



广东中广润会计师事务所

Guang Dong Zhong Guang Run Certified Public Accountants

Audit Report

中广润审字（2020）第 B082 号

ECU WORLDWIDE (GUANGZHOU) LIMITED of Directors:

We have audited the attached financial statement of ECU WORLDWIDE (GUANGZHOU) LIMITED (hereinafter referred to as the "Company"), including the balance sheet on Dec. 31st 2019, the income statement, profit and loss account and the notes to financial statement of 2019.

I . Responsibilities of Management for the Financial Statement

It's the responsibilities of the management of the Company to prepare the financial statement according to the Accounting Standards and the "Enterprise Accounting System", including (1) design, implementation and maintenance of the internal controls related to the preparation of the financial statement in order to avoid major mistakes in the financial statement because of fraud or errors; (2) choosing and using appropriate accounting policies; (3) making reasonable accounting estimates.

II . Responsibilities of Certified Public Accountants

It is our responsibility to give audit opinions on the financial statement on the basis of the implementation of audit work. We have conducted the audit work according to the regulations of Chinese Certified Public Accountants Auditing Standards. The Chinese Certified Public Accountants Auditing Standards require us to abide by professional ethics, design and implement the audit work using whether the financial statement is free of major mistakes as the reasonable assurance.

The audit work involves the implementation of audit procedure to obtain audit evidence on the amounts

and disclosures in the financial statement. And the selected audit procedure depends on the judgments of the Certified Public Accountants, including assessments of major misstatement risks of the financial statement due to fraud or errors. While conducting risk assessments, we take the internal controls related to the preparation of the financial statement into consideration in order to design a proper audit procedure but not to express any opinion on the effectiveness of the internal controls. The audit work also includes assessing the appropriateness of the accounting policies chosen by the management and the reasonableness of the accounting estimates, as well as the overall presentation of the financial statement.

We believe that the audit evidence we've obtained is sufficient and appropriate, which provides the basis for audit opinions.

III. Audit Opinions

We think the financial statement of the Company has been prepared according to the regulations of the Enterprise Accounting Standards and the "Enterprise Accounting System", and it in all material respects has fairly reflected the Company's financial position on Dec. 31st 2019 as well as the operating results in 2019.

Attachments:

1. Balance Sheet
2. Profit and Loss Account
3. Notes to Accounting Statements

Guang Dong Zhong Guang Run
Certified Public Accountants
Guangzhou China



Chinese Certified Public Accountants

Chinese Certified Public Accountants

22 February 2020



ECU WORLDWIDE (GUANGZHOU) LIMITED

For the Year Ended 31 December 2019

BALANCE SHEET

		RMB	
ASSETS	Bal.E/P	LIABILITIES AND OWNERS' EQUITY	Bal.E/P
CURRENT ASSETS :		CURRENT LIABILITIES:	
Monetary fund	12,120,976.32	Short-term loans	
Short term investments		Note payable	
Note receivable		Creditors(Accounts payable)	15,684,366.50
Interest receivable		Accruals of Inoives to be received	53,038,792.40
Debtors(Accounts receivable)	52,209,355.98	Accrued expense	1,343,652.78
Less: provision for bad debts	-258,405.13	Other payables	3,129,528.29
Other receivables	1,377,657.13	Receipts in Advance	170,342.16
Accruals of Inoives to be made	6,489,918.24	Dividend	
Prepayments	-	Salary payable	5,519,511.23
Deferred charges	1,442,814.53	Welfare payable	
Advances to subsidiaries	38,771,797.63	Advances from ShareHolders	
Inventories		Taxes payable	964,767.69
Total current assets	112,154,114.70	Total current Liabilities	79,850,961.05
Long-term investments		Long-term accounts payable	
Long-term share		Long-term loans payable	
rights investment		Other long-term liabilities	
Fixed assets:		Total long term liabilities	
Fixed assets at cost	2,435,761.59	Total Liabilities	79,850,961.05
Less:Accumulated depreciation	1,702,663.64		
Net value of fixed assets	733,097.95		
Disposal of fixed assets			
		OWER'S EQUITY :	
Construction in Progress			
Unsettled G/L on fixed assets		Issued and Paid up Capital	10,569,468.48
		Capital surplus	
Total Fixed Assets	733,097.95	Surplus reserve	3,656,566.07
		Undistributed profit	18,810,217.05
Intangible assets			
Long-term deferred expense			
Total intangible assets		Total ower's equity	33,036,251.60
and long-term deferred expense			
TOTAL ASSETS	112,887,212.65	TOTAL LIABILITIES AND OWER'S EQUITY	112,887,212.65

