# MIXEL (Beijing) Agitator Co., Ltd.

## Financial Statements with Auditors' Report

For The Year Ended 31 December 2025

(English Translation for Reference Only)

CONTENTS



北京五典会计师事务所(普通合伙)
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## AUDITOR'S REPORT

*FiveCode Audit Zi [2026] No. 008-1*

**To The Board of Directors of MIXEL (Beijing) Agitator Co., Ltd.**

### Audit Opinion

We have audited the accompanying financial statements of MIXEL (Beijing) Agitator Co., Ltd. (the 'company'), which comprise the balance sheet as at 31 December 2025, the income statement and statement of profit distribution and cash flow statement for the year then ended and other explanatory notes.

In our opinion, the financial statements of the Company present fairly, in all material respects, the financial position of the Company as of 31 December 2025, and the results of its operations and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises and the Accounting System of Business Enterprises.

### Basis of Auditor's Opinion

We conducted our audit work in accordance with the Standards on Auditing for Certified Public Accountants. The part of "Auditor's Responsibility for the Financial Statements" in audit report also elaborated the responsibilities of auditors in accordance with the Standards on Auditing for Certified Public Accountants. Based on the code of professional ethics for Chinese Certified Public Accountants, we are independent of MIXEL (Beijing) Agitator Co., Ltd. and fulfil other responsibilities in professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation and fair presentation of these financial statements. This responsibility includes: (I)preparing the financial statements in accordance with Accounting Standards for Business Enterprises and Accounting System for Business Enterprises to achieve fair presentation of the financial statements; (II) designing, implementing and maintaining internal control that is necessary to enable the financial statements that are free from material misstatement, whether due to fraud or error.

As compiling the financial statement, the management takes responsible for evaluation of the sustainable operation capability of MIXEL (Beijing) Agitator Co., Ltd., disclosure items relating to sustainable operation (if applicable), and usage of the sustainable operation assumption, unless the management plans to liquidate MIXEL (Beijing) Agitator Co., Ltd., terminates operation or has no other realistic choice.

The management is responsible for the supervision of the financial reporting process of MIXEL (Beijing) Agitator Co., Ltd.

### Auditor's Responsibility for the Financial Statements

Our audit objective is to obtain reasonable assurance about whether the financial statement is free of material misstatement caused by fraud or error and issue the audit report including the audit opinion. reasonable assurance is the high-level assurance, but there is no guarantee that the audit conducted in accordance with the Auditing Standards will always find out material misstatement. Misstatement may be caused by fraud or error. If rational expected misstatement may affect the economic decision made by financial statement users in accordance with the financial statement, the misstatement is significant.

In the process of our audit work in accordance with the Audit Standards, we have professional scepticism and be able to use professional judgment to assess the sufficiency and appropriateness of audit evidence. Meanwhile, we also execute the following work:

(I) Identifying and evaluating the material misstatement risks of the financial statement caused by fraud or error, design and implement the audit procedures to prevent or reduce audit risks, obtaining sufficient and appropriate audit evidence as the basis of issuing the audit opinion. As fraud may get involved in collusion, counterfeit, deliberate omission, false statement or override its internal control, the risk of failing to discover the material misstatements caused by fraud is higher than the risk of failing to find out the material misstatements caused by error.

(II) Understanding audit related internal control and designing appropriate audit procedures. However, the objective is not to issue an opinion on the effectiveness of internal control.

(III) Evaluating the appropriateness of selection and application of accounting policies, making reasonable accounting estimates and the rationality of relevant disclosure by management.

(IV) Drawing conclusion about the appropriateness of the management's assumption of sustainable operation capacity. If we come to the conclusion that there is significant uncertainty of the sustainable operation capacity of the company, Audit Standards requires to disclosure to remind users of financial statement to be attention. If disclosure is insufficient, we should issue a modified auditing opinion. Our conclusion is based on the information obtained before the audit report date, however, the future items or situations may failure of sustainable operation of the company.

(V) Evaluating the overall presentation, structure and contents of the financial statement (including disclosure) and evaluating whether the financial statement reflect relevant transactions and matters fairly.

We have communicated with the management about the audit scope, time schedule and material audit finding, including the deficiency of internal control system that identified during our audit.

**Beijing FiveCode Certified Public Accountants**

**Beijing, China**

**15th March 2026**

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MIXEL (Beijing) Agitator Co., Ltd.

Balance Sheet as at 31 December 2025

Currency: ￥

| ASSETS | Notes | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|---|
| **Current assets** | | | |
| Monetary funds | 4.1 | 7,052,150.32 | 5,837,565.37 |
| Short-term investments | | | |
| Notes receivable | | | |
| Dividend receivable | | | |
| Interest receivable | | | |
| Bills receivable | 4.2 | 1,761,996.10 | |
| Accounts receivable | 4.3 | 2,036,511.20 | 4,211,373.37 |
| Other receivables | 4.4 | 136,150.00 | 233,063.46 |
| Advances to suppliers | 4.5 | 1,985,741.32 | 1,138,031.22 |
| Subsidies Receivable | | | |
| Inventories | 4.6 | 7,099,704.64 | 7,142,495.73 |
| Contract assets | 4.7 | 877,221.47 | 1,508,351.60 |
| Prepaid expenses | | | |
| Long-term debt investment due within a year | | | |
| **Sub-total of current assets** | | **20,949,475.05** | **20,070,880.75** |
| **Long-term investments** | | | |
| Long-term equity investments | | | |
| Long-term debt investments | | | |
| **Sub-total of long-term investments** | | | |
| **Fixed assets** | | | |
| Fixed assets-cost | 4.8 | 2,775,232.80 | 2,629,913.28 |
| Less: Accumulated depreciation | 4.8 | 1,766,229.85 | 1,618,001.31 |
| Fixed assets-net book value | 4.8 | 1,009,002.95 | 1,011,911.97 |
| Less: Provision for impairment of fixed assets | 4.8 | | |
| Fixed assets-net | 4.8 | 1,009,002.95 | 1,011,911.97 |
| Construction materials | | | |
| Construction in progress | | | |
| Fixed assets held for disposal | | | |
| **Sub-total of fixed assets** | | **1,009,002.95** | **1,011,911.97** |
| **Intangible and other assets** | | | |
| Right-of-use assets | 4.9 | 3,575,359.89 | 4,307,453.52 |
| Intangible assets | | | |
| Long-term prepayments | | | |
| Other long-term assets | | | |
| Long-term amortization of costs | 4.10 | 337,607.75 | 406,273.79 |
| **Sub-total of intangible and other assets** | | **3,912,967.64** | **4,713,727.31** |
| **Deferred taxes** | | | |
| Deferred tax assets | 4.11 | 1,093,889.04 | 1,274,263.28 |
| **TOTAL ASSETS** | | **26,965,334.68** | **27,070,783.31** |

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The notes to the accounts form an integral part of the financial statements

MIXEL (Beijing) Agitator Co., Ltd.

