

DIZUN INTERNATIONAL ENTERPRISES INC.

FORM 2A

ANNUAL UPDATED LISTING STATEMENT

DATE: March 2, 2016

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SCHEDULE "A" – CONSOLIDATED AUDITED FINANCIAL STATEMENTS AS AT OCTOBER 31, 2015

GLOSSARY OF TERMS

“**Arrangement**” means the statutory arrangement pursuant to which we became a reporting issuer, and which is set out in detail in the Arrangement Agreement and Plan of Arrangement;

“**Arrangement Agreement**” means the agreement regarding the Arrangement dated November 30, 2011 between our company, Dizun, and Gorilla, and any amendments and variations thereto;

“**BCA**” means the *Business Corporations Act* (British Columbia);

“**CEO**” means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**Distribution Agreement**” means the exclusive distribution agreement dated November 28, 2011 between Dizun Holdings and Dizun China;

“**Dizun China**” means Dizun Holdings Limited, a company incorporated in China;

“**Dizun HK**” means Dizun International Financial Holdings (HK) Limited, a company incorporated in Hong Kong;

“**Dizun Holdings**” means Dizun Holdings Limited, a BC company and the parent of Dizun International Enterprises Inc.;

“**Exchange**” means the Canadian Securities Exchange;

“**Form 2A**” means this Form 2A Annual Updated Listing Statement;

“**Gorilla**” means Gorilla Resources Corp.;

“**New Dizun**” means the Company, Dizun International Enterprises Inc.;

“**Person**” means a company or an individual;

“**Plan of Arrangement**” means Schedule A to the Arrangement Agreement between New Dizun, Dizun, and Gorilla, and any amendments or variations thereto; “**Registrar**” means the British Columbia Registrar of Companies;

“**Related Person**” means an Insider, which has the meaning set forth in the *Securities Act* (British Columbia):

- (a) a director or senior officer of the issuer.
- (b) a director or senior officer of the company that is an insider or subsidiary of the issuer,
- (c) a Person that that beneficially owns or controls, directly or indirectly, voting share

carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer, or

(d) the issuer itself if it holds any of its own securities; and

“Stock Split” means the forward split of the issued and outstanding common shares of New Dizun on a ten for one basis, effected on April 25, 2012.

2. CORPORATE STRUCTURE

Dizun International Enterprises Inc. (the “**Company**”, “**we**”, “**our**”) was incorporated under the provisions of the BCA on November 22, 2011.

The Company’s principal executive office is located at Suite 507, 7535 Alderbridge Way, Richmond, British Columbia V6X 4L2. Our registered and records office address is Suite 1820 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

On November 30, 2011, we entered into the Arrangement Agreement and the Plan of Arrangement with our parent company, Dizun Holdings, and Gorilla for the purpose of effecting the Arrangement, being a statutory arrangement carried out under the provisions of the BCA.

Pursuant to the Arrangement, Dizun Holdings became our wholly-owned subsidiary. We have no other subsidiaries.

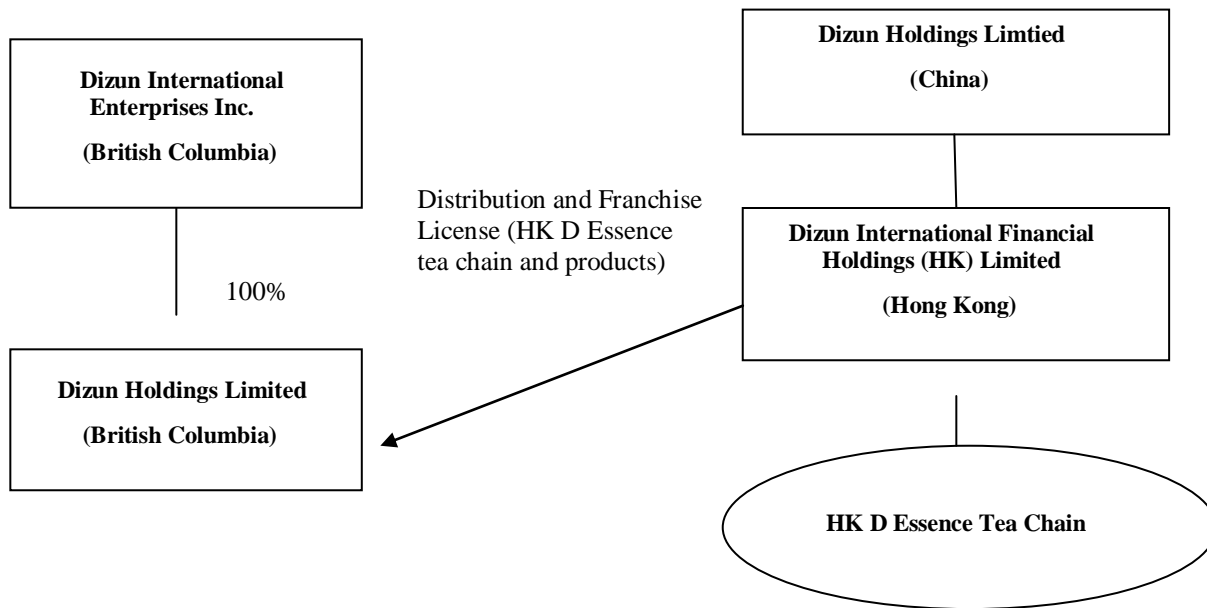
3. GENERAL DEVELOPMENT OF THE BUSINESS

Our primary business is distributing the tea and tea-related products of our related companies, Dizun China and Dizun HK, and establishing, operating, and franchising boutique tea houses that sell those products. The sound of the word “Dizun” in Chinese alludes to the Empire and Royals of High Class. Dizun China was established in 1996 and was founded by Mr. Shaohui Kang, the Company’s Chairman, CEO and CFO, with a vision to promote Chinese tea culture to the world.

