

## **Alternative Reporting Standard: Pink® Basic Disclosure Guidelines**

Federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 (“Exchange Act”) as well as Rule 144 of the Securities Act of 1933 (“Securities Act”), and state Blue Sky laws, require issuers to provide *current information* to the public markets. With a view to facilitating compliance with these laws, OTC Markets Group has created these Pink Basic Disclosure Guidelines (“Guidelines”).<sup>1</sup> These Guidelines set forth the disclosure obligations that make up the “Alternative Reporting Standard” for Pink companies. These Guidelines have been designed to encompass the “Catch All” information required in Rule 15c2-11,<sup>2</sup> however they have not been reviewed by the U.S. Securities and Exchange Commission or any state securities regulator. We use information provided by companies under these Guidelines to designate the appropriate tier in the Pink Market: Current Information or Limited Information.<sup>3</sup>

These Guidelines may be amended from time to time, in the sole and absolute discretion of OTC Markets Group, with or without notice. The information provided by companies under these Guidelines is subject to our [Privacy Policy](#).

### **Pink Current Information Tier**

Companies that make the information described below publicly available on a timely basis (90 days after fiscal year end for Annual Reports; 45 days after each fiscal quarter end for Quarterly Reports) may qualify for the Current Information Tier.

Qualification Process:

1. Subscribe to the OTC Disclosure & News Service by submitting an [OTCIQ Order Form](#) (available on [www.otciq.com](http://www.otciq.com)).
2. Upload the following documents through OTCIQ:
  - **Quarterly Reports** for Current Fiscal Year– must include Disclosure Statement and Financial Reports listed below
  - **Annual Report** for Most Recently Completed Fiscal Year– must include Disclosure Statement and Financial Reports listed below
  - **Annual Report** for Prior Completed Fiscal Year – must include Financial Reports listed below
    - **Disclosure Statements:** Disclosure information pursuant to these Guidelines for the applicable period. (see the fillable form starting on Page 4).
    - **Financial Statements:** Financial reports must be prepared according to U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited. Required financial statements include:
      - Balance Sheet
      - Statement of Income

<sup>1</sup> This is not legal advice, and OTC Markets Group makes no assurance that compliance with our disclosure requirements will satisfy any legal requirements.

<sup>2</sup> Publication of information pursuant to these Guidelines does not guarantee or ensure that the Company will be designated as having “current information” or eligible for public quotations pursuant to Rule 15c2-11 or any other applicable regulation.

<sup>3</sup> OTC Markets Group may require companies with securities designated as Caveat Emptor to make additional disclosures in order to qualify for the Pink Current Information tier.

- Statement of Cash Flows
  - Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
  - Notes to Financial Statements
  - Audit Letter, if audited
3. If financial statements are not audited by a PCAOB registered firm, provide the following:
    - **Attorney Letter Agreement:** Submit a signed Attorney Letter Agreement according to the [instructions](#) on [www.otcmarkets.com](http://www.otcmarkets.com).
    - **Attorney Letter:** After following the appropriate procedures with a qualified attorney, upload an "Attorney Letter With Respect to Current Information" in accordance with the [Attorney Letter Guidelines](#) through OTCIQ. Attorney Letters must reference all required reports as set forth in Section 2 above.
  4. **Verified Profile:** Verify the Company Profile through OTCIQ. Profile information includes, but is not limited to, a complete list of officers, directors and service providers, outstanding shares, a business description and contact information.
  5. Allow OTC Markets Group to process the posted documents (typically three to five business days) and provide any comments.
  6. Companies will be only be evaluated for Current Information once all required documentation has been submitted. A new Attorney Letter is required upon amendment of any referenced report.
  7. To qualify for Current Information on an ongoing basis, companies must:
    - Upload reports through OTCIQ on the following schedule:
      - Quarterly Report within **45 days** of the quarter end
      - Annual Report within **90 days** of the fiscal year end
      - Attorney Letter within **120 days** of the fiscal year end.
    - Maintain a Verified Profile. At least once every six months, review and verify the Company's profile information through OTCIQ.

### **Pink Limited Information Tier**

Companies that make the information described below publicly available through OTCIQ may qualify for the Limited Information Tier.

8. **Annual Financial Statements:** Companies must upload the below financial statements for a completed Fiscal Year within the past 16 months. Financial reports must be prepared according to U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.
  - Balance Sheet
  - Statement of Income
  - Statement of Cash Flows
  - Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
  - Notes to Financial Statements
  - Audit Letter, if audited
9. **Verified Profile:** The Company must verify the Company Profile through OTCIQ, including, but not limited to, a complete list of officers, directors and service providers; outstanding shares; a business description and contact information.

10. To Qualify for Limited Information on an ongoing basis, companies must:

- Upload reports through OTCIQ on the following schedule:
  - **Annual Report** (including the required financial statements outlined in Item 8) within 120 days of the fiscal year end
- Maintain a Verified Profile. At least once every six months, review and verify their the Company's profile information through OTCIQ.

### **Current Reporting of Material Corporate Events**

Companies are expected to release quickly to the public any news or information regarding corporate events that may be material to the issuer and its securities (including adverse information). Persons with knowledge of such events would be considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public. If not included in the issuer's previous public disclosure documents or if any of the following events occur after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a news release within 4 business days following their occurrence and posting such news release through an Integrated Newswire or OTCIQ.<sup>4</sup>

Material corporate events include:

- Entry into or termination of a material definitive agreement
- Completion of an acquisition or disposition of assets, including but not limited to merger transactions
- Creation of a direct financial obligation or an obligation under an off-balance sheet arrangement of an issuer
- Triggering events that accelerate or increase a direct financial obligation or an obligation under an off-balance sheet arrangement
- Costs associated with exit or disposal activities
- Material impairments
- Sales of equity securities
- Material modification to rights of security holders
- Changes in issuer's certifying accountant
- Non-reliance on previously issued financial statements or a related audit report or completed interim review
- Changes in control of issuer
- Departure of directors or principal officers; election of directors; appointment of principal officers
- Amendments to articles of incorporation or bylaws; change in fiscal year
- Amendments to the issuer's code of ethics, or waiver of a provision of the code of ethics
- Any changes to litigation the issuer may be involved in, or any new litigation surrounding the issuer
- Officer, director, or insider transactions in the issuer's securities
- Disclosure regarding stock promotion campaigns deemed material by the issuer
- Changes to the company's shell status
- Other events the issuer considers to be of importance

