

GL-Turbo International ApS

Bygmarken 21 B
3520 Farum
Denmark

CVR no. 37 13 54 10

Annual report 2019

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

31 August 2020

Martin Carlsen
chairman



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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 2019.

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 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

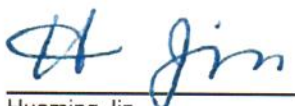
We recommend that the annual report be approved at the annual general meeting.

Farum 31 August 2020
Executive Board:



Martin Carlsen

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 2019 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 *Engagements to Compile Financial Statements*.

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 with the independence and other ethical requirements of the IESBA Codes of Ethics, 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, 31 August 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

GL-Turbo International ApS
Annual report 2019
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Company details

GL-Turbo International ApS
Bygmarken 21 B
3520 Farum
Denmark

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

Board of Directors

Huaming Jin, Chairman

Executive Board

Martin Carlsen

Annual general meeting

The annual general meeting will be held on 31 August 2020

Financial statements 1 January – 31 December

Income statement

DKK	Note	2019	2018
Gross loss		-366,108	-1,322,425
Staff costs	3	-2,202,598	-1,838,391
Depreciation, amortisation and impairment		-19,263	-9,085
Operating loss		-2,587,969	-3,169,901
Financial income		7,669	76,398
Financial expenses		-29,979	-40,340
Loss before tax		-2,610,279	-3,133,843
Tax on loss for the year		349,345	0
Loss for the year		-2,260,934	-3,133,843
Proposed distribution of loss			
Retained earnings		-2,260,934	-3,133,843
		-2,260,934	-3,133,843

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>2019</u>	<u>2018</u>
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>104,637</u>	<u>0</u>
Total fixed assets		<u>104,637</u>	<u>0</u>
Current assets			
Receivables			
Trade receivables		1,948,469	1,253,247
Other receivables		272,510	983,843
Corporation tax		<u>349,345</u>	<u>0</u>
		<u>2,570,324</u>	<u>2,237,090</u>
Cash at bank and in hand		<u>3,324,335</u>	<u>1,099,057</u>
Total current assets		<u>5,894,659</u>	<u>3,336,147</u>
TOTAL ASSETS		<u><u>5,999,296</u></u>	<u><u>3,336,147</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2019	2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital		600,000	600,000
Retained earnings		969,529	-1,434,941
Total equity		<u>1,569,529</u>	<u>-834,941</u>
Liabilities			
Non-current liabilities			
Other payables		<u>48,025</u>	<u>0</u>
Current liabilities			
Prepayments received from customers		482,461	1,129,328
Trade payables		3,579,178	2,243,160
Payables to associates		0	422,732
Other payables		<u>320,103</u>	<u>375,868</u>
		<u>4,381,742</u>	<u>4,171,088</u>
Total liabilities		<u>4,429,767</u>	<u>4,171,088</u>
TOTAL EQUITY AND LIABILITIES		<u><u>5,999,296</u></u>	<u><u>3,336,147</u></u>
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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 2019	600,000	-1,434,941	-834,941
Transferred over the distribution of loss	0	-2,260,934	-2,260,934
Contribution from group	0	4,665,404	4,665,404
Equity at 31 December 2019	600,000	969,529	1,569,529

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of GL-Turbo International ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B with additions from reporting class C 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

Gross loss

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross loss.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on loss 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.

Balance sheet

Property, plant and equipment

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

The depreciable amount, which is calculated as cost less any projected residual values after the end of the useful life, is depreciated 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 or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Cash at bank and in hand

Cash at bank and in hand comprise cash.

Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Current liabilities

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

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

2 Principal activities

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

3 Staff costs

DKK	2019	2018
Wages and salaries	2,082,129	1,731,824
Pensions	107,755	93,530
Other social security costs	12,714	13,037
	<u>2,202,598</u>	<u>1,838,391</u>
Average number of full-time employees	<u>3</u>	<u>3</u>

4 Disclosure of 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 2020.

5 Related parties

Consolidated financial statements

GL-Turbo International ApS is included in the consolidated financial statements of Jiangsu GL-Turbo Corp., registered office 38, Lianqian Road, XiShan Economic Development Zone, Wuxi, Jiangsu, 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.