

China New Energy Group Co.

Amendment to [Annual Report](#) - CNER Annual Report 2025 (amended)
for 12/31/2025 originally published through the OTC Disclosure & News
Service on 03/04/2026

Explanatory Note:
Title Page Date Error

***This coversheet was automatically generated by OTC Markets Group based on the information provided by the Company. OTC Markets Group has not reviewed the contents of this amendment and disclaims all responsibility for the information contained herein.*

BIOENERGY DEVELOPMENT INC.
(formerly China New Energy Group Company)
8514 South Sagewood Road
Spokane, WA, 99223

1.509.230.1177
www.bioenergydev.com
investor@bioenergydev.com

2025 Annual Report

For the period ending December 31, 2025 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

7,342,532,492 as of December 31, 2025 (Current Reporting Period Date or More Recent Date)

7,342,532,492 as of December 31, 2024

The number of shares outstanding of our Preferred Stock was:

250,000 as of December 31, 2025

0 as of December 31, 2024

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control⁵ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁵ “Change in Control” shall mean any events resulting in:

- (i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

China New Energy Group, Company.

05/06/2025 BioEnergy Development Inc. changed its name from China New Energy Group Company

02/15/2024 China New Energy Group Company changed its name from Thrive Precision Health Inc.

10/04/2023 Thrive Precision Health Inc. changed its name from Thrive Global Biosafety Inc.

04/03/2023 Thrive Global Biosafety Inc. changed its name from China New Energy Group Company

05/29/2008 CNER Symbol change from TVHT to CNER

Travel Hunt Holdings, Inc. until 5-2008

Current State and Date of Incorporation or Registration: Wyoming, November 28, 2023

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

05/06/2025 China New Energy Group Company has changed its name to bioEnergy Development Inc.in the state of Wyoming

02/15/2024 Thrive Precision Health Inc. changed its name back to China New Energy Group Company in the State of Wyoming

10/28/2023 Thrive Precision Health Inc., redomiciled in the State of Wyoming

10/04/2023 Thrive Precision Health Inc. changed its name from Thrive Global Biosafety Inc. in the State of Delaware

04/03/2023 Thrive Global Biosafety Inc. changed its name from China New Energy Group Company in the State of Delaware

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any company name change, stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

30 North Gould Street, #60196, Sheridan Wyoming, USA, 82801

Previous address was 5428 South Regal St., Unit 30954, Spokane, WA, 99223. The address change was made on January 18, 2026

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Equiniti Trust Company
Phone: 1-651-306-2920
Email: jeff.carlson@equiniti.com
Address: 1110 Centre Pointe Curve Suit 101, Mendota Heights, MN 55120

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	CNER
Exact title and class of securities outstanding:	Common
CUSIP:	16944P109
Par or stated value:	0.001
Total shares authorized:	10,000,000,000 as of date: December 31, 2025
Total shares outstanding:	<u>7,342,532,492</u> as of date: December 31, 2025
Total number of shareholders of record:	195 as of date: December 31, 2025

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Preferred
Par or stated value:	0.001
Total shares authorized:	10,000,000 as of date: December 31, 2026
Total shares outstanding:	250,000 as of date: December 31, 2025
Total number of shareholders of record:	11 as of date: December 31, 2025

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Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

None

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Par value of \$0.001 with a 1:1 voting right

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

Conversion to common shares at 200:1

3. Describe any other material rights of common or preferred stockholders.

Voting rights at 200:1

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date <u>01.01.24</u> Common: <u>7,342,532,492</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of	Individual/ Entity Shares were issued to. ***You must disclose the control person(s)	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

					issuance? (Yes/No)	for any entities listed.			
<u>06.18.25</u>	<u>New</u>	10,000	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>BG Development Pty Ltd., (Bryce Gould)</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>06.23.25</u>	<u>New</u>	25,000	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>BY Global Holdings Pty Ltd (Guy Le Page)</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>08.11.25</u>	<u>New</u>	15,000	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Hardy Road Investments Pty Ltd (Michael Colliss)</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>09.25.25</u>	<u>New</u>	20,000	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Robert Mackin</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>10.19.25</u>	<u>New</u>	<u>30,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Karen Inga Kaewel</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>10.21.25</u>	<u>New</u>	<u>5,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Laura Handley</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>10.21.25</u>	<u>New</u>	<u>5,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Brad Manley</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>10.24.25</u>	<u>New</u>	<u>5,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Michael Jay Bentley</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>11.11.25</u>	<u>New</u>	<u>5,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Chase Groeneveld</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>11.12.25</u>	<u>New</u>	<u>10,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Brenda McLennon</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>11.13.25</u>	<u>New</u>	<u>20,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>Karen Inga Kaewel</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
<u>12.31.25</u>	<u>New</u>	<u>100,000</u>	<u>Preferred Series A</u>	<u>1.00</u>	<u>No</u>	<u>PHG Investco (Michele Meston)</u>	<u>Cash</u>	<u>Restricted</u>	<u>144</u>
Shares Outstanding on Date of This Report:									
<u>Ending Balance:</u>									
Date <u>12.31.25</u> Common: <u>7,342,532,492</u> Preferred: <u>250,000</u>									