Balance Sheet as at 31 December 2025 (continued)

Currency: ￥

| LIABILITIES AND OWNERS' EQUITY | Notes | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|---|
| **Current liabilities** | | | |
| Short-term loans | | | |
| Notes payable | | | |
| Accounts payable | 4.12 | 1,260,448.92 | 2,168,254.32 |
| Advances from customers | | | |
| Contract liability | 4.13 | 5,208,265.45 | 4,958,832.69 |
| Accrued payroll | 4.14 | 796,234.76 | 634,770.41 |
| Welfare expenses payable | | | |
| Dividend payable | | | |
| Taxes payable | 4.15 | 632,064.63 | 306,857.30 |
| Other payables | 4.16 | 666,664.86 | 318,976.37 |
| Other amounts payable | | | |
| Accrued expenses | | | |
| Estimated liabilities | | | |
| Long-term liabilities due within a year | 4.17 | 772,956.22 | 744,244.98 |
| Other current liabilities | | | |
| **Sub-total of current liabilities** | | **9,336,634.84** | **9,131,936.07** |
| **Long-term liabilities** | | | |
| Long-term borrowings | 4.18 | | 2,104,232.67 |
| Bonds payable | | | |
| Long-term payables | | | |
| Special payables | | | |
| Lease liability | 4.19 | 3,163,928.52 | 3,881,856.95 |
| Other long-term liabilities | | | |
| **Sub-total of long-term liabilities** | | **3,163,928.52** | **5,986,089.62** |
| **Deferred taxes** | | | |
| Deferred tax liabilities | 4.11 | 893,839.97 | 1,076,863.39 |
| **TOTAL LIABILITIES** | | **13,394,403.33** | **16,194,889.08** |
| **OWNERS' EQUITY** | | | |
| Paid-in capital | 4.20 | 7,750,658.69 | 7,750,658.69 |
| Less: Investments returned | | | |
| Paid-in capital net value | 4.20 | 7,750,658.69 | 7,750,658.69 |
| Capital surplus | 4.21 | 705.61 | 705.61 |
| Surplus reserve | 4.22 | 581,956.71 | 312,453.00 |
| Including: Reserve fund | | | |
| Enterprise expansion fund | | | |
| Undistributed profit | 4.23 | 5,237,610.34 | 2,812,076.93 |
| **TOTAL OWNERS' EQUITY** | | **13,570,931.35** | **10,875,894.23** |
| **TOTAL LIABILITIES AND OWNERS' EQUITY** | | **26,965,334.68** | **27,070,783.31** |

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The financial statements have been approved by the management (Approval date: 15th March 2026)

In charge of company: In charge of accounting function: In charge of accounting department:

The notes to the accounts form an integral part of the financial statements

**MIXEL (Beijing) Agitator Co., Ltd.**

**Income Statement and statement of profit distribution for the year ended 31 December 2025** **Currency: ¥**

| | | | Notes | 2025 | 2024 |
|---|---|---|---|---|---|
| 1. | **Revenue from main operations** | | 4.24 | **33,457,954.76** | **41,347,963.06** |
| | Less: | Cost of main operations | 4.25 | 21,896,450.43 | 28,785,056.12 |
| | | Taxes and surcharge for main operations | | 240,056.05 | 186,804.29 |
| 2. | **Profit from main operations** | | | **11,321,448.28** | **12,376,102.65** |
| | Add: | Profit from other operations | | | |
| | | Other Revenue | | | |
| | Less: | Operating expenses | 4.26 | 5,554,106.00 | 4,983,880.21 |
| | | General and administrative expenses | 4.27 | 2,634,437.90 | 3,532,281.21 |
| | | Financial expenses | 4.28 | 348,366.45 | 373,711.02 |
| | Add: | Credit impairment losses (losses are listed with "-") | 4.29 | 24,710.03 | 66,970.46 |
| | | Asset impairment loss (loss indicated by "-") | 4.30 | 2,201.61 | -97,909.28 |
| | | Gains on Disposal of Assets (loss indicated by "-") | 4.31 | 6,178.49 | |
| 3. | **Operating profit** | | | **2,817,628.06** | **3,455,291.39** |
| | Add: | Non-operating revenue | 4.32 | 25,239.62 | 71,633.11 |
| | Less: | Non-operating expenditure | 4.33 | 1,136.36 | 6,136.79 |
| 4. | **Income before tax** | | | **2,841,731.32** | **3,520,787.71** |
| | Less: | Income tax | 4.34 | 146,694.20 | 862,685.84 |
| 5. | **Net income** | | | **2,695,037.12** | **2,658,101.87** |
| | Add: | Undistributed profit at the beginning of the year | | 2,812,076.93 | 419,785.25 |
| | | Other transfers-in | | | |
| 6. | **Profit to be distributed** | | | **5,507,114.05** | **3,077,887.12** |
| | Less: | Appropriation of employee welfare and bonus fund | | | |
| | | Appropriation of reserve fund | | 269,503.71 | 265,810.19 |
| | | Appropriation of enterprise expansion fund | | | |
| | | Profit capitalised on return of investment | | | |
| 7. | **Profit to be distributed to investors** | | | **5,237,610.34** | **2,812,076.93** |
| | Less: | Dividend payable on preferred stock | | | |
| | | Appropriation of discretionary surplus reserve | | | |
| | | Dividend payable on common stock | | | |
| | | Common stock dividend converted into capital | | | |
| 8. | **Undistributed profit** | | | **5,237,610.34** | **2,812,076.93** |
| 9. | **EBIT** | | | **2,889,064.20** | **3,622,620.55** |
| 10. | **EBITDA** | | | **3,179,237.45** | **3,878,222.56** |

**Supplementary information:**

1. Gain on sale and disposal of a department or an invested enterprise
2. Losses arising from natural disasters
3. Increase in income before tax due to a change in accounting policy
4. Increase in income before tax due to a change in accounting estimate
5. Losses arising from debt restructuring
6. Others

The financial statements have been approved by the management (Approval date: 15th March 2026)

In charge of company: In charge of accounting function: In charge of accounting department:

The notes to the accounts form an integral part of the financial statements

MIXEL (Beijing) Agitator Co., Ltd.

