

INDO AMINES (CHANGZHOU) LTD.

Report and Financial Statements

Period from January 1, 2022 to December 31, 2022

[English translation for reference only]

Chang Zhou Li Jian

常州立健会计师事务所(普通合伙)

Certified Public Accountants

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AUDITORS' REPORT

CZLJ (2023) No.012

INDO AMINES (CHANGZHOU) LTD.

Opinion

We have audited the financial statements of Indo Amines (Changzhou) Ltd. (hereinafter referred to as the "Company"), which comprise the balance sheet as at December 31, 2022, and the statement of income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Indo Amines (Changzhou) Ltd. as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with China Accounting System for Business Enterprises.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information

included in the annual report of 2022, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with China Accounting System for Business Enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Changzhou Lijian Certified Public Accountants

Changzhou



Chinese Certified Public Accountants

Feb 27th, 2023

INDO AMINES (CHANGZHOU) LTD.



BALANCE SHEET

As of DEC. 31, 2022

MONETARY UNIT:RMB¥

ASSETS	<u>2022</u>	<u>2021</u>
Current Assets		
Cash	100,836.10	1,276,353.85
Accounts receivable	691,200.00	4,228,000.00
Other receivables		
Advanced to suppliers	8,400.00	90,868.36
Inventories	3,813,901.78	
including: Raw material		
Goods on hand	3,813,901.78	
Other current assets		
Total current assets	<u>4,614,337.88</u>	<u>5,595,222.21</u>
Fixed Assets		
Fixed assets original cost		
Less: Accumulated depreciation		
Fixed assets-net value	0.00	0.00
Total fixed assets	<u>0.00</u>	<u>0.00</u>
Intangible assets and others		
Intangible assets		
Long-term prepaid assets		
Total intangible & other assets	<u>0.00</u>	<u>0.00</u>
TOTAL ASSETS	<u>4,614,337.88</u>	<u>5,595,222.21</u>

INDO AMINES (CHANGZHOU) LTD.

BALANCE SHEET(Continued)

As of DEC. 31, 2022

常州立健会计师事务所(普通合伙)

验证确认章

MONETARY UNIT:RMB¥

LIABILITIES AND OWNER'S EQUITY	<u>2022</u>	<u>2021</u>
Current liabilities		
Short-term loans		
Accounts payable	4,931,914.15	5,156,666.16
Accounts advanced from customers		
Accrued payroll	23,000.00	23,000.00
Taxes and dues payable	-477,728.45	23,212.35
Dividends payable		
Other payables	35,181.20	39,096.23
Non current liabilities due within one year		
Total liabilities	<u>4,512,366.90</u>	<u>5,241,974.74</u>
Owners' Equity		
Paid-in capital		
Including:		
Chinese investment		
Foreign investment		
Capital surplus		
Surplus reserve-reserve fund		
Undistributed profits	101,970.98	353,247.47
Total owners' equity	<u>101,970.98</u>	<u>353,247.47</u>
TOTAL LIABILITIES AND OWNER'S EQUITY	<u>4,614,337.88</u>	<u>5,595,222.21</u>

INDO AMINES (CHANGZHOU) LTD.

INCOME STATEMENT

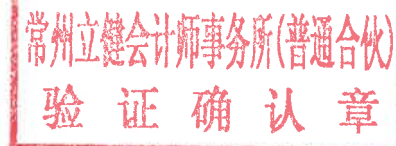
Period: 2022 January 1st to December 31st

MONETARY UNIT:RMB¥

2022

2021

GROSS OPERATING REVENUE	<u>5,524,513.26</u>	<u>14,068,849.62</u>
Including: Operating revenue	5,524,513.26	14,068,849.62
Revenue from other operations		
GROSS OPERATING COST	<u>5,770,791.90</u>	<u>13,548,560.95</u>
Including: Operating cost	5,023,636.14	12,701,345.25
Cost for other operations		
Operating tax and extra charges	5,257.64	25,766.92
Selling expenses	297,016.56	537,965.45
General and administrative expenses	429,295.35	402,823.19
Financial expenses	15,586.21	-119,339.86
Impairment losses		
Operating income	<u>-246,278.64</u>	<u>520,288.67</u>
Add: Non-operating revenue	1,111.25	155.20
Less: Non-operating expenses	6,109.09	756.00
Income before tax (loss expressed with“-”)	<u>-251,276.48</u>	<u>519,687.87</u>
Less: Income tax	0.00	9,344.99
Net income (loss expressed with“-”)	<u>-251,276.48</u>	<u>510,342.88</u>
Add: Undistributed profits at beginning of year	353,247.47	-157,095.41
Other adjusting factors	-0.01	
Profit available for distribution	<u>101,970.98</u>	<u>353,247.47</u>
Less: Staff and workers' bonus and welfare		
Reserve fund		
UNDISTRIBUTED PROFIT	<u>101,970.98</u>	<u>353,247.47</u>



