CGIG Denmark ApS

Færgevej 3

5800 Nyborg

CVR No. 35411232

Annual Report 2019

6. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 26 May 2020

Chenxu Jiang
Chairman

Contents

CGIG Denmark ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of CGIG Denmark ApS for the financial year 1 January 2019 - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Nyborg, 26 May 2020

Executive Board

Dong Zhu Man. Director	Chenxu Jiang Manager

Company details

Company	CGIG Denmark ApS Færgevej 3 5800 Nyborg
CVR No.	35411232
Date of formation	8 August 2013
Executive Board	Dong Zhu, Man. Director Chenxu Jiang, Manager

Management's Review

The Company's principal activities
The Company's principal activities is to provide conference and other networking services between Danish and Chinese entrepreneurs and investors.

Insecurity regarding recognition or measurement
There is no material insecurity regarding recognition or measurement.

Exceptional circumstances
No exceptional circumstances have affected recognition or measurement.

Development in activities and financial matters
The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a result of DKK 24.912 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 15.100.932 and an equity of DKK -4.266.161.

The company´s continued operation is dependent on continued and unforeseen funding commitments from the loan lendors. The management of the company has no indications or expectations that the companys lendors will reduce their financing commitment to the company.

The companys management is aware that the equity is lost, but expects it to be re-established through positive operation in the future.

Post financial year events
After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Expectations for the future
The Company expects its operations to develop positively next year.

The outbreak of COVID-19 is of great importance to the world economy. The Danish Government has launched some initiatives to mitigate its effects.
Consequences of COVID-19 are considered by management as an event that occurred after the balance sheet date (December 31, 2019) and therefore constitute a non-regulatory event for the company.

The Management is closely following the evolution of COVID-19 and its impact on the company. At present, it is not possible to assess the impact on the annual report for 2020, which is why the management cannot comment more specifically on this.

Accounting Policies

Reporting Class
The Annual Report of CGIG Denmark ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in Danish kroner.

Translation policies
Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

Consolidated Financial Statements
The Consolidated Financial Statements comprise the parent company CGIG Denmark ApS and subsidiaries in which CGIG Denmark ApS directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates, cf. Group chart.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

General Information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Accounting Policies

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Gross profit/loss
The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Revenue
Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the byer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive og VAT and net of sales discounts.

External expenses
Other external expenses
Other external costs include costs for distribution, sales, advertising, administration, premises. loss of debitors, operating leasing costs etc.

Administration expenses
Expenses incurred during the year for management and administration are recognised in adminstration expenses. This includes expenses incurred for the administrative staff, Management, offices as well as office expenses and similar expenses and amortisation and impairment of tangible assets.

Staff expenses
Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimburdement, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Amortisation and impairment of tangible and intangible assets
Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	**Residual value**
Properties	20-50 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%

Land is not amortised.

Profit or loss on disposal of intangible and tangible fixed assets is calculated as the difference between the selling price less selling expenses and the carrying amount at the date of sale and is recognized in the income st
Financial income and expenses
Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect offinance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Dividends equity investments are recognised as income in the financial year in which the dividends are declared.

Accounting Policies

Balance Sheet

Tangible assets
Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase priceand expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are seperately depreciated if the usefull lives of the individual components differ.

Receivables
Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Equity includes the capital of the company, and a number of other equity accounts that may be statutory or laid down in the articles of association.
Equity comprises the working capital and a number of equity items that may be statutory or stipulated in tha articles of association.

Liabilities
Other payables
Other payables are measured at amortised cost, which usually corresponds to the nominal value

Accruals and deferred income entered as liabilities
Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2019 kr.	2018 kr.
Gross profit		**594.888**	**-7.234**
Employee benefits expense	1	-404.998	-379.639
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-164.977	-195.656
Profit from ordinary operating activities		**24.913**	**-582.529**
Finance expences	2	-1	-103
Profit from ordinary activities before tax		**24.912**	**-582.632**
Profit		**24.912**	**-582.632**
Proposed distribution of results			
Retained earnings		24.912	-582.632
Distribution of profit		**24.912**	**-582.632**

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Assets			
Land and buildings	3	14.517.031	14.682.008
Fixtures, fittings, tools and equipment	4	0	0
Property, plant and equipment		**14.517.031**	**14.682.008**
Fixed assets		**14.517.031**	**14.682.008**
Short-term trade receivables		230.692	76.762
Receivables		**230.692**	**76.762**
Cash and cash equivalents		**353.209**	**181.942**
Current assets		**583.901**	**258.703**
Assets		**15.100.932**	**14.940.711**

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Liabilities and equity			
Contributed capital	5	80.000	80.000
Retained earnings	6	-4.346.161	-4.371.073
Equity		**-4.266.161**	**-4.291.073**
Trade payables		7.289	23.070
Payables to group enterprises		18.172.206	18.172.206
Other payables		819.963	776.308
Deferred income, liabilities		102.435	0
Deposits, liabilities other than provisions		265.200	260.200
Short-term liabilities other than provisions		**19.367.093**	**19.231.784**
Liabilities other than provisions within the business		**19.367.093**	**19.231.784**
Liabilities and equity		**15.100.932**	**14.940.711**

Notes

1. Employee benefits expense

Wages and salaries	398.002	374.450
Social security contributions	3.426	379
Other employee expense	3.570	4.810
	404.998	**379.639**
Average number of employees	1	1

2. Finance expenses

Other finance expenses	1	103
	1	**103**

3. Land and buildings

Cost at the beginning of the year	15.433.337	15.433.337
Cost at the end of the year	**15.433.337**	**15.433.337**
Depreciation and amortisation at the beginning of the year	-751.329	-607.639
Amortisation for the year	-164.977	-143.690
Impairment losses and amortisation at the end of the year	**-916.306**	**-751.329**
Carrying amount at the end of the year	**14.517.031**	**14.682.008**

4. Fixtures, fittings, tools and equipment

Cost at the beginning of the year	200.429	200.429
Cost at the end of the year	**200.429**	**200.429**
Depreciation and amortisation at the beginning of the year	-200.429	-148.463
Amortisation for the year	0	-51.966
Impairment losses and amortisation at the end of the year	**-200.429**	**-200.429**
Carrying amount at the end of the year	**0**	**0**

5. Contributed capital

Balance at the beginning of the year	80.000	80.000
Balance at the end of the year	**80.000**	**80.000**

6. Retained earnings

Balance at the beginning of the year	-4.371.073	-3.788.441
Additions during the year	24.912	-582.632
Balance at the end of the year	**-4.346.161**	**-4.371.073**