ECU WORLDWIDE (GUANGZHOU) LIMITED

For the Year Ended 31 December 2019

PROFIT AND LOSS ACCOUNT

RMB

ITEMS	CURRENT YEAR CUMULATIVE
Turnover	479,597,824.56
Less: Cost of operation	422,864,302.78
Gross profit	56,733,521.78
Add: Income from other operations	9,672,101.88
Less: Operating expense	
General and administrative expense	45,408,351.57
Financial expense	417,726.55
Including: Interest expense	
Exchange gain & loss	
Operating profits	20,579,545.54
Add: Investment earning	0.00
Allowance revenue	0.00
Non-operating revenue	36,042.82
Less: Non-operating expenses	22,934.77
Income before tax	20,592,653.59
Less: Income tax	6,033,279.49
Net income	14,559,374.10
Add: Dividends received	
Less: Dividends paid	14,000,000.00
Net result for the year	559,374.10

Attachment

Name of Enterprise : ECU WORLDWIDE (GUANGZHOU) LIMITED

I. Basic Information of Enterprise:

A: Total institutions basic situation

1.ECU WORLDWIDE (GUANGZHOU) LIMITED was founded on 1 Sep.2005 ,with the business operation period of 20 years. ECU WORLDWIDE (GUANGZHOU) LIMITED has gained the business registration license, the reference code is No. 91440101717855284Y. The legal representative: UDAYA KUMAR.

2. The registered capital RMB10.5 million, By the parties:

Name of Investors	Investment	Investment proportion
ECU WORLDWIDE (HONG KONG) LTD.	10.5million	100%
Total	10.5million	100%

3.Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, insurance, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved).

4. Duration of operation: since 01.Sep.2005 to 01.Sep.2025.

B: Branches basic situation

1. ECU WORLDWIDE (GUANGZHOU) LIMITED SHENZHEN BRANCH was founded on 01 Feb 2008, with the business operation period of 18 years. ECU WORLDWIDE (GUANGZHOU) LIMITED SHENZHEN BRANCH has gained the business registration license, the reference code is No. 91440300671877815J. The legal representative: Udaya Kumar. Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, insurance, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 01.Feb.2008 to 01.Sep.2025.

2. ECU WORLDWIDE (GUANGZHOU) LIMITED XIAMEN BRANCH was founded on 16 Feb 2009, with the

business operation period of 17 years. ECU WORLDWIDE (GUANGZHOU) LIMITED XIAMEN BRANCH has gained the business registration license, the reference code is No. 91350200678294444R. The legal representative: UDAYA KUMAR .Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved).Duration of operation: since 16.Feb.2009 to 01.Sep.2025.

3. ECU WORLDWIDE (GUANGZHOU) LIMITED FUZHOU BRANCH was founded on 07 Sep 2010, with the business operation period of 16 years. ECU WORLDWIDE (GUANGZHOU) LIMITED FUZHOU BRANCH has gained the business registration license, the reference code is No. 91350100561678620G. The legal representative: UDAYA KUMAR. Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, insurance, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 07.Sep.2010 to 06.Sep.2025.

4. ECU WORLDWIDE (GUANGZHOU) LIMITED ZHONGSHAN BRANCH was founded on 27 Sep. 2010, with the business operation period of 16 years. ECU WORLDWIDE (GUANGZHOU) LIMITED ZHONGSHAN BRANCH has gained the business registration license, the reference code is No. 91442000562618793L. The legal representative: UDAYA KUMAR. Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, insurance, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 27.Sep.2010 to 01.Sep.2025.

5. ECU WORLDWIDE (GUANGZHOU) LIMITED NINGBO BRANCH was founded on 15 Oct. 2010, with the business operation period of 16 years. ECU WORLDWIDE (GUANGZHOU) LIMITED NINGBO BRANCH has gained the business registration license, the reference code is No. 91330203563850017K. The legal representative: Udaya Kumar. Business scope: Undertake transportation by sea, land and air

transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 15.Oct.2010 to 01.Sep.2025.

6. ECU WORLDWIDE (GUANGZHOU) LIMITED QINGDAO BRANCH was founded on 20 Oct 2010, with the business operation period of 16 years. ECU WORLDWIDE (GUANGZHOU) LIMITED QINGDAO BRANCH has gained the business registration license, the reference code is No. 91370200561186052H. The legal representative: UDAYA KUMAR. Business scope: Non-vessel operation common carrier. Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, insurance, correlative short-distance transportation service and transportation services. (Operations that need to be approved according to law may not carry out until they are approved).Duration of operation: since 20.Oct.2010 to 01.Sep.2025.