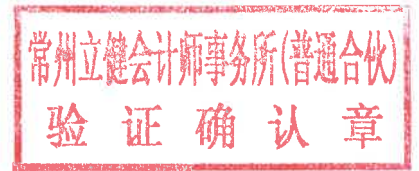


INDO AMINES (CHANGZHOU) LTD.
CASH FLOW STATEMENT
Period: 2022 January 1st to December 31st

MONETARY UNIT:RMB ¥

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2022</u>	<u>2021</u>
Cash received from sale of goods or rendering of services	9,779,500.00	13,100,800.00
Refund of tax and levies		
Other cash received relating to operating activities		3,066.57
Sub-total of cash inflows	<u>9,779,500.00</u>	<u>13,103,866.57</u>
Cash paid for goods and services	10,121,143.90	10,848,281.83
Cash paid to and on behalf of employees	286,485.85	392,438.52
Payments of all types of taxes	81,796.34	204,690.63
Other cash paid relating to operating activities	467,116.24	530,341.41
Sub-total of cash outflows	<u>10,956,542.33</u>	<u>11,975,752.39</u>
Net cash flows from operating activities	<u>-1,177,042.33</u>	<u>1,128,114.18</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from disposal of investments		
Net cash received from disposal of fixed assets, intangible assets and other		
Other cash received relating to investing activities	1,524.58	1,631.77
Sub-total of cash inflows	<u>1,524.58</u>	<u>1,631.77</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets		
Other cash payment relating to investing activities		
Sub-total of cash outflows		
Net cash flows from investing activities	<u>1,524.58</u>	<u>1,631.77</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from capital contribution		
Cash received from borrowings		
Other cash received relating to financing activities		
Sub-total of cash inflows		
Cash repayments of amounts borrowed		
Cash payments for interest expenses and distribution of dividends or profit		
Sub-total of cash outflows	<u>0.00</u>	<u>0.00</u>
Net cash flows from financing activities	<u>0.00</u>	<u>0.00</u>
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH		
NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS	-1,175,517.75	1,129,745.95
ADD: CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,276,353.85</u>	<u>1,276,353.85</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>100,836.10</u>	<u>2,406,099.80</u>

INDO AMINES (CHANGZHOU) LTD.
CASH FLOW STATEMENT(Continued)

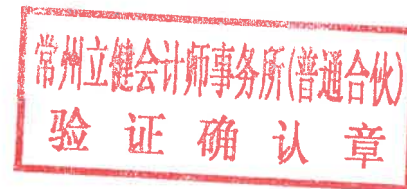


Period: 2022 January 1st to December 31st

MONETARY UNIT:RMB¥

	<u>2022</u>	<u>2021</u>
Reconciliation of net profit/(loss)to cash flows from operating activities		
Net profit	-251,276.48	510,342.88
Add: withdrawal of assets depreciation reserves		
Depreciation of fixed assets		
Amortization of intangible assets		
Amortization of long-term prepaid expenses		
Decrease in prepaid expenses(deduct: increase)		
Increase in accrued expenses(deduct: decrease)		
Loss on disposal of fixed assets, intangible assets and other long-term assets (deduct: gains)		
Financial expenses	-1,524.58	-1,631.77
Decrease in inventories (deduct: increase)	-3,813,901.78	
Decrease in operating receivables (deduct: increase)	3,619,268.36	-2,797,000.00
Increase in operating payables (deduct: decrease)	-729,607.85	3,416,403.07
Others		
Net cash flows from operating activities	<u>-1,177,042.33</u>	<u>1,128,114.18</u>
Net increase/ (decrease) in cash and cash equivalents		
Cash at end of year	100,836.10	1,276,353.85
Less: Cash at beginning of year	1,276,353.85	146,607.90
Net increase/ (decrease) in cash and cash equivalents	<u>-1,175,517.75</u>	<u>1,129,745.95</u>

INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022



Notes 1.General

INDO AMINES (CHANGZHOU) LTD. (the "Company") was invested and established by INDO AMINES LTD.. The Company was registered on 19 December 2018 and got the Business License issued by Market Administration of Changzhou State hi-tech Industrial Development Zone (New District) with a unified social credit code No. 91320411MA1XMPEN42. The legal representative is PALKAR VIJAY BHALCHANDRA. The registered capital is RMB 500,000.00. The company's approved operating scope includes the wholesale and sale of chemical raw materials (except dangerous goods), textiles, rubber products, metal materials; import and export of goods or technology. The operating period is long-term.