To that end, Mr. Kang created the HK-D Essence chain of boutique tea houses, where people can enjoy good quality tea and light snacks while meeting other like-minded connoisseurs in a pleasant and culturally rich environment. The tea houses aim to help customers relieve the daily stresses of life by providing great ambiance, good location, friendly customer service, and products of consistently high quality. Dizun China currently owns and operates 19 such tea houses in China. In addition to tea, the tea houses also sell a variety of tea-related products, as more specifically described below.

Dizun China also owns over 1,000 acres of farmland in the FuZhou (Fujian) province of China, at an altitude of 1,000 metres above sea level. There, it produces high-quality, 100% organic tea without any pesticides or artificial fertilizer. The tea is picked and then processed at Dizun China’s processing plant, thereby ensuring a reliable supply of quality loose tea leaves that are sold to the retail market at the HK-D Essence tea boutiques. Dizun China also produces a line of tea-related products using its tea supply, which round out the retail offerings at its tea boutiques. See “Section 4, Narrative Description of the Business” for further details on these product offerings.

On November 28, 2011, the Company’s subsidiary, Dizun Holdings, was granted an exclusive license by Dizun HK to distribute Dizun tea and tea-related products outside China and to build an international franchise network of HK-D Essence tea boutiques. The below diagram illustrates the relationships between the aforementioned companies.



We do not know of any trends, commitments, events or uncertainties that are expected to materially affect our business, financial condition or results of operations other than as disclosed herein under “Section 17, Risk Factors”.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

Tea Facts

Tea is the most consumed drink in the world, predominately in Eastern Asian countries and the Middle East. According to a 2008 report by Euromonitor International (report available at the following link: www.euromonitor.com/global-trends-in-tea-identifying-growthopportunities/report), the global market size for tea in 2007 in terms of retail value was US\$23.323 billion. In 2010, the total output of tea in China exceeded 1.40 million tons, ranking the first in the world according to a 2011 Research and Markets report (report available at the following link: www.researchandmarkets.com/reports/1809897/research_report_on_chinas_tea_industry_2011_2012). Also, according to a June 2010 study by the UN’s Food and Agriculture Association, exports of green tea are expected to grow by 5.5% per year (report available at the following link: www.fao.org/news/story/en/item/43524/icode).



The production of tea takes place on tea plantations where tea plants are grown and the various parts of the tea plant, including leaves and buds, are cultivated, processed, and cured using various methods. Only the

top 1 to 2 inches of a mature tea plant is picked. These buds and leaves are called flushes. A plant will grow a new flush every seven to fifteen days during a growing season. Chinese tea is often grown at higher elevations of up to 1,500 metres above sea level. At those altitudes, plant growth occurs more slowly, which is believed to improve the flavour of the tea.



HK-D Essence Stores

Dizun China opened its first boutique tea store in 1999 and now operates 19 franchise stores in China under the HK-D Essence brand. In 2010, the chain achieved an ISO 9001 certification for its quality management systems. Pursuant to that standard, Dizun China maintains a formal quality policy, uses process management to monitor and optimize the company’s tasks and activities, and works continually to improve its customers’ experience.



Our Products

Dizun is an established brand for quality tea and tea products in China. It has over 200 products in its portfolio, all of which are exclusively licensed to the Company for distribution. Though currently only in Chinese, the Dizun China website at www.dizuncys.com provides extensive information about the Dizun brand, its products, and its tea houses. The following are some of the major products offered:

- Natural green tea leaves, including single-estate teas and tea blends, grown and produced on tea plantations located in the FuZhou (Fujian) region of China.



- Electric tea tables with a digital display and heating panel to boil water, and a separate table area for tea service, as shown below:



The tea tables range from simple to ornate designs and are of high quality based on a strong knowledge of both current and traditional concepts. In 2008, Dizun China received a trademark and patent for its electrical tea table, along with an ISO 2001 International Certificate and an AAA Grade Enterprise Certificate from the Chinese government. The tea tables are manufactured in Dizun China's own factory.

- Stone-crafted tea trays, tea sets, and other products:



- A line of skin-care and beauty products sold under the brand name “HKD Tea”, including the following:
 - Tea Seed Extract Nourish Cream
 - The Essence of Pure Tea Shung Lu
 - Eye Patterns Su-Su Xiao Jing
 - Tea Liquid Element Repair



- Personal hygiene care products including shampoo, bath soap, hair styling products and cleansers.



- Various mixed tea drinks and tea snacks, including pastries, jellies and tea pudding.



- Other tea-related products such as camellia seed oil (produced from the tea plant, *Camellia sinensis*) and tea fragrance scented pillows:



Tea Varieties

Our selection of teas on offer at our HK-D Essence stores includes green, oolong and black tea leaf varieties in the form of both single estate teas and custom tea blends, as well as red and herbal teas, all of which are processed and blended in Dizun China’s processing plant.

Statement of Social and Environmental Responsibility

The values of social and environmental responsibility are central to our identity and purpose. Not only is the value of the Dizun brand based on authenticity, integrity, and purity, but the management team is committed to these values as well.

Dizun China has taken its first substantive step in this direction with the development of a code of franchisee ethics. Additionally, Dizun China has created partnerships with its tea-growing communities that allow the communities to be economically involved in the production and sale of the tea. It also ensures that the labor conditions of its tea workers meet international standards and international labor organization conventions.

Distribution Agreement with Dizun HK

On November 28, 2011, our wholly-owned subsidiary, Dizun Holdings, signed the Distribution Agreement, being an exclusive licensing and distribution agreement with Dizun HK to be the exclusive distributor of Dizun China’s products outside China, and to sublicense other distributors. The Distribution Agreement also grants us the exclusive right outside China to establish HK-D Essence tea houses, grant licenses to franchisees to establish their tea houses, and to manage those tea houses on behalf of Dizun China. We also have the first right to market and distribute any new products developed by Dizun China or Dizun HK.

