

Josun Europa ApS

Nimbusvej 5, 2670 Greve

Company reg. no. 36 55 77 88

Annual report

1 January - 31 December 2016

The annual report have been submitted and approved by the general meeting on the 1 June 2017.

Palle Dalgaard Kristensen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

	<u>Page</u>
Reports	
Management's report	1
Auditor's report on compilation of the annual accounts	2
Management's review	
Company data	3
Management's review	4
Annual accounts 1 January - 31 December 2016	
Accounting policies used	5
Profit and loss account	8
Balance sheet	9
Notes	11

Management's report

The executive board has today presented the annual report of Josun Europa ApS for the financial year 1 January to 31 December 2016.

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 2016 and of the company's results of its activities in the financial year 1 January to 31 December 2016.

The executive board considers the requirements of omission of audit of the annual accounts for 2016/16 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Greve, 16 May 2017

Executive board

Qin Bojin

Palle Dalgaard Kristensen

Auditor's report on compilation of the annual accounts

To the shareholder of Josun Europa ApS

We have compiled the annual accounts of Josun Europa ApS for the period 1 January to 31 December 2016 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, 16 May 2017

BUUS JENSEN

State Authorised Public Accountants
Company reg. no. 16 11 90 40

Søren Tholle

State Authorised Public Accountant

Company data

The company

Josun Europa ApS
Nimbusvej 5
2670 Greve

Company reg. no. 36 55 77 88
Established: 3 December 2014
Domicile: Greve
Financial year: 1 January - 31 December

Executive board

Qin Bojin
Palle Dalgaard Kristensen

Auditors

BUUS JENSEN, Statsautoriserede revisorer

Management's review

The principal activities of the company

The company's objects are to carry on, directly or via shareholdings in other companies, research, design, development, production, sales and service of marine air conditioning equipment and business related hereto.

Development in activities and financial matters

The gross loss for the year is DKK -9.000 against DKK -10.000 last year. The results from ordinary activities after tax are DKK -9.000 against DKK -10.000 last year. The management consider the results unsatisfactory.

Accounting policies used

The annual report for Josun Europa ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B 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.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

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.

Accounting policies used

The profit and loss account

Gross loss

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

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 sales 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.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of 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

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.

Available funds

Available funds comprise cash at bank and in hand.

Accounting policies used

Equity

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 is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

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

Profit and loss account

All amounts in DKK.

<u>Note</u>	1/1 2016 - 31/12 2016	3/12 2014 - 31/12 2015
Gross loss	-8.819	-10.315
Other financial income	261	0
1 Other financial costs	-23	-15
Results before tax	-8.581	-10.330
Tax on ordinary results	0	0
Results for the year	-8.581	-10.330
Proposed distribution of the results:		
Allocated from results brought forward	-8.581	-10.330
Distribution in total	-8.581	-10.330

Balance sheet 31 December

All amounts in DKK.

Assets	<u>2016</u>	<u>2015</u>
<u>Note</u>		
Current assets		
Trade debtors	11.469	5.983
Other debtors	3.184	4.257
Debtors in total	<u>14.653</u>	<u>10.240</u>
Available funds	<u>73.779</u>	<u>90.217</u>
Current assets in total	<u>88.432</u>	<u>100.457</u>
Assets in total	<u>88.432</u>	<u>100.457</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities		<u>2016</u>	<u>2015</u>
<u>Note</u>			
Equity			
2	Contributed capital	50.000	50.000
3	Results brought forward	-18.911	-10.330
	Equity in total	<u>31.089</u>	<u>39.670</u>
 Liabilities			
	Trade creditors	6.000	11.058
	Other debts	51.343	49.729
	Short-term liabilities in total	<u>57.343</u>	<u>60.787</u>
	Liabilities in total	<u>57.343</u>	<u>60.787</u>
	 Equity and liabilities in total	 <u>88.432</u>	 <u>100.457</u>

Notes

All amounts in DKK.

	1/1 2016 - 31/12 2016	3/12 2014 - 31/12 2015
1. Other financial costs		
Other financial costs	<u>23</u>	<u>15</u>
	<u>23</u>	<u>15</u>
2. Contributed capital		
Contributed capital 1 January 2016	<u>50.000</u>	<u>50.000</u>
	<u>50.000</u>	<u>50.000</u>
3. Results brought forward		
Results brought forward 1 January 2016	-10.330	0
Profit or loss for the year brought forward	<u>-8.581</u>	<u>-10.330</u>
	<u>-18.911</u>	<u>-10.330</u>