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<sup>4</sup> "Integrated Newswire" shall mean a newswire service that is integrated with the OTC Disclosure & News Service and is included on OTC Markets Group's list of Integrated Newswires, as published on <https://www.otcm Markets.com/corporate-services/products/disclosure-and-news-service>

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **[CHINA TMK BATTERY SYSTEMS INC.]**

[Room 2406,East Block,Great China International Exchange Square,Fuhua Road,Futian District,Shenzhen ]

[+86 755 83136118] —

[688@tmknewenergy.com]

[7390]

### **Interim Report For the Period Ending: [ June 30,2024 ] (the “Reporting Period”)**

As of [June 30,2024], the number of shares outstanding of our Common Stock was:

[15,079,324]

As of [December 31,2023], the number of shares outstanding of our Common Stock was:

[15,079,324]

As of [December 31,2022], the number of shares outstanding of our Common Stock was:

[603,172,000]

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 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: ☒

Indicate by check mark whether a Change in Control<sup>5</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

<sup>5</sup>—“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 any names used by predecessor entities, along with the dates of the name changes.

The current name of the Issuer is China TMK Battery Systems Inc. The first name of the Issuer was Deerfield Resources Ltd. changing its name on February 10, 2010.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Issuer was incorporated in the state of Nevada on June 21, 2006 as Deerfield Resources Ltd. and its status is active.

On February 10, 2010, the Issuer file an amendment changing its name to China TMK Battery Systems Inc. upon FINRA approval.

On April 23, 2018, the Issuer amended its Articles to increase its authorized capital stock to 950,000,000 shares, par value \$0.001 per share.

On June 2, 2021, the Issuer amended its Articles to increase its authorized capital stock to 1,500,000,000 shares, par value \$0.001 per share.

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

None

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

On February 28, 2023, the company completed the 40:1 reverse stock split work, with the existing total share capital of 603,172,000 shares as the base. After the reverse stock split, the total share capital was 15,079,324 shares.

The address(es) of the issuer's principal executive office:

[Room 2406, East Block, Great China International Exchange Square, Fuhua Road, Futian District, Shenzhen ]

The address(es) of the issuer's principal place of business:

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

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

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

## 2) Security Information

Trading symbol:	<u>DFEL</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>256596107</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>1,500,000,000</u>	as of date: June 30,2024
Total shares outstanding:	<u>15,079,324</u>	as of date: June 30,2024
Number of shares in the Public Float <sup>6</sup> :	<u>268,190</u>	as of date: June 30,2024
Total number of shareholders of record:	<u>235</u>	as of date: June 30,2024

*All additional class(es) of publicly traded securities (if any):*

Trading symbol:		
Exact title and class of securities outstanding:	<u>preferred</u>	
CUSIP:		
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>100,000,000</u>	as of date: June 30,2024
Total shares outstanding:	<u>0</u>	as of date: June 30,2024

### Transfer Agent

Name: Securities Transfer Corporation  
Phone: (469)-633-0101  
Email: akeener@stctransfer.com  
Address: 2901 N.Dallas Parkway , Suite380  
Plano, Texas 75093

Is the Transfer Agent registered under the Exchange Act?<sup>7</sup> Yes: ☒ No: ☐

## 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct 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**

<sup>6</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>7</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☒

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date: 12/31/2022 Common: 603,172,000 Preferred: 0			*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 issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	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.
Shares Outstanding on Date of This Report: Ending Balance Date: 6/30/2024 Common: 15,079,324 Preferred: 0									

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended December 31, 2022, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

## B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:



#### 4) Financial Statements

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

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>8</sup>:

Name: Li Yongsen  
Title: Accounting Manager  
Relationship to Issuer: Employee

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance Sheet;
- D. Statement of Income;
- E. Statement of Cash Flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

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<sup>8</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

## **5) Issuer's Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

During the quarter ended September 30, 2018, our indirect Chinese subsidiary Shenzhen TMK Power Industries Ltd. ("Shenzhen TMK"), have stopped developing and manufacturing or having other factories manufacture for us various types of Ni-MH rechargeable batteries.

Adhering to the business tenet of "developing the real economy and returning investors", adopting the step of "eliminating non-performing assets and absorbing high-quality assets", the company strictly follows the legal system, steady and innovative ideas, and continuously integrates advantageous projects through the comprehensive development model of top-level design innovation to enhance the company's comprehensive competitiveness. The company has newly established several wholly-owned subsidiaries in Mainland China, which are distributed in the sectors of new energy vehicle parts, centralized rapid charging for new energy vehicles, lithium batteries, new materials, artificial intelligence basic software equipment, Internet and so on. The basic information is as follows:

On September 11, 2018, Henan Good Wealth Co., Ltd. was established. The business period is from September 11, 2018 to September 10, 2038. The scope of business: new energy electric vehicle parts, battery material research and development, manufacturing, sales (excluding Hazardous chemicals) (Involving licenseous business projects, they should be approved by relevant departments before they can operate) (Projects subject to approval according to law can be operated only after approval by relevant departments). Type: limited liability company (sole proprietorship of Taiwan, Hong Kong and Macao); Residence: No. 01, 11th Floor, Science and Technology Innovation Base, Zhongguancun E Valley(Xinxiang), No. 1 Jingba Road, Xinxiang Economic and Technological Development Zone, Xinxiang City, Henan Province, China : Legal representative: Liu Shuyan; Registered capital of 10 million yuan.

The subsidiary is a brand-new company established through the integration of core formulas and market customer relationships in the new energy industry.