7. ECU WORLDWIDE (GUANGZHOU) LIMITED WUHAN BRANCH was founded on 01 Dec 2011, with the business operation period of 15 years. ECU WORLDWIDE (GUANGZHOU) LIMITED WUHAN BRANCH has gained the business registration license, the reference code is No. 420103500001351. The legal representative: UDAYA KUMAR. Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 01.Dec.2011 to 01.Sep.2025.

8. ECU WORLDWIDE (GUANGZHOU) LIMITED DALIAN BRANCH was founded on 06 Dec 2011, with the business operation period of 15 years. ECU WORLDWIDE (GUANGZHOU) LIMITED DALIAN BRANCH has gained the business registration license, the reference code is No. 91210200582049305M. The legal representative: 乌达亚 库马尔. Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, correlative short-distance transportation service and transportation services. Non-vessel

operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 06.Dec.2011 to 05.Dec.2025.

9. ECU WORLDWIDE (GUANGZHOU) LIMITED YANTAI BRANCH was founded on 28 Mar. 2014 , with the business operation period of 12 years. ECU WORLDWIDE (GUANGZHOU) LIMITED YANTAI BRANCH has gained the business registration license, the reference code is No. 91370600493600281C. The legal representative: UDAYA KUMAR. Business scope: Undertake transportation by sea, land and air transportation agency of import and export of goods, international business including sales, booking space, warehousing and storage, baggage, transfer, container FCL and LCL, settlement, customs declaration, quarantine, insurance, correlative short-distance transportation service and transportation services. Non-vessel operation common carrier. (Operations that need to be approved according to law may not carry out until they are approved). Duration of operation: since 28. Mar.2014 to 01.Sep.2025.

II. Principal Accounting Policies

1. Accounting system: Subject to the Accounting System for Enterprise.
2. Fiscal year: Annual accounting period is subject to the Gregorian calendar from Jan. 1 to Dec. 31 of each year.
3. Bookkeeping principle and base of pricing: Accounting bookkeeping is based on Accruals Principle and the pricing is based on real cost.

4. Accounting currency unit and foreign exchange

The accounting currency unit is using RMB YUAN.

Transactions in foreign currencies during the year are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. All exchange differences are dealt with in the income statement.

5. Bad debt of trade receivables

Provision is made against trade receivables to the extent they are considered to be doubtful. Trade receivables in the balance sheet are stated net of such provision.

6. Fixed Assets: Pricing and depreciating method of fixed assets

Valuation of Fixed Assets and Depreciation Method: Fixed assets depreciation calculated using the straight-line method on average . The depreciated rate and classified depreciated rate, which are

confirmed according to balance (10% of original value) calculated with the original cost and estimating leaving using age, are as follow:

Sort	Using Age	Annual Depreciation Rate
furniture	5	18%
Electronic equipment	3	30%

7. Revenue recognition:

Revenue from the sale of goods or services is recognized on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods or services are delivered to customers and title has passed.

III. Taxes:

The taxes are calculated according to the related tax law and regulation of PRC, the detail tax rate are as follow.

VAT:	6%
Income tax:	25%

IV. Notes to Major Items of Accounting Statements

(I) Notes to Major Items of Balance sheet

Ending Balance

1. Monetary Fund:	RMB12,120,976.32
There-into: Cash in hand	30,015.84
Bank Deposit	12,090,960.48
2. Accounts receivable	52,209,355.98

One of the ten most large as follows:

ECU LOS ANGELES	523,539.15
ECU FUKUOKA	434,971.77
ECU NEW YORK	406,285.19
ECU MIAMI	396,818.96
ECU MEXICO	329,631.77
ECU TOKYO	318,546.28
ECU HAMBURG	241,500.32
ECU AUSTRALIA	224,961.57
ECU SOUTHAMPTON	191,380.34
ECU GENOVA	183,504.33

3.Provision for bad debts

-258,405.13

4. Others receivables

1,377,657.13

There-into:

deposit of office rent	775,101.44
deposit of stuffing	116,030.00
deposit of copy machine	6,500.00
other deposit	14,470.00
deposit of printer	2,150.00
deposit of apartment	34,000.00
deposit of decoration	15,000.00
deposit of shipping line	411,605.69
rent of copy machine	2,800.00

