ZZLL INFORMATION TECHNOLOGY, INC

FORM 10-K
(Annual Report)

Filed 04/16/19 for the Period Ending 12/31/18

Telephone	852-5984-7571
CIK	0001365357
Symbol	ZZLL
SIC Code	5900 - Retail-Miscellaneous Retail
Industry	Leisure & Recreation
Sector	Consumer Cyclicals
Fiscal Year	12/31

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, 2018

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: 333-134991

ZZLL INFORMATION TECHNOLOGY, INC.

(Exact name of Registrant as specified in its charter)

Nevada	**37-1847396**
State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification Number)

Unit 1504, 15/F., Carnival Commercial Building, 18 Java Road, North Point, Hong Kong.
(Address of principal executive offices) (Zip Code)

Registrant's telephone number including area code: **+852-3705 1571**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
NONE	**N/A**

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $0.0001 par value
(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 15(d) of the Exchange 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 Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) ☑ Yes ☐ No

Indicate by check mark 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 large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked prices of such common equity, as of the last business day of the registrant's most recently completed second quarter. Note: If determining whether a particular person or entity is an affiliate cannot be made without involving an unreasonable effort and expense, the aggregate market value of the common equity held by non-affiliates may be calculated on the basis of reasonable assumptions, if the assumptions are set forth in this form

The aggregate market value of the voting and non-voting common stock of the issuer held by non-affiliates computed by reference to the price of the registrant as of June 30, 2018 was approximately $730,606 based upon the closing price of $0.195 of the registrant's common stock on the OTC Bulletin Board. (For purposes of determining this amount, only directors, executive officers, and 10% or greater stockholders have been deemed affiliates).

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court ☐ Yes ☐ No

APPLICABLE ONLY TO CORPORATE REGISTRANTS

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

The number of shares of Registrant's Common Stock outstanding as of December 31, 2018 was 20,277,448.

DOCUMENTS INCORPORATED BY REFERENCE

NONE

Table of Contents

Form 10-K Index

		PAGE
	FORWARD LOOKING STATEMENT	1
	PART I	
Item 1.	Business	1
Item 1A.	Risk Factors	4
Item 1B.	Unresolved Staff Comments	4
Item 2.	Properties	4
Item 3.	Legal Proceedings	5
Item 4.	Mine Safety Disclosures	5
PART II		
Item 5.	Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	5
Item 6.	Selected Financial Data	6
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	7
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	11
Item 8.	Financial Statements and Supplementary Data	11
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	11
Item 9A.	Controls and Procedures	12
Item 9B.	Other Information	12
	PART III	
Item 10.	Directors, Executive Officers and Corporate Governance	13
Item 11.	Executive Compensation	15
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	16
Item 13.	Certain Relationships and Related Transactions, and Director Independence	18
Item 14.	Principal Accounting Fees and Services	18
	PART IV	
Item 15	Exhibits and Financial Statement Schedules	19
Signatures		20
Index to Consolidated Financial Statements		F-1

FORWARD LOOKING STATEMENTS

Certain statements made in this Annual Report on Form 10-K are "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995) regarding the plans and objectives of management for future operations. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of ZZLL Information Technology, Inc. (the "Company") to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. The Company's plans and objectives are based, in part, on assumptions involving the continued expansion of business. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. Although the Company believes its assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance the forward-looking statements included in this Report will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved.

PART I

As used throughout this Annual Report, the terms "ZZLL", "Company", "we", "us", "our" or "Registrant" refer to ZZLL Information Technology Inc. and its subsidiaries.

Item 1. Business
Background

ZZLL Information Technology, Inc. ("The Company") was incorporated under the laws of the State of Nevada on September 9, 2005, under the name of JML Holdings, Inc. The Company merged with Baoshinn International Express, Inc. ("BSIE") on March 31, 2006, by acquiring all of the issued and outstanding common stock of BSIE in a share exchange transaction. We issued 16,500,000 shares of our common stock in exchange for 100% of the issued and outstanding shares of BSIE common stock. The transaction was accounted for as a recapitalization of BSIE whereby BSIE is deemed to be the accounting acquirer and is deemed to have adopted our capital structure.

On June 17, 2015, Baoshinn Corporation had been amended to the name "Green Standard Technologies, Inc.".

On May 27, 2016, the Company changed its name with the State of Nevada from Green Standard Technologies, Inc. to "ZZLL Information Technology, Inc."

On May 27, 2016, ZZLL Information Limited acquired 4,992,500 common shares of the Company through a private Common Stock Purchase Agreement for investment purposes in the ordinary course of business. The aggregate number and percentage of common shares of the Issuer beneficially owned by Mr. Wei Liang is 4,992,500 common shares, or approximately 26.662% of the 18,725,003 issued common shares.

On June 14, 2016, Wei Liang ("Mr. Liang") was appointed to serve as a member of the Board of Directors of ZZLL Information Technology, Inc.

On June 24, 2016, ZZLL Technology Limited acquired 4,895,000 common shares of the Company through a private Common Stock Purchase Agreement for investment purposes in the ordinary course of business. The aggregate number and percentage of common shares of the Issuer beneficially owned by Mr. Wei Zhu is 4,895,000 common shares, or approximately 26.142% of the 18,725,003 issued common shares.

On August 18, 2016, the Company through SAL entered into a Joint Venture Agreement ("JVA") with Network Service Management Limited, a Hong Kong company ("NSML") in the formation of Z-Line International E-Commerce Company Limited ("Z-Line"), a Hong Kong based e-Commerce company. The Company through SAL owned 55% of Z-Line that provides consumer-to-consumer, business-to-consumer and business-to-business-sales services via web portals.

On August 25, 2016 and September 20, 2016, the Company issued 6,696,500 common shares and 32,000,000 common shares to the officer respectively. The issuance with an aggregate of 38,696,500 common shares in lieu of $193,483 compensation to the officer under an option resolved in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

On November 10 and December 1, 2016, the Company further issued 1,000,000 common shares and 15,400,000 common shares to the officer respectively. The issuance with an aggregate of 16,400,000 common shares were in lieu of $82,000 in compensation due to the officer under an option resolved in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

Effective on October 5, 2017, the Company executed a reverse stock split pursuant to which fifty (50) shares of the Company's Common Stock, par value $.0001 per share, issued and outstanding, was reclassified as and changed, into one (1) share of the Company's outstanding Common Stock.

On October 13, 2017, the Company issued 15,753,500 common shares to the officer. The issuance of 15,753,500 common shares was in lieu of $78,768 in compensation due to the officer under an option granted in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

On December 12, 2017 the Company issued 2,022,500 shares of units consisting of its common stock and a warrant (the "Units"). The units were issued to five shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share valid for a two years period after the subscription date. The total consideration for the issuance was $80,900.

On January 31, 2018, the Company issued 475,000 units consisting of its common stock and a warrant (the "Units") to two shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share and it is valid for a two years period after the subscription date. The total consideration for the issuance was $19,000.

On March 23, 2018, the Company issued 550,000 units consisting of shares of its common stock and a warrant (the "Units") to three shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share and it is valid for a two years period after the subscription date. The total consideration for the issuance was $22,000.

Syndicore Asia Limited – Video Syndication and E-Commerce Company

Syndicore Asia Limited ("SAL") is a wholly owned subsidiary of the Company formed under the laws of Hong Kong. SAL is an online media company that syndicates video in a cloud-based, multimedia conduit serving a growing, global community of content creators, news outlets and leading brands. SAL will be a provider of syndicated video media to news organizations in the Asia Pacific region. In addition, SAL plans to aggregate content from the Asia Pacific region and provide it to news organizations around the world.

On December 15, 2013, SAL entered into a Distribution Agreement (the "Distribution Agreement") with SendtoNews Video, Inc., a British Columbia company ("STN"). Under the terms of the Distribution Agreement, SAL was granted an exclusive license to use, modify, edit, reproduce, distribute, feed, store, communicate, display, and transmit STN's content in the Asia Pacific Territory (the "Content"). STN is the content provider for various worldwide sporting events. STN would also provide on-going assistance to SAL with regard to technical, administrative, and service-orientated issues relating to the delivery, utilization, transmission, storage and maintenance of the Content.

On January 20, 2014, SAL entered into a revised Distribution Agreement whereby STN has agreed to provide SAL transferrable rights for the use, reproduction, storage, display, and transmission of certain content subject to pre-approval in writing from STN. In addition, the revised Distribution Agreement includes changes to the revenue sharing terms, and adds a share of advertising revenue directly resulting from aggregated content by SAL within the territory.

SAL will strive to become a leading digital content provider for the Asia Pacific region, capitalizing on an explosively growing market with local, regional and national content that was previously unavailable in the area. This is a new and exciting market, and offers exciting opportunities for expansion and growth. There is no assurance, however, that SAL will be successful in its efforts.

On the other side of the distribution chain, we plan to create SAL's own proprietary news partnerships to provide guaranteed content distribution in return for a corresponding share of advertising revenues to a news industry looking to supplement their rapidly declining traditional ad revenue with viable "digital-age" revenue.

- Digital ad spending is on the rise. It is forecasted to expand from $117.60 billion USD in 2013 to $173.12 billion USD in 2017. (*Go-Globe.com)*
- The increase in worldwide digital ad spending is led by the Asia-Pacific region and specifically China.
- China is estimated to reach 33% of the world's total ad spending by 2017. (*Infographic*)
- Branded video content reaches nearly half (46%) of all internet users. More than half of these people (54%) go on to click though to the brand's website *(Econsultancy)*
- 80% of internet users recall watching a video ad on a website they visited in the past 30 days; 46% took some action after viewing the ad (*Online Publishers Association*)
- Video promotion is over 6 times more effective than print and online *(b2bmarketing.net)*
- Dr. James McQuivey of Forrester Research says a minute of video is worth 1.8 million words
- 90% of information transmitted to the brain is visual, and visuals are processed 60,000X faster in the brain than text (*3M Corporation* & *Zabisco*)

Management believes that SAL's customers will be willing to pay a "premium CPM" because:

- The ability to sponsor exclusive, highly sought-after short form video content
- Deep, creative advertising opportunities – other than rudimentary logo/banner overlays and pre-roll
- Premium positioning
- Unprecedented transparency and near real-time performance metrics to evaluate their investment
- Securing sponsorships with related enterprises
- Stronger control over distribution to help target intended audience.
- Other segments of the market are also benefiting. The high and rapidly increasing popularity of social media platforms such as Facebook, YouTube, and Twitter are expected to revolutionize the marketing strategies employed in areas such as the pharmaceuticals industry. There, in addition to marketing, an increasing number of pharma players have also begun leveraging these platforms to enhance consumer relationships and improve brand management, based on the market intelligence generated by monitoring and analyzing user-generated content. The ability to incorporate consumer feedback to develop new products is also expected to initiate a strategic shift in the operational model of pharma companies. Social media involvements are expected to increase product sales, especially those of OTC drugs, in the long term. Novartis for instance has already begun using YouTube and Facebook to enhance the sales for its OTC drugs such as Comtrex, Orofar and Bufferin. Johnson &Johnson, one of the first pharma giants to enter the social media space, has used online platforms for crisis management – when the company recalled its products (Tylenol and Benadryl tablets) it used social websites to apologize to consumers for irregularities in its manufacturing plant found during FDA inspection.

Syndicore Asia Limited is a wholly-owned subsidiary of the Company. Syndicore Asia Limited is also in the startup phase and is in the process of entering into arrangements and agreements to implement the current business plan. Syndicore Asia Limited is an online media company that syndicates video in a cloud-based, multimedia conduit serving a growing, global community of content creators, news outlets and leading brands. Syndicore Asia Limited will be a provider of syndicated video media to news organizations in the Asia Pacific region. In addition, Syndicore Asia Limited plans to aggregate content from the Asia Pacific region and provide it to news organizations around the world.

Syndicore Asia Limited is devoting its resources to establishing the new business, and its planned operations have not yet commenced. Accordingly, no revenues have been earned during the period from its inception on April 23, 2013 to December 31, 2018.

Green Standard Technologies Enterprises, Inc. (F/K/A Green Standard Technologies, Inc.)

On August 1, 2014 the Company formed Green Standard Technologies, Inc. ("GSTE") as a wholly owned incorporated under the laws of the state of Nevada. The Company's second line of business was to be carried on by this subsidiary.

During the year ended December 31, 2017 and 2018, GSTE was inactive, no longer had a useful purpose, and provided no revenue to the Company. On Dec 29, 2017, for the best interest of the Company, the Board had decided to eliminate all costs in connection with GSTE, agreed not to continue GSTE and closed down with immediate effect.

Z-Line International E-Commerce Company Limited – E-Commerce Company

Z-Line International E-Commerce Company Limited ("Z-Line") is a 55% owned subsidiary of the Company formed under the laws of Hong Kong and incorporated on August 17, 2016. Z-Line is a Hong Kong based e-Commerce company that provides consumer-to-consumer, business-to-consumer, and business-to-business-sales services via web portals.

Z-Line currently operates through the web portal www.zzll.win and has begun additional development, which will occur as the site evolves to increase its functionality, sales, service, support and product offerings. Z-line Mall currently carries daily necessities, cosmetic products and skin care products.

Hunan Syndicore Asia Limited – E-Commerce Company

On June 28, 2017, Hunan Syndicore Asia Limited ("HSAL"), a 100% owned subsidiary of Syndicore Asia Limited incorporated under the laws of PRC. HSAL is a Wholly Foreign-Owned Enterprise ("WFOE") in China, established in the National High-Tech Industrial Development Zone of Changsha, Hunan. HSAL is a PRC based e-Commerce company that will endeavor to develop its in E-Commerce, video content and video streaming capabilities. Additionally, HSAL has now launched *Hua Wen Mall* ("HWM") - its first online member retail website at hwt.zzll.win. HWM is a platform that allows businesses to sell their products and services to HWM's members through this business-to-business and business-to-consumer portal. All payments and processing will go through HWM, for which they will receive a transaction fee. The Mall will develop its own branded products, and is especially moving towards products which have smart functionality allowing the Company to capture a greater segment of the market with data and information analytics as social media becomes increasingly influential in the Chinese market.

Hua Wen Mall will also cooperate with ZZLL's existing Hong Kong platform, Z-Line Mall (ww.zzll.win) to share members, customers and products.

According to eMarketer:

Ecommerce sales in China are expected to pass $1.132 trillion in 2017, accounting for nearly half of the worldwide retail ecommerce sales.

China's ecommerce sales will account for 23.1% of all retail sales in China in 2017, however, this figure is expected to increase to 40.8% by 2021.

The popularity of shopping on a mobile phone is expected to continue with eMarketer predicting more than 75% of ecommerce sales – over $1tn - will be transacted via a mobile device.

China is the world's largest ecommerce market with a significant lead on other markets including the US ($450.81bn), UK ($110.07bn) and Japan ($95.33bn).

And according to Zenith's Mobile Advertising Forecasts 2017: The country with the highest number of smartphone users will be China, with 1.3 billion users, followed by India, with 530 million users. The US will be third, with 229 million users. Chinese consumers moved more of their shopping online in 2017, sending e-retail sales past $1 trillion for the first time in the world's leading e-commerce market.

With the highest number of smart phone users in the world, increasing penetration amongst the population and a growing trend towards smart apps, platforms and online shopping, the China market should allow HSAL multiple avenues of expansion within its existing business model. Traditional models of E-Commerce are encompassing a larger amount of the Internet of Things and data analytics with smart technology and applications.