Notes 2.The accounting policies and accounting estimates

1. Accounting system

The Company carries out the China Accounting Standards for Enterprises and China Accounting System for Enterprises and its supplementary provisions.

2. Accounting period

The accounting period of the company is from January 1st 2022 to December 31st 2022.

3. Recording currency

The Company uses RMB as the recording currency.

4. Accounting principle and the valuation basis

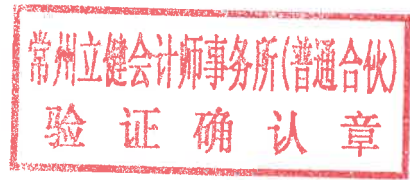
The accounting principle is accrual basis and the valuation basis is historical cost method.

5. Accounting standard currency

The Company records a foreign currency transaction in the recording currency at the time the foreign currency transaction occurs, or accounts related to foreign currency transactions should be translated on initial recognition by applying the exchange rate prevailing on the day of the transaction. The foreign currency balances of each currency account should be re-translated to the recording currency at the closing rate at the end of the year. The difference between the amount translated at the closing rate and carrying amount should be treated as exchange gain or loss in the current period. Exchange gains or losses arising in the pre-operating period should be recorded as long-term deferred expenses. Exchange differences arising from borrowings in connection with the construction or acquisition of a fixed asset should be accounted for in accordance with principle of capitalization of borrowing costs.

6. Confirmation standards of cash equivalents

Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022

7. Valuation method of bad debts

Confirmation standards of bad debts: the debtors go bankrupt or died, the account receivables still can't be taken back after the debtors discharged debts with the property after bankruptcy or inheritance; the debtors didn't fulfill their liabilities to repay exceed three years, and also the clear feature prove the account receivables can't be taken back, the account receivables can be confirmed as bad debts.

The Company uses the allowance method for loss of bad debts. According to the financial positions and cash flows situation etc, the Company calculates the provisions for bad debts based on aging analysis combined with specific identification.

8. Valuation method of inventories

(1) Categories

The inventories of the company are classified into raw materials, work-in-process, finished products and so on.

(2) Measurement and amortization

①.All kinds of inventories are priced at actual cost method when acquired and accounted at weighted average method when sent out.

②.The cost of finished products is amounted at the actual cost method, and the cost of sales is accounted at weighted average method.

③.Low-value consumables are entirely amortized when they are used.

(3) The perpetual stocktaking method is adopted.

(4) At the end of the accounting period the inventories are valued at lower of cost and NRV. After checking up the inventories, if the inventories are damaged, all or part of the inventories are obsolete or the selling price is below the cost of sales, the stock provision is calculated and accrued at the difference between the cost and NRV.

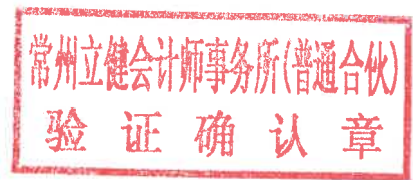
9. Valuation method of fixed assets

(1) Standard of pricing: fixed assets refer to the houses & buildings, machinery equipments, vehicles equipments, electronic and other equipments, implement related to production and operation, whose useful lives exceed 1 year.

(2) Fixed assets are valued based on the cost when they are got (the cost includes purchase price, customs and related expenses including transport expenses, insurance etc.)

(3) Fixed assets are depreciated based on the straight-line method, and their estimated residual values are 5% of the original values. The depreciation years and rates are as follows:

Categories	Depreciation years	Annual depreciation rate(%)
Electronic equipments	3	31.67
Vehicles equipments	4	23.75
Other equipments	5	19.00



INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022

(4) Approved by appropriate procedure the profits/loss of sales, destroy, checking of fixed assets are recorded in non-operating income and expenses.

(5) Fixed assets impairment provision

At the end of the accounting period every fixed asset is inspected, if the recoverable costs are lower than account amounts because of the market price falling continually, the advanced technology, damage or unused for long time, the difference of the recoverable costs and the account amounts are accounted in fixed assets impairment provision.