The cost structure of the Distribution Agreement is quite favourable to the Company—Dizun HK is obligated to sell its products to us for its cost plus a 10% mark-up. Dizun HK has also agreed to provide us, at its cost, all brochures and promotional material related to the products, and to coordinate sales programs with us.

The Agreement is effective for 20 years, and can be renewed, at our option, for an additional term of 20 years thereafter.

Stated Business Objectives

Our primary business objectives over the next 12 months are threefold. First, in order to promote and sell our products, we launched an English version of our website, www.dizuntea.ca. We will add a global e-commerce platform to allow customers to purchase products from any country in the world. We will also prepare brochures, pamphlets, banners and other marketing materials for Dizun products in English.

Second, we plan to enter into an agreement to secure the distribution and franchise rights to China. Dizun China and Dizun HK have already agreed in principle to this agreement. We will then work towards acquiring the HK-D Essence franchise stores in China from Dizun China, and thereby incorporate the value of those stores into the Company. We also plan to open additional franchise stores in China.

Third, we will establish an HK-D Essence flagship store in Vancouver, British Columbia. This store will eventually be the distribution centre for all of North America. We will also locate franchises and establish relationships with distributors in other parts of Canada.

We expect to open one to three HK-D Essence stores in Canada and the United States. After that, we plan to expand operations into Europe and to continue to grow significantly elsewhere, with at least three franchise stores in China.

Future Plan Summary

The following plan outlines our suggested marketing strategy and tactics.

Dizun tea has primarily been from strong customer relationship management, brand loyalty, experienced management, strong financial backing, and a high demand for quality hot beverages. After their start 15 years ago in China, Dizun Tea is established, financially strong, and in need of a solid marketing to continue their growth in North America.

Strategic Focus and Plan

Mission

Introduce Chinese tea to Western countries with above- and beyond customer service.

Overall Company Goals

1. To become the number one Chinese tea retail experience in North America;
2. To promote healthy living by drinking quality Chinese tea; and
3. To establish stores in the Canada and US market.

Objectives

1. Have a Dizun store in Canada and United States' affluent communities;
2. Have the largest share of the North America Chinese tea market;
3. Open the first Dizun tea store in Vancouver; and
4. Sponsor and publish medical studies on the benefits of drinking tea.

SWOT Analysis

Location of Factor

Internal Strengths

1. Experienced management in entrepreneurship;
2. Offer quality Chinese tea from the best source in China;
3. Brand name has connects with high quality tea; and
4. Tea experts.

Internal Weaknesses

1. No experience in Canadian market; and
2. Limited budget and high expense in North America market.

External Opportunities

1. Increasing demand for tea with rising health concerns for western and Chinese people in North America;
2. Limited amount of other specialty tea in North America.

External Threats

1. Competition with other hot beverage companies, including Tim Hortons, Starbucks, Second Cup; and
2. Future downturn in economy, less interest in quality tea.

Industry and Competitor Analysis

The tea industry is currently experiencing growth because consumers are becoming more aware of the health benefits of drinking tea. In 2010, the tea and coffee represented 1.2 % of the total values of sales of food and beverage goods (The Canadian tea, 02012). For the past few years, Dizun tea has been one of the fastest growing items in China. Potential and current customers will be in alignment with the North America.

Dizun Tea's competitors mainly include existing Chinese tea outlets and coffee shops and chains. In the next several years, we believe competition will be fierce for hot beverages.

Market Product and Financial Focus

Marketing and Product Objectives

1. Provide premium Chinese tea for all
2. To be recognized as expert and health tea providers in North America

Marketing Program

Dizun tea offers many different varieties of teas with varying flavors and health benefits. The wide variety allows Dizun to encourage customers to search for their favorite flavor. Dizun Tea will also educate its guests about its products by actively trying its products, as many people are unaware of the different blends and what they taste like or what their health benefits may be.

Price Strategy

The price of Dizun tea can be separated into two different categories- high price and low price range products.

Promotional Strategy

We use a variety of different promotional elements to raise awareness of our brand:

Personal Selling- We utilize personal interaction to sample products and to educate customers about the Chinese tea that we sell.

Internet- We have an integrated bilingual website that serves as a tool to promote our teas.

Advertising – We will rely on word of mouth and newspaper advertising to promote our products.

Franchising- We will use our franchisees to open stores for sales promotion with gift card.

Financial Data and Projections

Once we open our first store in Vancouver management believes products will then generate sales and profits.

Working Capital

The financial statements in Schedule “A” reflect that we have cash of approximately \$1191. As at October 31, 2015, we have not generated any revenues from operations, had a working capital deficit of \$144,314 and has an accumulated deficit of \$362,315. Our continued operations are dependent on our ability to generate future cash flows or obtain additional financing.

Intellectual Property

Our intellectual property as of the date of this Listing Statement includes the following:

- our website, www.dizuntea.ca; and
- the Distribution Agreement, as further described on pages 10 and 11 of this Form 2A.

Competitive Conditions and Position

See “Section 17, Risk Factors, Competition”.

Employees

We currently have no employees other than our executive officers.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

Annual Information

The information provided below is qualified in its entirety by the audited financial statements attached as Schedule “A” to this Listing Statement. Reference should be made to those financial statements.

	Period ended October 31, 2015 \$ (Audited)	Period ended October 31, 2014 \$ (Audited)
Total Revenues	-	-
Total expenses	34,538	37,940
Net loss and comprehensive loss for the period	(34,538)	(37,940)
Net loss per share, basic and diluted ⁽¹⁾	-	-
Weighted average shares outstanding	116,058,800	116,058,800
Total Assets and Cash Assets	1191	802
Total Liabilities	144,314	110,578

Dividends

Dividends can be declared by our board of directors when deemed appropriate from time to time. To date, we have not declared any dividends on the common shares and it is unlikely that earnings will be available for the payment of dividends in the foreseeable future. We intend to retain our earnings, if any, to finance growth. The payment of dividends in the future will depend on our earnings and financial condition and such other factors as our board of directors may consider appropriate.