Item 1A. Risk Factors

Not Applicable as a smaller reporting company.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We do not own any real property for use in our operations or otherwise. We lease an office located at Unit 1504, 15/F., Carnival Commercial Building, 18 Java Road, North Point, Hong Kong. The lease is for two years, expiring on August 27, 2019 with monthly lease payments of approximately USD 1,026 (HKD 8,000). Moreover, we lease an office located at No. 101-504, Block 2, 56 Wang Lung Road, Changsha, Hunan Province, China. The lease is for three years, expiring on June 11, 2020 with monthly lease payment of approximately USD 1,363 (RMB 9,145).

Item 3. Legal Proceedings

We may be subject to litigation from time to time as a result of our normal business operations. Presently, there are no material pending legal proceedings to which we are a party or as to which any of our property is subject, and no such proceedings are known to be threatened or contemplated against us.

Item 4. Mine Safety Disclosure

Not Applicable

PART II

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

(a) MARKET INFORMATION. Our common shares are quoted for trading on the OTC Bulletin Board under the symbol "ZZLL". The closing price of our common stock, as reported by the NASDAQ.com on December 31, 2018, was $0.200

	High	Low
Fiscal Year ended December 31, 2018:		
Quarter ended December 31, 2018	**$ 0.200**	$ 0.200
Quarter ended September 30, 2018	$ 0.200	$ 0.200
Quarter ended June 30, 2018	$ 0.195	$ 0.195
Quarter ended March 31, 2018	$ 0.200	$ 0.200
Fiscal Year ended December 31, 2017:		
Quarter ended December 31, 2017	**$ 0.377**	$ 0.377
Quarter ended September 30, 2017	$ 1.000 **	$ 1.000 **
Quarter ended June 30, 2017	$ 20.005 **	$ 20.005 **
Quarter ended March 31, 2017	$ 33.000 **	$ 30.000 **
Fiscal Year ended December 31, 2016:		
Quarter ended December 31, 2016	**$ 56.275** **	$ 50.500 **
Quarter ended September 30, 2016	$ 22.500 **	$ 22.500 **
Quarter ended June 30, 2016	$ 10.000 **	$ 10.000 **
Quarter ended March 31, 2016	$ 4.5000 **	$ 4.5000 **

*Over-the-counter market quotations reflects high and low bid quotations and inter-dealer prices without retail mark-up, mark-down or commission, and may not represent actual transactions.

**All share prices have been retroactively restated to reflect ZZLL's 1-for-50 reverse stock split which was effective on Oct 5, 2017.

Our transfer agent and registrar for our common stock is Madison Stock Transfer Inc. Their address is PO Box 145, Brooklyn, New York, USA 11229-0145. Their telephone number is (718) 627-4453. Their fax number is (718) 627-6341.

(b) HOLDERS. As of December 31, 2018, we had approximately 88 shareholders of record who held 20,277,448 shares of the Company's common stock. This number of shareholders does not include shareholders whose shares are held in street or nominee names. We believe that as of December 31, 2018, there are approximately 120 beneficial owners of our Common Stock, when these shareholders are considered.

(c) DIVIDEND POLICY. We have not declared or paid any cash dividends on our common stock and we do not intend to declare or pay any cash dividends in the foreseeable future. The payment of dividends, if any, is within the discretion of our Board of Directors and will depend on our earnings, if any, our capital requirements and financial condition and such other factors as our Board of Directors may consider.

(d) SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.

Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans(Excluding Securities Reflected in Column)
Equity compensation plans approved by security holders	None	Nil	Nil

(e) RECENT SALE OF UNREGISTERED SECURITIES.

On October 13, 2017, the Company issued 15,753,500 common shares to the officer. The issuance of 15,753,500 common shares was in lieu of $78,768 in compensation due to the officer under an option granted in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

On December 12, 2017, the Company issued 2,022,500 shares of units consisting of its common stock and a warrant (the "Units"). The units were issued to five shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share valid for a two years period after the subscription date. The total consideration for the issuance was $80,900.

On January 31, 2018, the Company issued 475,000 units consisting of its common stock and a warrant (the "Units") to two shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share and it is valid for a two years period after the subscription date. The total consideration for the issuance was $19,000.

On March 23, 2018, the Company issued 550,000 units consisting of shares of its common stock and a warrant (the "Units") to three shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share and it is valid for a two years period after the subscription date. The total consideration for the issuance was $22,000.

Item 6. Selected Financial Data

Not Applicable.

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

Cautionary Statement for Forward-Looking Statements

This discussion and analysis of our financial condition and results of operations includes "forward-looking" statements that reflect our current views with respect to future events and financial performance. We use words such as "expect," "anticipate," "believe," and "intend" and similar expressions to identify forward-looking statements. You should be aware that actual results may differ materially from our expressed expectations because of risks and uncertainties inherent in future events and you should not rely unduly on these forward-looking statements. We disclaim any obligation to publicly update these statements, or disclose any difference between its actual results and those reflected in these statements. Reference in the following discussion to "our", "us" and "we" refer to the operations of ZZLL Information Technology, Inc. (F/K/A Green Standard Technologies, Inc.) and its subsidiaries ("We"), except where the context otherwise indicates or requires.

The following discussion of our financial condition and results of operations should be read in conjunction with the audited financial statements and the notes to the audited financial statements included in this annual report. This discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results may differ materially from those anticipated in these forward-looking statements.

Current Operating

In the twelve (12) months ended December 31, 2018, we derived revenues of $91,019 from our current business operations.

Syndicore Asia Limited.

Syndicore Asia Limited is a wholly-owned subsidiary of the Company. Syndicore Asia Limited is also in the startup phase and is in the process of entering into arrangements and agreements to implement the current business plan. Syndicore Asia Limited is an online media company that syndicates video in a cloud-based, multimedia conduit serving a growing, global community of content creators, news outlets and leading brands. Syndicore Asia Limited will be a provider of syndicated video media to news organizations in the Asia Pacific region. In addition, Syndicore Asia Limited plans to aggregate content from the Asia Pacific region and provide it to news organizations around the world.

Syndicore Asia Limited has derived revenue of $47,436 during the period from its inception on April 23, 2013 to December 31, 2018.

Green Standard Technologies Enterprises, Inc.

On August 1, 2014, the Company formed Green Standard Technologies Enterprises, Inc. (F/K/A Green Standard Technologies, Inc.)("GSTEI") as a wholly owned subsidiary incorporated under the laws of the state of Nevada. The Company's second line of business is carried out by this subsidiary. On June 6, 2015, Green Standard Technologies Inc. filed articles of amendment to change its name to "Green Standard Technologies Enterprises, Inc.

During the year of 2017, GSTE was in-active, no longer had a useful purpose, and provided no revenue to the Company. On Dec 29, 2017, for the best interest of the Company, the Board decided to eliminate all costs in connection with GSTE, agreed not to continue and closed down GSTE with immediate effect.

Z-Line International E-Commerce Limited.

On August 17, 2016, Z-Line International E-Commerce Company Limited ("Z-Line"), a 55% owned subsidiary of the Company incorporated under the laws of Hong Kong. Z-Line is a Hong Kong based e-Commerce company that provides consumer-to-consumer, business-to-consumer, and business-to-business-sales services via web portals.

Z-Line has no revenues earned during the period from its incorporation to December 31, 2018.

Hunan Syndicore Asia Limited.

Hunan Syndicore Asia Limited ("HSAL"), a 100% owned subsidiary of Syndicore Asia Limited incorporated under the laws of PRC. HSAL is a Wholly Foreign-Owned Enterprise ("WFOE") incorporated under the Foreign Enterprise Law of People Republic of China, established in the National High-Tech Industrial Development Zone of Changsha, Hunan. HSAL is a PRC based e-Commerce company that will endeavor to develop its in E-Commerce, video content and video streaming capabilities.

HSAL has earned revenues of $43,583 (RMB 293,035) for the year ended December 31, 2018 and $48,936 for the period from its incorporation to December 31, 2018.

Executive Summary

In the twelve (12) months ended December 31, 2018, we derived $91,019 in revenues from our current business operations.

- Administrative and other operating expenses for the year ended December 31, 2018 decreased 81.4% to $178,034 compared to $958,022 for the year ended December 31, 2017.
- Net Loss for the year ended December 31, 2018 improved by 87.1% to $122,454 compared to $952,186 for the year ended December 31, 2017.

Results of Operations for the Twelve Months Ended December 31, 2018, and 2017

The following table sets forth the comparison of the audited consolidated statements of operations data for the year ended December 31, 2018 and 2017 and should be read in conjunction with our financial statements and the related notes appearing elsewhere in this document.

	Year Ended December 31,			
	2018	2017	Difference	Percentage Increase
Revenue	$ 91,019	$ 5,353	$ 85,666	1,600%
Cost of goods sold	34,808	2,865	31,943	1,115%
Gross profit	56,211	2,488	53,723	2,159%
General and administrative and other operating expenses	178,034	958,022	(779,988)	(81.4)%
Income (loss) from operations	(121,823)	(955,534)	833,711	87.3%
Other expenses (income)	(758)	(3,348)	(2,590)	(77.4)%
Interest expenses	-	-	-	-%
Income (loss) before income taxes	(121,065)	(952,186)	831,121	87.3%
Income taxes	1,389	-	1,389	100%
Net (loss) income	(122,454)	(952,186)	829,732	87.1%
Non-controlling interest	1,648	27,630	(25,982)	(94.0)%
Net (loss) income attribute to the Group	$ (120,806)	$ (924,556)	$ 803,750	86.9%

Comparison of the Years Ended December 31, 2018 and 2017

Revenues Composition and Sources of Revenue Growth

In the year ended December 31, 2018 (the "FY2018") and 2017 (the "FY2017"), we derived revenues of $91,019 and $5,353 respectively, from our current business operations from Syndicore Asia Limited and HSAL.

We anticipate that we will continue to generate revenue from website business and operation.

Cost of Sale and Gross Profit

Cost of sales was $34,808 for the FY2018 and $2,865 for the FY2017 and gross profit was $56,211 for the FY2018 and $2,488 for the Comparable Year.

General and Administrative Expenses

General and administrative expenses for the FY2018 were $178,034 compared to $958,022 for the FY2017. The change was mainly due to the changes in warrant expenses due to the issuance of 2,022,500 shares common stock with exercisable warrants in the FY2017.

Other Income

Other income consists of management service income, interest income and interest expenses. Other income of $758 was earned in the FY2018, compared to $3,348 for the FY2017, and interest expenses of $Nil for the FY2018, compared to $Nil for the FY2017.

Income Taxes

There were income taxes of $1,389 and $Nil recorded or paid during the year ended December 31, 2018 and 2017, respectively.

Foreign Currency translation

The foreign currency translation was $1,192 for the year ended December 31, 2018 as compared to negative $388 for the year ended December 31, 2017.

Net (loss) Income

Our net loss attributable to the Group was $120,806 for the year ended December 31, 2018, as compared to a net loss of $924,556 for the year ended December 31, 2017. There was an attribution of loss to non-controlling interest of $1,648 for the year ended December 31, 2018 as compared to $27,630 for the year ended December 31, 2017.

Critical Accounting Policies

The U.S. Securities and Exchange Commission ("SEC") recently issued Financial Reporting Release No. 60, " *Cautionary Advice Regarding Disclosure About Critical Accounting Policies* " ("FRR 60"), suggesting companies provide additional disclosure and commentary on their most critical accounting policies. In FRR 60, the SEC defined the most critical accounting policies as the ones that are most important to the portrayal of a company's financial condition and operating results, and require management to make its most difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Based on this definition, our most critical accounting policies include: inventory valuation, which affects cost of sales and gross margin; policies for revenue recognition, allowance for doubtful accounts, and stock-based compensation. The methods, estimates and judgments we use in applying these most critical accounting policies have a significant impact on our results we report in our consolidated financial statements.

Impairment of Long-Lived Assets

We account for impairment of property, plant and equipment in accordance with FASB ASC 360. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. Losses on long-lived assets to be disposed of are determined in a similar manner, except that fair market values are reduced for the cost to dispose. During the reporting years, there was no impairment loss incurred. Competitive pricing pressure and changes in interest rates, could materially and adversely affect our estimates of future net cash flows to be generated by our long-lived assets.

Liquidity and Capital Resources

Operating Activities Going Concern

We had a net loss of $120,806 for the year ended December 31, 2018 and a net loss since inception on April 15, 2011 of $2,134,146. The net loss for 2018 and 2017 were generated as a result of paying all necessary administrative expenses. On December 31, 2018 we had cash on hand of $10,793. The accumulative loss has raised substantial doubt about our ability to continue as a going concern. These doubts were outlined in Note 3 to our independent auditor's report on our Consolidated Financial Statements for the year ended December 31, 2018. Although our Consolidated Financial Statements raise substantial doubt about our ability to continue as a going concern, they did not include any adjustments relating to recoverability and classification of recorded assets, or the amounts or classifications of liabilities that might be necessary in the event we cannot continue as a going concern. Certain of our shareholders have verbally agreed to provide financial support to us for losses we may incur in the future.

Net Cash Provided by Operating Activities

Net cash used in operating activities was $119,360 for the year ended December 31, 2018 as compared to net cash used in operating activities of $293,537 for the year ended December 31, 2017. The decrease in cash used during the year ended December 31, 2018 was mainly due to the changes of cash used in other payables and accrued liabilities, and with no cash flow effect on warrant liabilities.

Net Cash Provided by Investing Activities

Net cash used in investing activities was $Nil for the year ended December 31, 2018 as compared to net cash used in investing activities of $606 for the year ended December 31, 2017. The change was due to the purchase of equipment in the year 2017.

Net Cash Used for Financing Activities

For the year ended December 31, 2018 and 2017, there were no external financing activities except for the gross proceeds of $41,000 and $159,667 received from the issuance of 1,025,000 and 17,776,000shares of common stock, respectively. From time to time, related parties of the Company finance the working capital requirements for operations on a temporary basis. This financing is provided in the form of temporary loans to the Company. The net cash generated by related party's loan for the year ended December 31, 2018 and 2017 were $69,531 and $69,479, respectively. Furthermore, net cash generated by amount due from Network Service Management Limited ("NSML") were $Nil and $25,641 for the year ended December 31, 2018 and 2017, respectively.

The amounts due to related parties and director are interest-free loans. These loans are unsecured and have no fixed repayment terms.

Subsequent Events

There being no other material subsequent events for the period after the year ended date as at December 31, 2018 till the release of the report.

Off-Balance Sheet Arrangements

The Company does not have off-balance sheet arrangements as of December 31, 2018 and 2017.

New Accounting Pronouncements

See Note 4 to consolidated financial statements included in Item 8, Financial Statements, of this Annual Report on Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 8. Financial Statements and Supplementary Data

Attached hereto and filed as part of this Annual Report on Form 10-K are our Consolidated Financial Statements, beginning on page F-1.

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

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Annual Report on Form 10-K. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on our evaluation, our Principal Executive Officer and Principal Financial Officer, after considering the existence of material weaknesses identified, determined that our internal controls over disclosure controls and procedures were not effective as of December 31, 2018.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles

Our internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with the authorization of our management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

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.

