

Arrin (Denmark) A/S


Carl Plougs Vej 61, 3460 Birkerød

Company reg. no. 19 37 34 01

Annual report

1 January - 31 December 2017

The annual report have been submitted and approved by the general meeting on the 20 June 2018.



Ning Liu
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Arrin (Denmark) A/S for the financial year 1 January to 31 December 2017.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

The board of directors and the managing director considers the requirements of omission of audit of the annual accounts for 2017 as met.

The annual report is recommended for approval by the general meeting.

Birkerød, 20 June 2018

Managing Director



Ning Liu

Board of directors

Jiasha Zheng

Hong Zheng



Ning Liu

Auditor's report on compilation of the annual accounts

To the shareholder of Arrin (Denmark) A/S

We have compiled the annual accounts of Arrin (Denmark) A/S for the period 1 January to 31 December 2017 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

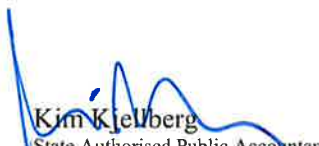
Copenhagen, 20 June 2018

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Peder Haarbye
State Authorised Public Accountant
MNE-nr. 28686



Kim Kjellberg
State Authorised Public Accountant
MNE-nr. 29452

Company data

The company

Arrin (Denmark) A/S
Carl Plougs Vej 61
3460 Birkerød

Company reg. no. 19 37 34 01
Financial year: 1 January - 31 December

Board of directors

Jiasha Zheng
Hong Zheng
Ning Liu

Managing Director

Ning Liu

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Associated enterprise

Green World ApS, Birkerød

Accounting policies used

The annual report for Arrin (Denmark) A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, cost of goods sold and other external costs.

Accounting policies used

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Costs of goods sold includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Financial fixed assets

Equity investment in associated enterprise

Equity investment in associated enterprise is measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Deferred expenses

Deferred expenses comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Accounting policies used

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Gross profit	133.642	7.713
3 Staff costs	-247.616	-247.779
Operating profit	-113.974	-240.066
Other financial income	62.463	68.372
Other financial costs	0	-10.609
Results before tax	-51.511	-182.303
Tax on ordinary results	0	0
Results for the year	-51.511	-182.303
 Proposed distribution of the results:		
Allocated from results brought forward	-51.511	-182.303
Distribution in total	-51.511	-182.303

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2017</u>	<u>2016</u>
Fixed assets		
4 Equity investment in associated enterprise	220.000	0
Financial fixed assets in total	<u>220.000</u>	<u>0</u>
Fixed assets in total	<u>220.000</u>	<u>0</u>
Current assets		
Trade debtors	214.131	10.239
Other debtors	1.132.017	1.468.397
Deferred expenses	<u>3.941</u>	<u>0</u>
Debtors in total	<u>1.350.089</u>	<u>1.478.636</u>
Available funds	<u>49.149</u>	<u>28.621</u>
Current assets in total	<u>1.399.238</u>	<u>1.507.257</u>
Assets in total	<u>1.619.238</u>	<u>1.507.257</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2017</u>	<u>2016</u>
	Equity		
5	Contributed capital	500.000	500.000
6	Results brought forward	-1.949.361	-1.897.850
	Equity in total	-1.449.361	-1.397.850
	Liabilities		
	Trade creditors	122.966	74.966
	Other debts	2.945.633	2.830.141
	Short-term liabilities in total	3.068.599	2.905.107
	Liabilities in total	3.068.599	2.905.107
	Equity and liabilities in total	1.619.238	1.507.257

- 1 **The significant activities of the enterprise**
- 2 **Uncertainties concerning the enterprise's ability to continue as a going concern**
- 7 **Contingencies**

Notes

All amounts in DKK.

1. The significant activities of the enterprise

The activities of the company consists of financial assistance and activities with imported goods to retail shops.

2. Uncertainties concerning the enterprise's ability to continue as a going concern

In the light of the lost share capital, the majority shareholder of the company Ning Liu declares that he will support the company with liquidity to the extent nexessary, so that the company can implement its plans and objectives until the next Annual General Meeting in 2019.

The annual report is prepared under the assumption of going concern and the mangement expects that the negative equity will be restored though future profitable operations.

	2017	2016
3. Staff costs		
Salaries and wages	243.300	243.000
Other costs for social security	4.316	4.779
	247.616	247.779
Average number of employees	1	1
	31/12 2017	31/12 2016
4. Equity investment in associated enterprise		
Acquisition sum, opening balance 1 January 2017	0	0
Additions during the year	220.000	0
Cost 31 December 2017	220.000	0
Book value 31 December 2017	220.000	0

The financial highlights for the enterprise according to the latest approved annual report

	Share of ownership	Equity	Results for the year	Book value at Arrin (Denmark) A/S
Green World ApS, Birkerød	50 %	-1.307.721	-552.030	220.000

Notes

All amounts in DKK.

	<u>31/12 2017</u>	<u>31/12 2016</u>
5. Contributed capital		
Contributed capital 1 January 2017	<u>500.000</u>	<u>500.000</u>
	<u>500.000</u>	<u>500.000</u>
6. Results brought forward		
Results brought forward 1 January 2017	-1.897.850	-1.715.547
Loss for the year brought forward	<u>-51.511</u>	<u>-182.303</u>
	<u>-1.949.361</u>	<u>-1.897.850</u>

7. Contingencies**Contingent assets**

The company has a deferred tax asset as at 31 December 2017 of DKK 398.712, which is not recognized in the annual report.