Since January 1, 2019, Shenzhen TMK Power Industries Ltd. ("Shenzhen TMK") has stopped all business activities, retired departments and employees, and suspended salary payment for part-time employees left behind.

On December 16, 2019, China TMK verified and evaluated the assets and liabilities of Shenzhen TMK and concluded that Shenzhen TMK had no feasibility of repaying the inter-group transaction with China TMK. The management of China TMK decided that the Internal transactions with Shenzhen TMK shall be written off, and losses incurred by China TMK shall be made up by capital reserves.

On December 28, 2020, Leading Asia Pacific Investment Limited ("Leading Asia"), an indirect wholly-owned subsidiary of China TMK, entered into an equity transfer agreement to acquire YOUNG SUN PRINTING Co., LTD., a limited liability company registered in Hong Kong with a registered capital of HK \$10,000, and signed the articles of association. Both parties agree to transfer all equity at the price of HK \$10,000. On January 4, 2021, the change of

YOUNG SUN PRINTING Co., Ltd. was completed at the Hong Kong Registry and the company name has been changed to LEADING INTERNATIONAL INVESTMENT LIMITED.

On April 2, 2021, Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., a wholly-owned subsidiary of LEADING INTERNATIONAL INVESTMENT LIMITED, an indirect wholly-owned subsidiary of China TMK, was established. Type: limited liability company (Taiwan, Hong Kong, Macao sole proprietorship); Address: 2406 shenzhen Greater China International Exchange Square, Fuhua Road 1, Fu'an Community, Futian Street, Futian District, Shenzhen; Representative: Ma Tingguo; The registered capital is 2 million US dollars. The business time is from April 2, 2021 on continuous operation; General business items: new energy technology service and technical consultation; Technology development and sales of new materials (excluding hazardous chemicals); Technical development, technical consultation and technical services for medical devices; Health maintenance management consulting (excluding medical behavior); Investment in industrial development (specific projects to be declared separately); Investment consulting; Enterprise management consulting; Economic information consultation; Financial and tax consulting; Domestic trade; Engaged in import and export business. (except for the projects prohibited by the above laws, administrative regulations and decisions of The State Council, the restricted projects shall be operated only after obtaining permission). Approved business projects: the following projects shall be subject to approval by relevant approval documents: research and development, manufacturing and sales of new energy electric vehicle parts; Lithium ion battery research and development, manufacturing, marketing. The subsidiary is a brand new company established for China TMK to operate and manage in mainland China.

On April 8, 2021, the indirect wholly-owned subsidiary of China TMK, Good Wealth Capital Investment Limited ("Good Wealth"), which has no relevance to the development strategy of China TMK, has stopped all business activities and retired departments and employees since January 1, 2019. The remaining part-time employees have suspended salary payment. Shenzhen Borou Industrial Co., LTD., a wholly-owned subsidiary of Shenzhen TMK, has also been inactive. Therefore, China TMK's management decided to divest China TMK's indirect wholly-owned subsidiary, Good Wealth Capital Investment Limited ("Good Wealth"). According to the equity transfer agreement reached by Leading Asia Pacific Investment Co., Ltd. and Unitech International Investment Holdings Co., LTD., Leading Asia transferred all shares of Good Wealth to Unitech at HK \$10000.

On June 3, 2021, Chuangxian Guoyun (Hainan) Internet Service Co., LTD., a wholly owned subsidiary of Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., an indirect wholly-owned subsidiary of TMK, was established. Type: limited liability company (solely legal person invested or controlled by natural persons); Address: 4001, 3rd Floor, Incubation Building, Hainan Ecological Software Park, High-tech Industry Demonstration Zone, Laocheng Town, Chengmai County, Hainan Province; Legal representative: Xie Xulin; The registered capital is 10 million yuan. The business time is from June 3, 2021 for continuous operation; General projects: Information technology consulting services; Network technology service; Artificial intelligence application software development; Information consulting services (excluding licensing information consulting services); Software outsourcing services; Network and information security software development; Technical services, technology development, technology consultation, technology exchange, technology transfer and technology popularization; Internet equipment sales; Internet equipment manufacturing; Internet sales (except sales of licensed goods); Digital cultural creative software development; Internet of Things technology services; Internet security services; Internet data service; Software development; Jewelry wholesale; Jewelry retail; Hair accessories production; Jewelry recovery and repair service; Art (beauty) art, collection appraisal service; Jewelry manufacturing; Sales of arts and crafts and ceremonial goods (except ivory and its products); Manufacturing of arts and crafts and ceremonial articles (except ivory and its products) (in addition to the permitted business, can independently operate the project not prohibited or restricted by laws and regulations).

This subsidiary is a new subsidiary established by China TMK in Internet sector.

On June 3, 2021, Chuangxian Honghao (Hainan) Electronic Technology Co., LTD., a wholly-owned subsidiary of Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., an indirect wholly-owned subsidiary of TMK, was established. Type: limited liability company (solely legal person invested or controlled by natural persons); Address: 4001, 3rd Floor, Incubation Building, Hainan Ecological Software Park, High-tech Industry Demonstration Zone, Laocheng Town, Chengmai County, Hainan Province; Legal representative: CAI Yulin; The registered capital is 10 million yuan. The business time is from June 3, 2021 for continuous operation; General business items: Internet information service; Life beauty service; Medical beauty service; Cosmetics production; Import and export of goods (items subject to approval according to law, business activities can only be carried out after approval by relevant departments) General projects: network and information security software development; Software development; Internet equipment manufacturing; Internet sales (except sales of licensed goods); Artificial intelligence basic software development; Retail of computer hardware, software and auxiliary equipment; Software sales; Intelligent basic manufacturing equipment manufacturing; Sales of electronic products; Electronic components wholesale; Mechanical and electrical equipment manufacturing; Manufacturing of other electronic devices; Electronic components manufacturing; Home appliance research and development; Household appliances manufacturing; Research and development of kitchenware, toiletries and daily sundries; Home appliances sales; Home appliances spare parts sales; Daily ceramic products manufacturing; Metal commodity manufacturing; Manufacturing of special equipment for environmental protection; Enamel products manufacturing; Domestic trade agency; Trade broker; Commodity wholesale; Sales of daily necessities (except the permitted business, can independently operate according to law the items not prohibited or restricted by laws and regulations).