**Cashflow Statement for the year ended 31 December 2025** Currency: ￥

| | | 2025 | 2024 |
|---|---|---|---|
| 1. | **Cash flows from operating activities** | | |
| | Cash received from the sale of goods or rendering of services | 34,116,522.16 | 40,111,180.99 |
| | Refunds of taxes | 126,857.00 | 4,124.88 |
| | Other cash receipts relating to operating activities | 881,295.20 | 191,496.32 |
| | **Sub-total of cash inflows** | **35,124,674.36** | **40,306,802.19** |
| | Cash paid for goods and services | 19,492,915.38 | 25,225,086.62 |
| | Cash paid to and on behalf of employees | 5,473,379.39 | 5,324,549.51 |
| | Payments of all types of taxes | 1,499,612.04 | 3,618,373.54 |
| | Other cash payments relating to operating activities | 5,269,871.57 | 4,690,730.69 |
| | **Sub-total of cash outflows** | **31,735,778.38** | **38,858,740.36** |
| | **Net cash flows from operating activities** | **3,388,895.98** | **1,448,061.83** |
| 2. | **Cash flows from investing activities** | | |
| | Cash received from return of investments | | |
| | Cash received from return on investment | | |
| | Net cash received from the sale of fixed, intangible and other long-term assets | 43,000.00 | |
| | Other cash receipts relating to investing activities | | |
| | **Sub-total of cash inflows** | **43,000.00** | |
| | Cash paid to acquire fixed, intangible and other long-term assets | 356,661.23 | 267,068.174 |
| | Cash paid to acquire investments | | |
| | Other cash payments relating to investing activities | | |
| | **Sub-total of cash outflows** | **356,661.23** | **267,068.17** |
| | **Net cash flows from investing activities** | **-313,661.23** | **-267,068.17** |
| 3. | **Cash flows from financing activities** | | |
| | Cash received from investments by others | | |
| | Cash received from borrowings | | |
| | Other cash receipts relating to financing activities | | |
| | **Sub-total of cash inflows** | | |
| | Cash repayments of amounts borrowed | 1,000,000.00 | 2,000,000.00 |
| | Cash paid for distribution of dividends or profits and for interest expenses | 104,231.95 | 42,402.78 |
| | Other cash payments relating to financing activities | 732,201.25 | 1,234,522.80 |
| | **Sub-total of cash outflows** | **1,836,433.20** | **3,276,925.58** |
| | **Net cash flows from financing activities** | **-1,836,433.20** | **-3,276,925.58** |
| 4. | **Effect of changes in foreign exchange rate on cash** | **-24,216.60** | **-13,090.70** |
| 5. | **Net increase in cash and cash equivalents** | **1,214,584.95** | **-2,109,022.62** |

The notes to the accounts form an integral part of the financial statements

MIXEL (Beijing) Agitator Co., Ltd.

## Cashflow statement for the year ended 31 December 2025(continued)

Currency: ￥

| Supplementary information | 2025 | 2024 |
|---|---|---|
| **1. Reconciliation of net income to cash flows from operating activities** | | |
| Net income | 2,695,037.12 | 2,658,101.87 |
| Add: Provision for impairment of assets | -2,201.61 | 97,909.28 |
| Credit impairment loss | -24,710.03 | -66,970.46 |
| Depreciation of fixed assets | 290,173.25 | 255,602.01 |
| Depreciation of right to use assets | 786,693.48 | 785,008.56 |
| Amortisation of intangible assets | | 1,087.91 |
| Amortisation of long-term prepayments | 68,666.04 | 68,666.04 |
| Decrease / (Increase) in prepaid expenses | | |
| Increase / (Decrease) in accrued expenses | | |
| Losses on disposal of fixed, intangible and other long-term assets | -5,144.65 | |
| Losses on scrapping of fixed assets | | |
| Financial expenses | 302,037.81 | 347,569.33 |
| Investments losses | | |
| Deferred tax credit | -2,649.18 | -64,095.71 |
| (Increase) / decrease in inventories | 42,791.09 | -1,592,845.93 |
| (Increase) / decrease in operating receivables | 293,199.56 | 16,821.42 |
| Increase in operating payables | -1,054,996.90 | -1,058,792.49 |
| Others | | |
| **Net cash flows from operating activities** | **3,388,895.98** | **1,448,061.83** |
| **2. Investing and financing activities not involving cash flows** | | |
| Conversion of debt into capital | | |
| Convertible bonds to expire within one year | | |
| Fixed assets under finance lease | | |
| **3. Net increase in cash and cash equivalents** | | |
| Cash at the end of the period | 7,052,150.32 | 5,837,565.37 |
| Less: Cash at the beginning of the period | 5,837,565.37 | 7,946,587.99 |
| Add: Cash equivalents at the end of the period | | |
| Less: Cash equivalents at the beginning of the period | | |
| **Net increase in cash and cash equivalents** | **1,214,584.95** | **-2,109,022.62** |

The financial statements have been approved by the management (Approval date: 15th March 2026)

In charge of company: In charge of accounting function: In charge of accounting department:

MIXEL (Beijing) Agitator Co., Ltd.

Statement of Changes in Owners' Equity for the year ended 31 December 2025 Currency: ￥

| | Paid in capital | Capital surplus | Legal reserves | Undistributed profit | Total |
|---|---|---|---|---|---|
| **At 31 December 2022** | **7,750,658.69** | **705.61** | | **-2,241,286.51** | **5,510,077.79** |
| Current Year Movement | | | 46,642.81 | 2,661,071.76 | 2,707,714.57 |
| **At 31 December 2023** | **7,750,658.69** | **705.61** | **46,642.81** | **419,785.25** | **8,217,792.36** |
| Current Year Movement | | | 265,810.19 | 2,392,291.68 | 2,658,101.87 |
| **At 31 December 2024** | **7,750,658.69** | **705.61** | **312,453.00** | **2,812,076.93** | **10,875,894.23** |
| Current Year Movement | | | 269,503.71 | 2,425,533.41 | 2,695,037.12 |
| **At 31 December 2025** | **7,750,658.69** | **705.61** | **581,956.71** | **5,237,610.34** | **13,570,931.35** |

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The notes to the accounts form an integral part of the financial statements

## Note 1 General

MIXEL (Beijing) Agitator Co., Ltd. (the "Company") was established on 7th June 2005, and obtained its social credit code No. 911103027754511811. The type of company is corporation limited (foreign corporate owned); the address of company is Room 530, 5th Floor, Building 1, No. 5 Hongda South Road, Beijing Economic and Technological Development Zone, Beijing. Registered capital is USD 1.13 million, paid-in capital is 1.13 million, and legal representative is LEROUX Vincent.

The scope of the business is manufacturing agitator and its components; selling your own products; providing technical consulting, technical training and technical services; wholesale and import of the above products.

## Note 2 Basis of reporting for financial statements

The company's financial statements are prepared on a going concern basis, and the actual transactions and events are recognized and measured in accordance with the Accounting Standards for Business Enterprises and its application guidance and interpretative rules. In addition, the company also discloses financial information in accordance with the China Securities Regulatory Commission's "General Provisions on Financial Reports" (Revised in 2014) for the disclosure of financial information of publicly traded companies.

