DIZUN INTERNATIONAL ENTERPRISES INC.

Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2016 and 2015

(Unaudited – prepared by management)

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements, they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

DIZUN INTERNATIONAL ENTERPRISES INC.
Condensed Consolidated Interim Statement of Financial Position (Unaudited - expressed in Canadian Dollars)

	April 30, 2016 $	October 31, 2015 $
Assets		
Current assets		
Cash	3,099	1,191
Prepaid expenses		–
Total assets	3,099	1,191
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	4,431	3,635
Due to related parties (Note 3)	158,353	141,870
Total liabilities	162,784	145,505
Shareholders' deficit		
Share capital	218,001	218,001
Deficit	(377,686)	(362,315)
Total shareholders' deficit	(159,685)	(144,314)
Total liabilities and shareholders' deficit	3,099	1,191

Nature of operations and continuance of business (Note 1)

Approved and authorized for issuance on behalf of the Board on June 30, 2016:

/s/ "Kang Shaohui" — Kang Shaohui, Director

/s/ "Susanna Leung" — Susanna Leung, Director

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

DIZUN INTERNATIONAL ENTERPRISES INC.

Condensed Consolidated Interim Statement of Comprehensive Loss (Unaudited - expressed in Canadian dollars)

	Three months ended		Six months ended	
	April 30, 2016 $	April 30, 2015 $	April 30, 2016 $	April 30, 2015 $
Revenue	–	–	–	–
Expenses				
Office and miscellaneous	3,168	1,664	5,898	6,389
Professional fees	4,725	6,430	4,725	6,430
Transfer agent and filing fees	5,149	2,285	7,601	5,936
Net loss and comprehensive loss for the period	(13,042)	(10,379)	(18,224)	(18,655)
Net loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average shares outstanding	116,058,800	116,058,800	116,058,800	116,058,800

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

DIZUN INTERNATIONAL ENTERPRISES INC.

Condensed Consolidated Interim Statements of Changes in Equity
(Deficit) (Unaudited - expressed in Canadian dollars)

	Share capital		Deficit	Total
	#	$	$	$
Balance, October 31, 2015	116,058,800	218,001	(362,315)	(144,314)
Net loss for the period	–	–	(18,224)	(18,224)
Balance, April 30, 2016	116,058,800	218,001	(380,539)	(162,538)

	Share capital		Deficit	Total
	#	$	$	$
Balance, October 31, 2014	116,058,800	218,001	(327,777)	(109,776)
Net loss for the period	–	–	(21,044)	(21,044)
Balance, April 30 , 2015	116,058,800	218,001	(338,156)	(120,155)

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

DIZUN INTERNATIONAL ENTERPRISES INC.

Condensed Consolidated Interim Statements of Cash Flows (Unaudited - expressed in Canadian dollars)

	Six months ended	
	April 30 , 2016 $	April 30 , 2015 $
Cash provided by (used in):		
Operating activities		
Net loss for the period	(18,224)	(18,655)
Changes in non-cash working capital:		
Prepaid expenses	-	-
Accounts payable and accrued liabilities	(4,431)	(4,107)
Net cash used in operating activities	(22,655)	(22,762)
Financing activities		
Advances from related party	16,483	22,398
Repayments to related party	–	–
Net cash provided by financing activities	16,483	22,398
Increase (decrease) in cash	1,908	(396)
Cash, beginning of year	1,191	601
Cash, end of year	3,099	205
Supplemental disclosures:		
Interest paid	–	–
Income taxes paid	–	–

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

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 condensed consolidated interim 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 April 30 , 2016, the Company has not generated any revenues from operations, has a working capital deficit of $162,538, and has an accumulated deficit of $380,539. 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 consolidated condensed interim 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 condensed consolidated interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended October 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements. The Company followed the same accounting policies in these condensed consolidated interim financial statements as it applied to the most recent annual consolidated financial statements.

(b) Basis of Measurement

These 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 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 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.

2. Significant Accounting Policies (continued)

(d) Use of Estimates and Judgments (continued)

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 deferred income tax asset valuation allowances. 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.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. There are no judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the current reporting period.

(e) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the three months ended April 30, 2016, and have not been applied in preparing these financial statements.

- IFRS 9, Financial Instruments (New)
- IFRS 10, Consolidated Financial Statements (Amended)
- IFRS 12, Disclosure of Interests in Other Entities (Amended)
- IFRS 13, Fair Value Measurement (Amended)
- IAS 27, Separate Financial Statements (Amended)
- IAS 32, Financial Instruments: Presentation (Amended)

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.

(f) Reclassifications

Certain of the figures presented for comparative purposes have been reclassified to conform to the presentation adopted in the current period.

3. **Related Party Transactions**

(a) As at April 30, 2016, the Company owed $162,350 (October 31, 2015 - $140,884) to the President 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 unlimited number of preferred shares without par value.

There were no share issuances or repurchases during the three months ended April 30, 2016 and 2015.

5. Financial Instruments and Risks

(a) Fair Values

IFRS 7, Financial Instruments: Disclosures ("IFRS 7") establishes a fair value hierarchy that prioritizes the inputs to the valuation techniques 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 unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2: Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash is classified as Level 1 of the fair value hierarchy. 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.

There were no transfers between Level 1 and Level 2 during the three months ended April 30, 2016.

(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 foreign exchange risk as at April 30, 2016.

(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.

5. Financial Instruments and Risks (continued)

(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 and deficit.

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, 2015.