Due to the adjustment of the company's development strategy, on September 4, 2023, the name of Chuangxian Honghao (Hainan) Electronic Technology Co., Ltd. was changed to Chuangxian Xili (Hainan) Technology Co., LTD. At the same time, Chuangxian Fuyuan (Shenzhen) Industrial Co., Ltd. transferred its 20% equity of Chuangxian Xili (Hainan) Technology Co., LTD to Hainan Jinjun Agricultural Technology Co., LTD., the enterprise type was changed to other limited liability company, and the legal representative was changed to Zheng Chuangwei. On October 20, 2023, Chuangxian Xili (Hainan) Technology Co., Ltd. changed its business scope to licensed items: import and export agency (projects subject to approval according to law can only be carried out after approval by relevant departments) General items: technical services, technology development, technical consultation, technical exchange, technology transfer, technology promotion; mechanical equipment research and development; mechanical equipment leasing; efficient energy-saving technology research and development in the mining industry; engineering and technical research and test development; new material technology research and development; new material technology promotion services; bio-based material technology research and development; graphite and carbon products sales; electronic products sales; electronic components retail; integrated circuit sales; optical communication equipment sales; computer software and hardware and auxiliary equipment retail; domestic trade agency; trade brokerage; information system integration services; supply chain management services; other electronic devices manufacturing; Aquatic products retail; non-edible forest products primary processing; agricultural and sideline products sales; primary agricultural products acquisition; edible agricultural products primary processing; non-edible agricultural products primary processing; production, sales, processing, transportation, storage and other related services of agricultural products; sales of agricultural, forestry, animal husbandry, sideline and fishery professional machinery; installation and maintenance of agricultural, forestry, animal husbandry, sideline and fishery professional machinery; sales of special equipment for agricultural and sideline food processing; wholesale of edible agricultural products; retail of edible agricultural products; sales of unprocessed nuts and dried fruits; nut cultivation (except for permitted businesses, it can independently operate projects not prohibited or restricted by laws and regulations according to law).

The subsidiary is a subsidiary of China TMK in the field of graphene processing equipment.

On June 23, 2021, Chuangxian Rongzhong (Hainan) New Energy Technology Co., LTD., a wholly owned subsidiary of Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., an indirect wholly owned subsidiary of China TMK, was established. Type: limited liability company (solely legal person invested or controlled by natural persons); Address: 4001, 3rd Floor, Incubation Building, Hainan Ecological Software Park, High-tech Industry Demonstration Zone, Laocheng Town, Chengmai County, Hainan Province; Representative: Huang Junjing; The registered capital is 10 million yuan. The business time is from June 23, 2021 for continuous operation; Business scope: License items: Network booking taxi business services; Liquor business; Food business; Health food sales; Import and export of goods; Technology import and

export;Internet information services (projects subject to approval according to law, business activities can only be carried out after approval by relevant departments) General projects: new energy vehicle sales;Auto parts and accessories manufacturing;Information technology consulting services;Battery manufacturing;Battery sales;Recycling and echelon utilization of waste power batteries of new energy vehicles (excluding hazardous waste management);Transmission and distribution and control equipment manufacturing;New energy vehicle electric accessories sales;New energy vehicle production and testing equipment sales;New energy vehicle electrical facilities sales;Charging pile sales;Centralized rapid charging stations;Automotive parts research and development;Auto parts wholesale;Engineering and technological research and test development;Intelligent vehicle equipment sales;Motor manufacturing;Electronic special equipment manufacturing;Motor manufacturing;Power electronic components manufacturing;Sales of electronic special equipment;Sales of power electronic components;New material technology research and development;R&d of complete sets of nuclear power equipment and engineering technology;Car rental;New car sales;Non-highway recreational vehicles and spare parts sales;Help moving bicycles, scooters and spare parts sales;Communication equipment sales;Communication equipment repair;Communication equipment manufacturing;Computer and communication equipment leasing;Instrument sales;Hardware products manufacturing;Hardware products wholesale;Hardware retail;Hardware product research and development;Battery lease;Sales of renewable resources;Technical services, technology development, technology consultation, technology exchange, technology transfer and technology popularization;Security consulting service;Internet equipment manufacturing;Internet sales (except sales of licensed goods);Internet equipment sales;Internet data service;Internet security services;Information consulting services (excluding licensing information consulting services);Biomass energy technology services;Research and development of emerging energy technologies;Metal products research and development;Recycling of renewable resources (except industrial waste metal) (except permitted business, can independently operate projects not prohibited or restricted by laws and regulations).The subsidiary is a new subsidiary established by China TMK in new energy sector.

On May 17, 2023, due to the company's strategic needs, we dissolved our wholly-owned subsidiary, Chuanxin Rongzhong (Hainan) New Energy Technology Co., Ltd.

On October 29, 2021, Sichuan Chuangxian Fuyuan Intelligent Technology Co., LTD., a wholly-owned subsidiary of TMK's indirect wholly-owned subsidiary Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., was established.Type: limited liability company (solely legal person invested or controlled by natural persons);

Address: Unit 1, Building 3, Zone A, Tianfu Yuncheng, South of Huantianfu New Area Express Lane, Shigao Street, Renshou County, Meishan city, Sichuan Province;Representative: Wang Yan;The registered capital is 10 million yuan.The business time is from October 29, 2021 for continuous operation;Business scope: Information system integration services;Artificial intelligence industry application system integration service;Artificial intelligence application software development;Integrated circuit sales;Integrated circuit chip and product sales;IC chip design and service;Integrated circuit design;Communication equipment sales;Sales of electronic products;Security equipment sales;Internet of Things application services;Smart home consumption equipment sales;Office supplies sales;Import and export of goods;Enterprise management consulting (independently carry out business activities according to law with business license, except for projects that need to be approved according to law)

The subsidiary is a brand new company established as TMK in the field of intelligent technology.

