

Zhenshi Europe ApS

c/o Poul Fuglsbjerg
Gilmoseparken 4, Tjørring
7400 Herning

CVR No. 42924792

Annual Report 2023

2. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 12 June 2024

Poul Fuglsbjerg
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Zhenshi Europe ApS for the financial year 1 January 2023 - 31 December 2023.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herning, 7 June 2024

Executive Board

Poul Fuglsbjerg
Manager

Auditors' Report on Compilation of Financial Statements

To the Management of Zhenshi Europe ApS

We have compiled the accompanying financial statements of Zhenshi Europe ApS for the financial year 1 January 2023 - 31 December 2023 based on the information you have provided.

These financial statements comprise a summary of significant accounting Policies, income statement, balance sheet, statement of change in equity 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 Statement Act. We have complied with relevant requirements under the Danish Act on Approved auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

The Financial Statement 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 review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Accounts Act.

Herning, 7 June 2024

ANKER HØST
registreret revisionsaktieselskab
CVR-no. 31626536

Karsten Nielsen
Registered Public Accountant
mne31411

Company details

Company	Zhenshi Europe ApS c/o Poul Fuglsbjerg Gilmoseparken 4, Tjørring 7400 Herning
Telephone	27616008
E-mail	Poul.F@zhenshigroup.eu
CVR No.	42924792
Date of formation	22 December 2021
Registered office	Herning
Financial year	1 January 2023 - 31 December 2023

Executive Board	Poul Fuglsbjerg
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Auditors	ANKER HØST registreret revisionsaktieselskab Østergade 12 7400 Herning
Telephone	97 12 13 77 CVR-no.: 31626536

Management's Review

The Company's principal activities

The Company's principal activities consist in trading and consulting.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -30.126 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 556.574 and an equity of DKK 7.900.

Expectations for the future

The Company will be dissolved in 2024.

Accounting Policies

Reporting Class

The annual report of Zhenshi Europe ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

As the financial year 2023 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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 economic benefits attributable to the asset 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. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Accounting Policies

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses.

Tax on net profit 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 less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities

Financial liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2023 kr.	2021/22 kr.
Gross profit		1.609.356	1.221.129
Employee benefits expense	1	-1.638.477	-1.219.974
Profit from ordinary operating activities		-29.121	1.155
Finance expenses		-1.005	-1.269
Profit from ordinary activities before tax		-30.126	-114
Tax expense on ordinary activities		0	-1.860
Profit		-30.126	-1.974
Proposed distribution of results			
Retained earnings		-30.126	-1.974
Distribution of profit		-30.126	-1.974

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Short-term trade receivables		550.548	0
Other short-term receivables		0	60.000
Receivables		550.548	60.000
Cash and cash equivalents		6.026	47.215
Current assets		556.574	107.215
Assets		556.574	107.215

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		40.000	40.000
Retained earnings		-32.100	-1.974
Equity		7.900	38.026
Trade payables		119.844	12.000
Payables to group enterprises		370.000	0
Tax payables		0	1.860
Other payables		58.830	55.329
Short-term liabilities other than provisions		548.674	69.189
Liabilities other than provisions within the business		548.674	69.189
Liabilities and equity		556.574	107.215
Contingent liabilities	2		
Collaterals and assets pledges as security	3		
Liabilities under off-balance sheet leases	4		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	40.000	-1.974	38.026
Profit (loss)	0	-30.126	-30.126
Equity 31 December 2023	40.000	-32.100	7.900

The share capital has remained unchanged since formation.

Notes

	2023	2021/22
1. Employee benefits expense		
Wages and salaries	1.494.012	1.088.455
Post-employment benefit expense	138.996	128.700
Social security contributions	5.469	2.819
	<u>1.638.477</u>	<u>1.219.974</u>
Average number of employees	<u>1</u>	<u>1</u>

2. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

3. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

4. Liabilities under leases

The company has a lease agreement with a remaining term of 6 months. Commitment amounts to DKK 49.800

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Poul Fuglsbjerg

Ledelse og dirigent

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Karsten Nielsen

ANKER HØST REGISTRERET REVISIONSAKTIESELSKAB CVR: 31626536

Registreret revisor

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