Management, including our Principal Executive Officer and Principal Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2018. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control over Financial Reporting - Guidance for Smaller Public Companies. Based on that assessment, it was determined that our internal controls over financial reporting were not effective.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control system, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

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 pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

We regularly review our system of internal control over financial reporting to ensure we maintain an effective internal control environment. There were no changes in our internal controls over financial reporting during the quarter ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that occurred during the year ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Directors and Executive Officers

The following table sets forth the name, age, and position of our directors and our executive officers as of December 31, 2018. Each director holds office (subject to our By-Laws) until the next annual meeting of shareholders and until such director's successor has been elected and qualified. Each executive officer holds his office until he resigns, is removed by the board of directors, or his successor is elected and qualified, subject to applicable employment agreements.

NAME	AGE	POSITION
Sean Webster	46	President, Chief Executive Officer, Chief Financial Officer and Director
Wei Liang	37	Director (appointed on June 14, 2016)
Wei Zhu	41	Director (appointed on March 25, 2017)
Riggs Cheung	47	Director (appointed on March 25, 2017 and Resigned on Sept 28, 2018)

Mr. Sean Webster, 46- Mr. Sean Webster has been the President and Chief Executive Officer of ZZLL Information Technology, Inc. since March 25, 2008. Mr. Webster was the Chief Operating Officer, Chief Financial Officer, Treasurer and Secretary of Biopack Environmental Solutions, Inc. from October 6, 2008 until April 27, 2012. Mr. Webster was Senior Vice President of Finance & Business Development of Grand Power Logistics Group Inc., from April 8, 2008 until June 1, 2011. From May, 1999 to October 2007 he served as an Investment Advisor (Investment Dealers Association of Canada, Registered Representative) at Blackmont Capital Inc. Mr. Webster graduated from the University of Calgary in 1996 with a BA in Economics, and a minor in Management and Commerce.

Mr. Wei Liang, 37– Mr. Liang is an engineer and has over 15 years' experience in e-Business system design, computer engineering, internet framework and system design, implementation and management, specifically in banking e-Business systems. Mr. Liang also has expertise in design and development of electronic platforms for education. Since April 2015, Mr. Liang has acted as Managing Director of Hunan Longitudinal Uned Information Technology Co., Ltd. Prior to this position, from March 2013 to April 2015, Mr. Liang was the Managing Director of Hunan Ming Da Educational Technology Company Limited. Mr. Liang was the Principal of Lou Di City Electronic Technology Vocational College from 2011 to 2013. From 2004 to 2011, Mr. Liang was an Engineer with the Lou Di City Bureau of Education. Mr. Liang earned a Bachelor degree in Computers from the University of Nanchang in 2008 and a Master degree in Computer Engineering from the University of Jilin in 2011.

Mr. Wei Zhu, 41 – Since April 2015 Mr. Zhu was the president and co-founder of Hunan Longitudinal Uned Information Technology Co., Ltd. Prior to this position, since 2008, Mr. Zhu and his partner started another company in home security industry, Hunan Zhongdun Security Intelligent & Technology Co., Ltd. and was positioned as General Manager. From 2006 to 2008, Mr. Zhu started his Hunan Shichuang Decoration Engineering Co., Ltd and had projects with Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China. Mr. Zhu earned an EMBA from Tsinghua University.

Mr. Riggs Cheung, 47 - Mr. Cheung was with SleepAid Holding Co. since December, 2014 and served as its CFO and director until November 2017. Since 2006, Mr. Riggs has also been the Marketing Director for America Asia Travel Center, in its New York Branch. Mr. Riggs attended City University of New York – Manhattan College and received an Associate's Degree in Art in 1997.

Significant Employees

As of December 31, 2018, we have 8 full time employees.

Family Relationships

There are no family relationships between any of our directors and executive officers. There have been no events under any bankruptcy act, no criminal proceedings and no judgments, orders or decrees material to the evaluation of the ability and integrity of any director or executive officer of the Company during the past five years.

Involvement in Certain Legal Proceedings

There have been no events under any bankruptcy act, no criminal proceedings and no judgments, orders or decrees material to the evaluation of the ability and integrity of any director or executive officer of the Company during the past five years.

Compliance with Section 16(A) of The Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934 requires our Directors and executive officers and persons who beneficially own more than ten percent of a registered class of our equity securities to file with the SEC initial reports of ownership and reports of change in ownership of common stock and other equity securities of the Company. Officers, Directors and greater than ten percent shareholders are required by SEC regulations to furnish us with copies of all Section 16(a) forms they file. Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to us under Rule 16a-3(e) during the year ended December 31, 2018, Forms 5 and any amendments thereto furnished to us with respect to the year ended December 31, 2018, and the representations made by the reporting persons to us, we believe that during the year ended December 31, 2018, our executive officers and Directors and all persons who own more than ten percent of a registered class of our equity securities complied with all Section 16(a) filing requirements.

Code of Business Conduct and Ethics

Our board of directors adopted an informal Code of Business Conduct and Ethics that applies to, all our officers, directors, employees and agents. Certain provisions of the Code apply specifically to our president and secretary (being our principle executive officer, principle financial officer and principle accounting officer, controller), as well as persons performing similar functions. As adopted, our Code of Business Conduct and Ethics sets forth written standards that are designed to deter wrongdoing and to promote the following:

1. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
2. Full, fair, accurate, timely, and understandable disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission and in other public communications made by us;
3. Compliance with applicable governmental laws, rules and regulations;
4. The prompt internal reporting of violations of the Code of Business Conduct and Ethics to an appropriate person identified in our Code of Business Conduct and Ethics; and
5. Accountability for adherence to the Code of Business Conduct and Ethics.

Our Code of Business Conduct and Ethics requires, among other things, that all of our Company's senior officers commit to timely, accurate and consistent disclosure of information; that they maintain confidential information; and that they act with honesty and integrity.

In addition, our Code of Business Conduct and Ethics emphasizes that all employees, and particularly senior officers, have a responsibility for maintaining financial integrity within our Company, consistent with generally accepted accounting principles, and federal and state securities laws. Any senior officer who becomes aware of any incidents involving financial or accounting manipulation or other irregularities, whether by witnessing the incident or being told of it, must report it to our management.

We will provide a copy of our code of ethics without charge to any person that requests it. Any such request should be made in writing to the attention of Sean Webster, Chief Executive Officer, ZZLL Information Technology, Inc., Unit 1504, 15/F., Carnival Commercial Building, 18 Java Road, North Point, Hong Kong.

Committees of the Board of Directors

We do not presently have a separately designated standing audit committee, compensation committee, nominating committee, executive committee or any other committees of our Board of Directors. The functions of those committees are currently undertaken by our Board of Directors. Because we have only one Director, we believe that the creation of these committees, at this time, would be cumbersome and constitute more form over substance.

Audit Committee

We have not established a separately designated standing audit committee nor do we have an audit committee financial expert serving on our Board of Directors. However, the Company intends to establish a new audit committee of the Board of Directors that shall consist of independent Directors. The audit committee's duties will be to recommend to the Company's Board of Directors the engagement of an independent registered public accounting firm to audit the Company's financial statements and to review the Company's accounting and auditing principles. The audit committee will review the scope, timing and fees for the annual audit and the results of audit examinations performed by the internal auditors and independent registered public accounting firm, including their recommendations to improve the system of accounting and internal controls. The audit committee shall at all times be composed exclusively of Directors who are, in the opinion of the Company's Board of Directors, free from any relationship which would interfere with the exercise of independent judgment as a committee member and who possess an understanding of financial statements and generally accepted accounting principles.

Item 11. Executive Compensation

The following table sets forth the annual and long-term compensation of our Named Executive Officers for services rendered in all capacities to the Company for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

Summary Compensation Table

Name and Principal Position		Salary	Deferred Compen-sation	Bonus	Stock Awards	Option and Warrant Awards	All Other Compen-sation	Total
Sean Webster (1)	2018	$ -	$ -	$ -	$ -	$ -	$ 90,000	$ 90,000
Chief Executive Officer,	2017	$ -	$ -	$ -	$ -	$ -	$ 50,000	$ 50,000
Chief Financial Officer and Director	2016	$ -	$ -	$ -	$ -	$ -	$ 90,000	$ 90,000
Wei Liang (2)	2018	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Director	2017	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	2016	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Wei Zhu (3)	2018	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Director	2017	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	2016	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Riggs Cheung (3)(4)	2018	$ 6,000	$ -	$ -	$ -	$ -	$ -	$ 6,000
Director	2017	$ 9,000	$ -	$ -	$ -	$ -	$ -	$ 9,000
	2016	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(1)Mr. Webster was appointed as CEO and Director on March 25, 2008

(2)Mr. Liang was appointed as Director on June 14, 2016

(3)Mr. Zhu and Mr. Cheung were appointed as Director on March 25, 2017

(4)Mr. Cheung resigned as Director on Sept 28, 2018

(5)No other executive received any compensation from the Company and any of its subsidiaries for the previous three years

Option / SAR Grants

The Company has stock option plans that allow it to grant options to its key employees. Over the course of employment, the Company may issue vested or non-vested stock options to an employee.

In March, 2008 the Company implemented a vested and non-vested stock option plan and all the options granted under those plans expired March 31, 2011. In the year ended March 31, 2008, a total of 300,000 of vested and 80,000 non-vested options were granted to employees of the Company at a price of $0.35 per share, exercisable for a term of three years. No stock options have been granted to any of the officers or directors of the Company. No stock options have been exercised by any employees, officers or directors since we were founded.

ZZLL Information Technology, Inc. (F/K/A Green Standard Technologies, Inc.), Syndicore Asia Limited, Green Standard Technologies Enterprises, Inc. and Z-Line International E-Commerce Limited currently have no option plans.

Narrative Disclosure to Summary Compensation Table

There are no employment contracts, compensatory plans or arrangements, including payments to be received from the Company with respect to any executive officer, that would result in payments to such person because of his or her resignation, retirement or other termination of employment with the Company, or its subsidiaries, any change in control, or a change in the person's responsibilities following a change in control of the Company.

Outstanding Equity Awards at Fiscal Year-End

There are no current outstanding equity awards to our executive officers as of December 31, 2018.

Long-Term Incentive Plans

There are no arrangements or plans in which we provide pension, retirement or similar benefits for Directors or executive officers.

Compensation Committee

We currently do not have a compensation committee of the Board of Directors. The Board of Directors as a whole determines executive compensation.

Compensation of Directors

Directors receive no extra compensation for their services to our Board of Directors.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth certain information regarding the beneficial ownership of our Common Stock as of December 31, 2018: by (i) each person who is known by us to own beneficially more than 5% of our outstanding Common Stock, (ii) by each of our directors, (iii) by each of our executive officers and (iv) by all our directors and executive officers as a group. On such date, we had 20,277,448 shares of Common Stock outstanding.

As used in the table below, the term beneficial ownership with respect to a security consists of sole or shared voting power, including the power to vote or direct the vote, and/or sole or shared investment power, including the power to dispose or direct the disposition, with respect to the security through any contract, arrangement, understanding, relationship, or otherwise, including a right to acquire such power(s) during the 60 days immediately following December 31, 2018. Except as otherwise indicated, the stockholders listed in the table have sole voting and investment powers with respect to the shares indicated

Name and Address of Beneficial Owner	**Shares of Common Stock Beneficially Owned**	**Percentage of Class Beneficially Owned(1)**
Sean Webster (2) (3) Room 1307, 13/F., Wellborne Commercial Centre, 8 Java Road, North Point, Hong Kong	16,065,500	79.228 %
Wei Liang (3) No 271, Xing Zhi Garden, Shi Yu Street, Lou Xing District, Lou Di, Hunan, PRC	99,850	0.492 %
Wei Zhu (3) Section 8 Residence Committee Office, Leping Street, Lou Xing District, Lou Di, Hunan, PRC	97,900	0.483 %
All Directors and Officers as a Group	**16,263,250**	**80.203 %**
All Directors, Officers and 5% Shareholders as a Group (1)	**16,263,250**	**80.203 %**

(1) Applicable percentage of ownership is based on 20,277,448 shares of Common Stock outstanding as of December 31, 2018, together with securities exercisable or convertible into shares of Common Stock within 60 days of December 31, 2018, for each stockholder. Beneficial ownership is determined in accordance with the rules of the United States Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of Common Stock subject to securities exercisable or convertible into shares of Common Stock that are currently exercisable or exercisable within 60 days of December 31, 2018, are deemed to be beneficially owned by the person holding such securities for the purpose of computing the percentage of ownership of such person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. There are no options, warrants, rights, conversion privileges or similar right to acquire the common stock of the Company and the Common Stock is the only outstanding class of equity securities of the Company as of December 31, 2018.

(2) Executive Officer

(3) Director

(a) Changes in Control

We do not anticipate at this time any changes in control of the Company. There are no arrangements either in place or contemplated which may result in a change of control of the Company. There are no provisions within the Articles or the Bylaws of the Company that would delay or prevent a change of control.

As of December 31, 2018, Sean Webster, an officer and director of the company controlled the largest percentage of shares of common stock.

(b) Future Sales by Existing Shareholders

As of December 31, 2018 there are a total of 88 Stockholders of record holding 20,277,448 shares of our common stock. 16,065,500 of our outstanding shares of common stock are "restricted securities", as that term is defined in Rule 144 of the Rules and Regulations of the SEC promulgated under the Securities Act. Under Rule 144, such shares can be publicly sold, subject to certain restrictions commencing six (6) months after the acquisition of such shares.

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

As of December 31, 2018 and December 31, 2017, the Company had received advances of $69,531 and $69,479 from its shareholders for operating expenses. These advances bear no interest, no collateral and have no repayment term.

During the FY2018, the Company issued 1,025,000 of its shares on January 31 and March 23, 2018 in lieu of consideration of $41,000.

Item 14. Principal Accounting Fees and Services

The following table presents aggregate fees, including reimbursements for expenses, professional audit services and other services rendered by our independent registered public accounting firm Centurion ZD CPA Limited during the years ended December 31, 2018 and 2017.

	Fiscal 2018	**Fiscal 2017**
Audit Fees (1)	$ 37,179	$ 34,615
Audit Related Fees (2)	$ --	$ --
Tax Fees (3)	$ --	$ --
All Other Fees (4)	$ --	$ --
Total	$ 37,179	$ 34,615

(1) Audit Fees consist of fees billed for professional services rendered for the audit of the Company's consolidated annual financial statements and review of the interim consolidated financial statements included in quarterly reports and services that are normally provided by Centurion ZD CPA Limited in connection with statutory and regulatory filings or engagements. Audit Fees billed by Centurion ZD CPA Limited includes audited fees for auditing our 2018 and 2017 annual financial statements and interim review.

(2) Audit-Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees." There were no such fees in fiscal year 2018 or 2017.

(3) Tax Fees consist of fees billed for professional services rendered for tax compliance, tax advice and tax planning. There were no such fees in fiscal year 2018 or 2017.

(4) All Other Fees consist of fees for products and services other than the services reported above. There were no such fees in fiscal year 2018 or 2017.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Documents filed as part of this Report

(1) The financial statements listed in the Index to Consolidated Financial Statements are filed as part of this report

(2)The financial statements listed in the Index are filed as part of this report.

Schedule II – Valuation and Qualifying Accounts and Reserves. Schedule II on page S-1 is filed as part of this report.

(3)List of Exhibits

See Index to Exhibits in paragraph (b) below.

The Exhibits are filed with or incorporated by reference in this report.

(b) Exhibits required by Item 601 of Regulation S-K.

Exhibit No.	Description
31.1	Certification of Principal Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of Principal Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

* Filed herewith

(c) Financial statements required by Regulation S-X which are excluded from the annual report to shareholders by Rule 14a-3(b).

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.