Example: A company with a fiscal year end of December 31st 2025, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2024 through December 31, 2025 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

None

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

☒ Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion ⁶	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)

Total Outstanding Balance:

Total Shares:

Any additional material details, including footnotes to the table are below:

On July 9, 2025, Guy Zajonc transferred 925,000,000 to Gary Bartholomew, through a Share Purchase Agreement

On July 9, 2025, Michael Pfeffer transferred 111,000,000 to Gary Bartholomew through a Share Purchase Agreement

On September 5, 2025, The Hackett Family Trust transferred 143,531,576 shares to Gary Bartholomew through a Share Purchase Agreement

On September 5, 2025, The Hackett Family Trust transferred 143,531,575 shares to Guy Zajonc through a Share Purchase Agreement

On September 5, 2025, The Hackett Family Trust transferred 143,531,575 shares to Michael Pfeffer through a Share Purchase Agreement

All transfer have been confirmed by the Transfer Agent- Equiniti Trust.

Gary Bartholomew, Guy Zajonc and Michael Pfeffer are Officers, and or Directors of bioEnergy Development Inc. (CNER)

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.

Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

B.

BioEnergy Development Inc. (OTC: CNER) has created and will fund a subsidiary company that is a project developer and operator of distributed bioenergy microgrid projects that convert forestry and agricultural waste into clean, behind-the-meter power, biochar, and verified carbon removals.

The company's mission is to turn waste liabilities into renewable energy assets—helping landowners, processors, and industrial operators manage biomass waste while generating reliable, carbon-negative energy. BEDi focuses on modular, waste-to-energy infrastructure on-site and near-site installations that provide reliable baseload energy and carbon-negative outputs without requiring grid interconnection or regulated-utility status.

Each project uses the EXRGY™ Thermal Conversion BioReactor, a North American-engineered system owned by Bio Energy Solutions Inc. (BESI). Under an exclusive commercialization license, BEDi finances, builds, and operates project throughout North America through long-term site agreements. BEDi holds an exclusive commercialization and deployment license for the technology and leads all project development, financing, and operations under a long-term strategic partnership with BESI.

⁶ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

Each EXRGY™ system processes local biomass—such as sawmill residues, field waste, forestry slash or manure—into high-value outputs: syngas for on-site power generation, biochar and biocarbon for soil and industrial markets, and certified carbon removals registered with Puro.earth (certifier) and Carbonfuture (brokers). Projects are containerized, factory-built, and commissioned in 3–6 months, allowing rapid replication across agricultural and forestry sites in the U.S. and Canada.

C. List any subsidiaries, parent company, or affiliated companies.

Syngas BioEnergy Inc., incorporated in the state of Wyoming on April 28, 2025 and is 75% owned by bioEnergy Development Inc. (formerly China New Energy Group Company) and 25% owned by Bio Energy Solutions Inc. a corporation in the Province of Alberta and the inventor and licensor of the bioreactor technology called XRGY.

bioEnergy Technologies Inc., (as a wholly owned subsidiary of Syngas bioEnergy Inc.) incorporated in the state of Wyoming.

D. Describe the issuers' principal products or services.

BioEnergy Development Inc. (OTC: CNER) has created and will fund a subsidiary company that develops, finances, and operates distributed bioenergy microgrid projects that convert agricultural and forestry residues into clean, behind-the-meter power, biochar, and verified carbon removals.

Each project is anchored by the EXRGY™ Thermal Conversion BioReactor, a modular, factory-built system that converts waste biomass into syngas, biochar, and biocarbon while permanently sequestering carbon. Projects are designed, owned, and operated by BEDi under long-term agreements with host sites such as Lumber Mills, wood products manufacturers, agricultural operators, and processors.

Host Partnership Model — Simple Solution

BEDi provides an end-to-end service that requires no capital investment from the host.

The company installs, owns, and operates the equipment on-site, managing waste and delivering energy under long-term performance agreements (PPA).

Host Benefits

- Solves waste problems by eliminating open burning, hauling, or landfill disposal.
- Delivers clean, reliable energy directly to the site for heat or power at pre-negotiated rates
- No CapEx or operational burden—BEDi funds, maintains, and monitors the system.
- Long-term certainty through 10- to 20-year agreements with stable pricing and guaranteed performance.