### 2.1 Financial year

The Company has adopted the calendar year as its accounting year, i.e., from 1 January to 31 December.

### 2.2 Reporting currency

The reporting currency of the Company is the Renminbi (¥).

### 2.3 Basis of accounting and principle of measurement

The accrual basis is adopted for throughout these financial statements. Assets are measured at their historical cost.

### 2.4 Accounting treatment of foreign currency transactions

Transactions denominated in foreign currencies are translated into Renminbi (RMB) at the average market exchange rate prevailing at the dates of transactions. The balances of all foreign currency accounts are restated into RMB at the exchange rate prevailing at the end of an accounting period. The difference between the amounts restated into RMB and the amount recorded in RMB are accounted for as exchange gains or losses of the period.

### 2.5 Designation 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.

### 2.6 Accounts receivable

*(1) Criteria for recognition of bad debts*

The Company carries out an inspection, on the balance sheet day, on the carrying amount of accounts receivable; where there is any objective evidence described below proving that such accounts receivable has been impaired, an impairment provision is made.

a. A serious financial difficulty occurs to the debtor;

b. The debtor breaches any of the contractual stipulations, for example, fails to pay or delays the payments, etc.;

c. The debtor will probably become bankrupt or carry out other financial reorganizations;

d. Other objective evidences showing the impairment of the accounts receivable.

*(2) The method used in establishment of provision*

The individual method is adopted to account for bad debts.

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### 2.7 Receivables including account receivable and other account receivables.

*(1) The provision for bad debts:*

A provision is established for the Company's receivables (including accounts receivable and other receivables) in accordance with the following notes.

*(2) The method and proportion used in establishment of provision:*

The basis for determining the group of accounts receivable is as follows:

| | Basis for determining the group |
|---|---|
| Group 1: Related party group | This group includes amounts due from related parties within the scope of consolidation |

| | Basis for determining the group |
|---|---|
| Group 2: High credit rating group | This group is based on customer credit ratings as a credit risk feature |
| Group 3: Aging analysis group | This group is based on the aging of receivables as a credit risk feature |

Unless there is conclusive evidence that the credit risk of the financial instrument has increased significantly since initial recognition, expected credit losses are not recognized for receivables classified in Group 1 and Group 2.

For accounts receivables classified as Group 3, credit impairment losses are accrued in the following proportion:

| Aging | Ratio of provision |
|---|---|
| 0-30 day | 0.5 |
| 31-60 day | 3 |
| 61-90 day | 10 |
| 91 day-1 year | 15 |
| Over 1 year | 100 |

The basis for determining the group of other receivables is as follows:

| | Basis for determining the combination |
|---|---|
| Group 1: Interest receivable group | This group includes interest receivable |
| Group 2: Dividend receivable group | This group includes dividend receivable |
| Group 3: Related party group | This group includes amounts due from related parties within the scope of consolidation |
| Group 4: Deposit receivable and security deposit group | This group includes deposit receivable and security deposit receivable |
| Group 5: Advance receivable group | This group includes advanced receivable |
| Group 6: Aging analysis group | This group is based on the aging of receivables as a credit risk feature |

Unless there is conclusive evidence that the credit risk of the financial instrument has increased significantly since initial recognition, expected credit losses are not recognized for receivables classified in Group 1, Group 2, Group 3, Group 4 and Group 5.

For other receivables classified as Group 6, credit impairment losses are accrued in the following proportion:

| Aging | Ratio of provision |
|---|---|
| 0-30 day | 0.5 |
| 31-60 day | 3 |
| 61-90 day | 10 |
| 91 day-1 year | 15 |
| Over 1 year | 100 |

*(3) Criteria for recognition of bad debts:*

Bad debts are recognised under the following situations:

There are reasonable grounds to believe that the receivables are unlikely to be recovered. (e.g., the debtor has been disbanded or has gone bankrupt or is insolvent, is experiencing cash flow difficulties; or the occurrence of a severe natural disaster causes the debtor to cease production and therefore cannot repay the debt in the short term, and the receivables are more than 3 years old).

**2.8 Inventory**

*(1) Classification of inventory*

The Company's inventories comprise raw materials; work in process, finished goods, goods for resale, etc.

*(2) Measurement of inventories*

1) The inventories are initially measured at cost. The cost of inventory consists of purchase costs, processing

costs and other costs.

2) In determining the cost of inventories transferred out or issued for use the first-in-first-out method, the actual costs are determined by the first-in-first-out method.

*(3) Amortization of low-value consumables and packing materials*

The low-value and short-lived consumables and packaging materials are amortized by applying immediate write-off method when using these items.

*(4) Recognition and measurement for inventory impairment provision*

On balance sheet date, the inventories are measured at lower of cost and net realisable value. If the cost of On balance sheet date, the inventories are measured at lower of cost and net realisable value. If the cost of inventories is higher than the net realizable value as a result of deterioration, trends of reducing market prices, entire or partial obsolescence, or technical improvements, then a provision is made and recorded in the current period income statement. The Company makes impairment loss of inventories on individual basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated expenses and related taxes necessary to make the sale. The net realizable value of goods inventories is the estimated sale price of inventories deducts the estimated sale expense and relevant taxes; the net realizable value of materials inventories is the estimated sale price of finish goods deducting the cost of completion, the estimated sale expense and relevant taxes. The net realizable value of inventories held for the execution of sales contracts or labour contracts is calculated on the ground of the contract price. If the Company holds more inventories than the quantities subscribed in the sales contract, the net realizable value of the excessive part of the inventories is calculated on the ground of the general sales price.

**2.9 Fixed assets**

*(1) Definition*

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; have useful life more than one year; and have relatively high unit price.

*(2) Measurement*

Fixed assets are initially recorded at their cost.

*(3) Fixed assets depreciation method*

Depreciation is provided monthly using the straight-line method. The estimated residual value rate, useful life and annual depreciation rate of each category of fixed assets are as follows:

北京五联会计师事务所(普通合伙) 11010501577271 报告专用章

| | Residual value rate (%) | Useful life (year) | Depreciation rate (%) |
|---|---|---|---|
| Production equipment | 10 | 10 | 9 |
| Office furniture | 10 | 5 | 18 |
| Electronic equipment | 10 | 3-5 | 18-30 |
| Transportation equipment | 10 | 5 | 18 |

Fixed assets held under finance lease are depreciated on the same basis as owned assets. If it is reasonably certain that the ownership of the leased asset will be transferred at the end of the lease term, depreciation is provided over the useful life of the leased asset. If it is not reasonably certain that the ownership of the leased asset at the end of the lease term will be transferred, depreciation is provided over the shorter of the lease term and the estimated useful life of the leased asset.

