


Hanshow Europe ApS
Gammel Kongevej 11, st.
1610 Copenhagen
CVR no. 37 92 20 64
Annual Report 2021

The Annual Report was presented and adopted at the company's annual general meeting on:

25 February 2022

 Li Liangyan

Liangyan Li
Chairman

ANNUAL REPORT 2021

(5. financial year)

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COMPANY INFORMATION

Company

Hanshow Europe ApS
Gammel Kongevej 11, st.
1610 Copenhagen

CVR no.

37 92 20 64

Financial year

1 January - 31 December

Principal activities

The company's principal activities consist in directly or through the holding of investments in other companies, to conduct trading activities and other activities that, in the opinion of the Executive Board, are associated with that.

CEO

Liangyan Li

The company's auditor

Haamann A/S, State Authorized Public Accountant Firm
Filmbyen 20
2650 Hvidovre
CVR no. (business reg. no.) 24 25 69 95

MANAGEMENT'S STATEMENTS

The CEO have today presented the annual report for the financial year 1 January - 31 December 2021 for Hanshow Europe ApS.

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

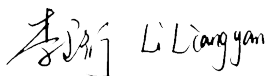
I consider the accounting policies appropriate for the annual report to provide a true and fair view of the company's assets and liabilities, cash flow statement, financial position and performance.

Moreover, in opinion, the mangagement's review includes a fair review of the matters described.

The management confirms that the company comply with the requirements for not having external audit of the annual report.

Copenhagen, 25 February 2022

Executive Board:



Liangyan Li

PRACTITIONER'S COMPILATION REPORT

To the Management of Hanshow Europe ApS

We have compiled the accompanying financial statements of Hanshow Europe ApS for the financial year 1 January - 31 December 2021 based on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our 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 relevant requirements under the Danish Act on Approved Auditors and Audit Firms and FSR – danske revisorer's Code of Ethics, including 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 on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Hvidovre, 25 February 2022

HAAMANN A/S
State Authorized Public Accountant Firm
CVR.nr. 24 25 69 95

Jan Østergaard
State Authorized Public Accountant
mne30203

MANAGEMENT'S REVIEW

The Company's principal activities

The company's principal activities consist in directly or through the holding of investments in other companies, to conduct trading activities and other activities that, in the opinion of the Executive Board, are associated with that.

Uncertainty as to recognition and measurement

No exceptional circumstances have occurred in the financial year.

Exceptional circumstances

No exceptional circumstances have occurred in the financial year.

Development in activities and financial affairs

The company had a profit of DKK -601.736, for the financial year, which the company's management considers unsatisfactory.

In the coming year the company expects a satisfactory result.

Financial resources

The company has lost more than half of the company capital. Equity at 31 December 2021 amounts to DKK - 3.752.134. It is the company's management's expectation that the company's share capital will be re-established as a result of future positive results.

In accordance with section 119 of the Danish Companies Act, the company's management at the annual general meeting will account for the company's financial position and present an action plan to re-establish the company capital.

Events occurring after the end of the financial year

No events have occurred after the end of the financial year that would materially affect the company's financial position.

INCOME STATEMENT
1 January - 31 December 2021

	<u>Note</u>	<u>2021 DKK</u>	<u>2020 TDKK</u>
Gross result		-106.572	-64
Staff costs	1	<u>-493.513</u>	<u>-886</u>
Operating profit and loss		-600.085	-950
Financial expenses		<u>-1.651</u>	<u>-2</u>
Profit or loss before tax		-601.736	-952
Tax on profit or loss for the year		<u>0</u>	<u>0</u>
Net profit or loss for the year		<u>-601.736</u>	<u>-952</u>
Proposed distribution of results			
Dividend for the financial year		0	0
Retained earnings		<u>-601.736</u>	<u>-952</u>
		<u>-601.736</u>	<u>-952</u>