This straightforward model gives the host measurable environmental gains and cost savings while securing BEDi long-term feedstock and energy offtake commitments.

Revenue Model — Diversified, Contracted Cash Flows

Each BEDi project generates multiple complementary revenue streams that together create resilient, infrastructure-grade returns:

Revenue Stream	Description	Contract Basis
Power / Thermal Energy (PPA)	Sale of syngas-derived electricity or heat to host operations	10–20 year Power Purchase Agreements

Revenue Stream	Description	Contract Basis
Carbon Credits (CORCs)	Durable carbon removals verified by Puro.earth (certifier) and brokered via Carbonfuture (broker)	Multi-year registry-verified issuance
Biochar & Biocarbon Sales	Carbon-rich materials for soil improvement and industrial uses	Spot and offtake contracts
Soil Amendments / Bio-stimulants	By-products marketed into agricultural applications	Recurring sales
Investment Tax Credits (IRA §48)	Transferable clean-energy credits monetized post-commissioning	One-time or annual transfers
Technology Sales and Support	Turn-key EXRGY™ BioReactor sales to qualified operators, with commissioning, remote monitoring, and maintenance services	Unit sales + service agreements

Technology and Operational Advantages

The EXRGY™ BioReactor, engineered by Bio Energy Solutions Inc. (BESI), combines torrefaction and pyrolysis in a closed-loop process with the following advantages:

- High throughput: ≈ 2 tons of biomass / hour (~16 000 t per year).
- Feedstock flexibility: Handles forestry residues, crop waste, and manures with minimal preprocessing.
- Reliability: > 92 % uptime with automated PLC controls and remote monitoring.
- Digital MRV integration: Continuous data capture enables transparent carbon-accounting for Puro.earth and Carbonfuture.
- Rapid deployment: Factory-built modules installed and commissioned within 4–6 months.

These characteristics make BEDi projects bankable, certifiable, and rapidly scalable, aligning the company with the growing demand for measurable, verifiable carbon-removal infrastructure.

Financing and Operations

BEDi develops, finances, and operates projects through special-purpose subsidiaries (SPVs) or a fund using a two-tier capital model:

- Corporate Growth Equity (\$5–10 M): Funds platform expansion, licensing, acquisition and digital MRV systems.
- Non-recourse Project Financing: Combines equity, green debt, transferable tax credits, and forward carbon-credit sales.

Each installation remains behind the meter, providing on-site energy to industrial, agricultural, or forestry clients. BEDi does not own or operate public grids, set electricity rates, or engage in regulated-utility activities.

This integrated model transforms waste liabilities into reliable, carbon-negative energy assets—creating measurable climate impact, reducing wildfire and landfill risk, and delivering long-term, contracted returns for investors.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

CNER and its subsidiary operates in Spokane WA with a management office. It is the intention that the subsidiary companies will acquire operations close to the biowaste for supporting the bioreactors located on the client sites.

6) All Officers, Directors, and 5% Beneficial Owners of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, ≥ 5% beneficial owner)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Gary Bartholomew	Chairman and CEO	Toronto, Canada	1,179,531,757	Common	16.06%
Guy Zajonc	Director, Secretary	Spokane, WA	1,179,531,757	Common	16.06%
Michael Pfeffer	COO	Kanmuela, HI	1,179,531,757	Common	16.06%
Sharon Anderson Morris	5%+ Shareholder	Park City, UT	399,126,585	Common	5.44%
Gary Bartholomew	Chairman and CEO	Toronto, Canada	175,000,000	Options	15.9%
Guy Zajonc	Director, Secretary	Spokane, WA	50,000,000	Options	4.5%
Michael Pfeffer	COO	Kanmuela, HI	50,000,000	Options	4.5%
Guy Zajonc	Director, Secretary	Spokane, WA	150,000,000	DSU	10.2%
Michael Pfeffer	COO	Kanmuela, HI	150,000,000	DSU	10.2%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: JDT legal (Jeff Turner)
Address 1: 7533 S Center View, Ct#4291
Address 2: West Jordan, UT, 84084
Phone: 801-810-4465
Email: jeff@jdt-legal.com

Accountant or Auditor

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): <https://x.com/BioEnergyDev>
Discord: _____
LinkedIn <https://www.linkedin.com/company/bioenergy-development/>
Facebook: _____
[Other] <https://www.instagram.com/bioenergydevelopment/>

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Gary Bartholomew
Title: CEO
Relationship to Issuer: Officer

B. The following financial statements were prepared in accordance with:

- ☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Gary Bartholomew
Title: CEO
Relationship to Issuer: Officer

Describe the qualifications of the person or persons who prepared the financial statements:⁷ _____