*(4) Provision for impairment of fixed assets:*

The Company examined its fixed assets at the end of an accounting period. If the recoverable amount of a fixed asset is lower than its carrying amount, the Company will make a provision for impairment of fixed asset at an amount equal to the difference between the asset's recoverable amount and its carrying amount. The impairment loss is recognised in the income statement for the current period.

**2.10 Revenue recognition**

*(1) Revenue from sale of goods:*

Revenue is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, it retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the economic benefits associated with the transaction will flow to the Company, and the relevant amount of revenue and costs can be measured reliably.

*(2) Revenue from rendering of services:*

When the provision of services is started and completed within the same accounting year, revenue is recognised at the time of completion of the services. When the provision of services is started and completed in different accounting years and the outcome of a transaction involving the rendering of services can be estimated reliably. Revenue is recognised at the balance sheet date by the use of the percentage of completion method. Revenue is otherwise, recognised at the balance sheet date only to the extent of the costs incurred that are expected to be recoverable and charge an equivalent amount of cost to the profit and loss account. When the costs incurred are not expected to be recovered, revenue is not recognised and the costs incurred are recognised as an expense in the current period.

### 2.11 Borrowing costs

Borrowing costs comprise interest incurred on borrowings, amortisation of discounts or premiums, ancillary costs incurred in connection with the arrangement of borrowings, and exchange differences arising from foreign currency borrowings.

### 2.12 Leases

*(1) Definition:*

Finance leases: It is a lease that transfers substantially all the risks and rewards incident to ownership of an asset.

Operating leases: All other leases are classified as operating leases.

*(2) The Company as lessee under finance leases:*

At the inception of a lease, the finance lease payable is recorded as a long-term liability at an amount equal to the gross amount of the minimum lease payments. The difference between the recorded amount of the leased asset and the liability is recorded as unrecognised finance charges and allocated to each period during the lease term using the effective interest method.

Leased assets are recorded at the minimum lease payments at the inception of the lease as long-term accounts payable.

*(3) The Company as lessor under finance leases:*

At the inception of a lease, the total minimum lease receipts are recorded as a finance lease receivable and the unguaranteed residual value is recorded as an asset. The difference between (a) the aggregate of the minimum lease receipts and the unguaranteed residual value and (b) their present value, is recognised as unrealised finance income, which is allocated to each period during the lease term using the effective interest method.

*(4) The Company as lessee under operating leases:*

Lease payments under operating leases are recognised as an expense in the income statement on a straight-line basis over the lease term.

*(5) The Company as lessor under operating leases:*

Lease income from operating leases is recognised as income using the straight-line method over the lease term.

### 2.13 Income tax

Income tax payment is computed using the taxes payable method. The income tax expense for the period is equal to the income tax payable for the period.

## Note 3 Principal taxation

**3.1** Income tax

The income tax rate is 25%.

**3.2** Value added tax

The company's industry applicable VAT rate is at 13% as a general taxpayer.

**3.3** Other taxes

Urban Construction Fund, Education Surcharge and Local Education Surcharge are levied at 7%, 3%, and 2% of the applicable turnover taxes payable

Employee bears individual income tax and the Company has the duty to withhold these taxes and remit them to the Tax Bureau.

## Note 4 Notes to the financial statements

### 4.1 Monetary funds

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Cash on hand | | 8,128.34 |
| Cash in bank | 7,052,150.32 | 5,829,437.03 |
| Total | 7,052,150.32 | 5,837,565.37 |

### 4.2 Notes receivable

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Bank acceptance | 1,415,812.90 | |
| Commercial acceptance | 346,183.20 | |
| Total | 1,761,996.10 | |

### 4.3 Accounts receivable

(1) Ageing analysis of accounts receivable:

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| < 1 year | 509,492.51 | 4,227,655.68 |
| 1-2 years | 1,532,742.35 | |
| 2-3 years | | |
| ＞3 years | 310,109.50 | 310,109.50 |
| Subtotal | 2,352,344.36 | 4,537,765.18 |
| Less: provision | 315,833.16 | 326,391.81 |
| Total | 2,036,511.20 | 4,211,373.37 |

(2) Accounts receivable for bad debt provision based on aging categories

| | 31 Dec 2025 | | | 31 Dec 2024 | | |
|---|---|---|---|---|---|---|
| | Amount | Provision | Book value | Amount | Provision | Book value |
| 0-30 day | 1,144,730.58 | 5,723.66 | 1,139,006.92 | 3,256,462.80 | 16,282.31 | 3,240,180.49 |
| 31-60 day | | | | | | |
| 61-90 day | | | | | | |
| 91day-1 year | | | | | | |
| ＞1 year | 310,109.50 | 310,109.50 | | 310,109.50 | 310,109.50 | |
| Total | 1,454,840.08 | 315,833.16 | 1,139,006.92 | 3,566,572.30 | 326,391.81 | 3,240,180.49 |

北京五真会计师事务所(普通合伙) 110105015772 报告专用章

(3) According to other combinations, the provision for bad debts is made on accounts receivable

| | 31 Dec 2025 | | | 31 Dec 2024 | | |
|---|---|---|---|---|---|---|
| | Amount | Provision | Book value | Amount | Provision | Book value |
| Related party group | 835,288.35 | | 835,288.35 | 915,971.64 | | 915,971.64 |
| Credit Quality Portfolio | 62,215.93 | | 62,215.93 | 55,221.24 | | 55,221.24 |
| Total | 897,504.28 | | 897,504.28 | 971,192.88 | | 971,192.88 |

(4) On 31 December 2025, the first five debtors were:

| | Amount | Rate% |
|---|---|---|
| Beijing Mingrun Tiancheng Technology Co., Ltd | 798,000.00 | 33.92 |
| GMM PFAUDLER LTD INDIA | 788,094.64 | 33.50 |
| Prak Environmental Protection System (Beijing) Co., Ltd | 149,700.00 | 6.36 |
| VEOLIA WATER TECHNOLOGIES (SEA) PTE. LTD. | 109,040.58 | 4.64 |
| Veolia Water Treatment Technology (Shanghai) Co., Ltd | 90,000.00 | 3.83 |
| Total | 1,934,835.22 | 82.25 |

### 4.4 Other receivables

Ageing analysis of other receivables:

| | 31 Dec 2025 | | | | 31 Dec 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Amount | Rate% | Provision | Book value | Amount | Rate% | Provision | Book value |
| < 1 year | 20,500.00 | 15.06 | | 20,500.00 | 142,045.35 | 60.95 | | 142,045.35 |
| 1-2 years | 30,000.00 | 22.03 | | 30,000.00 | | | | |
| 2-3 years | | | | | | | | |
| >3 years | 85,650.00 | 62.91 | | 85,650.00 | 91,018.11 | 39.05 | | 91,018.11 |
| Total | 136,150.00 | 100.00 | | 136,150.00 | 233,063.46 | 100.00 | | 233,063.46 |

