

GL-Turbo International ApS

Bygmarken 21B
3520 Farum
Denmark

CVR no. 37 13 54 10

Annual report 2021

The annual report was presented and approved at
the Company's annual general meeting on

30 June 2022

Huaming Jin
Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of GL-Turbo International ApS for the financial year 1 January – 31 December 2021.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

We recommend that the annual report be approved at the annual general meeting.

Furesø, 30 June 2022
Executive Board:

Huaming Jin

Board of Directors:

Huaming Jin
Chairman

Management confirms that the Company fulfills the requirements to be exempt of audit.



Auditor's report on the compilation of financial statements

To the Management of GL-Turbo International ApS

We have compiled the financial statements of GL-Turbo International ApS for the financial year 1 January – 31 December 2021 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Compilation Engagements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied relevant provisions of the Auditor Act, including the requirements for independence, and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements 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 these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 30 June 2022

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

GL-Turbo International ApS
Annual report 2021
CVR no. 37 13 54 10

Company details

GL-Turbo International ApS
Bygmarken 21B
3520 Farum
Denmark

CVR no.:	37 13 54 10
Established:	30 September 2015
Registered office:	Furesø
Financial year:	1 January – 31 December

Board of Directors

Huaming Jin, Chairman

Executive Board

Huaming Jin

Annual general meeting

The annual general meeting will be held on 30 June 2022

Management's review

Operating review

Principal activities

The Company's principal activity is promotion and sales of technical solutions for the treatment of water worldwide.

Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK 48,833 as against DKK 233,503 in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 1,851,865 as against DKK 1,803,032 at 31 December 2020.

Events after the balance sheet date

No events have accrued after the balance sheet date which could significantly affect the Company's financial position

Financial statements 1 January – 31 December

Income statement

DKK	Note	2021	2020
Gross profit		1,453,749	2,371,877
Staff costs	3	-1,354,693	-2,062,411
Depreciation, amortisation and impairment losses		-33,957	-34,047
Profit before financial income and expenses		65,099	275,419
Other financial income		125	4,953
Other financial expenses		-16,391	-46,869
Profit before tax		48,833	233,503
Tax on profit for the year		0	0
Profit for the year		48,833	233,503
Proposed profit appropriation			
Retained earnings		48,833	233,503
		48,833	233,503

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>31/12 2021</u>	<u>31/12 2020</u>
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>36,634</u>	<u>70,590</u>
Total fixed assets		<u>36,634</u>	<u>70,590</u>
Current assets			
Receivables			
Trade receivables		1,136,415	1,524,388
Other receivables		121,829	129,887
Prepayments		<u>0</u>	<u>20,468</u>
		<u>1,258,244</u>	<u>1,674,743</u>
Cash at bank and in hand		<u>864,537</u>	<u>676,167</u>
Total current assets		<u>2,122,781</u>	<u>2,350,910</u>
TOTAL ASSETS		<u><u>2,159,415</u></u>	<u><u>2,421,500</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>31/12 2021</u>	<u>31/12 2020</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital		600,000	600,000
Retained earnings		<u>1,251,865</u>	<u>1,203,032</u>
Total equity		<u>1,851,865</u>	<u>1,803,032</u>
Liabilities			
Non-current liabilities			
Other payables		<u>0</u>	<u>139,384</u>
Current liabilities			
Trade payables		140,269	169,876
Other payables		<u>167,281</u>	<u>309,208</u>
		<u>307,550</u>	<u>479,084</u>
Total liabilities		<u>307,550</u>	<u>618,468</u>
TOTAL EQUITY AND LIABILITIES		<u><u>2,159,415</u></u>	<u><u>2,421,500</u></u>
Disclosure of material uncertainties regarding going concern	2		
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2021	600,000	1,203,032	1,803,032
Transferred over the profit appropriation	0	48,833	48,833
Equity at 31 December 2021	600,000	1,251,865	1,851,865

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of GL-Turbo International ApS for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense.

Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

2 Material uncertainties regarding going concern

Jiangsu GL-TURBO Corp. has issued a letter of support in which it is confirmed that the Parent Company will provide the necessary cash for the Company to meet its obligations until the presentation of the annual report for 2022.

DKK	<u>2021</u>	<u>2020</u>
3 Staff costs		
Wages and salaries	1,342,714	2,035,265
Pensions	4,544	17,398
Other social security costs	<u>7,435</u>	<u>9,748</u>
	<u>1,354,693</u>	<u>2,062,411</u>
Average number of full-time employees	<u>2</u>	<u>4</u>

4 Related party disclosures

GL-Turbo International ApS related parties comprise the following:

Control

Jiangsu GL-TURBO Corp., 38 Lianqian Road, XiShan Economic Industrial Zone, Wuxi, Jiangsu 214106, China.

Jiangsu GL-TURBO Corp. holds the majority of the contributed capital in the Company.

GL-Turbo International ApS is part of the consolidated financial statements of Jiangsu GL-TURBO Corp., China which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Jiangsu GL-TURBO Corp. can be obtained by contacting the Company at the address above.