Mr. Bartholomew has had over 25 years of public company experience as CEO, Chairman, Directors and has been appointed either Committee Chair or a member of various Board Committees such as Audit, Compensation and Governance.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Gary Bartholomew certify that:

⁷ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

1. I have reviewed this Disclosure Statement for bioEnergy Development Inc. (formerly China New Energy Group Company);
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 4, 2026

/s/Gary Bartholomew [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Gary Bartholomew certify that:

1. I have reviewed this Disclosure Statement for bioEnergy Development Inc. (formerly China New Energy Group Company);
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 4, 2026

/s/ Gary Bartholomew [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
CONSOLIDATED BALANCE SHEETS

	December 31, 2025 (unaudited)	December 31, 2024 (unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 103,092	\$ -
Total current assets	103,092	-
Total assets	<u>\$ 103,092</u>	<u>\$ -</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 490,391	\$ 6,454
Due to related parties	3,560	-
Total current liabilities	493,951	6,454
Total liabilities	493,951	6,454
Stockholders' equity (deficit):		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized; 250,000 and 0 shares outstanding at December 31, 2025 and 2024, respectively	250	-
Common stock, \$0.001 par value, 10,000,000,000 shares authorized; 7,342,532,492 shares outstanding at December 31, 2025 and 2024	7,342,532	7,342,532
Additional paid-in capital	(14,899,262)	(19,569,247)
Unearned stock compensation	(1,234,996)	-
Retained earnings	8,400,617	12,220,261
Total stockholders' equity (deficit)	(390,859)	(6,454)
Total liabilities and stockholders' equity (deficit)	<u>\$ 103,092</u>	<u>\$ -</u>

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

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
CCONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2025 (unaudited)	Year Ended December 31, 2024 (unaudited)
Revenues, net	\$ -	\$ -
Cost of revenues	-	-
Gross profit	-	-
Operating expenses:		
Selling, general and administrative expenses	3,819,644	556,972
Impairment	-	1,041,900
Operating loss	(3,819,644)	(1,598,872)
Non-operating income (expense):		
Interest expense	-	(55,233)
Total non-operating income (expense)	-	(55,233)
Net loss before income tax expense	(3,819,644)	(1,654,105)
Income tax expense	-	-
Net loss	\$ (3,819,644)	\$ (1,654,105)
Net loss per share – basic and diluted	\$ (0.00)	\$ (0.00)
Weight average number of common shares outstanding – basic and diluted	7,342,532,492	7,342,532,492

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

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
CCONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
For the Years Ended December 31, 2025 and 2024
(unaudited)

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Additional</u>	<u>Unearned</u>	<u>Retained</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Paid in</u>	<u>Stock</u>	<u>Earnings</u>	<u>Total</u>
					<u>Capital</u>	<u>Compensation</u>		
Balances, December 31, 2023	-	\$ -	7,342,532,492	\$ 7,342,532	\$ (21,153,084)	\$ -	\$ 13,874,366	\$ 63,814
Gain on assignment and extinguishment of liabilities	-	-	-	-	1,583,837	-	-	1,583,837
Net loss	-	-	-	-	-	-	(1,654,105)	(1,654,105)
Balances, December 31, 2024	-	-	7,342,532,492	7,342,532	(19,569,247)	-	12,220,261	(6,454)
Preferred Shares Issued for Cash	250,000	250	-	-	249,750	-	-	250,000
Deferred share units issued	-	-	-	-	3,612,500	(3,612,500)	-	-
Deferred share units cancelled	-	-	-	-	(1,215,000)	1,215,000	-	-
Stock-based compensation	-	-	-	-	2,022,735	1,162,504	-	3,185,239
Net loss	-	-	-	-	-	-	(3,819,644)	(3,819,644)
Balances, December 31, 2025	250,000	\$ 250	7,342,532,492	\$ 7,342,532	\$ (14,899,262)	\$ (1,234,996)	\$ 8,400,617	\$ (390,859)

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

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)

CCONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2025 (unaudited)	Year Ended December 31, 2024 (unaudited)
Cash flows from operating activities:		
Net loss	\$ (3,819,644)	\$ (1,654,105)
Impairment	-	1,041,900
Stock-based compensation	3,185,239	-
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Accounts payable and accrued liabilities	483,937	(49,914)
Net cash used in operating activities	(150,468)	(662,119)
Cash flows from investing activities:		
Advances	-	(410,196)
Net cash used in investing activities	-	(410,196)
Cash flows from financing activities:		
Net proceeds from issuance of preferred stock	250,000	-
Borrowings under convertible notes payable	-	1,078,983
Repayments under notes payable	-	(7,500)
Advances from related parties	3,560	-
Net cash provided by financing activities	253,560	1,071,483
Net increase in cash and cash equivalents	103,092	(832)
Cash and cash equivalents, beginning of the year	-	832
Cash and cash equivalents, end of the year	\$ 103,092	\$ -
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
Gain on assignment and extinguishment of liabilities	\$ -	\$ 1,583,837