ZZLL INFORMATION TECHNOLOGY INC.

By: *<u>/s/ Sean Webster</u>*
Sean Webster
Chief Executive Officer

Dated: April 15, 2019

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.

Signature	Title	Date
<u>/s/ Sean Webster</u> Sean Webster	Chief Executive Officer, Chief Financial Officer, and Director (Principal Executive Officer, and Principal Financial and Accounting Officer)	April 15, 2019
<u>/s/ Wei Liang</u> Wei Liang	Chief Technical Officer and Director	April 15, 2019
<u>/s/ Wei Zhu</u> Wei Zhu	Director	April 15, 2019

ZZLL Information Technology Inc. and Subsidiaries
Consolidated Financial Statements
As of December 31, 2018 and December 31, 2017 and
For the Years Ended December 31, 2018 and 2017
With Report of Independent Registered Public Accounting Firm

Index to Consolidated Financial Statements

	Page
Report of Independent Registered Public Accounting Firm	F-2
Financial Statements:	
Consolidated Balance Sheets	F-3
Consolidated Statements of Income and Comprehensive Income	F-4
Consolidated Statements of Stockholders' Equity and Accumulated Other Comprehensive Income	F-5
Consolidated Statements of Cash Flows	F-6
Notes to Consolidated Financial Statements	F-7

Centurion ZD CPA Limited
Certified Public Accountants (Practising)
Unit 1304, 13/F, Two Harbourfront, 22 Tak Fung Street, Hunghom, Hong Kong.
Tel: (852) 2126 2388 Fax: (852) 2122 9078
Email: info@czdcpa.com

Report of Independent Registered Public Accounting Firm

To: The Board of Directors and Shareholders of ZZLL Information Technology, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of ZZLL Information Technology, Inc. and its subsidiaries (the "Company") as of December 31, 2018 and 2017, the related consolidated statements of operations, changes in shareholders' equity, and cash flows, for each of the two years in the period ended December 31, 2018, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the consolidated results of its operations and its cash flows for each of the two years in the period ended December 31, 2018, in conformity with U.S. generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting 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.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Centurion ZD CPA Limited

We have served as the Company's auditor since 2015.

Hong Kong, SAR
April 15, 2019

ZZLL INFORMATION TECHNOLOGY, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
As at December 31, 2018 and 2017
(Stated in US Dollars)

	Note	December 31, 2018	December 31, 2017
ASSETS			
Current assets:			
Cash and cash equivalents		$ 10,793	$ 18,430
Amount due from NSML--Non-controlling interest	5	294,872	294,872
Other receivables		4,474	4,155
Total current assets		$ 310,139	$ 317,457
Non-current assets:			
Property, plant and equipment, net		366	606
TOTAL ASSETS		$ 310,505	$ 318,063
LIABILITIES			
Current liabilities:			
Note payable		75,000	75,000
Warrants liabilities	9	555,883	685,395
Other payables and accrued liabilities	7	269,897	138,601
Amount due to related party	8	321,504	251,973
Income tax payable	6	1,389	-
Total current liabilities		$ 1,223,673	$ 1,150,969
TOTAL LIABILITIES		$ 1,223,673	$ 1,150,969
STOCKHOLDERS' EQUITY			
Preferred stock, $0.0001 par value, 100,000,000 shares authorized; 0 shares issued and outstanding		$ -	$ -
Common stock, $0.0001 par value; 300,000,000 shares authorized; 20,277,448 and 19,252,448 * shares issued and outstanding, respectively		2,028	1,925
Additional paid in capital		1,671,847	1,630,950
Accumulated other comprehensive income /(loss)		804	(388)
(Accumulated deficit)/retained earnings		$ (2,872,550)	$ (2,751,744)
TOTAL STOCKHOLDERS' EQUITY		(1,197,871)	(1,119,257)
Attributable to Non-controlling interest		284,703	286,351
Attributable to The Group		$ (913,168)	$ (832,906)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		$ 310,505	$ 318,063

* All shares outstanding for all periods have been retroactively restated to reflect ZZLL's 1-for-50 reverse stock split, which was effective on October 5, 2017

The accompanying notes are an integral part of the financial statements

ZZLL INFORMATION TECHNOLOGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Year Ended December 31, 2018 and 2017
(Stated in US Dollars)

	Note	December 31, 2018	December 31, 2017	Apr. 15, 2011(inception) Through Dec. 31, 2018
Net revenue		$ 91,019	$ 5,353	$ 96,372
Cost of Sales		34,808	2,865	37,673
Gross profit		$ 56,211	$ 2,488	$ 58,699
Operating expenses				
General and administrative expenses		178,034	958,022	2,231,289
(Loss)/income from operations		$ (121,823)	$ (955,534)	$ (2,172,590)
Non-operating income (expense)				
Interest expenses		-	-	(214)
Interest income		-	-	-
Other non-operating income		758	3,348	4,237
(Loss)/income before income taxes		$ (121,065)	$ (952,186)	$ (2,168,567)
Income tax	6	1,389	-	1,389
Net (loss)/income		$ (122,454)	$ (952,186)	$ (2,169,956)
Non-controlling interest		1,648	27,630	35,810
Net (loss)/income attributable to the Company		(120,806)	(924,556)	(2,134,146)
Foreign currency translation adjustment		1,192	(388)	804
Comprehensive loss		$ (119,614)	$ (924,944)	$ (2,133,342)
Basic and diluted earnings per share of common stock *		(0.60 cents)	(18.35 cents)	(60.86 cents)
Weighted average number of common shares outstanding – basic and diluted *		20,116,352	5,040,092	3,506,739

* All shares outstanding for all periods have been retroactively restated to reflect ZZLL's 1-for-50 reverse stock split, which was effective on October 5, 2017

The accompanying notes are an integral part of the financial statements

ZZLL INFORMATION TECHNOLOGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND
ACCUMULATED OTHER COMPREHENSIVE INCOME
(Stated in US Dollars)

	Number of shares *	Amount *	Additional paid-in capital *	Accumulated other comprehensive income	Retained earnings /(accumulated losses)	Total
Balance, January 1, 2017	1,476,448	$ 148	$ 1,473,060	$ -	$ (1,827,188)	$ (353,980)
Issue of common stock	17,776,000	1,777	157,890	-	-	159,667
Exchange reserve	-	-	-	(388)	-	(388)
Net loss	-	-	-	-	(924,556)	(924,556)
Balance, December 31, 2017	19,252,448	$ 1,925	$ 1,630,950	$ (388)	$ (2,751,744)	$ (1,119,257)
Balance, January 1, 2018	19,252,448	$ 1,925	$ 1,630,950	$ (388)	$ (2,751,744)	$ (1,119,257)
Issue of common stock	1,025,000	103	40,897	-	-	41,000
Exchange reserve	-	-	-	1,192	-	1,192
Net loss	-	-	-	-	(120,806)	(120,806)
Balance, December 31, 2018	20,277,448	$ 2,028	$ 1,671,847	$ 804	$ (2,872,550)	$ (1,197,871)

* All shares outstanding for all periods have been retroactively restated to reflect ZZLL's 1-for-50 reverse stock split, which was effective on October 5, 2017

The accompanying notes are an integral part of the financial statements

ZZLL INFORMATION TECHNOLOGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in US Dollars)

	Notes	For Year Ended Dec 31, 2018	For Year Ended Dec 31, 2017	April 15, 2011 (inception) Through Dec 31, 2018
Cash flows (used in)/provided by operating activities :				
Net (loss)/income		$ (120,806)	$ (924,556)	$ (2,134,146)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization		240	-	240
Re-organization (reverse merger and spin-off)		-	-	(9,195)
Stock based compensation		-	-	85,000
Non-controlling interest		(1,648)	(27,630)	(35,810)
Changes in assets and liabilities:				
Other receivables		(319)	(796)	(4,474)
Note payable		-	-	75,000
Warrant liabilities		(129,512)	685,395	555,883
Other payables and accrued liabilities		131,296	(25,950)	351,897
Income tax payable		1,389	-	1,389
Net cash flows (used in) operating activities		$ (119,360)	$ (293,537)	$ (1,114,216)
Cash flows generated by investing activities :				
Disposal of subsidiary OODI		-	-	22,942
Purchase of property, plant and equipment		-	(606)	(606)
Net cash flows generated by investing activities		$ -	$ (606)	$ 22,336
Cash flows generated by/(used in) financing activities :				
Proceed from Issuance of common stock		41,000	159,667	836,724
Amount due to /from related parties		69,531	69,479	239,504
Amount due to /from NSML		-	25,641	25,641
Net cash flows generated by financing activities		$ 110,531	$ 254,787	$ 1,101,869
Net increase (decrease) in cash and cash equivalents		(8,829)	(39,356)	9,989
Effect of foreign currency translation		1,192	(388)	804
Cash and cash equivalents – beginning of year		18,430	58,174	-
Net cash flows generated by investing activities		$ 10,793	$ 18,430	$ 10,793
Supplementary disclosure of cash flow information:				
Interest paid		-	-	-
Income taxes		-	-	-

The accompanying notes are an integral part of the financial statements

NOTE 1. ORGANIZATION AND BASIS OF PRESENTATION

ZZLL Information Technology, Inc. ("The Company") was incorporated under the laws of the State of Nevada on September 9, 2005, under the name of JML Holdings, Inc. The Company merged with Baoshinn International Express, Inc. ("BSIE") on March 31, 2006, by acquiring all of the issued and outstanding common stock of BSIE in a share exchange transaction. We issued 16,500,000 shares of our common stock in exchange for 100% of the issued and outstanding shares of BSIE common stock. The transaction was accounted for as a recapitalization of BSIE whereby BSIE is deemed to be the accounting acquirer and is deemed to have adopted our capital structure.

On June 17, 2015, Baoshinn Corporation had been amended to the name "Green Standard Technologies, Inc.".

On May 27, 2016, the Company changed its name with the State of Nevada from Green Standard Technologies, Inc. to "ZZLL Information Technology, Inc."

On May 27, 2016, ZZLL Information Limited acquired 4,992,500 common shares of the Company through a private Common Stock Purchase Agreement for investment purposes in the ordinary course of business. The aggregate number and percentage of common shares of the Issuer beneficially owned by Mr. Wei Liang is 4,992,500 common shares, or approximately 26.662% of the 18,725,003 issued common shares.

On June 14, 2016, Wei Liang ("Mr. Liang") was appointed to serve as a member of the Board of Directors of ZZLL Information Technology, Inc.

On June 24, 2016, ZZLL Technology Limited acquired 4,895,000 common shares of the Company through a private Common Stock Purchase Agreement for investment purposes in the ordinary course of business. The aggregate number and percentage of common shares of the Issuer beneficially owned by Mr. Wei Zhu is 4,895,000 common shares, or approximately 26.142% of the 18,725,003 issued common shares.

On August 18, 2016, the Company through SAL entered into a Joint Venture Agreement ("JVA") with Network Service Management Limited, a Hong Kong company ("NSML") in the formation of Z-Line International E-Commerce Company Limited ("Z-Line"), a Hong Kong based e-Commerce company. The Company through SAL owned 55% of Z-Line that provides consumer-to-consumer, business-to-consumer and business-to-business-sales services via web portals.

On August 25, 2016 and September 20, 2016, the Company issued 6,696,500 common shares and 32,000,000 common shares to the officer respectively. The issuance with an aggregate of 38,696,500 common shares in lieu of $193,483 compensation to the officer under an option resolved in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

On November 10 and December 1, 2016, the Company further issued 1,000,000 common shares and 15,400,000 common shares to the officer respectively. The issuance with an aggregate of 16,400,000 common shares in lieu of $82,000 compensation to the officer under an option resolved in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

Effective on October 5, 2017, the Company executed a reverse stock split pursuant to which fifty (50) shares of the Company's Common Stock, par value $.0001 per share, issued and outstanding, was reclassified as and changed, into one (1) share of the Company's outstanding Common Stock.

On October 13, 2017, the Company issued 15,753,500 common shares to the officer. The issuance of 15,753,500 common shares was in lieu of $78,768 in compensation due to the officer under an option granted in 2013 to pay the officer by common stock in lieu of cash at a rate of $0.005 per share.

On December 12, 2017, the Company issued 2,022,500 shares of units consisting of its common stock and a warrant (the "Units"). The units were issued to five shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share valid for a two years period after the subscription date. The total consideration for the issuance was $80,900.

On January 31, 2018, the Company issued 475,000 units consisting of its common stock and a warrant (the "Units") to two shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share and it is valid for a two years period after the subscription date. The total consideration for the issuance was $19,000.

NOTE 1. ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

On March 23, 2018, the Company issued 550,000 units consisting of shares of its common stock and a warrant (the "Units") to three shareholders at a rate of $0.04 per Unit. The warrant exercise price is $0.05 for one common share and it is valid for a two years period after the subscription date. The total consideration for the issuance was $22,000.

NOTE 2. DESCRIPTION OF BUSINESS

Syndicore Asia Limited – Video Syndication and E-Commerce Company

Syndicore Asia Limited ("SAL") is a wholly owned subsidiary of the Company formed under the laws of Hong Kong. SAL is an online media company that syndicates video in a cloud-based, multimedia conduit serving a growing global community of content creators, news outlets and leading brands. SAL will be a provider of syndicated video media to news organizations in the Asia Pacific region. In addition, SAL plans to aggregate content from the Asia Pacific region and provide it to news organizations around the world.

On December 15, 2013, SAL entered into a Distribution Agreement (the "Distribution Agreement") with SendtoNews Video, Inc., a British Columbia company ("STN"). Under the terms of the Distribution Agreement, SAL was granted an exclusive license to use, modify, edit, reproduce, distribute, feed, store, communicate, display, and transmit STN's content in the Asia Pacific Territory (the "Content"). STN is the content provider for various worldwide sporting events. STN would also provide on-going assistance to SAL with regard to technical, administrative, and service-orientated issues relating to the delivery, utilization, transmission, storage and maintenance of the Content.

On January 20, 2014, SAL entered into a revised Distribution Agreement whereby STN has agreed to provide SAL transferrable rights for the use, reproduction, storage, display, and transmission of certain content subject to pre-approval in writing from STN. In addition, the revised Distribution Agreement includes changes to the revenue sharing terms, and adds a share of advertising revenue directly resulting from aggregated content by SAL within the territory.

SAL will strive to become a leading digital content provider for the Asia Pacific region, capitalizing on an explosively growing market with local, regional and national content that was previously unavailable in the area. This is a new and exciting market, and offers exciting opportunities for expansion and growth. There is no assurance, however, that SAL will be successful in its efforts.

On the other side of the distribution chain, we plan to create SAL's own proprietary news partnerships to provide guaranteed content distribution in return for a corresponding share of advertising revenues to a news industry looking to supplement their rapidly declining traditional ad revenue with viable "digital-age" revenue.