10. Valuation method of construction in progress

Construction in progress represents plants, equipments and other establishments under construction and is stated at cost. Cost comprises original cost of plant and equipment, installation, construction and other direct costs prior to the date of reaching the expected usable condition. Construction in progress is transferred to the fixed assets account and depreciation commences when the asset has been substantially completed and reaches the expected usable condition.

At the end of the accounting period every construction in progress is inspected, if there is proof which proves the valuation of construction in progress decreased, the decreased amounts are accounted in construction in progress impairment provision.

11. Valuation method of intangible assets

(1) Measurement

Intangible assets are started at actual costs. The measurement methods of actual costs are as following:

- ① If the intangible assets are bought, the price that the Company paid is actual cost.
- ② If the intangible assets are invested by investor, the valuation that all the investors confirmed is actual cost.

(2) Amortization

Intangible assets are amortized equally based on straight-line method in the beneficial periods.

(3) Intangible assets impairment provision

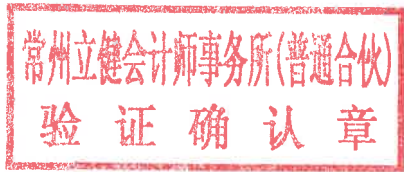
At the end of accounting period intangible assets capacity of bringing future economical benefits for the Company is revaluated, if the estimated recoverable value is lower than book value, the difference is accounted in intangible assets impairment provision.

12. Amortization method of long-term prepaid assets

If having definite beneficial periods, the long-term prepaid assets are amortized equally according to the beneficial periods. All expenditure incurred during the pre-operating period should be recognized as expenses in the month in which the enterprise commences operation.

13. Sales recognition principle

Selling products: income is recognized according to the company has transferred the significant risk and rewards on these products' ownership to buyers, the company will not carry out management competence and actual control right to the products, related sale proceeds has been received or having obtained the entitlement to the sale proceeds. And the cost concerned with selling the products can be measured reliably.



INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022

Providing service the service began and finished in the same year, the service proceeds is recognized after the services has provided and have obtained the money or the entitlement to the proceeds. According to Perchance method of completing work, if the total income and the degree of completion of the service contract can be defined reliably, the money concerned with the transaction can follow in, the cost have occurred and shall occur can be measured reliably.

Other people use fixed assets of the company: interest income is confirmed according to the transfer the possession of cash use right and applicable interest rate; the income on use fee is defined according to the charge time and method stipulated by contract and agreement. The definition of aforesaid income should confirm the following conditions at same time:①the money concerned with the transaction can follow in , ②the cost have occurred and shall occur can be measured reliably.

14. Valuation method of income tax

The company adopts the taxes payable method.

Notes3. Taxes Items

The company is subject to the following main tax categories and rate

(1)Turnover tax

Value-added tax, VAT-output rate is 13% from Jan 1st 2022 to to Dec 31st 2022.

(2)Local education supplementary fee

Provision for Local education supplementary fee is made based on 2% of amount of turnover tax.

(3)Enterprise income tax

The enterprise income tax rate is 25%.

For qualified small and micro-sized enterprises,the first one million yuan of annual taxable income is eligible for 87.5% reduction when calculating CIT and the income between one million yuan and three million yuan is eligible for 75% reduction. The applicable CIT rate is 20%.

Notes 4. Profit appropriation

Allocation for reserve funds, expansion funds and welfare funds and bonuses for staff members and workers shall be set aside in accordance with the relevant laws of the People's Republic of China. The annual proportion of allocations and the distribution of profits shall be decided by the Board of Directors according to the business situation of the Company.

Notes 5.The annotations of main items in accounting statements

All amounts are stated in RMB unless otherwise stated.

I The annotations of main items in the balance sheet

1. Cash



INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022

Items	December 31,2022	December 31,2021
Cash in bank-RMB	100,833.17	1,276,353.15
Cash in bank-USD	(USD0.42)2.93	(USD0.11)0.70
Total	<u>100,836.10</u>	<u>1,276,353.85</u>

2. Accounts receivable

(1) Analyzing of account ages

December 31,2022				
Account ages	Amount	Proportion (%)	Provision for bad debt	Net amount
Within 1 year	691,200.00	100.00		691,200.00
Total	<u>691,200.00</u>	<u>100.00</u>		<u>691,200.00</u>

December 31,2021				
Account ages	Amount	Proportion (%)	Provision for bad debt	Net amount
Within 1 year	4,228,000.00	100.00		4,228,000.00
Total	<u>4,228,000.00</u>	<u>100.00</u>		<u>4,228,000.00</u>

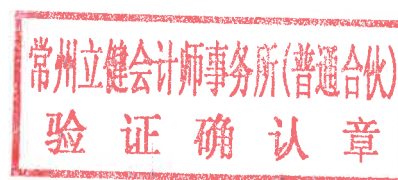
(2)In this account there is no balance of the shareholder of the Company.