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

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
CNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company). (“CNER” or the “Company”) (OTC: CNER) has created and will fund a subsidiary company that is a project developer and operator of distributed bioenergy microgrid projects that convert forestry and agricultural waste into clean, behind-the-meter power, biochar, and verified carbon removals. The company’s mission is to turn waste liabilities into renewable energy assets—helping landowners, processors, and industrial operators manage biomass waste while generating reliable, carbon-negative energy. BEDi focuses on modular, waste-to-energy infrastructure on-site and near-site installations that provide reliable baseload energy and carbon-negative outputs without requiring grid interconnection or regulated-utility status.

China New Energy Group Company was originally incorporated in the state of Delaware and redomiciled in the state of Wyoming. On April 3, 2023, the corporate name China New Energy Group Company was changed to Thrive Global Biosafety Inc and then changed to Thrive Precision Health Inc. (“Thrive”) and then changed back to China New Energy Group Company.

Through October 23, 2024 the Company had four wholly-owned subsidiaries: Thrive Precision Health Innovations Inc. (formerly Thrive Testing and Biosafety Inc.), incorporated in the State of Wyoming, Thrive Precision Health Hawaii, Inc., incorporated in the state of Hawaii, Thrive Precision Health USA Inc., incorporated in the state of Wyoming, and Thrive Precision Health, Inc., incorporated in the state of Nevada (“TPHI-NV”).

On June 7, 2024, the Company formed TPHI-NV in anticipation of completing a spinoff of certain assets and liabilities of the Company. On June 7, 2024, TPHI-NV assumed the assets and liabilities of Thrive Precision Health, Inc. (“TPHI-FL”), a Florida corporation, previously owned by the Chief Executive Officer of the Company. TPHI-FL was dissolved on June 18, 2024.

On July 3, 2024, Thrive Precision Health Inc., a subsidiary of China New Energy Group Company issued a Promissory Note to a Lender with a principal amount of \$250,000, accruing interest at a rate of 6% annually. The Note was to mature on July 4, 2025, if not converted with a registered financing before such time.

On July 18, 2024, the Company, perfected its security on True Neuropathy and Wound Solutions Inc., (Borrower) against the secured promissory note executed May 31, 2024 and having advanced \$902,585 in loan funds for support of ongoing clinical operations of the Borrower. Repayment demand was made in accordance of the Secure Promissory Note and the Borrower defaulted on repayment.

On July 31, 2024, all clinical operations ceased, all staff were terminated, and all creditors notified of the liquidation. The Company will now process, acting as trustee, dissolve all operations of the Borrower. The Company fully impaired all the assets during 2024.

On September 27, 2024, China New Energy Group Company, made the decision to not pursue a spin off arrangement of the Thrive Precision Health subsidiaries due to cost and regulatory complexities relative to the value of these assets. All corporate actions were terminated.

On October 23, 2024 further amended on December 28, 2024, the Company entered into a Debt Assumption and Asset Transfer Agreement (the “DAAT Agreement”) with Thrive Health Inc., a privately held Wyoming corporation, pursuant to which the Company transferred ownership of its previously held four wholly owned subsidiaries. In addition, Thrive Health Inc. agreed to assume substantially all related liabilities, including certain convertible notes and accrued obligations. Accordingly, the Company has removed these liabilities from its consolidated balance sheet based on management’s belief that they have been economically transferred. See Note 3 for additional discussion.

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION (CONTINUED)

On April 21, 2025, CNER executed a joint venture agreement to create a jointly owned subsidiary company. The parties to the agreement are China New Energy Group Company (OTC:CNER), Bio Energy Solutions Inc. (an Alberta corporation), Yellowbike Solutions Inc. (an Alberta corporation), and Lynden Holdings, LLC (a Nevada company).

On April 28, 2025, a new subsidiary company was formed under China New Energy Group Company called SynGas BioEnergy Corporation and was incorporated in the State of Wyoming. CNER owns 70%, Bio Energy Solutions Inc., owns 25% and Lynden Holding LLC owns 5% of the restricted common stock.

On May 6, 2025, the Company executed a name change in the State of Wyoming, changing its name to bioEnergy Development Inc., from China New Energy Group Company.

From June 18, 2025 to December 31, 2025 the Company raised \$250,000 through the issuance of Preferred Series A Shares to accredited investors.