- Digital ad spending is on the rise. It is forecasted to expand from $117.60 billion USD in 2013 to $173.12 billion USD in 2017. (Go-Globe.com)
- The increase in worldwide digital ad spending is led by the Asia-Pacific region and specifically China.
- China is estimated to reach 33% of the world's total ad spending by 2017. (*Infographic*)
- Branded video content reaches nearly half (46%) of all internet users. More than half of these people (54%) go on to click though to the brand's website *(Econsultancy)*
- 80% of internet users recall watching a video ad on a website they visited in the past 30 days; 46% took some action after viewing the ad (*Online Publishers Association*)
- Video promotion is over 6 times more effective than print and online *(b2bmarketing.net)*
- Dr. James McQuivey of Forrester Research says a minute of video is worth 1.8 million words
- 90% of information transmitted to the brain is visual, and visuals are processed 60,000X faster in the brain than text (*3M Corporation* & *Zabisco*)

Management believes that SAL's customers will be willing to pay a "premium CPM" because:

- The ability to sponsor exclusive, highly sought-after short form video content
- Deep, creative advertising opportunities – other than rudimentary logo/banner overlays and pre-roll
- Premium positioning
- Unprecedented transparency and near real-time performance metrics to evaluate their investment
- Securing sponsorships with related enterprises
- Stronger control over distribution to help target intended audience.

NOTE 2. DESCRIPTION OF BUSINESS (CONTINUED)

- Other segments of the market are also benefiting. The high and rapidly increasing popularity of social media platforms such as Facebook, YouTube, and Twitter are expected to revolutionize the marketing strategies employed in areas such as the pharmaceuticals industry. There, in addition to marketing, an increasing number of pharma players have also begun leveraging these platforms to enhance consumer relationships and improve brand management, based on the market intelligence generated by monitoring and analyzing user-generated content. The ability to incorporate consumer feedback to develop new products is also expected to initiate a strategic shift in the operational model of pharma companies. Social media involvements are expected to increase product sales, especially those of OTC drugs, in the long term. Novartis for instance has already begun using YouTube and Facebook to enhance the sales for its OTC drugs such as Comtrex, Orofar and Bufferin. Johnson &Johnson, one of the first pharma giants to enter the social media space, has used online platforms for crisis management – when the company recalled its products (Tylenol and Benadryl tablets) it used social websites to apologize to consumers for irregularities in its manufacturing plant found during FDA inspection.

SAL's exclusive distribution agreement with SendtoNews Video Incorporated ("STN") for the Asia Pacific region includes major markets such as Japan, China and India. SAL now has distribution rights of online content for some of the world's leading sports organizations with the same highlights, player interviews and other fan-interest content. SAL, being the exclusive provider in the Asia Pacific region for highly sought after content, offers deep market exposure with unprecedented efficiency and metrics-driven transparency. On the other side of the distribution chain, we will create SAL's own proprietary news partnerships to provide guaranteed content distribution in return for a corresponding share of advertising revenues to a News industry looking to supplement their rapidly declining traditional ad revenue with viable "digital-age" revenue.

SAL is also in the startup phase and is in the process of entering into arrangements and agreements to implement the current business plan. Syndicore Asia Limited is devoting its resources to establishing the new business, and its planned operations have not yet fully commenced.

Green Standard Technologies Enterprises, Inc. (F/K/A Green Standard Technologies, Inc.)

On August 1, 2014, the Company formed Green Standard Technologies, Inc. ("GSTE) as a wholly owned subsidiary incorporated under the law of the state of Nevada. The Company's second line of business is carried out by this subsidiary.

GSTE is in the medical and recreation marijuana industry, and the establishment of a website will be used to further their business by providing visions with medical and recreational marijuana resource.

During the year 2017, GSTE was inactive, no longer had a useful purpose, and provided no revenue to the Company. On Dec 29, 2017, for the best interest of the Company, the Board decided to eliminate all costs in connection with GSTE, agreed not to continue GSTE and closed down with immediate effect.

NOTE 2. DESCRIPTION OF BUSINESS (CONTINUED)

Z-Line International E-Commerce Company Limited – E-Commerce Company

Z-Line International E-Commerce Company Limited ("Z-Line") is a 55% owned subsidiary of the Company formed under the laws of Hong Kong and incorporated on August 17, 2016. Z-Line is a Hong Kong based e-Commerce company that provides consumer-to-consumer, business-to-consumer, and business-to-business-sales services via web portals.

Z-Line currently operates through the web portal www.zzll.win and has begun additional development, which will occur as the site evolves to increase its functionality, sales, service, support and product offerings. Z-line Mall currently carries daily necessities, cosmetic products and skin care products.

Hunan Syndicore Asia Limited – E-Commerce Company

On June 28, 2017, Hunan Syndicore Asia Limited ("HSAL"), a 100% owned subsidiary of Syndicore Asia Limited incorporated under the laws of PRC. HSAL is a Wholly Foreign-Owned Enterprise ("WFOE") in China, established in the National High-Tech Industrial Development Zone of Changsha, Hunan. HSAL is a PRC based e-Commerce company that will endeavor to develop its in E-Commerce, video content and video streaming capabilities. Additionally, HSAL has now launched Hua Wen Mall ("HWM") - its first online member retail website at hwt.zzll.win. HWM is a platform that allows businesses to sell their products and services to HWM's members through this business-to-business and business-to-consumer portal. All payments and processing will go through HWM, for which they will receive a transaction fee. The Mall will develop its own branded products, and is especially moving towards products which have smart functionality allowing the Company to capture a greater segment of the market with data and information analytics as social media becomes increasingly influential in the Chinese market.
Hua Wen Mall will also cooperate with ZZLL's existing Hong Kong platform, Z-Line Mall (ww.zzll.win) to share members, customers and products.

NOTE 3. GOING CONCERN

The financial statements have been prepared in accordance with generally accepted principles in the United States applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As of December 31, 2018, the Company has accumulated deficits of $2,872,550, generated a net loss of $120,806 for the year ended December 31, 2018 and its current liabilities exceed its current assets resulting in negative working capital of $913,534. In view of the matters described above, recoverability of a major portion of the recorded asset amounts and realization of the portion of current liabilities into revenue shown in the accompanying balance sheets are dependent upon continued operations of the Company, which in turn are dependent upon the Company's ability to raise additional financing and to succeed in its future operations. The Company may need additional cash resources to operate during the upcoming 12 months, and the continuation of the Company may be dependent upon the continuing financial support of investors, directors and/or shareholders of the Company. However, there is no assurance that equity or debt offerings will be successful in raising sufficient funds to assure the eventual profitability of the Company. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Management has taken the following steps to revise its operating and financial requirements, which it believes are sufficient to provide the Company with the ability to continue as a going concern. The Company is actively pursuing additional funding which would enhance capital employed and strategic partners which would increase revenue bases or reduce operation expenses. Management believes that the above actions will allow the Company to continue its operations throughout this fiscal year.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and consolidation

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

On June 29, 2010, the Financial Accounting Standards Board (FASB) established the FASB Accounting Standards Codification (Codification) as the single source of authoritative US generally accepted accounting principles (GAAP) for all non-governmental entities Rules and interpretive releases of the Securities and Exchange Commission (SEC) and also sources of authoritative US GAAP for SEC registrants. The Codification does not change US GAAP but takes previously issued FASB standards and other U.S. GAAP authoritative pronouncements, changes the way the standards are referred to, and includes them in specific topic arrears. The adoption of the Codification did not have any impact on the Group's financial statements.

The consolidated financial statements are presented in US Dollars and include the accounts of the Group and its subsidiaries. All significant inter-company accounts and transactions have been eliminated in consolidation.

The following table depicts the identity of the subsidiaries:

Name of Subsidiary	Place of Incorporation	Attributable Equity Interest %	Registered Capital	
Green Standard Technologies Enterprise, Inc. (1)	Nevada	100	USD	100
Syndicore Asia Limited (2)	Hong Kong	100	HKD	1
Z-Line International E-Commerce Limited (3)	Hong Kong	55	HKD	8,000,000
Hunan Syndicore Asia Limited	PRC	100	HKD	10,000,000

Note: (1) Wholly owned subsidiary of ZZLL, discontinuous as at Dec 29, 2017
(2) Wholly owned subsidiary of ZZLL
(3) 55% owned subsidiary of Syndicore Asia Limited
(4) Wholly owned subsidiary of Syndicore Asia Limited

The results of subsidiaries acquired or disposed of during the years are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses during the reporting year. These accounts and estimates include, but are not limited to, the valuation of accounts receivable, deferred income taxes and the estimation on useful lives of plant and equipment. Actual results could differ from those estimates.

Concentrations of credit risk

Financial instruments that potentially subject the Group to significant concentrations of credit risk consist principally of accounts receivable. In respect of accounts receivable, the Group extends credit based on an evaluation of the customer's financial condition, generally without requiring collateral or other security. In order to minimize the credit risk, the management of the Group has delegated a team responsibility for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Further, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

Cash and cash equivalents

Cash and cash equivalents include all cash, deposits in banks and other highly liquid investments with initial maturities of three months or less.

Accounts receivable

Accounts receivable are stated at original amount less allowance made for doubtful receivables, if any, based on a review of all outstanding amounts at the year end. An allowance is also made when there is objective evidence that the Group will not be able to collect all amounts due according to original terms of receivables. Bad debts are written off when identified. The Group extends unsecured credit to customers in the normal course of business and believes all accounts receivable in excess of the allowances for doubtful receivables to be fully collectible. The Group does not accrue interest on trade accounts receivable. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis credit evaluations are preferred on all customers requiring credit over a certain amount. The Group had experienced the bad debts of $nil and $nil during the year ended December 31, 2018 and 2017 respectively.

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation. Cost represents the purchase price of the asset and other costs incurred to bring the asset into its existing use. Maintenance, repairs and betterments, including replacement of minor items, are charged to expense; major additions to physical properties are capitalized.
Depreciation of plant and equipment is provided using the straight-line method over their estimated useful lives at the following annual rates:

Furniture and fixtures	20% - 50%
Office equipment	20%

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

The Group recognizes revenue when it is earned and realizable based on the following criteria: persuasive evidence that an arrangement exists, services have been rendered, the price is fixed or determinable and collectability is reasonably assured.

The Group also evaluates the presentation of revenue on a gross versus a net basis through application of Emerging Issues Task Force No. ("EITF") 99-19, *Reporting Revenue Gross as a Principal versus Net as an Agent* . The consensus of this literature is that the presentation of revenue as "the gross amount billed to a customer because it has earned revenue from the sale of goods or services or the net amount retained (that is, the amount billed to a customer less the amount paid to a supplier) because it has earned a commission or fee" is a matter of judgment that depends on the relevant facts and circumstances. In making an evaluation of this issue, some of the factors that should be considered are: whether the Group is the primary obligor in the arrangement (strong indicator); whether it has general inventory risk (before customer order is placed or upon customer return) (strong indicator); and whether we have latitude in establishing price. The guidance clearly indicates that the evaluations of these factors, which at times can be contradictory, are subject to significant judgment and subjectivity. If the conclusion drawn is that the Group performs as an agent or a broker without assuming the risks and rewards of ownership of goods, revenue should be reported on a net basis.

Advertising expenses

Advertising expenses are charged to expense as incurred. The advertising expenses incurred for the year ended December 31, 2018 and 2017 were $Nil and $Nil respectively.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.
The FASB issued Accounting Standard Codification Topic 740 (ASC 740) "Income Taxes". ASC 740 clarifies the accounting for uncertainty in tax positions. This requires that an entity recognized in the consolidated financial statements the impact of a tax position, if that position is more likely than not of being sustained upon examination, based on the technical merits of the position. The adoption of ASC 740 did not have any impact on the Group's results of operations or financial condition for the year ended 31 December, 2017. As of the date of the adoption of ASC 740, the Group has no material unrecognized tax benefit which would favorably affect the effective income tax rate in future periods. The Group has elected to classify interest and penalties related to unrecognized tax benefits, if and when required, as part of income tax expense in the consolidated statements of operations.

Comprehensive income

Other comprehensive income refers to revenues, expenses, gains and losses that under U.S. GAAP are included in comprehensive income but are excluded from net income as these amounts are recorded as a component of stockholders' equity. The Group's other comprehensive income represented foreign currency translation adjustments.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

The functional currency of the Group is Hong Kong dollars ("HK$"). The Group maintains its financial statements in the functional currency. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at rates of exchange prevailing at the balance sheet dates. Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchanges rates prevailing at the dates of the transaction. In 2015, the exchange rate being use to translate amount in HK$ is fixed at 7.8 to 1 for the purpose of preparing the consolidated financial statements which is derived from October 17, 1983 monetary policy from Hong Kong Monetary Authority where the Hong Kong dollar was pegged at a rate of 7.8 HK$ = 1 US$, through the currency board system with a limited floating range from 7.85 to 7.75. Exchange gains or losses arising from foreign currency transactions are included in the determination of net income for the respective periods.

For financial reporting purposes, the financial statements of the Group which are prepared using the functional currency have been translated into United States dollars. Assets and liabilities are translated at the exchange rates at the balance sheet dates and revenue and expenses are translated at the average exchange rates and stockholders' equity is translated at historical exchange rates. Any translation adjustments resulting are not included in determining net income but are included in foreign exchange adjustment to other comprehensive income, a component of stockholders' equity.

	Year ended Dec 31, 2018	*Year ended Dec 31, 2017*
Year ended HK$: US$ exchange rate	7.8	7.8
Average yearly HK$: US$ exchange rate	7.8	7.8
Year ended RMB : US$ exchange rate	6.85052	6.50271
Average yearly RMB : US$ exchange rate	6.72356	6.71025

Fair value of financial instruments

The carrying values of the Group's financial instruments, including cash and cash equivalents, trade and other receivables, deposits, trade and other payables approximate their fair values due to the short-term maturity of such instruments. The carrying amounts of borrowings approximate their fair values because the applicable interest rates approximate current market rates.

Stock-based Compensation

Share-based compensation including stock options and common stock awards issued to employees and directors for services and are accounted for in accordance with FASB ASC 718 "Compensation - Stock Compensation" and share-based compensation including warrants and common stock awards issued to consultants and nonemployees are accounted for in accordance with FASB ASC 505-50 "Equity-Based Payment to Non-employees. All grant of common stock awards and stock options/warrants to employees and directors are recognized in the financial statements based on their grant date fair values. Awards to consultants and nonemployees are recognized based upon their fair value as of the earlier of a commitment date or completion of services. The grant date(s) of all awards are determined under the guidance of ASC 718-10-25-5. The Company estimates fair value of common stock awards based the quoted price of the Company's common stock on the grant date. The fair value of stock options and warrants is determined using the appropriate option pricing model depends on the applicable of situation.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic and diluted earnings per share

The Group computes earnings per share ("EPS') in accordance with FASB Accounting Standard Codification Topic 260 (ASC 260) "Earnings Per Share", and SEC Staff Accounting Bulletin No. 98 ("SAB 98"). ASC 260 requires companies with complex capital structures to present basic and diluted EPS. Basic EPS is measured as the income or loss available to common shareholders divided by the weighted average common shares outstanding for the period. Diluted EPS is similar to basic EPS but presents the dilutive effect on a per share basis of potential common shares (e.g., convertible securities, options, and warrants) as if they had been converted at the beginning of the periods presented, or issuance date, if later. Potential common shares that have an anti-dilutive effect (i.e., those that increase income per share or decrease loss per share) are excluded from the calculation of diluted EPS.

The calculation of diluted weighted average common shares outstanding for the year ended December 31, 2018 is based on the estimate fair value of the Group's common stock during such periods applied to options using the treasury stock method to determine if they are dilutive.

Effective on October 5, 2017, each of fifty (50) shares of the Company's Common Stock, par value $.0001 per share, issued and outstanding immediately prior to the Effective Time (the "Old Common Stock") shall automatically and without any action on the part of the holder thereof, be reclassified as and changed, pursuant, into one (1) share of the Company's outstanding Common Stock (the "New Common Stock").