Foreign GAAP

Not applicable.

6. MANAGEMENT’S DISCUSSION AND ANALYSIS

The following Management’s discussion and analysis (MD&A) is current to February 29, 2016 and is management’s assessment of the operations and the financial results together with our future prospects. This MD&A should be read in conjunction with the financial information as of October 31, 2015.

General

Our company was incorporated as Dizun International Enterprises Inc. in the Province of British Columbia under the BCA on November 22, 2011. On January 11, 2012, we completed an arrangement under the provisions of the BCA with its parent company, Dizun Holdings, a BCA company incorporated on August 8, 2011.

As a result of completing the Arrangement, we became a reporting issuer in British Columbia and Alberta

effective January 11, 2012. Our common shares are listed on the Exchange under the symbol “KDZ”.

On April 25, 2012, we completed a 10 for 1 forward split of our common shares. As a result, our issued and outstanding common shares increased from 11,605,880 common shares to 116,058,800 common shares.

Results of Operations

Going forward, our initial activities will be those discussed above—see “Section 4, Narrative Description of the Business, Stated Business Objectives, Milestones” for further details.

We had net and comprehensive loss of \$34,538 for the year ended October 31, 2015, compared to \$37,940 for the year ended October 31, 2014.

The items comprising the expenses for the year ended October 31, 2015 were professional fees of \$6,405 and office and miscellaneous expenses of \$13,068, and transfer agent and filings fees of \$15,065 as compared to \$11,445, \$11,609 and \$14,886 respectively, for the year ended October 31, 2014.

Liquidity

As of October 31, 2015, we had total assets of \$1191. Our current liabilities totaled \$145,505, comprised of accounts payable and accrued liabilities of \$3,635 and an amount due to its officer, Shaohui Kang of \$140,884, and Susanna Leung of \$986 resulting from an advance made by Mr. Kang and Ms. Leung to finance our operations following inception. The advance is non-interest bearing, unsecured and due on demand. Our deficit since incorporation totaled \$362,315 as of October 31, 2015.

Changes in Accounting Policies

A number of new standards and amendments to standards and interpretations are not yet effective for the period ended October 31, 2015 and have not been applied in preparing these financial statements, as follows:

- New standard IFRS 9, “Financial Instruments”
- New standard IFRS 11, “Joint Arrangements”
- Amendments to IAS 27, “Separate Financial Statements”
- Amendments to IAS 32, “Financial Instruments: Presentation”

We have not early adopted these new and revised standards and are currently assessing the impact that these standards will have on our consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on our consolidated financial statements.

Capital Resources

We require additional cash to fund our general and administrative expenses for the next twelve months. Our ability to generate adequate amounts of cash in the long term is dependent upon our success in doing business in Canada. Our current cash balance is not sufficient to meet our cash requirements for the next twelve months or to carry out our proposed business plan of expanding operations in Canada. We have historically satisfied our capital needs primarily by issuing equity securities or by loans from related parties.

Other than related party loans, we have no further funding commitments or arrangements for additional financing at this time and there is no assurance that we will be able to obtain any additional financing on terms acceptable to us, if at all. Any additional funds raised will be used for general and administrative expenses and to expand our operations in Canada. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise.

Off-Balance Sheet Arrangements

None.

Additional Disclosure for Issuers Without Significant Revenue

As of October 31, 2015, we had total cash and total assets of \$1191.

Related Party Transactions

The following are our related party transactions for the year ended October 31, 2015:

1. We owed \$140,884 (2014 - \$103,889) to our President, which is non-interest bearing, unsecured, and due on demand.
2. We owed \$986 (2014 - \$236) to a director, which is non-interest bearing, unsecured, and due on demand.

7. MARKET FOR SECURITIES

Our common shares are listed on the Exchange under the symbol "KDZ".

8. CONSOLIDATED CAPITALIZATION

The following table summarizes our capitalization after giving effect to the Arrangement.

On April 25, 2012, the Company completed a forward split of its common shares on a 10 for 1 basis. As a result of the Stock Split, the number of issued and outstanding common shares in the Company's share capital at that time was increased from 11,605,880 common shares to 116,058,800 common shares and holders of record as of April 25, 2012 received nine additional common shares for each one common share owned on the record date.

9. OPTIONS TO PURCHASE SECURITIES

There are no outstanding options to purchase our securities.

10. DESCRIPTION OF THE SECURITIES

Authorized Capital

Common Shares. The authorized capital of the Company consists of an unlimited number of common shares without par value, of which 116,058,800 common shares are issued and outstanding as at the date of this Form 2A. Holders of the Company's common shares are entitled to vote at all meetings of shareholders declared by the directors and, subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company.

Preferred Shares. The authorized capital of the Company consists of an unlimited number of preferred shares without par value, none of which are issued or outstanding as of the date of this Form 2A. The preferred shares rank in priority to the common shares and are entitled to any declared but unpaid dividends upon the liquidation, winding-up or other dissolution of the Company.

Modification of Terms

Subject to the BCA, the directors of the Company may by ordinary resolution create special rights or restrictions for and attach those special rights or restrictions to, or vary or delete any special rights or restrictions attached to, the shares of any class or series of shares, whether or not any or all of those shares have been issued, and alter its Notice of Articles and Articles accordingly.

Other Attributes

None.