Liquidity Uncertainties. As of December 31, 2025 and 2024, the Company had no cash equivalents. The Company is unsure if its current cash and cash equivalents will be sufficient to support its operating requirements for the next 12 months from this date.

The Company will need additional capital in order to generate revenues. Any additional equity financing, if available, may not be on favorable terms and would likely be significantly dilutive to the Company's current stockholders, and debt financing, if available, may involve restrictive covenants. The Company's ability to access capital when needed is not assured and, if not achieved on a timely basis, will likely have a materially adverse effect on our business, financial condition and results of operations.

Basis of Presentation. The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). All significant intercompany transactions and balances have been eliminated in consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Certain of the Company's estimates could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company's estimates and could cause actual results to differ from those estimates.

Cash and Cash Equivalents. The Company considers all highly liquid, short-term investments with original maturities of three months or less when purchased to be cash equivalents.

Contingent Liabilities. The Company, from time to time, may be involved in certain legal proceedings. Based upon consultation with outside counsel handling its defense in these matters and the Company's analysis of potential outcomes, if the Company determines that a loss arising from such matters is probable and can be reasonably estimated, an estimate of the contingent liability is recorded in its consolidated financial statements. If only a range of estimated loss can be determined, an amount within the range that, based on estimates, assumptions and judgments, reflects the most likely outcome, is recorded as a contingent liability in the consolidated financial statements. In situations where none of the estimates within the estimated range is a better estimate of probable loss than any other amount, the Company records the low end of the range. Any such accrual would be charged to expense in the appropriate period. Litigation expenses for these types of contingencies are recognized in the period in which the litigation services were provided.

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BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Earnings Per Share. The Company follows ASC 260 when reporting Earnings Per Share resulting in the presentation of basic and diluted earnings per share. Basic net (loss) income per common share is computed by dividing net (loss) income by the weighted average number of vested common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number vested of common shares, plus the net impact of common shares (computed using the treasury stock method), if dilutive, resulting from the exercise of dilutive securities. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

Income Taxes. The Company accounts for income taxes under the provisions of the FASB ASC Topic 740 “Income Taxes” (“ASC Topic 740”). The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of items that have been included or excluded in the consolidated financial statements or tax returns. Deferred tax assets and liabilities are determined on the basis of the difference between the tax basis of assets and liabilities and their respective financial reporting amounts (“temporary differences”) at enacted tax rates in effect for the years in which the temporary differences are expected to reverse. The Company utilizes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management has evaluated and concluded that there were no material uncertain tax positions requiring recognition in the Company’s unaudited consolidated financial statements as of June 30, 2025 and December 31, 2024. The Company does not expect any significant changes in its unrecognized tax benefits within twelve months of the reporting date. The Company’s policy is to classify assessments, if any, for tax related interest as interest expense and penalties as general and administrative expenses in the consolidated statements of comprehensive income. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Fair Value Measurements. The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820 “Fair Value Measurements and Disclosures” (“ASC 820”) which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange 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 establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

- Level 1 — quoted prices in active markets for identical assets or liabilities
- Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable
- Level 3 — inputs that are unobservable (for example, cash flow modeling inputs based on assumptions)

The carrying amounts of the Company’s financial instruments, such as cash, accounts receivable, accounts payable and other current liabilities approximate fair values due to the short-term nature of these instruments.

Concentration of Credit Risks. Financial instruments that potentially subject the Company to concentrations of credit risk are cash and cash equivalents. Cash and cash equivalents are invested in deposits with certain financial institutions and may, at times, exceed federally insured limits. The Company has not experienced any significant losses on its deposits of cash and cash equivalents and currently has no amounts in excess of federally insured limits.

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

3. DIVESTITURES

On October 23, 2024, the Company entered into the DAAT Agreement with Thrive Health Inc., a privately held Wyoming corporation controlled by a former officer of the Company. Pursuant to the DAAT Agreement, the Company transferred 100% of its equity interest in the following subsidiaries to Thrive Health Inc.:

- Thrive Precision Health Inc., a Wyoming corporation
- Thrive Precision Health Hawaii, Inc., a Hawaii corporation
- Thrive Precision Health Innovations Inc., a Wyoming corporation
- Thrive Precision Health USA, Inc., a Wyoming corporation

Thrive Health Inc. agreed to assume all liabilities originating within the transferred subsidiaries, including convertible notes and accrued obligations. Based on the terms of the DAAT Agreement and management's assertion that the debt was assumed by Thrive Health Inc., the Company removed these obligations from its financial statements.