The following tables are a reconciliation of the weighted average shares used in the computation of basic and diluted earnings per share for the periods presented:

For the Year ended December 31,	***2018***	***2017***
Numerator for basic and diluted earnings per share:	***$***	***$***
Net (loss)/income	(120,806)	(924,556)
Denominator:		
Basic weighted average shares	20,116,352	5,040,092
Effect of dilutive securities	-	-
Diluted weighted average shares	20,116,352	5,040,092
Basic earnings per share:	(0.60 cents)	(18.35 cents)
Diluted earnings per share:	(0.60 cents)	(18.35 cents)

No dilution effect due to net loss for the years ended December 31, 2018 and 2017.

Related parties transactions

A related party is generally defined as (i) any person that holds 10% or more of the Group's securities and their immediate families, (ii) the Group's management, (iii) someone that directly or indirectly controls, is controlled by or is under common control with the Group, or (iv) anyone who can significantly influence the financial and operating decisions of the Group. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements

FASB Simplifies Adoption of New Leases Standard for Certain Land Easements. The FASB has issued Accounting Standards Update (ASU) No. 2018-01, *Leases (Topic 842):Land Easement Practical Expedient for Transition to Topic 842,* which clarifies the application of the new leases guidance to land easements and eases adoption efforts for some land easements.

ASU 2018-01 is expected to reduce the cost of adopting the new leases standard for certain land easements. It is also an attempt to help ensure that companies can make a successful transition to the standard without compromising the quality of information provided to investors about these transactions.

Land easements (also commonly referred to as rights of way) represent the right to use, access, or cross another entity's land for a specified purpose. Land easements are used by utility and telecommunications companies, for example, when they need to take a small strip of land, or easement, to bury wires. Not all companies have historically accounted for them as leases.

Stakeholders pointed out that the requirement to evaluate all old and existing land easements, sometimes numbering in the tens of thousands, to determine if they meet the definition of a lease under the new standard could be very costly. They also noted there would be limited benefit to applying this requirement, as many of their land easements would not meet the definition of a lease, or even if they met that definition, many of their easements are prepaid and, therefore, already are recognized on the balance sheet.

The land easements ASU addresses this by:

- Providing an optional transition practical expedient that, if elected, would not require an organization to reconsider their accounting for existing land easements that are not currently accounted for under the old leases standard; and
- Clarifying that new or modified land easements should be evaluated under the new leases standard, once an entity has adopted the new standard.

The FASB issued an Accounting Standards Update (ASU) that helps organizations address certain stranded income tax effects in accumulated other comprehensive income (AOCI) resulting from the Tax Cuts and Jobs Act.

ASU No. 2018-02, Income Statement—Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income, provides financial statement preparers with an option to reclassify stranded tax effects within AOCI to retained earnings in each period in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act (or portion thereof) is recorded.

The ASU requires financial statement preparers to disclose:

- A description of the accounting policy for releasing income tax effects from AOCI;
- Whether they elect to reclassify the stranded income tax effects from the Tax Cuts and Jobs Act; and
- Information about the other income tax effects that are reclassified.

The amendments affect any organization that is required to apply the provisions of Topic 220, Income Statement—Reporting Comprehensive Income, and has items of other comprehensive income for which the related tax effects are presented in other comprehensive income as required by GAAP.

The amendments are effective for all organizations for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. Organizations should apply the proposed amendments either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recognized.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

FASB Issues Corrections and Improvements to Financial Instruments. The FASB has issued Accounting Standards Update (ASU) No. 2018-03, *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities,* that clarifies the guidance in ASU No. 2016-01, *Financial Instruments—Overall (Subtopic 825-10)* , as follows:

- **Issue 1: Equity Securities without a Readily Determinable Fair Value— Discontinuation.** The amendment clarifies that an entity measuring an equity security using the measurement alternative may change its measurement approach to a fair value method in accordance with Topic 820, *Fair Value Measurement* , through an irrevocable election that would apply to that security and all identical or similar investments of the same issuer. Once an entity makes this election, the entity should measure all future purchases of identical or similar investments of the same issuer using a fair value method in accordance with Topic 820.
- **Issue 2: Equity Securities without a Readily Determinable Fair Value— Adjustments** . The amendment clarifies that the adjustments made under the measurement alternative are intended to reflect the fair value of the security as of the date that the observable transaction for a similar security took place.
- **Issue 3: Forward Contracts and Purchased Options** . The amendment clarifies that remeasuring the entire value of forward contracts and purchased options is required when observable transactions occur on the underlying equity securities.
- **Issue 4: Presentation Requirements for Certain Fair Value Option Liabilities** . The amendment clarifies that when the fair value option is elected for a financial liability, the guidance in paragraph 825-10- 45-5 should be applied, regardless of whether the fair value option was elected under either Subtopic 815-15, *Derivatives and Hedging— Embedded Derivatives* , or 825-10, *Financial Instruments* — Overall.
- **Issue 5: Fair Value Option Liabilities Denominated in a Foreign Currency.** The amendments clarify that for financial liabilities for which the fair value option is elected, the amount of change in fair value that relates to the instrument-specific credit risk should first be measured in the currency of denomination when presented separately from the total change in fair value of the financial liability. Then, both components of the change in the fair value of the liability should be remeasured into the functional currency of the reporting entity using end-of-period spot rates.
- **Issue 6: Transition Guidance for Equity Securities without a Readily Determinable Fair Value** . The amendment clarifies that the prospective transition approach for equity securities without a readily determinable fair value in the amendments in ASU No. 2016-01 is meant only for instances in which the measurement alternative is applied. An insurance entity subject to the guidance in Topic 944, *Financial Services— Insurance* , should apply a prospective transition method when applying the amendments related to equity securities without readily determinable fair values. An insurance entity should apply the selected prospective transition method consistently to the entity's entire population of equity securities for which the measurement alternative is elected.

For public business entities, ASU 2018-03 is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years beginning after June 15, 2018. Public business entities with fiscal years beginning between December 15, 2017, and June 15, 2018, are not required to adopt ASU 2018-03 until the interim period beginning after June 15, 2018, and public business entities with fiscal years beginning between June 15, 2018, and December 15, 2018, are not required to adopt these amendments before adopting the amendments in ASU 2016-01. For all other entities, the effective date is the same as the effective date in ASU 2016-01.

All entities may early adopt ASU 2018-03 for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, as long as they have adopted ASU 2016-01.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

FASB Adds SEC Guidance to the Codification on the Tax Cuts and Jobs Act. The FASB has issued Accounting Standards Update (ASU) No. 2018-05, *Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118.* ASU 2018-05 amends certain SEC material in Topic 740 for the income tax accounting implications of the recently issued *Tax Cuts and Jobs Act* (Act).

ASU 2018-05 adds the following guidance, among other things, to the FASB Accounting Standards Codification™ regarding the Act:

- **Question 1:** If the accounting for certain income tax effects of the Act is not completed by the time a company issues its financial statements that include the reporting period in which the Act was enacted, what amounts should a company include in its financial statements for those income tax effects for which the accounting under Topic 740 is incomplete?
- **Answer 1:** In a company's financial statements that include the reporting period in which the Act was enacted, a company must first reflect the income tax effects of the Act in which the accounting under Topic 740 is complete. These completed amounts would not be provisional amounts. The company would then also report provisional amounts for those specific income tax effects of the Act for which the accounting under Topic 740 will be incomplete but a reasonable estimate can be determined. For any specific income tax effects of the Act for which a reasonable estimate cannot be determined, the company would not report provisional amounts and would continue to apply Topic 740 based on the provisions of the tax laws that were in effect immediately prior to the Act being enacted. For those income tax effects for which a company was not able to determine a reasonable estimate (such that no related provisional amount was reported for the reporting period in which the Act was enacted), the company would report provisional amounts in the first reporting period in which a reasonable estimate can be determined.
- **Question 2:** If an entity accounts for certain income tax effects of the Act under a measurement period approach, what disclosures should be provided?
- **Answer 2:** The staff believes an entity should include financial statement disclosures to provide information about the material financial reporting impacts of the Act for which the accounting under Topic 740 is incomplete, including:

1. Qualitative disclosures of the income tax effects of the Act for which the accounting is incomplete;
2. Disclosures of items reported as provisional amounts;
3. Disclosures of existing current or deferred tax amounts for which the income tax effects of the Act have not been completed;
4. The reason why the initial accounting is incomplete;
5. The additional information that is needed to be obtained, prepared, or analyzed in order to complete the accounting requirements under Topic 740;
6. The nature and amount of any measurement period adjustments recognized during the reporting period;
7. The effect of measurement period adjustments on the effective tax rate; and
8. When the accounting for the income tax effects of the Act has been completed.

ASU 2018-05 is effective upon inclusion in the FASB Codification.

The FASB Issues ASU No. 2018-06 to Supersede Circular 202 for Depository and Lending Institutions. The FASB has issued Accounting Standards Update (ASU) No.2018-06, *Codification Improvements to Topic 942, Financial Services—Depository and Lending* . ASU 2018-06 removes outdated guidance related to the Office of the Comptroller of the Currency's Banking Circular 202, *Accounting for Net Deferred Tax Charges (Circular 202) in Subtopic 942-740, Financial Services—Depository and Lending—Income Taxes* and should have no effect on reporting entities.

The amendments in ASU 2018-06 are effective immediately.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

The FASB has issued an Accounting Standards Update (ASU) intended to reduce cost and complexity and to improve financial reporting for nonemployee share-based payments.

The ASU expands the scope of Topic 718, *Compensation—Stock Compensation* (which currently only includes share-based payments to employees) to include share-based payments issued to nonemployees for goods or services. Consequently, the accounting for share-based payments to nonemployees and employees will be substantially aligned. The ASU supersedes Subtopic 505-50, *Equity—Equity-Based Payments to Non-Employees* .

The amendments in this ASU are effective for public companies for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. For all other companies, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, but no earlier than a company's adoption date of Topic 606, *Revenue from Contracts with Customers* .

FASB Releases ASU No. 2018-09. The FASB has released Accounting Standards Update (ASU) No. 2018-09, *Codification Improvements* . ASU 2018-09 affects a wide variety of Topics in the Codification including:

- **Amendments to Subtopic 220-10,** *Income Statement— Reporting Comprehensive Income—Overall.* The guidance in paragraph 220-10-45-10B(b) states that taxes not payable in cash are required to be reported as a direct adjustment to paid-in capital. This requirement conflicts with other guidance in Topic 740,Income Taxes, Subtopic 805-740,Business Combinations—Income Taxes, and Subtopic 852-740,Reorganizations—Income Taxes, which generally states that income taxes and adjustments to those accounts upon a business combination or a bankruptcy that is eligible for fresh-start reporting must be recognized in income. ASU No. 2018-09 clarifies the guidance in paragraph 220-10-45-10B by removing the generic phrase taxes not payable in cash and adding guidance that is specific to certain quasi-reorganizations.
- **Amendments to Subtopic 470-50,** *Debt—Modifications and Extinguishments* . The guidance in paragraph 470-50-40-2 requires that the difference between the reacquisition price of debt and the net carrying amount of extinguished debt be recognized in income in the period of extinguishment. The guidance in that paragraph was not amended by FASB Statement No. 155, *Accounting for Certain Hybrid Financial Instruments* , or FASB Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ; therefore, it does not specifically address extinguishments of debt when the fair value option is elected. ASU No. 2018-09 clarifies that:

1. When the fair value option has been elected on debt that is extinguished, the net carrying amount of the extinguished debt equals its fair value at the reacquisition date, and
2. Related gains or losses in other comprehensive income must be included in net income upon extinguishment of the debt.

- **Amendments to Subtopic 480-10,** *Distinguishing Liabilities from Equity—Overall.* The guidance in paragraph 480-10-25-15 prohibits the combination of freestanding financial instruments within the scope of Subtopic 480-10 with noncontrolling interest, unless the combination is required by Topic 815, *Derivatives and Hedging* . The example in paragraphs 480-10-55-55 and 480-10-55-59 conflicts with that guidance by stating that freestanding option contracts with the terms in Derivative 2 should be accounted for on a combined basis with the noncontrolling interest. The source of the example in paragraph 480-10-55-59 is from EITF Issue No. 00-4, *"Majority Owner's Accounting for a Transaction in the Shares of a Consolidated Subsidiary and a Derivative Indexed to the Noncontrolling Interest in That Subsidiary."* Issue 00-4 was nullified by FASB Statement No. 150,Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, but a conforming amendment to the example in paragraph 480-10-55-59 was not made to align it with the guidance in Statement 150. The amendment in this Update conforms the guidance in paragraphs 480-10-55-55 and 480-10-55-59 with the guidance in Statement 150.
- **Amendments to Subtopic 718-740,** *Compensation—Stock Compensation—Income Taxes* . The guidance in paragraph 718-740-35-2, as amended, is unclear on whether an entity should recognize excess tax benefits (or tax deficiencies) for compensation expense that is taken on the entity's tax return. The amendment to paragraph 718-740-35-2 in *ASU No. 2018-09* clarifies that an entity should recognize excess tax benefits (that is, the difference in tax benefits between the deduction for tax purposes and the compensation cost recognized for financial statement reporting) in the period when the tax deduction for compensation expense is taken on the entity's tax return. This includes deductions that are taken on the entity's return in a different period from when the event that gives rise to the tax deduction occurs and the uncertainty about whether (1) the entity will receive a tax deduction and (2) the amount of the tax deduction is resolved.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

- **Amendments to Subtopic 805-740,** *Business Combinations— Income Taxes* . The amendments to paragraph 805-740-25-13 removes a list of three methods for allocating the consolidated tax provision to an acquired entity after acquisition that is inconsistent with guidance in Topic 740. The three methods for tax allocation described in paragraph 805-740-25-13 do not follow the broad principles of being systematic, rational, and consistent with Topic 740. The amendment removes the allocation methods in paragraph 805-740-25-13 and conforms the guidance in Subtopic 805-740 with the guidance in Topic 740.
- **Amendments to Subtopic 815-10,** *Derivatives and Hedging— Overall* . The amendment to paragraphs 815-10-45-4 and 815-10-45-5 in *ASU No. 2018-09* clarifies the circumstances in which derivatives may be offset. Under certain specific conditions, derivatives may be offset if three of the four criteria in paragraph 210-20-45-1 are met. One of the criteria—the intent to set off—is not required to offset derivative assets and liabilities for certain amounts arising from derivative instruments recognized at fair value and executed with the same counterparty under a master netting agreement.
- **Amendments to Subtopic 820-10,** *Fair Value Measurement— Overall* . The amendments to paragraph 820-10-35-16D in *ASU No. 2018-09* clarify the Board's decisions about the measurement of the fair value of a liability or instrument classified in a reporting entity's shareholder's equity from the perspective of a market participant that holds an identical item as an asset at the measurement date. A technical inquiry questioned how transfer restrictions embedded in an asset should affect the fair value of the corresponding liability or equity instrument from the perspective of the issuer. The amendments correct the wording of paragraph 820-10-35-16D to clarify how an entity should account for those restrictions. The amendments are not intended to substantively change the application of GAAP. However, it is possible that the amendments may result in a change to existing practice for some entities.

The amendments to paragraphs 820-10-35-18D through 35-18F and 820-10-35- 18H through 35-18L revise the current guidance to allow portfolios of financial instruments and nonfinancial instruments accounted for as derivatives in accordance with *Topic 815* to use the portfolio exception to valuation. The amendments improve guidance by adding wording that explicitly states that a group of financial assets, financial liabilities, nonfinancial items accounted for as derivatives in accordance with *Topic 815* , or a combination of these items that otherwise meet the criteria to do so are permitted to apply the portfolio exception for measuring fair value of the group. This allows entities to measure fair value on a net basis for those portfolios in which financial assets and financial liabilities and nonfinancial instruments are managed and valued together.