Prior Sales

Concurrently with listing on the CNSX, we completed the Arrangement with Gorilla, a company whose shares are listed for trading on the CNSX (CNSX: GOA), and our former parent, Dizun Holdings. Pursuant to the Arrangement the corporate structure of our business was reorganized, Dizun Holdings became our wholly-owned subsidiary, and the former shareholders of Dizun Holdings exchanged all of their shareholdings therein for common shares in the capital of our company. The sales of shares in Dizun Holdings (on a post-Stock Split basis), prior to effecting the Arrangement, are as follows:

Date of issuance	Type of security issued	Number issued	Price per security	Total funds received
October 25, 2011	Common Shares without par value	100,000,000	\$0.002	\$200,000
November 25, 2011	Common Shares without par value	882,340	\$0.017	\$15,000
December 28, 2011	Common Shares without par value	176,460	\$0.017	\$3,000

January 11, 2012	Common Shares without par value	15,000,000	-	1
TOTAL		116,058,800	N/A	\$218,001

Upon completion of the Arrangement on January 11, 2012, we issued a total of 101,058,800 common shares in our capital to former holders of Dizun Holdings, and 15,000,000 common shares to Gorilla which were issued as a dividend to Gorilla's shareholders.

11. ESCROWED SECURITIES

Pursuant to National Policy 46-201, we entered into a stock restriction agreement with a certain holder of our common shares as described in the table below, on a post-Stock Split basis (the "Restriction Agreement"):

Stockholder Name	Number of Common Shares Restricted	Percentage of Class ⁽¹⁾
Shaohui Kang	95,000,000	82%
TOTAL	95,000,000	82%

⁽¹⁾ Based on a total of 116,058,800 issued and outstanding common shares.

The Restriction Agreement includes the following vesting provisions:

Vesting Date	Proportion of Vested Shares
On the date our securities are listed on a Canadian exchange (the "Listing Date")	1/10 of the Stock
6 months after the Listing Date	1/6 of the remainder of the Stock
12 months after the Listing Date	1/5 of the remainder of the Stock
18 months after the Listing Date	1/4 of the remainder of the Stock
24 months after the Listing Date	1/3 of the remainder of the Stock
30 months after the Listing Date	1/2 of the remainder of the Stock
36 months after the Listing Date	The remainder of the Stock

12. PRINCIPAL SHAREHOLDERS

The following table lists our principal shareholders following completion of the Arrangement:

Name	Ownership	Number of New Dizun Shares	Percentage After Giving Effect to the Arrangement ⁽¹⁾
Shaohui Kang, CEO, CFO & Director	Of record and beneficially	95,000,000	82%

(1) Based on a total of 116,058,800 issued and outstanding common shares.

13. DIRECTORS AND OFFICERS

Management Experience

Our management has a broad background of experience which will be brought to bear on the activities undertaken by us. The following table sets out the names of current directors and executive officers, their respective principal occupations within the five preceding years, their effective date of appointment as directors or executive officers of the Company, and the number of our shares that each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Form 2A.

Name of Nominee, Age, Municipality and Country of Residence and Current Position with the Company	Principal Occupation, Business or Employment of the Last Five Years and Educational Background	Director Since⁽¹⁾	New Dizun Shares Beneficially Owned or Controlled
Shaohui Kang, 43, Nangang Town, Jiangxi, China <i>President, CEO & Director</i>	President and Director of Dizun Holdings Limited (China) since 1996. Founder of the Dizun group, responsible for the overall management and strategic development. The business of Dizun China is the cultivation, processing and retail sales of tea as well as tea related products at 19 HK-D Essence Boutiques located in China.	Incorporation	95,000,000
Susanna Leung, 55, Richmond, Canada <i>Director</i>	President of Adnet International Limited since October 2006, a third party service provider of marketing and business consulting services BSc, York University	Incorporation	Nil
Fred Cheng, 57, Richmond, Canada <i>Director</i>	President of CA Services Ltd. since January 2005, a Hong Kong company in the business of providing accounting services BA, York University, designated CPA in Hong Kong since 1986	Incorporation	Nil

(1) The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed.

Our sole executive officer, Shaohui Kang, works as a consultant for the Company, dedicating such time as may be necessary to oversee our affairs, which on average is approximately 50% of his time, with the balance of his time allocated to Dizun China. Mr. Kang has not entered into a non-competition or non-disclosure agreement with us, nor have any of our other directors.

As a group, the directors and executive officers own directly or indirectly, or exercise control or direction over, an aggregate of 95,000,000 or 82% of the Company's issued and outstanding share capital.

Board Committees

The Audit Committee was appointed on January 4, 2012 and consists of three members: Susanna Leung, Fred Cheng, and Shaohui Kang.

Penalties, Sanctions and Bankruptcy

None of our directors, officers, insiders or promoters, nor a shareholder holding a sufficient number of our securities to affect materially our control, nor a personal holding company of any such persons has, within the past 10 years before the date of this Form 2A, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

Other than as disclosed herein below, during the past 10 years, none of our directors, officers, insiders, or promoters, or a shareholder holding a sufficient number of our securities to affect materially the control of us, was a director, officer, insider, or promoter of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied that issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

No director or officer of the Company or, to our knowledge, shareholder holding sufficient securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Potential Conflicts

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, that director will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

To the best our knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

14. CAPITALIZATION

The following tables provide information about the Company's capitalization as of the date of this Form 2A:

<i>Description of security</i>	<i>Number authorized to be issued</i>	<i>Number outstanding as at the date of this Form 2A</i>	<i>Number outstanding after minimum offering</i>	<i>Number outstanding after maximum offering</i>
Common Shares without par value	No maximum	116,058,800	N/A	N/A
Preferred Shares without par value	No maximum	None	None	None

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total Outstanding (A)	116,058,800	116,058,800	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	95,000,000	95,000,000		
Total Public Float (A-B)	21,058,800			
<u>Freely Tradable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	101,450,000			
Total Tradable Float (A-C)	14,608,800			

Public Securityholders (Registered)

Class of Security

Size of Holdings	Number of Holders	Total number of securities
1 – 99 securities	13	2,700
100 – 499 securities	21	54,440
500 – 999 securities	32	195,100
1,000 – 1,999 securities	2	28,600
2,000 – 2,999 securities	1	28,090
3,000 – 3,999 securities	1	33,710
4,000 – 4,999 securities	0	0
5,000 or more securities	21	11,223,560
Total	91	11,566,200

*Public Securityholders (Beneficial)***Class of Security**

Size of Holdings	Number of Holders	Total number of securities
1 – 99 securities	265	57,490
100 – 499 securities	212	343,870
500 – 999 securities	26	166,010
1,000 – 1,999 securities	30	332,430
2,000 – 2,999 securities	8	167,760
3,000 – 3,999 securities	5	141,510
4,000 – 4,999 securities	8	199,820
5,000 or more securities	20	8,083,710
Total	574	9,492,600

*Non-Public Securityholders (Registered)***Class of Security**

Size of Holdings	Number of Holders	Total number of securities
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	1	95,000,000
Total	1	95,000,000

Convertible Securities

None.

