting Firm, which are set forth in the index to Consolidated Financial Statements on pages F-1 through F-22 of this report.

(2) Financial Statement Schedule: None.

(3) Exhibits

Exhibit Number	Description
2.1	Share Exchange Agreement, dated October, 2012, by and among Metha Energy Solutions Inc., its principal shareholder, Science & Technology Holding, Science & Technology Media and the shareholders of Science & Technology Holding (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2012.)
3.1	Articles of Incorporation (incorporated by reference to the exhibits to the Company's Registration Statement on Form S-1 filed with the SEC on July 28, 2008.)
3.2	Certificate of Amendment to Articles of Incorporation (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 9, 2009.)
3.3	Certificate of Amendment to Articles of Incorporation (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on December 13, 2012.)
3.4	Bylaws (incorporated by reference to the exhibits to the Company's Registration Statement on Form S-1 filed with the SEC on July 28, 2008.)
10.1	Cancellation Agreement, dated October 29, 2012, by and among Metha Energy Solutions Inc. and its principal shareholder (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2012.)
10.2	Exclusive Technical Consulting Service Agreement with Science & Technology (Dalian), dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2012.)
10.3	Exclusive Technical Consulting Service Agreement with Dalian Tianyi, dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2012.)
10.4	Operating Agreement with Science & Technology (Dalian), dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2012.)

10.5	Operating Agreement with Dalian Tianyi, dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2012.)
10.6	Form of Exclusive Equity Interest Purchase Agreement with Science & Technology (Dalian), dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 28, 2012.)
10.7	Form of Exclusive Equity Interest Purchase Agreement with Dalian Tianyi, dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 28, 2012.)
10.8	Form of Equity Interest Pledge Agreement with Science & Technology (Dalian), dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 28, 2012.)
10.9	Form of Equity Interest Pledge Agreement with Dalian Tianyi, dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 28, 2012.)
10.10	Form of Power of Attorney as shareholder of Science & Technology (Dalian), dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 28, 2012.)
10.11	Form of Power of Attorney as shareholder of Dalian Tianyi, dated January 21, 2012 (incorporated by reference to the exhibits to the Company's Current Report on Form 8-K filed with the SEC on November 28, 2012.)
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14(b) of the Exchange Act and Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Schema
101.CAL	XBRL Taxonomy Calculation Linkbase
101.DEF	XBRL Taxonomy Definition Linkbase
101.LAB	XBRL Taxonomy Label Linkbase
101.PRE	XBRL Taxonomy Presentation Linkbase

* In accordance with SEC Release 33-8238, Exhibit 32.1 is being furnished and not filed.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

CHINA NETWORK MEDIA INC.

Dated: March 31, 2015

By: */s/ HuiAn Peng*
HuiAn Peng
President, Chief Executive Officer and Chief Financial Officer
(Principal Executive Officer and Principal Accounting and Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/Wei Jiang Wei Jiang	Chairman	March 31, 2015
/s/HuiAn Peng HuiAn Peng	Chief Executive Officer, Interim Chief Financial Officer and Director (Principal Executive Officer and Principal Accounting and Financial Officer)	March 31, 2015
/s/Jie Liang Jie Liang	Secretary and Director	March 31, 2015

Supplemental Information to be Furnished with Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act.

The registrant has not sent to its stockholders an annual report to security holders covering the registrant's last fiscal year or any proxy statement, form of proxy or other proxy soliciting material with respect to any annual or other meeting of security holders.

Exhibit 31.1

CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

I, HuiAn Peng, certify that:

1. I have reviewed this Annual Report on Form 10-K of China Network Media, Inc. (the “Registrant”):

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a13a-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 most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer(s) 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 (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Dated: March 31, 2015

By: */ s/ HuiAn Peng*
HuiAn Peng
Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U. S. C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of China Network Media, Inc. (the "Company") on Form 10-K for the period ended December 31, 2014 (the "Report"), I, HuiAn Peng, Chief Executive Officer and Interim Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 31, 2015

By:/s/ *HuiAn Peng*
HuiAn Peng
Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)