The table below presents the unaudited assets and liabilities of the transferred subsidiaries as of October 23, 2024, the effective date of the DAAT Agreement:

	October 23, 2024
	(unaudited)
ASSETS	
Cash and cash equivalents	\$ 3,270
Total current assets	<u>3,270</u>
Total assets	<u>\$ 3,270</u>
LIABILITIES AND STOCKHOLDER'S EQUITY	
Accounts payable	\$ -
Accrued expenses and other current liabilities	109,192
Convertible notes payable	<u>1,477,915</u>
Total current liabilities	<u>1,587,107</u>
Total liabilities	<u>\$ 1,587,107</u>

The Company recognized a gain on assignment and extinguishment of liabilities of \$1,583,837 through additional paid in capital. The transaction was related party in nature and therefore was recognized through the consolidated statements of stockholders' equity (deficit). The transaction did not involve a distribution of shares to shareholders and does not meet the criteria for discontinued operations.

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

4. ADVANCES

In the past, the Company has advanced funds to acquisition targets.

On September 1, 2023, Thrive Precision Health Inc., signed an agreement to purchase 100% of the assets of True Diabetes Neuropathy and Wounds Solutions LLC (“True”) which included their Gilbert and Show Low locations in Arizona. The Company is no longer planning to acquire True.

On May 31, 2024, the Company converted \$902,585 of the advances to True into a 6% promissory note receivable related to the previous cash advances provided by the Company to True for the working capital needs in the clinics. See Note 5.

The Company recorded impairment charges of \$139,315 and \$0 related to its cash advances to Insulinic Hawaii and True for the years ended December 31, 2024 and 2023, respectively.

On July 18, 2024, the Company, perfected its security on True against the secured promissory note executed May 31, 2024 and having advanced \$902,585 in loan funds for support of ongoing clinical operations of the Borrower. Repayment demand was made in accordance of the Secure Promissory Note and the Borrower defaulted on repayment. On July 31, 2024, all clinical operations ceased, all staff were terminated, and all creditors notified of the liquidation. The Company will now process, acting as trustee, dissolve all operations of the Borrower.

5. NOTES RECEIVABLE

On May, 31, 2024, the Company entered into a 6% promissory note receivable with True in the amount of \$902,585. The note receivable was due on demand and collateralized by 100% of all the issued and outstanding common shares of True.

As of December 31, 2024, the Company recorded a full impairment charge of \$902,585 on its note receivable from True, reflecting the total amount from True due to the uncertainty of collectability. The impairment was recorded as an expense in the consolidated statement of operations.

On October 23, 2024, the Company entered into the DAAT Agreement with Thrive Health Inc., which did not explicitly address the notes receivable with True. As the note was previously written off in full, this transfer had no additional impact on the Company’s financial statements.

6. CONVERTIBLE NOTES PAYABLE

On August 18, 2023, the Company provided a financial guarantee for \$98,932 and \$49,449 to be settled in the common restricted shares of the Company at a price of \$0.01 share. Proceeds of the loan were used to fund clinical operations of True Diabetes Neuropathy and Wounds Solutions LLC located in Arizona. The Company repaid \$5,000 in cash on May 24, 2024. The Company has obtained verbal lender consents with respect to this note and will subsequently obtain written lender consents. This note was assumed by Thrive Health, Inc. as part of the DAAT Agreement.

On November 24, 2023, the Company entered into a convertible promissory note worth \$50,000 that converts upon a registered financing at the registered price. The Company has obtained verbal lender consents with respect to this note and will subsequently obtain written lender consents. This note was assumed by Thrive Health, Inc. as part of the DAAT Agreement.

CHINA NEW ENERGY GROUP COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

6. CONVERTIBLE NOTES PAYABLE (CONTINUED)

On December 8, 2023, the Company entered in the convertible promissory note worth \$250,000 that converts upon a registered financing at the registered price. This note currently remains with CNER but per the terms of the Assumption Agreement was assumed by Thrive Health, Inc. The Company has obtained verbal lender consents with respect to this note and will subsequently obtain written lender consents. This note was assumed by Thrive Health, Inc. as part of the DAAT Agreement.

On January 30, 2024, the Company entered into a convertible promissory note worth \$25,000 that converts upon a registered financing at the registered price. The Company has obtained verbal lender consents with respect to this note and will subsequently obtain written lender consents. This note was assumed by Thrive Health, Inc. as part of the DAAT Agreement.

On June 7, 2024, TPHI-NV entered in the convertible promissory note worth \$759,534 that converts upon a registered financing at the registered price. TPHI-FL received aggregate proceeds of \$750,000 from Knutz Holdings of \$250,000 each on February 22, 2024,

March 18, 2024 and April 17, 2024, respectively. The note remained with TPHI-NV at the time of the transfer and is not presented as outstanding by the Company.