B. Please list any subsidiaries, parents, or affiliated companies.

China TMK Battery Systems Inc.,Leading Asia Pacific Investment Limited;Leading International Investment Limited;Chuangxian Fuyuan(Shenzhen) Industrial Co.,LTD;Henan Good Wealth Co.,LTD;Chuangxian Guoyun(Hainan) Internet Service Co.,LTD;Chuanxian Xili (Hainan) Technology Co., LTD.;Sichuan Chuangxian Fuyuan Intelligent Technology Co., LTD.,

C. Describe the issuers' principal products or services.

## 6) Issuer's Facilities

The goal of this section is to provide a potential investor 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, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company outsources its production to various facilities within the mainland China geographical region.

## 7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor 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 shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **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 in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Yao Jinchao	President& Treasurer&Director	Shenzhen,China	1,399,800	common	9.28%	
Wu Ni	Director	Shenzhen,China	375,000	common	2.49%	
Fu Wantao	Director	Dongguan, China				
Dongguan Hongxun Fuyuan Business Management Co.Ltd	Owner of over 5%	Room 201, No. 20, East Panfu Street, Change' An Town, Dongguan City, Guangdong Province China	3,240,000		21.49%	
Unitech International Investment Holdings Limited	Owner of over 5%	1613,16Floor,Jingfa Building,Qianjin One Road,Baoan District Zone 6 Shenzhen Guangdong China	2,618,136	common	17.36%	
Shenzhen ZhaoGang Industrial Development Co.Ltd	Owner of over 5%	Shenzhen,China Room 201, Zhongcheng Industrial Area,Cincun Village,Dalang Office,Longhua District Shenzhen City China	2,402,625	common	15.93%	
Yi Shan	Board Secretary	Los Angeles, California				

The actual controller of Dongguan Hongxun Fuyuan Business Management Co.Ltd is Mr.Yao Jinchao;the actual controller of Unitech International and Shenzhen Zhaogang Industrial is Mr.Henian Wu.

**8) Legal/Disciplinary History**

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. 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, or banking activities;

None

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

None

4. The entry 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

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 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.



## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

### Securities Counsel

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### Accountant or Auditor

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### 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) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## 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, [Yao Jinchao] certify that:

1. I have reviewed this [annual disclosure statement ended June 30,2024] of [China TMK Battery Systems Inc.];
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.

September 29, 2024 [Date]

/s/ Yao Jinchao [CEO's Signature]

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

### *Principal Financial Officer:*

I, [Yao Jinchao] certify that:

1. I have reviewed this [annual disclosure statement ended June 30,2024] of [China TMK Battery Systems Inc.];
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.

September 29, 2024 [Date]

/s/ Yao Jinchao [CFO's Signature]

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

## 11. Issuer Certification.

I, Yao Jinchao certify that:

1. I have reviewed this annual Financial Disclosure for the year ended June 30,2024; and the year ended Dec. 31, 2023;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of 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 aspects the financial condition, results of operations and cash flows of the issuer as of and for the periods presented in the disclosure statement.

Dated: September 29, 2024

/s/ Yao Jinchao

Principal Officer

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**China TMK Battery Systems Inc and Subsidiaries**

**CONSOLIDATED BALANCE SHEETS**

**UNAUDITED**

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>ASSETS</b>		
Current assets -		
Cash and cash equivalents	\$ 92,932	\$ 84,434
Accounts receivable, net	459,171	153,856
Other receivables and deposits	94,379	83,087
Inventories	373,659	419,879
Advances to suppliers		-
<b>Total current assets</b>	\$ 1,020,140	\$ 741,255
Investment Properties	-	-
Equipment, net	241	229
Intangible assets, net	-	-
Investment	-	-
Goodwill	-	-
<b>Total assets</b>	\$ 1,020,381	\$ 741,484
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities -		
Accounts payable and accrued expenses	397,825	174,016
Convertible debentures and notes payable	-	-
Other payables and accrued liabilities	533,068	472,860
Due to related parties	-	-
Short-term borrowing	-	-
Derivative liability	-	-
Total current liabilities	\$ 930,893	\$ 646,875
Long-term liabilities -		
Derivative liability	0	-
<b>Total liabilities</b>	\$ 930,893	\$ 646,875
Stockholders' equity		
Preferred stock, \$0.001 par value per share; 10,000,000 shares authorized; no shares issued or outstanding as of March 31, 2023 and December 31, 2022.	-	-
Common stock, par value \$0.04 and \$0.001 at March 31, 2023 and December 31, 2022, respectively; authorized shares 1,500,000,000 as of March 31, 2023 and December 31, 2022; issued and outstanding shares 15,079,324 and 603,172,000 at March 31, 2023 and December 31, 2022, respectively.	603,172	603,172
Additional-paid in capital	-	-
Accumulated deficit	(513,684)	(508,563)
<b>Total stockholders' deficit</b>	\$ 89,488	\$ 94,609
<b>Total liabilities and stockholders' deficit</b>	\$ 1,020,381	\$ 741,484