By end of the year, the main customers of the top one are Nantong.Jiangshan. Chemical Co., Ltd.691,200.00, which are 100% of the Accounts Receivable.

3. Advanced to suppliers

Item	December 31,2022	December 31,2021
Advanced to suppliers	8,400.00	90,868.36
Total	<u>8,400.00</u>	<u>90,868.36</u>

In this account there is no balance of the shareholder of the Company.



4. Inventories comprise the following

Item	December 31,2022	December 31,2021
Goods on hand	3,813,901.78	
Total Inventories	<u>3,813,901.78</u>	

5 Accounts payable

Item	December 31,2022	December 31,2021
Accounts payable	4,931,914.15	5,156,666.16
Total	<u>4,931,914.15</u>	<u>5,156,666.16</u>

In this account the balance of the shareholder of the Company shall be:

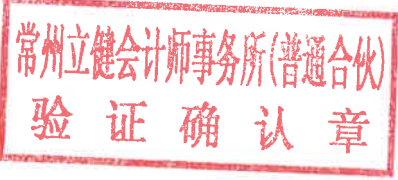
Indo Amines Ltd.: 4,903,914.15 (USD704,120.00) .

6. Accrued payroll

Item	December 31,2021	Current year increase	Current year amortization	December 31,2022
Accrued wages	23,000.00	277,716.71	277,716.71	23,000.00
Accrued Social insurance		4,521.86	4,521.86	
Accrued Housing Provident Fund		2,925.00	2,925.00	
Total	<u>23,000.00</u>	<u>285,163.57</u>	<u>285,163.57</u>	<u>23,000.00</u>

7. Taxes and dues payable

Items	December 31,2022	December 31,2021
VAT	-479,342.86	18,341.07
Urban maintenance and construction tax	420.26	1,283.87
Personal income tax	216.49	30.92
Educational fees plus local educational attaching	300.18	917.05
Stamp duty	677.48	438.10



INDO AMINES (CHANGZHOU) LTD.
 NOTES TO THE FINANCIAL STATEMENTS
 PERIOD FROM JANUARY 1, 2022
 TO DECEMBER 31, 2022

Income tax		2,201.34
Total	<u>-477,728.45</u>	<u>23,212.35</u>

8. Other payables

Item	December 31,2022	December 31,2021
Other payables	35,181.20	39,096.23
Total	<u>35,181.20</u>	<u>39,096.23</u>

In this account there is no balance of the shareholder of the Company.

9. Undistributed profit

Items	December 31,2022
Net profit	<u>-251,276.48</u>
Plus: undistributed profit At the beginning of the year	353,247.47
Other adjusting factors	-0.01
Profits available for distribution	101,970.98
Minus: the statutory surplus reserves	
Any surplus reserves	
Extract the reserve fund	
Allocation of profits for investors	101,970.98
Minus: to cope with profit	
Undistributed profit	<u>101,970.98</u>
Other adjusting factors:Accrued income tax of 0.01in 2021	

II The annotations of main items in income statement

1. Operating revenue

Items	Period from January 1, 2022 to December 31, 2022	Period from January 1, 2021 to December 31, 2021
Operating revenue	5,524,513.26	14,068,849.62



INDO AMINES (CHANGZHOU) LTD.
 NOTES TO THE FINANCIAL STATEMENTS
 PERIOD FROM JANUARY 1, 2022
 TO DECEMBER 31, 2022

Total	<u>5,524,513.26</u>	<u>14,068,849.62</u>
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2. Cost of operations

Items	Period from January 1, 2022	Period from January 1, 2021
	to December 31, 2022	to December 31, 2021
Operating cost	5,023,636.14	12,701,345.25
Total	<u>5,023,636.14</u>	<u>12,701,345.25</u>

3. Tax and additions

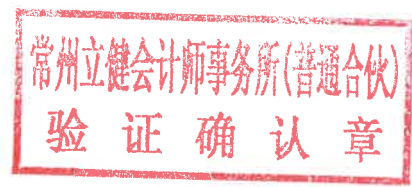
Items	Period from January 1, 2022	Period from January 1, 2021
	to December 31, 2022	to December 31, 2021
Urban maintenance and construction tax	2,656.84	12,567.64
Educational fees plus local educational attaching	1,435.98	8,976.88
Stamp duty	1,164.82	4,222.40
Total	<u>5,257.64</u>	<u>25,766.92</u>