15. EXECUTIVE COMPENSATION

Compensation to be paid to the officers and directors of the Company will be determined by the board of directors of the Company following the Arrangement.

Compensation Discussion and Analysis

The Company was recently incorporated and is in the development stage. It has an informal compensation program and strategy at present. Our management team is committed to developing the Company's operations and will establish a formal compensation program once we begin generating sufficient revenues to sustain operations.

The Company relies on the board of directors in determining executive compensation to named executive officers ("NEOs") at board meetings or by consent resolutions. The Company has no formal compensation program or set benchmarks in place; however, the performance of an executive officer is considered along with the Company's ability to pay compensation and our results of operation for the period.

Summary Compensation Table

For the purposes hereof, NEO means the Company's sole officer, Shaohui Kang. The compensation paid to each NEO since the incorporation of the Company is as set out in the following Summary Compensation Table. The Company has not paid any compensation to our NEOs to date.

Name and principal position	Year	Salary (\$)	Share based awards (\$)	Option based awards (\$)	Non-Equity Incentive Plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual Incentive Plans	Long term Incentive Plans			
Shaohui Kang, President and CEO	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Incentive Plan Awards

The Company does not currently provide any incentive stock option to its executive officers, directors, or employees, but may elect to do so in the future.

Pension Plan Benefits

The Company does not currently provide any pension plan benefits to its executive officers, directors, or employees.

Employment Agreements and Termination and Change of Control Benefits

There are no written employment contracts between the Company and its NEOs. There are no compensatory plan(s) or arrangements(s), with respect to the NEOs resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of NEOs' responsibilities following a Change of Control. The Company has no termination or change of control benefits. In case of termination of NEOs, common law and statutory law applies.

Director Compensation

The following are all amounts of compensation provided to the directors who were not NEOs of the Company since its incorporation.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-Equity Incentive Plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Fred Cheng	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Susanna Leung	Nil	Nil	Nil	Nil	Nil	Nil	Nil

There are no other arrangements from those disclosed above under which directors were compensated by the Company to the date of this Form 2A.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or executive officer of the Company, or associate or affiliate of any such director or senior officer, is or has been indebted to the Company since the date of incorporation.

17. RISK FACTORS

The following are certain factors relating to our business which prospective investors should carefully consider before deciding whether to purchase shares in the Company. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Form 2A. These risks and uncertainties are not the only ones we are facing. Additional risk and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our operations. If any such risks actually occur, the business, financial condition, liquidity and results of our operations could be materially adversely affected.

No Operating History

The Company has a limited operating history, and has not yet generated any operating income. Furthermore, because the Company is still in the start-up phase, it is expected that the Company will generate net losses for the foreseeable future. Those losses will result from costs and expenses related to:

- Implementing our business model;
- Developing and marketing our products;

- Developing and maintaining our websites;
- Leasing/purchasing equipment; and
- Securing and retaining customers.

Our lack of operating history makes an evaluation of our business and prospects very difficult. Our prospects must be considered speculative given the risks, expenses, and difficulties frequently encountered in the establishment of a new business. We cannot be certain that our business will be successful or that we will generate significant revenues.

Requirement of New Capital

Our business may fail if we do not have sufficient funds to enable us to do one or more of the following: attract customers to purchase the Company's products; fund our administrative and corporate expenses; or respond to competitive pressures such as marketing campaigns undertaken by a competitor. Failure to develop an adequate customer base and secure repeat customers represents a loss of potential revenue. The raising of equity funding, moreover, will result in dilution of the equity of the Company's shareholders.

Competition

The tea industry is highly competitive. We believe that our products will be unique in terms of flavour and origin, and we believe that this will provide us with a competitive advantage as compared to our competitors. In addition, our ability to compete effectively will be dependent on our management establishing an effective marketing plan that secures adequate numbers of retail customers and advantageous locations for our boutique tea houses.

However, we have competitors that have been providing teas and tea accessories for many years through traditional storefront operations and Internet-based operations and these competitors have more resources than we do. Many of our competitors have substantially greater financial, technical, managerial, marketing, and other resources than we do and they may compete more effectively than us. We anticipate that competition will increase in the future. We may not successfully compete in any market in which we conduct or may conduct operations. As a result, these competitors may be able to devote greater resources to the development, promotion, sale and support of their products than we do. If we do not compete effectively with current and future competitors, we may be not be able to secure customers and/or we may be required to reduce our prices in order to compete effectively. This could result in a reduction in our revenues, resulting in lower earnings or operating losses.

Dependence on a Limited Number of Products

All of the Company's products are tea-related. Demand for specialty tea and tea products may be affected by many factors, including:

- Consumer tastes and preferences;
- National, regional, and local economic conditions;
- Demographic trends; and
- Perceived or actual health benefits or risks.

Because we are highly dependent on consumer demand for specialty tea and tea products, a shift in consumer preferences away from specialty tea would harm our business more than if we had more diversified product offerings. If customer demand for specialty tea decreases, our sales would decrease

accordingly.