BALANCE 31 December 2021

ASSETS

	<u>Note</u>	<u>2021 DKK</u>	<u>2020 TDKK</u>
<u>Fixed assets</u>			
Fixed assets			
Deposits		<u>6.100</u>	<u>6</u>
Fixed assets, total		<u>6.100</u>	<u>6</u>
<u>Current assets</u>			
Receivables			
Other short-term receivables		<u>95.271</u>	<u>187</u>
Cash and cash equivalents		<u>107.604</u>	<u>168</u>
Current assets		<u>202.875</u>	<u>355</u>
Assets, total		<u>208.975</u>	<u>361</u>

BALANCE 31 December 2021

LIABILITIES AND EQUITY

	<u>Note</u>	<u>2021 DKK</u>	<u>2020 TDKK</u>
<u>Equity</u>			
	2		
Share capital		530.000	530
Retained earnings		<u>-4.282.134</u>	<u>-3.681</u>
Equity, total		<u>-3.752.134</u>	<u>-3.150</u>
<u>Liabilities</u>			
Long-term liabilities other than provisions			
Other long-term payables		<u>0</u>	<u>53</u>
		<u>0</u>	<u>53</u>
Short-term liabilities other than provisions			
Trade payables		24.780	20
Payables to group enterprises		3.824.699	3.329
Other payables		<u>111.630</u>	<u>110</u>
		<u>3.961.109</u>	<u>3.459</u>
Total liabilities		<u>3.961.109</u>	<u>3.511</u>
Total liabilities and equity		<u>208.975</u>	<u>361</u>

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	530.000	-3.680.398	-3.150.398
Net profit for the year		<u>-601.736</u>	<u>-601.736</u>
Equity 31 December 2021	<u>530.000</u>	<u>-4.282.134</u>	<u>-3.752.134</u>

NOTES

	2021 DKK	2020 TDKK
1. <u>Staff costs</u>		
Wages and salaries	485.327	846
Social security costs	8.186	40
	<u>493.513</u>	<u>886</u>
 Average number of employees	 <u>1</u>	 <u>2</u>

2. Equity

The company's equity at 31 December 2021 amounts to DKK-3.752.134 and the company has thus lost more than 50% of the company capital. Parent company has confirmed that it will provide sufficient financial support for a period of at least 12 months from the date of the approval of the financial statements.

ACCOUNTING POLICIES

The Annual Report of Hanshow Europe ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with application of some provisions for a higher reporting class C.

The accounting policies applied remain unchanged from last year.

General principles for recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities. Moreover, all expenses are incurred, including depreciation and amortisation.

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 financial benefits 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.

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.

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 existed at the balance sheet date.

Income Statement

Revenue

Other external expenses

Gross profit is made up of net sales less the direct sales costs attributable to net sales and less other external costs.

Income from the sale of goods is recognised in the income statement from the date of delivery and when the risk has passed to the buyer and services are possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Other external expenses comprise expenses regarding sale and administration.

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax. Current and deferred tax regarding changes in equity is recognised directly in equity.

BALANCE SHEET**Other non-current assets**

Leasehold deposits are recognised in the balance sheet at cost.

Receivables

Receivables are measured at amortised cost, usually corresponding to nominal value. The value is reduced by impairment losses for bad and doubtful debts.

Prepayments

Prepayments recognised under assets comprise of prepaid costs, for the of subsequent financial years.

Tax payable and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured under the balance-sheet liability method for temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity. Any net deferred tax assets are measured at net realisable value.

Deferred tax is measured on the basis of the tax regulations and rates that, according to the rules in force at the reporting date, will be applicable at the time when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement. For the current year, a tax rate of 22 per cent has been applied.

Payables

Debt is measured at amortised cost, usually corresponding to nominal value.

ACCOUNTING POLICIES

Foreign currency translation

Foreign currency transactions are translated the exchange rate prevailing at the date of the transaction. Exchange differences arising between the exchange rate prevailing at the transaction date and the exchange rate at the payment date are recognised in the income statement as a net financial income or expense. If currency positions are regarded as a hedge of future cash flows, value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled on the reporting date are measured at the closing exchange rate. The difference between the closing rate and the rate at the time of the establishment of the receivable or payable is recognised in the income statement under financial income and expenses.

Non-current assets purchased in foreign currencies are measured at the exchange rate at the transaction date.

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Jan Østergaard

Statsautoriseret revisor

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