- **Amendments to Subtopic 940-405,** *Financial Services—Brokers and Dealers—Liabilities* . Paragraph 940-405-55-1 contains incomplete guidance about offsetting on the balance sheet. The current guidance focuses only on explicit settlement dates as a determining criterion for offsetting when, in fact, an entity should consider all the requirements in Section 210-20-45, *Balance Sheet—Offsetting—Other Presentation Matters* , to determine whether a right of offset exists. There is similar guidance in paragraph 942-210-45-3. Paragraphs 940-405-55-1 and 942-210-45- 3 originated from two different AICPA Audit and Accounting Guides and paraphrase the guidance in Subtopic 210-20, albeit each slightly differently. The Board decided to amend both paragraphs so that the industry Topic guidance refers to the complete guidance for offsetting.
- **Amendments to Subtopic 962-325,** *Plan Accounting—Defined Contribution Pension Plans—Investments—Other* . The amendment to Subtopic 962-325 removes the stable value common collective trust fund from the illustrative example in paragraph 962-325-55-17 to avoid the interpretation that such an investment would never have a readily determinable fair value and, therefore, would always use the net asset value per share practical expedient. Rather, a plan should evaluate whether a readily determinable fair value exists to determine whether those investments may qualify for the practical expedient to measure at net asset value in accordance with Topic 820.

Transition and Effective Date. The transition and effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments in *ASU No. 2018-09* do not require transition guidance and will be effective upon issuance of *ASU No. 2018-09* . However, many of the amendments do have transition guidance with effective dates for annual periods beginning after December 15, 2018, for public business entities.

In addition, there are some conforming amendments in *ASU No. 2018-09* that have been made to recently issued guidance that is not yet effective that may require application of the transition and effective date guidance in the original ASU. For example, there are conforming amendments to Topic 820 and Subtopic 944-310, *Financial Services—Insurance—Receivables* , that are related to the amendments in Accounting Standards Update No. 2016-01, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities* , which require application of the transition and effective date guidance in that ASU.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

The FASB has issued Accounting Standards Update (ASU) No. 2018-10, *Codification Improvements to Topic 842, Leases* **.**

ASU No. 2018-10 , among other things, amends Topic 842 as follows:

- **Issue 1: Residual Value Guarantees** - Paragraph 460-10-60-32 *in Topic 460, Guarantees* - This paragraph incorrectly refers readers to the guidance in Topic 842 about sale-leaseback-sublease transactions, when, in fact, it should refer readers to the guidance about guarantees by a seller-lessee of the underlying asset's residual value in a sale and leaseback transaction. The amendment corrects the cross-reference in paragraph 460-10-60-32.
- **Issue 2: Rate Implicit in the Lease** - The amendment clarifies that a rate implicit in the lease of zero should be used when applying the definition of the term "rate implicit" in the lease results in a rate that is less than zero.
- **Issue 3: Lessee Reassessment of Lease Classification** - The amendment consolidates the requirements about lease classification reassessments into one paragraph and better articulates that an entity should perform the lease classification reassessment on the basis of the facts and circumstances, and the modified terms and conditions, if applicable, as of the date the reassessment is required.
- **Issue 4: Lessor Reassessment of Lease Term and Purchase Option** - The amendment clarifies that a lessor should account for the exercise by a lessee of an option to extend or terminate the lease or to purchase the underlying asset as a lease modification unless the exercise of that option by the lessee is consistent with the assumptions that the lessor made in accounting for the lease at the commencement date of the lease (or the most recent effective date of a modification that is not accounted for as a separate contract).
- **Issue 5: Variable Lease Payments That Depend on an Index or a Rate** - The amendment clarifies that a change in a reference index or rate upon which some or all of the variable lease payments in the contract are based does not constitute the resolution of a contingency subject to the guidance in paragraph 842-10-35-4(b). Variable lease payments that depend on an index or a rate should be remeasured, using the index or rate at the remeasurement date, only when the lease payments are remeasured for another reason (that is, when one or more of the events described in paragraph 842-10-35- 4(a) or (c) occur or when a contingency unrelated to a change in a reference index or rate under paragraph 842-10-35-4(b) is resolved).
- **Issue 6: Investment Tax Credits** - There is an inconsistency in terminology used about the effect that investment tax credits have on the fair value of the underlying asset between the definition of the term rate implicit in the lease and the lease classification guidance in paragraph 842-10-55-8. The amendment removes that inconsistency by clarifying that the period covered by a lessor-only option to terminate the lease is included in the lease term.
- **Issue 7: Lease Term and Purchase Option** - The description in paragraph 842-10-55- 24 about lessor-only termination options is inconsistent with the description in paragraph 842-10-55- 23 about the noncancellable period of a lease. The amendment removes that inconsistency by clarifying that the period covered by a lessor-only option to terminate the lease is included in the lease term.
- **Issue 8: Transition Guidance for Amounts Previously Recognized in Business Combinations** - The transition guidance for lessors in paragraph 842-10-65-1(h)(3) is unclear because it relates to leases classified as direct financing leases or sales-type leases under *Topic 840* , while the lead-in sentence to paragraph 842-10-65-1(h) provides transition guidance for leases classified as operating leases under *Topic 840* . The amendment clarifies that paragraph 842-10-65-1(h)(3) applies to lessors for leases classified as direct financing leases or sales-type leases under *Topic 842* , not *Topic 840* . In other words, paragraph 842- 10-65-1(h)(3) applies when an entity does not elect the package of practical expedients in paragraph 842-10-65-1(f), and, for a lessor, an operating lease acquired as part of a previous business combination is classified as a direct financing lease or a sales-type lease when applying the lease classification guidance in Topic 842. The amendment also cross-references to other transition guidance applicable to those changes in lease classification for lessors.
- **Issue 9: Certain Transition Adjustments** - The amendments clarify whether to recognize a transition adjustment to earnings rather than through equity when an entity initially applies *Topic 842* retrospectively to each prior reporting period.
- **Issue 10: Transition Guidance for Leases Previously Classified as Capital Leases under Topic 840** - Paragraph 842-10-65-1(r) provides guidance to lessees for leases previously classified as capital leases under *Topic 840* and classified as finance leases under *Topic 842* . Paragraph 842-10-65-1(r)(4) provides subsequent measurement guidance before the effective date when an entity initially applies *Topic 842* retrospectively to each prior reporting period, but it refers readers to the subsequent measurement guidance in *Topic 840* about operating leases. It should refer them to the subsequent measurement guidance applicable to capital leases. The amendment corrects that reference.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

- **Issue 11: Transition Guidance for Modifications to Leases Previously Classified as Direct Financing or Sales-Type Leases under Topic 840** - Paragraph 842-10-65-1(x) provides transition guidance applicable to lessors for leases previously classified as direct financing leases or sales-type leases under *Topic 840* and classified as direct financing leases or sales-type leases under *Topic 842* . For modifications to those leases beginning after the effective date, paragraph 842-10-65-1(x)(4) refers readers to other applicable guidance in *Topic 842* to account for the modification, specifically paragraphs 842-10-25-16 through 25- 17, depending on how the lease is classified after the modification. Stakeholders noted that it should refer to how the lease is classified before the modification to be consistent with the guidance provided in paragraphs 842-10-25-16 through 25-17. The amendment corrects that inconsistency.
- **Issue 12: Transition Guidance for Sale and Leaseback Transactions** - The amendments clarify that the transition guidance on sale and leaseback transactions in paragraph 842-10-65-1(aa) through (ee) applies to all sale and leaseback transactions that occur before the effective date and corrects the referencing issues noted.
- **Issue 13: Impairment of Net Investment in the Lease** - Paragraph 842-30-35-3 provides guidance to lessors for determining the loss allowance of the net investment in the lease and describes the cash flows that should be considered when the lessor determines that loss allowance. Stakeholders questioned whether the guidance, as written, would accelerate and improperly measure the loss allowance because the cash flows associated with the unguaranteed residual asset appear to be excluded from the evaluation. The amendment clarifies the application of the guidance for determining the loss allowance of the net investment in the lease, including the cash flows to consider in that assessment.
- **Issue 14: Unguaranteed Residual Asset** - The amendment clarifies that a lessor should not continue to accrete the unguaranteed residual asset to its estimated value over the remaining lease term to the extent that the lessor sells substantially all of the lease receivable associated with a direct financing lease or a sales-type lease, consistent with *Topic 840.*
- **Issue 15: Effect of Initial Direct Costs on Rate Implicit in the Lease** - The ordering of the illustration in Case C of Example 1 in paragraphs 842-30-55- 31 through 55-39 raised questions about how initial direct costs factor into determining the rate implicit in the lease for lease classification purposes for lessors only. The amendment more clearly aligns the illustration to the guidance in paragraph 842-10-25-4.
- **Issue 16: Failed Sale and Leaseback Transaction** - The amendment clarifies that a seller lessee in a failed sale and leaseback transaction should adjust the interest rate on its financial liability as necessary to ensure that the interest on the financial liability does not exceed the total payments (rather than the principal payments) on the financial liability. This clarification is also reflected in the relevant illustration on failed sale and leaseback transactions that is contained in Subtopic 842-40.

Effective Date

The amendments in *ASU No. 2018-10* affect the amendments in *ASU No. 2016-02* , which are not yet effective, but for which early adoption upon issuance is permitted. For entities that early adopted *Topic 842* , the amendments are effective upon issuance of *ASU No. 2018-10* , and the transition requirements are the same as those in *Topic 842* . For entities that have not adopted *Topic 842* , the effective date and transition requirements will be the same as the effective date and transition requirements in *Topic 842* .

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

FASB Issues Targeted Improvements to Lease Standard . The FASB has issued Accounting Standards Update (ASU) No. 2018-11, *Leases (Topic 842): Targeted Improvements* . This ASU is intended to reduce costs and ease implementation of the leases standard for financial statement preparers.

"The targeted improvements in the ASU address areas our stakeholders identified as sources of unnecessary cost or complexity in the leases standard," stated FASB Chairman Russell G. Golden. "They represent the FASB's commitment to proactively address implementation issues raised by our stakeholders to ensure a successful transition to the new standard without compromising the quality of information provided to investors."

ASU 2018-11 provides a new transition method and a practical expedient for separating components of a contract.

Transition: Comparative Reporting at Adoption

The amendments *ASU 2018-11* provide entities with an additional (and optional) transition method to adopt the new leases standard. Under this new transition method, an entity initially applies the new leases standard at the adoption date and recognizes a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption consistent with preparers' requests. Consequently, an entity's reporting for the comparative periods presented in the financial statements in which it adopts the new leases standard will continue to be in accordance with current GAAP in Topic 840 *, Leases* .

An entity that elects this additional (and optional) transition method must provide the required Topic 840 disclosures for all periods that continue to be in accordance with Topic 840. The amendments do not change the existing disclosure requirements in Topic 840 (for example, they do not create interim disclosure requirements that entities previously were not required to provide).

Separating Components of a Contract

The amendments in *ASU 2018-11* provide lessors with a practical expedient, by class of underlying asset, to not separate nonlease components from the associated lease component and, instead, to account for those components as a single component if the nonlease components otherwise would be accounted for under the new revenue guidance (Topic 606) and both of the following are met:

- The timing and pattern of transfer of the nonlease component(s) and associated lease component are the same.
- The lease component, if accounted for separately, would be classified as an operating lease.

An entity electing this practical expedient (including an entity that accounts for the combined component entirely in Topic 606) is required to disclose certain information, by class of underlying asset, as specified in the ASU.

Effective Date

The amendments in ASU 2018-11 related to separating components of a contract affect the amendments in ASU No. 2016-02, which are not yet effective but can be early adopted.

For entities that have not adopted Topic 842 before the issuance of this ASU, the effective date and transition requirements for the amendments in this update related to separating components of a contract are the same as the effective date and transition requirements in ASU 2016-02.

For entities that have adopted Topic 842 before the issuance of ASU 2018-11, the transition and effective date of the amendments related to separating components of a contract in this ASU are as follows:

- The practical expedient may be elected either in the first reporting period following the issuance of this ASU or at the original effective date of Topic 842 for that entity.
- The practical expedient may be applied either retrospectively or prospectively.

All entities, including early adopters, that elect the practical expedient related to separating components of a contract in this ASU must apply the expedient, by class of underlying asset, to all existing lease transactions that qualify for the expedient at the date elected.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

FASB Improves Guidance for Insurance Companies that Issue Long-Duration Contracts . The FASB has issued an Accounting Standards Update (ASU) that improves financial reporting for insurance companies that issue long-duration contracts, such as life insurance, disability income, long-term care, and annuities.

To improve this area of financial reporting, the new ASU:

- **Requires updated assumptions for liability measurement.** Assumptions used to measure the liability for traditional insurance contracts, which are typically determined at contract inception, will now be reviewed, and, if there is a change, updated, at least annually, with the effect recorded in net income;
- **Standardizes the liability discount rate.** The liability discount rate will be a standardized, market-observable discount rate (upper-medium grade fixed-income instrument yield), with the effect of rate changes recorded in other comprehensive income;
- **Provides greater consistency in measurement of market risk benefits** . The two previous measurement models have been reduced to one measurement model (fair value), resulting in greater uniformity across similar market-based benefits and better alignment with the fair value measurement of derivatives used to hedge capital market risk;
- **Simplifies amortization of deferred acquisition costs.** Previous earnings-based amortization methods have been replaced with a more level amortization basis; and
- **Requires enhanced disclosures** . They include rollforwards and information about significant assumptions and the effects of changes in those assumptions.

For calendar-year public companies, the changes will be effective in 2021. For all other calendar-year companies, the changes will be effective in 2022. Early adoption is permitted.

The FASB has issued Accounting Standards Update (ASU) No. 2018-13 , *Fair Value Measurement (Topic 820): Disclosure Framework* —Changes to the Disclosure Requirements for Fair Value Measurement.

ASU No. 2018-13 modifies the disclosure requirements on fair value measurements in Topic 820 as follows:

Removals

The following disclosure requirements were removed from Topic 820:

- The amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy;
- The policy for timing of transfers between levels;
- The valuation processes for Level 3 fair value measurements; and
- For nonpublic entities, the changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements held at the end of the reporting period.

Modifications

The following disclosure requirements were modified in Topic 820:

- In lieu of a rollforward for Level 3 fair value measurements, a nonpublic entity is required to disclose transfers into and out of Level 3 of the fair value hierarchy and purchases and issues of Level 3 assets and liabilities;
- For investments in certain entities that calculate net asset value, an entity is required to disclose the timing of liquidation of an investee's assets and the date when restrictions from redemption might lapse only if the investee has communicated the timing to the entity or announced the timing publicly; and
- The amendments clarify that the measurement uncertainty disclosure is to communicate information about the uncertainty in measurement as of the reporting date.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

Additions

The following disclosure requirements were added to Topic 820; however, the disclosures are not required for nonpublic entities:

- The changes in unrealized gains and losses for the period included in other comprehensive income for recurring Level 3 fair value measurements held at the end of the reporting period; and
- The range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. For certain unobservable inputs, an entity may disclose other quantitative information (such as the median or arithmetic average) in lieu of the weighted average if the entity determines that other quantitative information would be a more reasonable and rational method to reflect the distribution of unobservable inputs used to develop Level 3 fair value measurements.