Economic and Regulatory Instability

The Company may be affected by possible economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates, and high rates of inflation. Changes in resource development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, and health and safety. The effect of these factors cannot be accurately predicted. If we encounter difficulties in obtaining any necessary licenses or complying with these laws and regulations, then our product offerings could be limited or the opening of new retail locations could be delayed.

To the best of the Company's knowledge, it is operating in compliance with all applicable rules and regulations.

Management

The Company is dependent on a relatively small number of key management employees and consultants, the loss of any of whom could have an adverse effect on the Company.

Dividends

The Company has not paid dividends in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance further growth and, when appropriate, retire debt.

Value of Company

The Company's assets are of indeterminate value. For further particulars see the financial statements included herein as Schedule A.

Liquidity and Dilution

There is no existing market for our securities and no assurance can be given that a market will develop for them or, if such a market develops, that it will continue. Accordingly, investors may be unable to realize their investment in our securities. They may, moreover, be subject to certain trade restrictions, which may include a four-month hold period.

We plan to raise additional capital from external sources to carry out our business plan over the next 12 months. To do so, we may issue debt securities, equity securities or a combination of these securities; however, we may not be able to sell these securities. Even if we are successful in finding buyers for our securities, such buyers could demand high interest rates or require us to agree to onerous operating covenants, which could in turn harm our ability to operate our business by reducing cash flow and restricting our operating activities. If we choose to sell some of our common shares, this will result in dilution to our existing shareholders. In addition, any shares we may issue may have rights, privileges and preferences superior to those of our current shareholders.

18. PROMOTERS

Other than our officers and directors, there has been no person or company that may be considered a promoter of the Company within the two years immediately preceding the date of this Form 2A.

19. LEGAL PROCEEDINGS

As of the date of this Form 2A, the Company is not a party to any material legal proceedings or any regulatory actions. The Company does not contemplate any material legal proceedings and is not aware of any material legal proceedings threatened or contemplated against it.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of us, or an associate or affiliate of a director, executive officer or principal shareholder of us, has any material interest, direct or indirect, in any transactions that have occurred since our inception, or in any proposed transaction that has materially affected or will materially affect us.

21. AUDITOR, TRANSFER AGENT AND REGISTRAR

Auditors

Our auditor is the Saturna Group, Suite 1250, 1055 West Hastings St., Vancouver, British Columbia V6E 3X1.

Transfer Agent and Registrar

The transfer agent and registrar of our common shares is Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3B9.

22. MATERIAL CONTRACTS

The following table summarizes the material contracts of New Dizun:

Name of Contract	Parties	Date	Nature of Contract and Consideration
Exclusive Distribution Agreement	The Company and Dizun International Financial Holdings (HK) Limited	November 28, 2011	Distribution and franchise agreement for tea and tea-related products
Arrangement Agreement and Plan of Arrangement	The Company, Dizun Holdings Limited, and Gorilla Resources Corp.	November 30, 2011 as amended on January 3, 2012	Agreement setting out the Arrangement between the parties

23. INTEREST OF EXPERTS

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in this statement as having prepared or certified a part of this

document or a report of valuation described in this Form 2A:

- (a) The audited financial statements of the Company included in this Form 2A have been included in reliance upon the report of the Saturna Group, and upon the authority of such firm as experts in accounting and auditing.

Based on information provided by the relevant persons, none of those persons or companies or any director, officer, employee or partner thereof has received or will receive any direct or indirect interest in our property or the property of any associate or affiliate of us, nor has any beneficial ownership, direct or indirect, in any securities issued by us. None of those persons is or is expected to be elected, appointed, or employed as a director or employee of us.

24. OTHER MATERIAL FACTS

There are no other material facts other than as disclosed therein.

26. FINANCIAL STATEMENTS

A copy of the consolidated audited financial statements for the year ended October 31, 2015, are attached as Schedule "A" to this Form 2A.

CERTIFICATE OF THE ISSUER

The foregoing contains full, true, and plain disclosure of all material information relating to Dizun International Enterprises Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at the City of Vancouver, British Columbia, this 2nd day of March, 2015.

/s/ Shaohui Kang

Shaohui Kang,
President CEO and Director

/s/ Susanna Leung

Susanna Leung,
Director

/s/ Fred Cheng

Fred Cheng,
Director

SCHEDULE "A"

**CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF
DIZUN INTERNATIONAL ENTERPRISES INC.
AS AT OCTOBER 31, 2015**

[Follows]

DIZUN INTERNATIONAL ENTERPRISES INC.

Consolidated Financial Statements
Years Ended October 31, 2015 and 2014
(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Dizun International Enterprises Inc.

We have audited the accompanying consolidated financial statements of Dizun International Enterprises Inc., which comprise the consolidated statements of financial position as at October 31, 2015 and 2014 and the consolidated statements of operations and comprehensive loss, changes in equity, and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also involves evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Dizun International Enterprises Inc. as at October 31, 2015 and 2014, and its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 of the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Dizun International Enterprises Inc. to continue as a going concern.



Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

February 26, 2016

DIZUN INTERNATIONAL ENTERPRISES INC.

Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	October 31, 2015 \$	October 31, 2014 \$
Assets		
Current assets		
Cash	1,191	802
Total assets	1,191	802
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	3,635	6,453
Due to related parties (Note 3)	141,870	104,125
Total liabilities	145,505	110,578
Shareholders' deficit		
Share capital	218,001	218,001
Deficit	(362,315)	(327,777)
Total shareholders' deficit	(144,314)	(109,776)
Total liabilities and shareholders' deficit	1,191	802

Nature of operations and continuance of business (Note 1)

Approved and authorized for issuance on behalf of the Board on February 26, 2015:

/s/ "Kang Shaohui"

Kang Shaohui, Director

/s/ "Susanna Leung"

Susanna Leung, Director

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

DIZUN INTERNATIONAL ENTERPRISES INC.Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended October 31, 2015 \$	Year ended October 31, 2014 \$
Expenses		
Office and miscellaneous	13,068	11,609
Professional fees	6,405	11,445
Transfer agent and filing fees	15,065	14,886
Total expenses	34,538	37,940
Net loss and comprehensive loss for the year	(34,538)	(37,940)
Net loss per share, basic and diluted	—	—
Weighted average shares outstanding	116,058,800	116,058,800

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

DIZUN INTERNATIONAL ENTERPRISES INC.

Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share capital		Deficit	Total
	#	\$	\$	\$
Balance, October 31, 2013	116,058,800	218,001	(289,837)	(71,836)
Net loss for the year	–	–	(37,940)	(37,940)
Balance, October 31, 2014	116,058,800	218,001	(327,777)	(109,776)
Net loss for the year	–	–	(34,538)	(34,538)
Balance, October 31, 2015	116,058,800	218,001	(362,315)	(144,314)

(The accompanying notes are an integral part of these consolidated statements)

DIZUN INTERNATIONAL ENTERPRISES INC.Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended October 31, 2015 \$	Year ended October 31, 2014 \$
Operating activities		
Net loss for the year	(34,538)	(37,940)
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(2,818)	161
Net cash used in operating activities	(37,356)	(37,779)
Financing activities		
Advances from related party	37,745	35,007
Net cash provided by financing activities	37,745	35,007
Change in cash	389	(2,772)
Cash, beginning of year	802	3,574
Cash, end of year	1,191	802
Supplemental disclosures:		
Interest paid	—	—
Income taxes paid	—	—

(The accompanying notes are an integral part of these consolidated statements)

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

October 31, 2015

(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Dizun International Enterprises Limited (the "Company") was incorporated on November 22, 2011 under the Business Corporations Act (British Columbia). The Company's primary business is distributing tea and tea-related products, and establishing, operating, and franchising boutique tea houses that sell these products. The Company's principal executive office is located at 507-7535 Alderbridge Way, Richmond, BC, V6X 4L2.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at October 31, 2015, the Company has not generated any revenues from operations, has a working capital deficit of \$144,314, and has an accumulated deficit of \$362,315. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Significant Accounting Policies

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value.

(c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Dizun Holdings Limited. All inter-company balances and transactions have been eliminated upon consolidation.

(d) Use of Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Significant areas where estimates are applied in these financial statements include unrecognized deferred income tax assets. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future years could be significant.

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

October 31, 2015

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(d) Use of Estimates and Judgments (continued)

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

(e) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

(f) Foreign Currency Translation

The functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the consolidated statement of operations.

(g) Financial Instruments

Financial assets

Financial assets are classified into the following categories:

- Fair value through profit or loss ("FVTPL");
- Available for sale ("AFS");
- Held to maturity; and
- Loans and receivables.

Financial assets at fair value through profit or loss

Financial assets are classified as fair value through profit or loss when the financial asset is held for trading or it is designated as fair value through profit or loss. A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; (ii) it is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as fair value through profit or loss are stated at fair value with any gain or loss recognized in the consolidated statement of operations. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset. Cash is classified as fair value through profit or loss.

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

October 31, 2015

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(g) Financial Instruments (continued)

Available-for-sale financial assets (continued)

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to the consolidated statement of operations. The Company does not have any assets classified as available-for-sale.

Held to maturity

Held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as held-to-maturity investments.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The Company does not have assets classified as loans and receivables.

Impairment of financial assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted. For marketable securities classified as available-for-sale, a significant or prolonged decline in the fair value of the securities below their cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of operations.

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

October 31, 2015

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(g) Financial Instruments (continued)

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the consolidated statement of operations to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of available-for-sale equity securities, impairment losses previously recognized through the statement of operations are not reversed through the statement of operations. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Financial liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, and amounts due to related parties. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

(h) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted loss per share, whereby all "in the money" stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

(i) Comprehensive Loss

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the consolidated statement of operations. The Company does not have any items representing comprehensive income or loss.

(j) Income Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the consolidated statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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2. Significant Accounting Policies (continued)

(j) Income Taxes (continued)

Deferred income tax

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(k) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended October 31, 2015, and have not been applied in preparing these financial statements.

New standard IFRS 9, "Financial Instruments"

Amendments to IAS 1, "Presentation of Financial Statements"

The Company has not early adopted these new and revised standards and is currently assessing the impact that these standards will have on its consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

3. Related Party Transactions

- (a) As at October 31, 2015, the Company owed \$140,884 (2014 - \$103,889) to the President of the Company, which is non-interest bearing, unsecured, and due on demand.
- (b) As at October 31, 2015, the Company owed \$986 (2014 - \$236) to a director of the Company, which is non-interest bearing, unsecured, and due on demand.

4. Share Capital

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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5. Financial Instruments and Risks

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at October 31, 2015 as follows:

	Fair Value Measurements Using			Balance, October 31, 2015 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	1,191	–	–	1,191

The fair values of other financial instruments, which include accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

6. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements, and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended October 31, 2014.

DIZUN INTERNATIONAL ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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7. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, are as follows:

	2015 \$	2014 \$
Canadian statutory income tax rate	26%	26%
Income tax recovery at statutory rate	(8,980)	(9,865)
Tax effect of:		
Change in unrecognized deferred income tax assets	8,980	9,865
Income tax provision	—	—

The significant components of the Company's deferred income tax assets and liabilities are as follows:

	2015 \$	2014 \$
Deferred income tax assets		
Non-capital losses carried forward	94,202	85,222
Unrecognized deferred income tax assets	(94,202)	(85,222)
Net deferred income tax asset	—	—

As at October 31, 2015, the Company has non-capital losses carried forward of \$362,315, which are available to offset future years' taxable income. These losses expire as follows:

	\$
2031	13,645
2032	225,486
2033	50,706
2034	37,940
2035	34,538
	362,315