

**YUANDA Denmark ApS**

**Filmbyen 20  
2650 Hvidovre**

**CVR no. 41 49 57 74**

**Annual Report 2020/21**

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

06 April 2022



Bing Wang  
Chairman

**ANNUAL REPORT 2020/21**

(1. financial year)

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## **COMPANY INFORMATION**

### Company

YUANDA Denmark ApS  
Filmbyen 20  
2650 Hvidovre

### CVR no.

41 49 57 74

### Financial year

1 January - 31 December, the first financial year is the period 3 July 2020 - 31 December 2021

### Principal activities

The company's principal activities consist in designing, selling and installing building curtain wall products directly or indirectly, including planning, development, design, project management, production, transport, installation and maintenance of curtain walls and their structural components and metal structures as well as other activities related to the board's discretion.

### The company's board of directors

Zhenyu Wei  
Tao Lin

### CEO

Bing Wang

### The company's auditor

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

## MANAGEMENT'S STATEMENTS

The board of directors and the executive board have today presented the annual report for the financial year 3 July 2020 - 31 December 2021 for YUANDA Denmark ApS.


The annual report is presented in accordance with the Danish Financial Statements Act.

We 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.

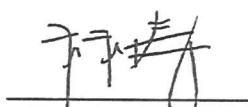
Moreover, in our opinion, the management's review includes a fair review of the matters described.

Hvidovre, 6 April 2022

### Executive Board:

  
Bing Wang

### Board of Directors:

  
Zhenyu Wei  
Tao Lin

## **INDEPENDENT PRACTITIONER'S REPORT**

**To the shareholders of YUANDA Denmark ApS**

### **Conclusion**

We have performed an extended review of the financial statements of YUANDA Denmark ApS for the financial year 2020/21. The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 2020/21 in accordance with the Danish Financial Statements Act.

### **Basis for conclusion**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Practitioner's responsibilities for the extended review of the financial statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

**Statement on the Management's review**

Management is responsible for the Management's review

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management's review.

Hvidovre, 6 April 2022

HAAMANN A/S  
State Authorized Public Accountant Firm  
CVR no. 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 designing, selling and installing building curtain wall products directly or indirectly, including planning, development, design, project management, production, transport, installation and maintenance of curtain walls and their structural components and metal structures as well as other activities related to the board's discretion.

### **Uncertainty as to recognition and measurement**

No material uncertainties have affected the annual report.

### **Exceptional circumstances**

No exceptional circumstances have occurred in the financial year.

### **Development in activities and financial affairs**

The company had a profit of DKK 209.227, which the company's management considers satisfactory.

In the coming year the company expects a satisfactory result.

### **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**  
**3 July 2020 - 31 December 2021**

	<u>Note</u>	2020/21 18 Months <u>DKK</u>
<b>Gross result</b>		1.319.497
Staff costs	1	<u>-1.025.523</u>
<b>Operating profit and loss</b>		293.974
Financial income		2.274
Financial expenses		<u>-21.461</u>
<b>Profit or loss before tax</b>		274.787
Tax on profit or loss for the year		<u>-65.560</u>
<b>Net profit or loss for the year</b>		<u>209.227</u>
 <b>Proposed distribution of results</b>		
Dividend for the financial year		0
Retained earnings		<u>209.227</u>
		<u>209.227</u>



**BALANCE 31 December 2021**

**ASSETS**

	<u>Note</u>	2020/21 <u>DKK</u>
<b><u>Fixed assets</u></b>		
<b>Financial fixed assets</b>		
Deposits		<u>25.500</u>
		<u>25.500</u>
<b>Fixed assets, total</b>		<u>25.500</u>
<b><u>Current assets</u></b>		
<b>Inventories</b>		
Raw materials and consumables		<u>2.009.214</u>
<b>Receivables</b>		
Prepayments		8.500
Other short-term receivables		4.652
Short-term receivables from group enterprises		<u>10.235.822</u>
		<u>10.248.974</u>
<b>Cash and cash equivalents</b>		<u>48.270</u>
<b>Current assets</b>		<u>12.306.458</u>
<b>Assets</b>		<u>12.331.958</u>

**BALANCE 31 December 2021**

**LIABILITIES AND EQUITY**

	<u>Note</u>	<u>2020/21</u> <u>DKK</u>
<b><u>Equity</u></b>		
Share capital		40.000
Retained earnings		<u>209.227</u>
<b>Total equity</b>		<u>249.227</u>
<b><u>Liabilities</u></b>		
<b>Short-term liabilities other than provisions</b>		
Prepayments received from customers		47.236
Trade payables		45.375
Payables to group enterprises		9.136.454
Corporation tax		65.560
Other payables		<u>2.788.106</u>
		<u>12.082.731</u>
<b>Total liabilities</b>		<u>12.082.731</u>
<b>Total liabilities and equity</b>		<u>12.331.958</u>
Contingent liabilities	2	

**STATEMENT OF CHANGES IN EQUITY**

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total equity</u>
Equity at 3 July 2020	40.000	0	40.000
Profit (loss)		<u>209.227</u>	<u>209.227</u>
Equity at 31 December 2021	<u>40.000</u>	<u>209.227</u>	<u>249.227</u>

**NOTES**

	2020/21
	<u>DKK</u>
1. <u>Staff costs</u>	
Wages and salaries	896.028
Pensions	113.691
Social security costs	<u>15.804</u>
	<u>1.025.523</u>
Average number of employees	<u>2</u>
2. <u>Contingent liabilities</u>	
Lease commitments	

The company has concluded leasehold agreements with average leasehold payments yearly of DKK 102.000. The company can terminate the leasehold with 3 months notice.

## ACCOUNTING POLICIES

The Annual Report of YUANDA Denmark ApS for 2020/21 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the option of certain provisions for class C.

### 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. All expenses, including depreciation, amortisation and impairment losses, are also 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 financial benefits will flow out of the Company, and the value of the liability can be measured reliably

On initial recognition, assets and liabilities are measured at cost. Subsequent to initial recognition, assets and liabilities are measured as described below for each individual item.

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.

On recognition and measurement, foreseeable risks and losses arising before the annual report is presented and proving or disproving matters existing on the balance sheet date are taken into consideration.

## INCOME STATEMENT

### Revenue

Gross profit is made up of net sales less the direct sales costs attributable to net sales and less other external costs. Other operating income and expenses comprise items of a secondary nature to the principal activity of the company.

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

Other external expenses include expenses concerning distribution, sale, losses on debtors, auto operations, facilities, small purchases, administration, operational leasing costs etc.

### Staff expenses

Staff costs include wages and salaries, incl. holiday pay and pensions, as well as other social security costs, etc. of the company's employees. In personnel costs, allowances received from public authorities are deducted.

## ACCOUNTING POLICIES

### 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

### Fixed asset investments

Leasehold deposits are recognised in the balance sheet at cost.

### Inventories

Inventories are measured at cost using the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The cost of basic material and consumables comprises the purchase price and delivery costs.

Net realizable value of inventories is calculated as selling price less completion costs and costs incurred to effect sales and is determined taking into account marketability, insurance and development in the expected selling price.

### Receivables

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

### Deferred income

Deferred income recognised under assets comprise of prepaid costs, for the 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. In those cases, e.g. in respect of shares where the calculation of the tax value can be made according to alternative tax rules, deferred tax is measured on the basis of the planned use of the asset or settlement of the liability.

## ACCOUNTING POLICIES

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% has been applied.

### Liabilities

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

### Foreign currency translation

Foreign currency transactions are converted to 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.