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

**China TMK Battery Systems Inc and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**UNAUDITED**

	Current Quarter		Year to Date	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
REVENUES	\$ 61,476	\$ 130,853	\$ 128,922	\$ 223,652
Cost of revenues	55,565	122,559	120,253	209,776
<b>Gross profit</b>	<b>5,911</b>	<b>8,294</b>	<b>8,670</b>	<b>13,877</b>
Operating expenses:				
Marketing	1,838	2,200	2,882	6,344
General and administrative	9,266	15,352	15,840	32,793
<b>Loss from operations</b>	<b>(5,193)</b>	<b>(9,258)</b>	<b>(10,052)</b>	<b>(25,261)</b>
Other income (expenses):				
Gain (loss) on derivative liability	-	-	-	-
Non-operating profit	16	24	157	36
Non-operating expense	-	-	-	-
Interest expense	12	(2)	43	101
<b>Total other income (expenses)</b>	<b>28</b>	<b>22</b>	<b>200</b>	<b>136</b>
Net income (loss) from continuing operations	(5,165)	(9,236)	(9,852)	(25,124)
Net loss from discontinued operations	-	-	-	-
Provision for income taxes	139	1,555	221	(94)
<b>Net income (loss)</b>	<b>\$ (5,304)</b>	<b>\$ (10,791)</b>	<b>\$ (10,074)</b>	<b>\$ (25,030)</b>
Basic earnings (loss) per common share				
Continuing operations	-	-	-	-
Discontinued operations	-	-	-	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Diluted earnings (loss) per common share				
Continuing operations	-	-	-	-
Discontinued operations	-	-	-	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Basic weighted average shares outstanding	15,079,324	15,079,324	15,079,324	15,079,324
Diluted weighted average shares outstanding	15,079,324	15,079,324	15,079,324	15,079,324

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

**China TMK Battery Systems Inc and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**UNAUDITED**

	Year to Date	
	June30, 2024	June30, 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income (loss) from continuing operations	\$ (10,074)	\$ (25,124)
Net loss from discontinued operations	0	0
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Loss (gain) in fair value of derivative liability		
Depreciation and amortization		137
Changes of Inventories	67,136	74,290
Changes in operating assets and liabilities		
Accounts receivable	59,439	(300,372)
Accounts payable and accrued expense	(114,623)	(223,110)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>1,877</u>	<u>(474,180)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of equipment or investment properties		
Gain (loss) on assets disposal		
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>0</u>	<u>0</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowing(repayment)liabilities	0	0
Income(loss)from borrowing (repayment) liabilities		
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u>0</u>	<u>0</u>
Net (decrease) in cash	1,877	(474,180)
Cash, beginning of period	84,434	568,171
Exchange difference - transferring from RMB to USD	6,621	(7,337)
Cash, end of period	<u>\$ 92,932</u>	<u>\$ 86,654</u>
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>		
Cash paid for interest	\$ <u>0</u>	\$ <u>100</u>
Cash paid for income tax	\$ <u>0</u>	\$ <u>0</u>

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

**China TMK Battery Systems Inc and Subsidiaries**

**CONSOLIDATED STATEMENTS OF EQUITY**

**UNAUDITED**

	Preferred Stock		Common Stock		Additional	Accumulated	Total Stockholders
	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Equity
Balance, December 31, 2022	0	\$ 0	603,172,000	\$ 603,172	\$ 0	\$ (450,930)	\$ 152,242
Stock issued for cash							0
Stock issued for investment							0
Stock issued for professional							0
Current year deficit						(57,633)	(57,633)
Balance, December 31, 2023	0	\$ 0	15,079,324	\$ 603,172	\$ 0	\$ (508,563)	\$ 94,609
Stock issued for cash							0
Stock issued for investment							0
Stock issued for professional							0
Current year deficit						(5,121)	(5,121)
Balance, June 30, 2024	0	\$ 0	15,079,324	\$ 603,172	\$ 0	\$ (513,684)	\$ 89,488

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

## CHINA TMK BATTERY SYSTEMS, INC.

### NOTES TO UNAUDITED FINANCIALS

#### NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION

##### The Company

China TMK Battery Systems Inc. ("China TMK", or "the Company") (formerly Deerfield Resource, Ltd.) was incorporated under the laws of the State of Nevada on June 21, 2006. On February 10, 2010, the Company entered into and closed the Share Exchange Agreement with Leading Asia Pacific Investment Limited ("Leading Asia"), a BVI company, and its sole stockholder, Unitech, a BVI company, pursuant to which we acquired 100% of the issued and outstanding capital stock of Leading Asia in exchange for 25,250,000 shares of the Company's common stock, par value \$0.001, which constituted 90.18% of the Company's issued and outstanding capital stock on a fully-diluted basis as of and immediately after the consummation of the transactions contemplated by the Share Exchange Agreement.

In connection with the reverse acquisition of Leading Asia, the Company also entered into the Cancellation Agreement with United Fertilisers, its controlling stockholder, whereby United Fertilisers agreed to the cancellation of 272,250,000 shares of China TMK's common stock owned by it. As a condition precedent to the consummation of the Share Exchange Agreement, on February 10, 2010, the Company also entered into a termination and release agreement with ASK Prospecting & Guiding Inc., pursuant to which the Company terminated that certain Mineral Claim Purchase Agreement, dated as of October 10, 2006. On February 10, 2010, Deerfield Resources, Ltd. changed its name to "China TMK Battery Systems Inc." to more accurately reflect its new business operations.

The transaction has been treated as a recapitalization of Leading Asia and its subsidiaries, with China TMK Battery Systems Inc. (the legal acquirer of Leading Asia and its subsidiaries, including the consolidation of the Shenzhen TMK Power Industries Ltd.) considered the accounting acquiree, and Leading Asia whose management took control of China TMK Battery Systems Inc. (the legal acquiree of Leading Asia) considered the accounting acquirer. The Company did not recognize goodwill or any intangible assets in connection with the transaction. All costs related to the transaction are being charged to operations as incurred. The 25,250,000 shares of common stock issued to the shareholders and designees of China TMK in conjunction with the Share Exchange have been presented as outstanding for all periods. The historical consolidated financial statements include the operations of the accounting acquirer for all periods presented.

Leading Asia Pacific Investment Limited ("Leading Asia") was incorporated in British Virgin Islands on July 8, 2008. Leading Asia had 50,000 capital shares authorized with \$1.00 par value and 50,000 shares issued and outstanding.

Good Wealth Capital Investment Limited ("Good Wealth") was incorporated in Hong Kong on May 16, 2008. Good Wealth had 10,000 capital shares authorized with 1.00 HK dollar par value and 10,000 shares issued and outstanding. On August 12, 2008, Leading Asia acquired Good Wealth and became the sole shareholder.