On July 3, 2024, TPHI-NV issued a Promissory Note to a Borrower with the principal amount of \$250,000, accruing interest at a rate of 6% annually. The Note matures on July 4, 2025, if not converted with a registered financing before such time. The note remained with TPHI-NV at the time of the transfer and is not presented as outstanding by the Company.

Interest expense under convertible notes payable was \$55,233 for the year ended December 31, 2024.

Management believes the obligations have been effectively assumed by Thrive Health Inc. and expects to complete legal documentation to that end. Based on this belief and the related party nature of the transaction, the Company removed the related notes payable and accrued interest from its consolidated financial statements and recorded a gain to additional paid-in capital during the year ended December 31, 2024. During the year ended December 31, 2025 the Company had no convertible notes payable outstanding and recorded no interest expense.

7. STOCKHOLDERS' EQUITY

Common Stock

The Company is authorized to issue 10,000,000,000 shares of common stock, with a par value of \$0.001.

During the years ended December 31, 2025 and 2024, there were no issuances of common stock.

As of December 31, 2025 and 2024 the Company had 7,342,532,492 shares of common stock outstanding, 535,941,611 of common shares that are unrestricted, and 195 shareholders of record.

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

7. STOCKHOLDERS' EQUITY (CONTINUED)

Preferred Stock

The Company is authorized to issue 10,000,000,000 shares of preferred stock, with a par value of \$0.001. Each share of preferred stock is convertible into 200 shares of common stock and has 200 voting rights per share.

During the year ended December 31, 2025, the Company sold 250,000 shares of preferred stock for \$1 per share, for total proceeds of \$250,000. During the year ended December 31, 2024, no shares of preferred stock were sold.

As of December 31, 2025 and 2024 the Company had 250,000 and 0 shares of preferred stock outstanding, respectfully.

Stock Options

The 2023 Incentive Stock Option Plan authorizes the Company to issue options to purchase up to fifteen percent (15%) of the Company's issued and outstanding shares of common stock at any given time, where the exercise price for each option shall be at least one hundred percent (100%) of the fair market value of the Company's common stock on the grant date.

There were no transactions involving stock options during the year ended December 31, 2024. Transactions involving our options during the year ended December 31, 2025 are summarized as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Grant-Date Per Share Fair Value	Weighted Average Contractual Life Outstanding (Years)
Options outstanding at December 31, 2024	-	\$ -	\$ -	
Granted	790,000,000	\$ 0.0091	\$ 0.0088	
Canceled/Expired	(45,000,000)	\$ 0.0100	\$ 0.0090	
Exercised	-	\$ -	\$ -	
Options outstanding at December 31, 2025	<u>745,000,000</u>	\$ 0.0090	\$ 0.0088	9.42
Options exercisable at December 31, 2025	325,000,000	\$ 0.0039	\$ 0.0037	9.29

Total stock compensation expense related to the options for the year ended December 31, 2025, and 2024, was \$2,022,735 and \$0, respectively. As of December 31, 2025, there was \$4,547,263 of unrecognized compensation cost related to the Options, which is expected to be recognized over a remaining weighted-average vesting period of 1.64 years.

BIOENERGY DEVELOPMENT INC. (formerly China New Energy Group Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

7. STOCKHOLDERS' EQUITY (CONTINUED)

Deferred Share Units

On May 1, 2024, the TPHI entered into a medical directorship agreement with Dr. Ky Le to provide clinical advisory services. The Company agreed to pay Dr. Ky Le \$2,000 per month per contracted location and grant 500,000 deferred share units ("DSUs"). The terms of this agreement were transferred in connection with the DAAT Agreement.

The Company's 2023 Deferred Share Unit Plan authorizes the Company to issue DSU's that represent no more than twenty percent (20%) of the Company's issued and outstanding shares of common stock at any given time. The DSU's may only be exercised after termination of employment with the Company

During the year ended December 31, 2025 the Company granted 625,000,000 DSU's with a grant date fair value of \$3,612,500, cancelled 135,000,000 DSU's with a grant date fair value of \$1,215,000, and recognized stock-based compensation of \$1,162,503 for awards earned over their vesting period. Accordingly, as of December 31, 2025, there was an unearned stock compensation balance of \$1,234,997 which was expected to be recognized over a remaining weighted-average vesting period of 1.80 years. Total Issues DSU as of December 31, 2025 is 490,000,000.

During the year ended December 31, 2025, the Company Granted 745,000,000 Stock Options under shareholder approved Shareholder Plan. Option pricing ranges from \$0.0023 to \$0.0170.

8. SUBSEQUENT EVENTS

In accordance with ASC 855-10, the Company has analyzed its operations subsequent to December 31, 2025 and through March 6, 2026, the date these financial statements were issued, and has determined that it does not have any material subsequent events to disclose.