In addition, the amendments eliminate at a minimum from the phrase "an entity shall disclose at a minimum" to promote the appropriate exercise of discretion by entities when considering fair value measurement disclosures and to clarify that materiality is an appropriate consideration of entities and their auditors when evaluating disclosure requirements.

Effective Date

The amendments in *ASU No. 2018-13* are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019.

The amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. All other amendments should be applied retrospectively to all periods presented upon their effective date.

Early adoption is permitted. An entity is permitted to early adopt any removed or modified disclosures upon issuance of *ASU No. 2018-13* and delay adoption of the additional disclosures until their effective date.

The FASB has issued ASU No. 2018-14 , *Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20): Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans* , that applies to all employers that sponsor defined benefit pension or other postretirement plans.

The amendments modify the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans.

Disclosure Requirements Deleted

- The amounts in accumulated other comprehensive income expected to be recognized as components of net periodic benefit cost over the next fiscal year.
- The amount and timing of plan assets expected to be returned to the employer.
- The disclosures related to the June 2001 amendments to the Japanese Welfare Pension Insurance Law.
- Related party disclosures about the amount of future annual benefits covered by insurance and annuity contracts and significant transactions between the employer or related parties and the plan.
- For nonpublic entities, the reconciliation of the opening balances to the closing balances of plan assets measured on a recurring basis in Level 3 of the fair value hierarchy. However, nonpublic entities will be required to disclose separately the amounts of transfers into and out of Level 3 of the fair value hierarchy and purchases of Level 3 plan assets.
- For public entities, the effects of a one-percentage-point change in assumed health care cost trend rates on the (a) aggregate of the service and interest cost components of net periodic benefit costs and (b) benefit obligation for postretirement health care benefits.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

Disclosure Requirements Added

- The weighted-average interest crediting rates for cash balance plans and other plans with promised interest crediting rates
- An explanation of the reasons for significant gains and losses related to changes in the benefit obligation for the period.

The amendments also clarify the disclosure requirements in paragraph 715-20-50-3, which state that the following information for defined benefit pension plans should be disclosed:

- The projected benefit obligation (PBO) and fair value of plan assets for plans with PBOs in excess of plan assets.
- The accumulated benefit obligation (ABO) and fair value of plan assets for plans with ABOs in excess of plan assets.

Effective Date

ASU No. 2018-14 is effective for fiscal years ending after December 15, 2020, for public business entities and for fiscal years ending after December 15, 2021, for all other entities. Early adoption is permitted for all entities.

The FASB has issued Accounting Standards Update (ASU) No. 2018-15 , *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40)* : Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract, which reduces complexity for the accounting for costs of implementing a cloud computing service arrangement. This standard aligns the accounting for implementation costs of hosting arrangements, regardless of whether they convey a license to the hosted software.

The ASU aligns the following requirements for capitalizing implementation costs:

- Those incurred in a hosting arrangement that is a service contract, and
- Those incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license).

For calendar-year public companies, the changes will be effective for annual periods, including interim periods within those annual periods, in 2020. For all other calendar-year companies and organizations, the changes will be effective for annual periods in 2021, and interim periods in 2022.

The FASB has issued Accounting Standards Update (ASU) No. 2018-17, Consolidation (Topic 810): *Targeted Improvements to Related Party Guidance for Variable Interest Entities* , that reduces the cost and complexity of financial reporting associated with consolidation of variable interest entities (VIEs). A VIE is an organization in which consolidation is not based on a majority of voting rights.

The new guidance supersedes the private company alternative for common control leasing arrangements issued in 2014 and expands it to all qualifying common control arrangements.

Under the new standard, a private company could make an accounting policy election to not apply VIE guidance to legal entities under common control (including common control leasing arrangements) when certain criteria are met. This accounting policy election must be applied by a private company to all current and future legal entities under common control that meet the criteria for applying the alternative. A private company will be required to continue to apply other consolidation guidance, specifically the voting interest entity guidance.

Additionally, a private company electing the alternative is required to provide detailed disclosures about its involvement with, and exposure to, the legal entity under common control.

The ASU also amends the guidance for determining whether a decision-making fee is a variable interest. The amendments require organizations to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety (as currently required in GAAP). Therefore, these amendments likely will result in more decision makers not consolidating VIEs.

For organizations other than private companies, the amendments in this ASU are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The amendments in this ASU are effective for a private company for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (continued)

The FASB has issued Accounting Standards Update (ASU) No. 2018-18 , *Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606,* that clarifies the interaction between the guidance for certain collaborative arrangements and the Revenue Recognition financial accounting and reporting standard.

A collaborative arrangement is a contractual arrangement under which two or more parties actively participate in a joint operating activity and are exposed to significant risks and rewards that depend on the activity's commercial success. The ASU provides guidance on how to assess whether certain transactions between collaborative arrangement participants should be accounted for within the revenue recognition standard.

The ASU also provides more comparability in the presentation of revenue for certain transactions between collaborative arrangement participants. It accomplishes this by allowing organizations to only present units of account in collaborative arrangements that are within the scope of the revenue recognition standard together with revenue accounted for under the revenue recognition standard. The parts of the collaborative arrangement that are not in the scope of the revenue recognition standard should be presented separately from revenue accounted for under the revenue recognition standard.

For public companies, the amendments in ASU No. 2018-18 are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. For all other organizations, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted.

NOTE 5. AMOUNT DUE FROM NSML

Amount due form Network Service Management Limited ("NSML") was the capital-in-arrear to be invested to Z-Line International E-Commerce Limited ("Z-Line"). Z-Line is a corporation formed and incorporated on August 17, 2016 by the Company and NSML under the laws of Hong Kong. The shareholdings of Z-Line are 55% for the Company and 45% for NSML. The shareholdings of Z-Line for NSML has $294,872 (HKD 2,300,000) not yet paid up as at December 31, 2018.

NOTE 6. INCOME TAXES

The Company and its subsidiaries file separate income tax returns. The Company and one subsidiary which was discontinued in cooperation, are incorporated in the United States, and are subject to United States federal and state income taxes. The Company did not generate taxable income in the United States in 2018 and 2017. Two subsidiaries are incorporated in Hong Kong, and are subject to Hong Kong Profits Tax at 16.5% for the twelve months ended December 31, 2018 and 2017. Provision for Hong Kong profits tax of $1,389 has been made for the year presented as there is one subsidiary has assessable profits during the year. One subsidiary is incorporated in PRC, and is subject to PRC Income Tax at 25% for the twelve months ended December 31, 2018 and 2017. Provision for PRC Income Tax has not been made for the year presented as the subsidiary has no assessable profits during the year.

Deferred taxes are determined based on the temporary differences between the financial statement and income tax bases of assets and liabilities as measured by the enacted tax rates which will be in effect when these differences reverse. For the year ended December 31, 2018 and 2017, the Group has tax loss carrying-forwards, which does not recognize deferred tax assets as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity.

The Company did not have U.S, taxable income due to operating in Hong Kong SAR and PRC.

A reconciliation of the provision for income taxes with amounts determined by applying the Hong Kong profits rate of 16.5% to income before income taxes is as follows:

	December 31, 2018	December 31, 2017
Profit /(Loss) before income tax	$ 20,301	$ (62,920)
Temporary Difference	-	-
Permanent Difference	(2)	-
Taxable income (loss)	$ 20,299	$ (62,920)
Hong Kong Income Tax rate	16.5%	16.5%
Current tax expenses	$ (3,349)	$ 10,382
Less: Valuation allowance	1,960	(10,382)
Income tax expenses	$ 1,389	$ -

A reconciliation of the losses before income tax of $(20,455) and $(9,025) for the year ended December 31, 2018 and 2017, respectively, were attributed to operations in China, the income tax expenses consisted of the following:

	December 31, 2018	December 31, 2017
Loss before income tax	$ (27,529)	$ (12,195)
Temporary Difference	-	-
Permanent Difference	-	-
Taxable (loss)/ income	$ (27,529)	$ (12,195)
China Enterprise Income Tax rate	25.0%	25.0%
Current tax credit	$ 6,882	$ 3,049
Less: Valuation allowance	(6,882)	(3,049)
Income tax expenses	$ -	$ -

NOTE 7. OTHER PAYABLES AND ACCRUED LIABILITIES

The other payables and accrued liabilities were comprised of the following:

	December 31, 2018	December 31, 2017
Accrued expenses	$ 249,118	$ 120,054
Other payables	20,779	18,547
	$ 269,897	$ 138,601

NOTE 8. AMOUNT DUE FROM/TO RELATED PARTIES

Amount due to related parties are as follows:

	December 31, 2018	December 31, 2017
Amount due to related parties:		
Sean Webster	60,665	3,742
Wei Zhu	232,179	232,179
Hunan Longitudinal Uned Information Technology Co., Ltd.	25,883	15,148
Hunan Zhang Zhong Wan Fu Company Limited	2,777	904
	$ 321,504	$ 251,973

As at December 31, 2018 and 2017, the amount due to related parties represent advances from shareholders of the Group and are interest free, unsecured and have no fixed repayment terms.

NOTE 9. WARRANTS LIABILITIES

	Warranty Liabilities	Total
Balance at January 1, 2017	$ -	$ -
Warrants expenses for the year	685,395	685,395
Balance at December 31, 2017	$ 685,395	$ 685,395
Warrants expenses (reversal) for the year	(129,512)	(129,512)
Balance at December 31, 2018	$ 555,883	$ 555,883

NOTE 10. STOCK OPTIONS

The Group has stock option plans that allow it to grant options to its key employees. During the year ended December 31, 2018 and 2017, the Company did not issue any stock options and there were no stock options being issued or outstanding.

NOTE 11. PENSION PLANS

In 2018, the Group participates in a defined contribution pension scheme under the Mandatory Provident Fund Schemes Ordinance ("MPF Scheme") for all its eligible employees in Hong Kong.

The MPF Scheme is available to all employees aged 18 to 64 with at least 60 days of service in the employment in Hong Kong. Contributions are made by the Group's subsidiary operating in Hong Kong at 5% of the participants' relevant income with a ceiling of HK$30,000. The participants are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65. The only obligation of the Group with respect to MPF Scheme is to make the required contributions under the plan.

In the year ended December 31, 2018 and 2017, the assets of the schemes are controlled by trustees and held separately from those of the Group. In 2018, no assets are allocated to pension. Total pension cost was $Nil during year ended December 31, 2018 (2017: $Nil).

NOTE 12. FAIR VALUE MEASUREMENTS

The Group adopted FASB ASC 820, Fair Value Measurements and Disclosures ("ASC 820"), related to the Group's financial assets and liabilities. ASC 820 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value measurements. ASC 820 defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets and liabilities.

Level 2 — observable inputs other than quoted prices in active markets for identical assets and liabilities.

Level 3 — unobservable inputs in which there is little or no market data available, which require the reporting entity to develop its own assumptions.

ASC 820 also provides guidance for determining the fair value of a financial asset when the market for that asset is not active, and for determining fair value when the volume and level of activity for an asset or liability have significantly decreased and includes guidance on identifying circumstances that indicate when a transaction is not orderly.

The effective date for certain aspects of ASC 820 was deferred and is currently being evaluated by the Group. Areas impacted by the deferral relate to nonfinancial assets and liabilities that are measured at fair value, but are recognized or disclosed at fair value on a nonrecurring basis. The effects of these remaining aspects of ASC 820 are to be applied by the Group to fair value measurements prospectively beginning November 1, 2010. The adoption of the remaining aspects of ASC 820 is not expected to have a material impact on its financial condition or results of operations.

The following table details the fair value measurements of assets and liabilities within the three levels of the fair value hierarchy at December 31, 2018 and 2017:

		Fair Value Measurements at reporting date using:		
	December 31, 2018	**Quoted Price in active Markets for identical assets (level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Other Unobservable Inputs (Level 3)**
	$	**$**	**$**	**$**
Assets				
Restricted cash	-	-	-	-
Cash and cash equivalents	10,793	10,793	-	-

		Fair Value Measurements at reporting date using:		
	December 31, 2017	**Quoted Price in active Markets for identical assets (level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Other Unobservable Inputs (Level 3)**
	$	**$**	**$**	**$**
Assets				
Restricted cash	-	-	-	-
Cash and cash equivalents	18,430	18,430	-	-

NOTE 13. COMMITMENTS AND CONTINGENCIES

The Company has operating lease agreements for office premises, which expiring through June, 2020. Future minimum rental payments under agreements classified as operating leases with non-cancellable terms for the next one year and thereafter as follows:

Year ending December 31,	2018	2017
2019	24,528	28,657
2020 and thereafter	8,160	32,734
Total	$ 32,688	$ 61,391

Rental expense paid for the year ended December 31, 2018 and 2017 were $28,632 and $24,316 respectively.

NOTE 14. RELATED PARTY TRANSACTIONS

As of December 31, 2018 and December 31, 2017, the Company had received advancement of $321,504 and $251,973 from the shareholders for operating expenses. These advancements bear no interest, no collateral and have no repayment term.

During the period ended December 31, 2018, there is a related party transaction of $264 in the form of service income provided by the Company to Hunan Zong Hui Information Technology Company Limited.

NOTE 15. SUBSEQUENT EVENTS

The Company has evaluated all subsequent events through April 15, 2019, the date these financial statements were issued, and determined that there were no other material subsequent event or transaction that require recognition or disclosures in the financial statements.

SCHEDULE II

VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

SCHEDULE III

QUARTERLY INFORMATION (UNAUDITED)

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Exhibit 31.1
CERTIFICATION

I, Sean Webster, certify that:

1. I have reviewed this annual report on Form 10-K of ZZLL Information Technology 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (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.

Date: April 15, 2019

/s/ Sean Webster
Sean Webster
Chief Executive Officer

Exhibit 31.1
CERTIFICATION

I, Sean Webster, certify that:

1. I have reviewed this annual report on Form 10-K of ZZLL Information Technology 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (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.

Date: April 15, 2019

/s/ Sean Webster
Sean Webster
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Sean Webster, certify that:

1. I have reviewed this annual report on Form 10-K of ZZLL Information Technology 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (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.

Date: April 15, 2019

/s/ Sean Webster
Sean Webster
Chief 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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), I, Sean Webster, certify that:

1. The Annual Report of ZZLL Information Technology Inc. (the "Company") on Form 10-K for the year ended December 31, 2018 (the "Report"), as filed with the Securities and Exchange Commission as of the date hereof, fully complies with the requirements of Section 13(a) or 15(d) 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.

Date: April 15, 2019

/s/ Sean Webster
Sean Webster
Chief Executive Officer of
ZZLL Information Technology Inc.

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

A signed original of this written statement required by Section 906 has been provided to ZZLL Information Technology Inc. and will be retained by ZZLL Information Technology Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), I, Sean Webster, certify that:

1. The Annual Report of ZZLL Information Technology Inc. (the "Company") on Form 10-K for the year ended December 31, 2018 (the "Report"), as filed with the Securities and Exchange Commission as of the date hereof, fully complies with the requirements of Section 13(a) or 15(d) 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.

Date: April 15, 2019

/s/ Sean Webster
Sean Webster
Chief Financial Officer of
ZZLL Information Technology Inc.

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

A signed original of this written statement required by Section 906 has been provided to ZZLL Information Technology Inc. and will be retained by ZZLL Information Technology Inc. and furnished to the Securities and Exchange Commission or its staff upon request.