In September 2008, Good Wealth entered into an ownership transfer agreement with Shenzhen TMK Power Industries Co., Ltd. ("Shenzhen TMK") and its shareholders. Pursuant to the agreement, Shenzhen TMK's shareholders agreed to transfer their 100% ownership interest to Good Wealth at a price of \$1,510,000. The ownership transfer was approved and completed by the appropriate China government department in February 2010. Shenzhen TMK Power Industries Co., Ltd. was incorporated in Shenzhen, People's Republic of China ("PRC") on September 3, 2001. Shenzhen TMK had an authorized and invested capital of \$362,911 (or RMB 3 million). On August 1, 2005, Shenzhen TMK increased its authorized and invested capital from \$362,911 (or RMB 3 million) to \$1,218,451 (or RMB 10 million). Shenzhen TMK's primary business activities involve research, development, production, marketing and sales of environment-friendly batteries including lithium batteries and nickel metal hydride batteries.



On July 14, 2009, Shenzhen TMK acquired 100% of the ownership of Shenzhen Borou Industrial Co., Ltd. ("Shenzhen Borou"). Pursuant to the ownership transfer agreement, Shenzhen TMK became the parent and sole owner of Shenzhen Borou.

All of our business operations are conducted through our Chinese subsidiaries.

On September 11, 2018, Henan Good Wealth Co., Ltd. was established. The business period is from September 11, 2018 to September 10, 2038. The scope of business: new energy electric vehicle parts, battery material research and development, manufacturing, sales (excluding Hazardous chemicals) (Involving licenseous business projects, they should be approved by relevant departments before they can operate) (Projects subject to approval according to law can be operated only after approval by relevant departments). Type: limited liability company (sole proprietorship of Taiwan, Hong Kong and Macao); Residence: No. 01, 11th Floor, Science and Technology Innovation Base, Zhongguancun E Valley(Xinxiang), No.

1 Jingba Road, Xinxiang Economic and Technological Development Zone, Xinxiang City, Henan Province, China : Legal representative: Liu Shuyan; Registered capital of 10 million yuan.

The subsidiary is a brand-new company established through the integration of core formulas and market customer relationships in the new energy industry.

Since January 1, 2019, Shenzhen TMK Power Industries Ltd. ("Shenzhen TMK") has stopped all business activities, retired departments and employees, and suspended salary payment for part-time employees left behind.

On December 16, 2019, China TMK verified and evaluated the assets and liabilities of Shenzhen TMK and concluded that Shenzhen TMK had no feasibility of repaying the inter-group transaction with China TMK. The management of China TMK decided that the Internal transactions with Shenzhen TMK shall be written off, and losses incurred by China TMK shall be made up by capital reserves.

On December 28, 2020, Leading Asia Pacific Investment Limited ("Leading Asia"), an indirect wholly-owned subsidiary of China TMK, entered into an equity transfer agreement to acquire YOUNG SUN PRINTING Co., LTD., a limited liability company registered in Hong Kong with a registered capital of HK \$10,000, and signed the articles of association. Both parties agree to transfer all equity at the price of HK \$10,000. On January 4, 2021, the change of YOUNG SUN PRINTING Co., Ltd. was completed at the Hong Kong Registry and the company name of YOUNG SUN PRINTING Co., Ltd has been changed to LEADING INTERNATIONAL INVESTMENT LIMITED ("Leading International"). After Leading Asia successfully acquired, the actual total assets and net assets of the original YOUNG SUN PRINTING Co., LTD are 0. Therefore, the equity transfer fee of HK \$10,000 for the acquisition of YOUNG SUN PRINTING Co., LTD will be treated as investment loss.

On April 8, 2021, the indirect wholly-owned subsidiary of China TMK, Good Wealth Capital Investment Limited ("Good Wealth"), which has no relevance to the development strategy of China TMK, has stopped all business activities and retired departments and employees since January 1, 2019. The remaining part-time employees have suspended salary payment. Shenzhen Borou Industrial Co., LTD., a wholly-owned subsidiary of Shenzhen TMK, has also been inactive. Therefore, China TMK's management decided to divest China TMK's indirect wholly-owned subsidiary, Good Wealth Capital Investment Limited ("Good Wealth"). According to the equity transfer agreement reached by Leading Asia Pacific Investment Co., Ltd. and Unitech International Investment Holdings Co., LTD., Leading Asia transferred all shares of Good Wealth to Unitech at HK \$10,000.

On June 3, 2021, Chuangxian Guoyun (Hainan) Internet Service Co., LTD., a wholly-owned subsidiary of Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., an indirect wholly-owned subsidiary of TMK, was established. The subsidiary is a newly established subsidiary of China TMK in the Internet field.

On June 3, 2021, Chuangxian Honghao (Hainan) Electronic Technology Co., LTD., a wholly-owned subsidiary of Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., an indirect wholly-owned subsidiary of TMK, was established. The subsidiary is a new company established by TMK in the field of health industry.

On September 4, 2023, due to the adjustment of the company's development strategy, the name of Chuanxian Honghao (Hainan) Electronic Technology Co., Ltd. was changed to Chuanxian Xili (Hainan) Technology Co., LTD. The subsidiary is a subsidiary of China TMK in the field of graphene processing equipment.

On June 23, 2021, Chuangxian Rongzhong (Hainan) New Energy Technology Co., LTD., a wholly owned subsidiary of Chuangxin Fuyuan (Shenzhen) Industrial Co., LTD., an indirect wholly owned subsidiary of TMK, was established. The subsidiary is a new company established as TMK in the field of new energy.

On May 17, 2023, due to the company's strategic needs, we dissolved our wholly-owned subsidiary, Chuangxian Rongzhong (Hainan) New Energy Technology Co., Ltd.