4. Selling expenses

Items	Period from January 1, 2022	Period from January 1, 2021
	to December 31, 2022	to December 31, 2021
Transport charge	297,016.56	537,965.45
Advertising and business promotion		
Total	<u>297,016.56</u>	<u>537,965.45</u>

5. General & administrative expenses

Items	Period from January 1, 2022	Period from January 1, 2021
	to December 31, 2022	to December 31, 2021
Office expenses	500.00	17,412.98
Travel expenses	17,261.14	12,358.99
Wages	286,485.85	285,405.63

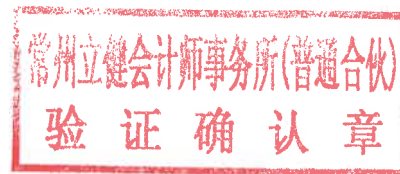


INDO AMINES (CHANGZHOU) LTD.
 NOTES TO THE FINANCIAL STATEMENTS
 PERIOD FROM JANUARY 1, 2022
 TO DECEMBER 31, 2022

Business entertainment expenses	26,550.90	13,107.50
Consulting fee		25,000.00
Testing fee		1,886.79
Rental fee	16,800.00	25,200.00
Property management fee	2,286.96	2,286.96
Chinese welfare cost	4,288.00	3,359.00
Social insurance	14,757.01	12,560.34
Housing Provident Fund	3,900.00	3,900.00
Educational expenses		
Car expenses	465.49	345.00
Audit fee	23,000.00	
Service charge	33,000.00	
Total	<u>429,295.35</u>	<u>402,823.19</u>

6. Financial expenses

Items	Period from January 1, 2022 to December 31, 2022	Period from January 1, 2021 to December 31, 2021
Interest expenses		
Less: Interest income	1,524.58	1,631.77
Net interest expenses	-1,524.58	-1,631.77
Exchange loss	171,935.77	113,965.79
Less: Exchange gain	164,030.98	241,752.26
Net exchange loss	7,904.79	-127,786.47
Bank commission	9,206.00	10,078.38
Total	<u>15,586.21</u>	<u>-119,339.86</u>



INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022

7. Non-operating revenue

Items	Period from January 1, 2022 to December 31, 2022	Period from January 1, 2021 to December 31, 2021
Government subsidy		148.20
Others	1,111.25	7.00
Total	<u>1,111.25</u>	<u>155.20</u>

8. Non-operating expenses

Items	Period from January 1, 2022 to December 31, 2022	Period from January 1, 2021 to December 31, 2021
Unreasonable expenditure		
Taxes not borne by the company		756.00
Others	6,109.09	
Total	<u>6,109.09</u>	<u>756.00</u>

9. Income tax

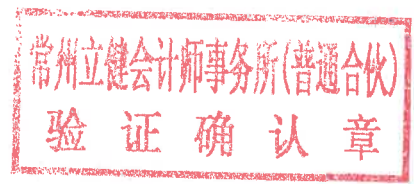
Items	Period from January 1, 2022 to December 31, 2022	Period from January 1, 2021 to December 31, 2021
Income tax		9,344.99
Total		<u>9,344.99</u>

III The annotations of main items in cash flow statement

As of 2022, net increase in cash and cash equivalents is -1,175,517.75.

Notes 6. Related parties and related transaction

I Related parties



INDO AMINES (CHANGZHOU) LTD.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1, 2022
TO DECEMBER 31, 2022

Name of related parties	Relationship with the Company
INDO AMINES LTD.	Parent company

II The balance of account receivable and account Payable for related parties

Accounts payable	December 31, 2022
INDO AMINES LTD.	USD704,120.00 (RMB4,903,914.15)

III Related transactions

INDO AMINES LTD.	Purchasing	USD1,191,280.00 (RMB8,291,339.11)
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Notes 7. Contingent events

Up to December 31 2022, there are no other contingent events undisclosed.

Notes 8. Commitment

Up to December 31 2022, there are no other commitments undisclosed.

Notes 9. Events occurring after the balance sheet date

Up to December 31 2022, there are no other events that occurred in the period from the balance sheet date to now undisclosed.

INDO AMINES (CHANGZHOU) LTD.

Feb.27th, 2023