On 31 December 2025, the main debtors were:

| | Amount | Rate% |
|---|---|---|
| Tianjin Bozhuan Testing Technology Co. LTD | 80,000.00 | 58.76 |
| Dongmei Niu (employee) | 20,000.00 | 14.69 |
| Wanhua Chemical Group Co., Ltd | 20,000.00 | 14.69 |
| Qiang Zhang (employee) | 5,000.00 | 3.67 |
| Jianying Wei (employee) | 5,000.00 | 3.67 |
| Total | 130,000.00 | 95.48 |

### 4.5 Advances to supplies

Ageing analysis of advances to supplies:

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| < 1 year | 1,905,597.53 | 1,057,711.36 |
| 1-2years | 19,399.39 | 9,714.29 |
| 2-3 years | 9,714.29 | 50,980.10 |
| > 3 years | 51,030.11 | 19,625.47 |
| Total | 1,985,741.32 | 1,138,031.22 |

On 31 December 2025, the first five debtors were:

| | Amount | Rate% |
|---|---|---|
| SEW-Eurodrive (Tianjin) Holding Co., Ltd. | 232,303.10 | 11.70 |
| Qingdao Juxing Metal Products Co., Ltd | 174,169.00 | 8.77 |
| Beijing Suntech Technology Co., Ltd | 267,304.80 | 13.46 |
| Tianjin Yonghang Machinery Manufacturing Co., Ltd | 217,631.70 | 10.96 |
| Baoding Lanshen Environmental Protection Technology Co., Ltd | 197,394.00 | 9.94 |
| Total | 1,088,802.60 | 54.83 |

### 4.6 Inventories

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Raw Materials | 5,473,262.38 | 4,174,232.79 |
| Production Cost | 1,722,149.93 | 3,066,172.22 |
| Total | 7,195,412.31 | 7,240,405.01 |
| Provision for inventory write-down | 95,707.67 | 97,909.28 |
| Inventory-net | 7,099,704.64 | 7,142,495.73 |

### 4.7 Contract assets

| | 31 Dec 2025 | | | 31 Dec 2024 | | |
|---|---|---|---|---|---|---|
| | Amount | Provision | Book value | Amount | Provision | Book value |
| Not invoiced receivables | | | | | | |
| Unexpired warranty | 150,752.03 | 4,522.56 | 146,229.47 | 241,098.28 | 7,232.95 | 233,865.33 |
| Other account receivables not meeting the receipt conditions | 753,600.00 | 22,608.00 | 730,992.00 | 1,313,903.37 | 39,417.10 | 1,274,486.27 |
| Subtotal | 904,352.03 | 27,130.56 | 877,221.47 | 1,555,001.65 | 46,650.05 | 1,508,351.60 |
| Less: Contract assets listed in other non-current assets and non-current assets that mature within one year | | | | | | |
| Total | 904,352.03 | 27,130.56 | 877,221.47 | 1,555,001.65 | 46,650.05 | 1,508,351.60 |

### 4.8 Fixed assets & accumulated depreciation

| | 01 Jan 2025 | Increase | Decrease | 31 Dec 2025 |
|---|---|---|---|---|
| Original cost | | | | |
| Production equipment | 1,803,802.48 | 27,256.64 | | 1,831,059.12 |
| Office furniture | 241,576.46 | 2,765.00 | 2,042.86 | 242,298.60 |
| Electronic equipment | 420,021.07 | 48,264.25 | 8,297.03 | 459,988.29 |
| Transportation equipment | 164,513.27 | 241,886.79 | 164,513.27 | 241,886.79 |
| Total | 2,629,913.28 | 320,172.68 | 174,853.16 | 2,775,232.80 |
| Accumulated depreciation | | | | |
| Production equipment | 1,080,336.22 | 153,345.66 | | 1,233,681.88 |
| Office furniture | 133,838.57 | 42,590.62 | 1,838.57 | 174,590.62 |
| Electronic equipment | 289,695.58 | 48,516.97 | 7,467.48 | 330,745.07 |
| Transportation equipment | 114,130.94 | 45,720.00 | 132,638.66 | 27,212.28 |
| Total | 1,618,001.31 | 290,173.25 | 141,944.71 | 1,766,229.85 |
| Fixed assets-NBV | | | | |
| Production equipment | 723,466.26 | | | 597,377.24 |

| | 01 Jan 2025 | Increase | Decrease | 31 Dec 2025 |
|---|---|---|---|---|
| Office furniture | 107,737.89 | | | 67,707.98 |
| Electronic equipment | 130,325.49 | | | 129,243.22 |
| Transportation equipment | 50,382.33 | | | 214,674.51 |
| Total | 1,011,911.97 | | | 1,009,002.95 |
| Provision for impairment | | | | |
| Fixed assets-net | 1,011,911.97 | | | 1,009,002.95 |

**4.9 Right-of-use asset**

| Items | Buildings and constructions | Machinery equipment | Vehicles | Total |
|---|---|---|---|---|
| **Initial cost:** | | | | |
| Balance as at 31 December 2024 | 5,812,053.26 | | | 5,812,053.26 |
| Changes in accounting policies | | | | |
| Balance as at 1 January 2025 | 5,812,053.26 | | | 5,812,053.26 |
| Increase during the reporting period | 54,599.85 | | | 54,599.85 |
| Decrease during the reporting period | 45,845.43 | | | 45,845.43 |
| Balance as at 31 December 2025 | 5,820,807.68 | | | 5,820,807.68 |
| **Accumulated depreciation:** | | | | |
| Balance as at 31 December 2024 | 1,504,599.74 | | | 1,504,599.74 |
| Changes in accounting policies | | | | |
| Balance as at 1 January 2025 | | | | |
| Increase during the reporting period | 786,693.48 | | | 786,693.48 |
| Decrease during the reporting period | 45,845.43 | | | 45,845.43 |
| Balance as at 31 December 2025 | 2,245,447.79 | | | 2,245,447.79 |
| **Provision for impairment:** | | | | |
| Balance as at 31 December 2024 | — | — | — | — |
| Changes in accounting policies | | | | |
| Balance as at 1 January 2025 | | | | |
| Increase during the reporting period | | | | |
| Decrease during the reporting period | | | | |
| Balance as at 31 December 2025 | | | | |
| **Carrying amount:** | | | | |
| Balance as at 31 December 2025 | 3,575,359.89 | | | 3,575,359.89 |
| Balance as at 31 December 2024 | 4,307,453.52 | | | 4,307,453.52 |

北京五典会计师事务所(普通合伙) 110105015772 报告专用章

Note: Depreciation accrued in 2025 for the right-of-use assets was RMB786,693.48, among which RMB 17,865.72 was recorded in administrative expenses, and RMB 768,827.76 was recorded in manufacturing costs.