On October 29, 2021, Sichuan Chuangxian Fuyuan Intelligent Technology Co., LTD., a wholly-owned subsidiary of TMK's indirect wholly-owned subsidiary Chuangxian Fuyuan (Shenzhen) Industrial Co., LTD., was established. The subsidiary is a brand new company established as TMK in the field of intelligent technology.

On February 28, 2023, the company completed the 40:1 reverse stock split work, with the existing total share capital of 603,172,000 shares as the base. After the reverse stock split, the total share capital was 15,079,324 shares.

### **Basis of Presentation**

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in The United States of America and the rules and regulations of the Securities and Exchange Commission ("SEC").

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING**

### **POLICIES**

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### **Cash**

Cash consists principally of currency on hand, and demand deposits at commercial banks.

#### **Foreign currency translation**

Items included in the financial statements are translated from Chinese yuan into U.S. dollars, which is the functional currency of the Company.

The income statement and cash flows are translated into dollars at average exchange rates for the year and their balance sheets are translated at the exchange rates ruling on December 31. Exchange differences arising from the translation are recognized in other comprehensive income.

#### **Revenue Recognition**

The Company follows the guidance of Accounting Standards Codification ("ASC") Topic 605, formerly, Staff Accounting Bulletin ("SAB") 104 for revenue recognition. In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price to the customer is fixed or determinable, and collectability is reasonably assured. Revenues from services are recognized when the services are performed, evidence of an arrangement exists, the fee is fixed and determinable and collectability is probable. In circumstances when these criteria are not met, revenue recognition is deferred until resolution occurs.

## **Property and Equipment**

Property and equipment are recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of property and equipment is computed by the straight-line method (after taking into account their respective estimated residual values) over the assets estimated useful lives of 10 years. Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in the consolidated statements of operations. Leasehold improvements are amortized on a straight-line basis over the term of the lease or the estimated useful lives, whichever is shorter.

## **Net Income or (Loss) Per Share of Common Stock**

Basic and diluted loss per common share is based upon the weighted average number of common shares outstanding during the period computed under the provisions of Accounting Standards Codification subtopic 260-10, Earnings per Share ("ASC 260-10"). Diluted income (loss) per share includes the dilutive effects of common stock equivalents on an "as if converted" basis.

## **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 operations in the period enacted. A valuation allowance is provided when it is more likely than not that a portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income and the reversal of deferred tax liabilities during the period in which related temporary differences become deductible. The benefit of tax positions taken or expected to be taken in the Company's income tax returns are recognized in the condensed financial statements if such positions are more likely than not of being sustained.

In accordance with ASC 740-10, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting this standard, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

## **Goodwill and Intangible Assets**

The Company's acquisitions are accounted for using the acquisition method. Under the acquisition method, net assets and results of operations of acquired companies are included in the consolidated financial statements from the date of acquisition. The purchase prices are allocated to the assets acquired, including identifiable intangible assets, and the liabilities assumed based on their estimated fair values at the date of acquisition. The excess of purchase price over the fair value of the net assets acquired is recognized as goodwill. Conversely, any excess of the fair value of the net assets acquired over the purchase price is recognized as a bargain purchase gain.

The Company tests goodwill for impairment on an annual basis and at interim periods when events or circumstances may make it more likely than not that an impairment has occurred. If a qualitative analysis indicates that there may be an impairment, a quantitative analysis is performed. The quantitative impairment test for goodwill utilizes a two-step approach, whereby the Company compares the carrying value of each identified reporting unit to its fair value. If the carrying value of the reporting unit is greater than its fair value, the second step is performed, where the implied fair value of goodwill is compared to its carrying value. The Company recognizes an impairment charge for the amount by which the carrying amount of goodwill exceeds its fair value.

## **Fair Value of Instruments**

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 states that a fair value measurement should be determined based on the assumptions the market participants would use in pricing the asset or liability. In addition, ASC 820 specifies a hierarchy of valuation techniques based on whether the types of valuation information ("inputs") are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The twelve broad levels defined by ASC 820 hierarchy are as follows:

Level 1 – quoted prices for identical assets or liabilities in active markets.

Level 2 – pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reported date.

Level 3 – valuations derived from methods in which one or more significant inputs or significant value drivers are unobservable in the markets.

These financial instruments are measured using management's best estimate of fair value, where the inputs into the determination of fair value require significant management judgment to estimation. Valuations based on unobservable inputs are highly subjective and require significant judgments. Changes in such judgments could have a material impact on fair value estimates. In addition, since estimates are as of a specific point in time, they are susceptible to material near-term changes. Changes in economic conditions August also dramatically affect the estimated fair values.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include related party receivables, prepaid expenses, accounts payable and accrued expenses and related party payables. The fair value of the Company's notes payable is estimated based on current rates that would be available for debt of similar terms which is not significantly different from its stated value.

## **Emerging Growth Company**

We qualify as an "emerging growth company" under the 2012 JOBS Act. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. As an emerging growth company, we can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the benefits of this extended transition period.

## **Recently Issued Accounting Pronouncements**

We have reviewed all Accounting Standards Updates issued by the Financial Accounting Standards Board since we last issued financial statements and have determined none of them would have a material effect on the financial statements upon adoption.

## **NOTE 3 — GOING CONCERN**

The accompanying unaudited consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

#### **NOTE 4 - PROVISION FOR INCOME TAXES**

We did not provide any current or deferred U.S. Federal Income Tax provision or benefit for any of the periods presented because we have experienced operating losses since our date of incorporation. Accounting for the Uncertainty in Income Taxes when it is more likely than not that a tax asset cannot be realized through future income, the Company must allow for this future tax benefit. We provided full valuation allowance on the net deferred asset, consisting of net operating loss carry forwards, because management has determined that it is more likely than not that we will not earn income sufficient to realize the deferred assets during the carry forward period.

#### **NOTE 5-Derivative Liability**

The Company previously had a derivative liability. The derivative liability was calculated using the Black Scholes year.

#### **NOTE 6--RELATED PARTY TRANSACTIONS**

NONE

#### **NOTE 7 – SUBSEQUENT EVENTS**

NONE