**4.10 Long-term prepayments**

| | 01 Jan. 2025 | Increase | Decrease | 31 Dec. 2025 |
|---|---|---|---|---|
| Decoration costs and office rental | 406,273.79 | | 68,666.04 | 337,607.75 |
| Total | 406,273.79 | | 68,666.04 | 337,607.75 |

### 4.11 Deferred tax assets and deferred tax liabilities

(1) Unsetoff deferred tax assets

| | 31 Dec 2025 | | 31 Dec 2024 | |
|---|---|---|---|---|
| | Deductible temporary differences | Deferred tax assets | Deductible temporary differences | Deferred tax assets |
| Credit impairment provision | 342,963.72 | 85,740.93 | 373,041.86 | 93,260.47 |
| Inventory falling price reserves | 95,707.67 | 23,926.92 | 97,909.28 | 24,477.32 |
| Lease liabilities and rent payable | 3,936,884.72 | 984,221.19 | 4,626,101.93 | 1,156,525.49 |
| Total | 4,375,556.11 | 1,093,889.04 | 5,097,053.07 | 1,274,263.28 |

(2) Unsetoff deferred tax liabilities

| | 31 Dec 2025 | | 31 Dec 2024 | |
|---|---|---|---|---|
| | Deductible temporary differences | Deferred tax assets | Deductible temporary differences | Deferred tax assets |
| Right to use assets | 3,575,359.87 | 893,839.97 | 4,307,453.52 | 1,076,863.39 |
| Total | 3,575,359.87 | 893,839.97 | 4,307,453.52 | 1,076,863.39 |

### 4.12 Accounts payable

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| ≤ 1 year | 23,630.75 | 950,482.05 |
| 1-2 years | 2,065.00 | 7,421.00 |
| 2-3 years | | |
| >3 years | 1,234,753.17 | 1,210,351.27 |
| Total | 1,260,448.92 | 2,168,254.32 |

### 4.13 Contract liabilities

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| ≤ 1 year | 4,942,188.53 | 4,193,842.13 |
| More than 1 year | 266,076.92 | 764,990.56 |
| Total | 5,208,265.45 | 4,958,832.69 |

**Details of contract liabilities**

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Advances for goods | 5,208,265.45 | 4,958,832.69 |
| Total | 5,208,265.45 | 4,958,832.69 |

### 4.14 Accrued payroll

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Salaries, bonuses, allowances and subsidies | 786,469.99 | 613,655.57 |
| Social security | 2,977.18 | 2,911.36 |
| Labor union expenditure and employee education fund | 2,196.63 | 13,713.99 |
| Post-employment benefit | 4,590.96 | 4,489.49 |
| Total | 796,234.76 | 634,770.41 |

### 4.15 Taxes payable

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Value added tax | 464,676.79 | 227,303.15 |
| City construction tax | 39,252.34 | 4,242.56 |
| Individual income tax | 20,729.80 | 13,864.30 |
| Educational Surcharge (Including local education surcharge) | 28,037.38 | 3,030.40 |
| Corporate Income tax | 73,282.99 | 53,059.56 |
| Stamp Duty | 6,085.33 | 5,357.33 |
| Total | 632,064.63 | 306,857.30 |

### 4.16 Other payables

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Current payment | | 18,211.86 |
| Staff union fee refund | 256,320.11 | 240,470.80 |
| Withholding fees | 357,014.23 | |
| Others | 53,330.52 | 60,293.71 |
| Total | 666,664.86 | 318,976.37 |

### 4.17 Long-term liabilities due within a year

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Lease liabilities due within one year | 772,956.22 | 744,244.98 |
| Total | 772,956.22 | 744,244.98 |

### 4.18 Long-term borrowings

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Credit borrowings | | 2,104,232.67 |
| Total | | 2,104,232.67 |

### 4.19 Lease liabilities

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Lease payments | 4,309,711.16 | 5,165,890.87 |
| Less: Unrealized finance expenses | 372,826.42 | 539,788.94 |
| Subtotal | 3,936,884.74 | 4,626,101.93 |
| Less: lease liabilities due within one year | 772,956.22 | 744,244.98 |
| Total | 3,163,928.52 | 3,881,856.95 |

### 4.20 Paid-in capital

| | 31 Dec 2025 | | | |
|---|---|---|---|---|
| | % | Registered capital | Paid-in capital | Paid-in capital (¥) |
| MIXEL Limited Partnership | 100.00 | USD1.13m | USD1.13m | 7,750,658.69 |
| Total | 100.00 | USD1.13m | USD1.13m | 7,750,658.69 |

### 4.21 Capital surplus

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Capital premium | 705.61 | 705.61 |
| Total | 705.61 | 705.61 |

### 4.22 Surplus reserve

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Surplus reserve | 581,956.71 | 312,453.00 |
| Total | 581,956.71 | 312,453.00 |

### 4.23 Undistributed profit

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| Beginning balance | 2,812,076.93 | 419,785.25 |
| Add: Net profit for this year | 2,695,037.12 | 2,658,101.87 |
| Less: Appropriation of reserve fund | 269,503.71 | 265,810.19 |
| Distributive earnings | | |
| Distributed profit | | |
| Ending balance | 5,237,610.34 | 2,812,076.93 |

### 4.24 Revenue from main operations

| | 2025 | 2024 |
|---|---|---|
| Revenue | 33,457,954.76 | 41,347,963.06 |
| Total | 33,457,954.76 | 41,347,963.06 |

### 4.25 Cost of main operations

| | 2025 | 2024 |
|---|---|---|
| Cost | 21,896,450.43 | 28,785,056.12 |
| Total | 21,896,450.43 | 28,785,056.12 |

### 4.26 Operating expenses

| | 2025 | 2024 |
|---|---|---|
| Salary and Wages | 3,449,353.84 | 2,980,892.76 |
| Office expenses | 4,964.97 | 20,825.17 |
| Travel expenses | 799,412.16 | 524,723.44 |
| Service charge | 34,279.22 | 47,259.85 |
| Transportation | 53,766.65 | 49,258.39 |
| Communication fee | 1,803.33 | 1,298.60 |
| Business promotion fee | 435,545.67 | 537,785.92 |
| Freight charge | 2,871.64 | 8,660.06 |
| Entertainment fee | 183,437.87 | 151,749.98 |
| Training fee | 4,245.28 | 4,950.50 |
| Group management fee | 575,455.07 | 619,678.54 |
| Group software usage fee | | 36,497.00 |
| Others | | 300.00 |
| Translation fees | 8,970.30 | |
| Total | 5,554,106.00 | 4,983,880.21 |

### 4.27 General and Administrative expenses

| | 2025 | 2024 |
|---|---|---|
| Salary and Wages | 1,253,702.16 | 1,524,375.10 |
| Office expenses | 256,675.47 | 286,694.10 |

| | 2025 | 2024 |
|---|---|---|
| Travel expenses | 20,880.67 | 119,019.89 |
| Rental property utility bills | 18,569.28 | 16,432.68 |
| Depreciation and amortization | 17,865.72 | 17,268.71 |
| Entertainment fee | 31,208.46 | 26,497.53 |
| Vehicle fee | 10,274.11 | 14,987.23 |
| Communication fee | 17,422.43 | 22,234.26 |
| Commercial insurance premium | 49,316.97 | 27,694.60 |
| Postal fee | 29,055.70 | 30,970.32 |
| Transportation expenses | 21,004.47 | 16,035.55 |
| Decoration fee | 68,666.04 | 68,666.04 |
| Service fee | 593,839.81 | 811,900.14 |
| Others | | 9,943.00 |
| Training fee | 660.00 | 6,200.00 |
| Certification fee | 18,396.22 | 14,150.94 |
| Group management fee | 223,316.99 | 519,211.12 |
| Accommodation fee | 1,337.00 | |
| Urban garbage disposal fee | 2,246.40 | |
| Total | 2,634,437.90 | 3,532,281.21 |

**4.28 Financial expenses**

| | 2025 | 2024 |
|---|---|---|
| Interest expenses | 47,332.88 | 101,832.84 |
| Add: Interest expense on lease liability | 170,648.46 | 200,794.55 |
| Less: interest income | 3,734.39 | 8,673.20 |
| Exchange losses / (gain) | 84,056.47 | 42,541.78 |
| Bank charge | 50,063.03 | 37,215.05 |
| Total | 348,366.45 | 373,711.02 |

**4.29 Credit Impairment Losses**

| | 2025 | 2024 |
|---|---|---|
| Bad debt of accounts receivable | 24,710.03 | 66,970.46 |
| Total | 24,710.03 | 66,970.46 |

**4.30 Asset impairment loss**

| | 2025 | 2024 |
|---|---|---|
| Provision for Inventory Impairment | 2,201.61 | -97,909.28 |
| Total | 2,201.61 | -97,909.28 |

**4.31 Gains on Disposal of Assets**

| | 2025 | 2024 |
|---|---|---|
| Income from the disposal of fixed assets | 6,178.49 | |
| Total | 6,178.49 | |

**4.32 Non-operating revenue**

| | 2025 | 2024 |
|---|---|---|
| Accounts payable that do not need to be paid | 25,239.62 | |

The notes to the accounts form an integral part of the financial statements

| | 2025 | 2024 |
|---|---|---|
| Others | | 71,633.11 |
| Total | 25,239.62 | 71,633.11 |

### 4.33 Non-operating expenditure

| | 2025 | 2024 |
|---|---|---|
| Non-current assets damage and scrap loss | 1,033.84 | 6,128.96 |
| Overdue fine | 102.52 | 7.83 |
| Total | 1,136.36 | 6,136.79 |

### 4.34 Income tax

| | 2025 | 2024 |
|---|---|---|
| Current tax | 147,559.51 | 926,781.55 |
| Deferred tax | -865.31 | -64,095.71 |
| Total | 146,694.20 | 862,685.84 |

## Note 5 Related party relationships and transactions

### 5.1 Related parties with control relationship

| Name | Place of registration | Business activities | Relationship | Business nature | Legal representative |
|---|---|---|---|---|---|
| MIXEL SAS | France | Manufacturing industrial agitators | Parent company | Limited Partnership | Pfaudler GmbH |

### 5.2 Changes in registered capital for related parties with a control relationship

| Name | 01 Jan 2025 | Increase | Decrease | 31Dec 2025 |
|---|---|---|---|---|
| MIXEL Limited Partnership | 7,750,658.69 | | | 7,750,658.69 |

### 5.3 Proportion of shares or equity interest held by related parties and changes therein

| Name | 01 Jan 2025 | % | Increase | Decrease | 31Dec 2025 | % |
|---|---|---|---|---|---|---|
| MIXEL Limited Partnership | 7,750,658.69 | 100.00 | | | 7,750,658.69 | 100.00 |

### 5.4 Amounts due to/from related companies

| | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| **Accounts receivable** | | |
| MIXEL SAS | 47,193.71 | 189,468.75 |
| GMMPFAUDLERLTDINDIA | 788,094.64 | 726,502.89 |
| Total | 835,288.35 | 915,971.64 |
| **Advances to suppliers** | | |
| GMMInternationalS.àr.l. | 77,254.77 | |
| Total | 77,254.77 | |
| **Accounts payable** | | |
| MIXEL SAS | | 252,523.89 |
| Total | | 252,523.89 |
| **Long-term borrowings** | | |
| Pfaudler (Changzhou) Fluid Equipment Co., Ltd. | | 2,104,232.67 |
| Total | | 2,104,232.67 |

## Note 6 Contingencies

There are no significant contingencies that require disclosure.

## Note 7 Non-adjusting events occurring after the balance sheet date

There are no significant events occurring after the balance sheet date that require disclosure.

## Note 8 Other important items

There are no other important items that require disclosure.

MIXEL (Beijing) Agitator Co., Ltd.

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

北京五典会计师事务所(普通合伙)
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工作单位 Working unit: 北京中逸兴盛会计师事务所

身份证号码 Identity card No: 152104640410121

BICPA 2014

BICPA 2015

BICPA 2016

BICPA 2017

152100090068

证书编号 No. of Certificate: 152100090068

批准注册协会 Authorized Institute of CPAs: 北京注协

发证日期 Date of Issuance: 2000年2月29日

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

中国注册会计师协会

北京五典会计师事务所(普通合伙)
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刘庆英

性别
Sex
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Date of birth
1981-05-28

工作单位
Working unit
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身份证号码
Identity card No.
362103198105281721

证书序号：

# 会计师事务所
# 执业证书

名　　　称：北京五典会计师事务所（普通合伙）

首席合伙人：崔幼军

主任会计师：

经营场所：北京市朝阳区南磨房路37号19层2101-1

组织形式：普通合伙

执业证书编号：11010179

批准执业文号：京财会许可[2013]0012

批准执业日期：2013年3月6日

## 说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

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发证机关：北京市财政局

2023年9月11日

中华人民共和国财政部制

统一社会信用代码

91110105067317627F

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（副　本）(1-1)

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名　　称　北京五典会计师事务所（普通合伙）

类　　型　普通合伙企业

执行事务合伙人　崔幼军

经营范围　审查企业会计报表、出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。（市场主体依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

出　资　额　50万元

成立日期　2013年04月10日

主要经营场所　北京市朝阳区南磨房路37号19层2101-1

登记机关

2023　年07　月28　日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

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