5. Deferred charges

1,442,814.53

There-into:

renovation fee	20,916.40
property insurance	1,137.43
maintenance fee - QQ	17,655.47
Internet fee	31,595.00
others	21,540.62
office rent	546,731.27
Prepayment for stuffing charges	86,595.00
maintenance fee - building	167,009.71
recruitment fee	12,825.59
decoration fee	378,444.00
Property Management Fee	29,333.28
Maintenance - office equipment	8,977.52
Staff welfare	24,366.68
other office expenses	31,378.56
petty cash for staff traveling	15,000.00
traveling fee	15,599.00
prepayment to supplier	12,059.67
Audit Fees	2,400.00
Property management fee	4,749.33
prepayment to warehouse	14,500.00

6.Fixed assets:

Regimentation	Opening	Additions	Disposals balance	Ending Balance	Accumulated depreciation	Net amount
Furniture & Office	2,329,528.77	412,795.77	306,562.95	2,435,761.59	1,702,663.64	733,097.95

Equipment						
Total	2,329,528.77	412,795.77	306,562.95	2,435,761.59	1,702,663.64	733,097.95

7.Accounts payable 15,684,366.50

One of the ten most large as follows:

ECU LOS ANGELES	460,685.50
ECU ANTWERP	102,836.91
ECU MEXICO	97,724.95
ECU CHICAGO	84,587.35
ECU LE HAVRE	73,851.04
ECU NEW YORK	51,590.99
ECU AUSTRALIA	46,648.63
ECU CAPE TOWN	42,137.95
ECU GENOVA	41,970.69
ECU MARSEILLE	40,046.76

8.Receipts in advance 170,342.16

There-into:

others	170,342.16
--------	------------

9.Salary payable 5,519,511.23

There-into:

salary payable	2,688,129.38
bonus payable	2,673,903.61
commission payable	157,478.24

10.Taxes payable 964,767.69

There-into:

Provision of income tax	1,020,500.00
Provision of tax surcharges	11,523.26
Provision of tax	-67,255.57

11.Other payable 3,129,528.29

There-into:

individual income tax	62,268.06
labor union fund	208,411.02
individual housing fund	31,120.00
regional meeting fee	375,181.25
other provisions	1,816,863.81
individual social security	40,426.30

Doc center	595,257.85
------------	------------

12. Advances to subsidiaries 38,771,797.63

There-into:

THEREINTO:ECU WORLDWIDE (HONG KONG) LTD.	38,771,797.63
--	---------------

13. Accrued expense 1,343,652.78

There-into:

audit fee	114,770.00
annual dinner	86,687.00
internet fee	2,100.00
electric fee	5,678.45
tel fee	39,200.89
courier fee	17,724.35
office equipment rent	3,950.00
transport fee	600.00
staff training	9,000.00
other office expenses	479,286.48
Audit & Accounting fee	66,000.00
staff entertainment	7,295.00
handicapped employ security	17,500.00
housing fund	25,506.00
rent of warehouse	2,400.00
WNS	22,307.61
advertising expenses	177,146.51
others	18,223.56
Social Security	95,275.50
Meeting Fee	29,270.00
Property management fee	10,193.46
Travling expenses	21,182.61
Staff welfare	24,500.00
advertising fee	22,889.00
labor union fee	6,524.36
accounting fee	9,000.00
entertainment fee	22,942.00
handicapped employ security	4,500.00
outsourcing fee	2,000.00

14. Issued and paid up capital 10,569,468.48
ECU WORLDWIDE (GUANGZHOU) LIMITED 10,569,468.48

15. Surplus reserve 3,656,566.07

(II)Notes to the profit & loss account

1.Turnover	479,597,824.56
2.Cost of operation	422,864,302.78
3.Income from other operations	9,672,101.88
4.General &administrative expense	45,408,351.57

There-into:

Office rent	3,353,377.90
Rent office equipment	41,442.45
Rent Cars	18,989.95
Other rent	25,360.00
Maintenance buildings	79,976.04
Maintenance office equipment	28,477.34
Other maintenance	401,573.48
water & electricity	204,893.56
Fuel	330,289.48
Office and computer supplies	156,764.60
Telephone	661,184.64
Courier services	324,151.00
Advertisements	181,570.40
Entertainment	787,038.93
Travel expenses	1,004,983.68
Other office expenses	422,404.52
Fees accounting & auditor	326,240.00
Independent Employees	2,296,702.25
Expenses for Licences	12,073.84
Life insurances & others	1,570.89
Insurance for transport of goods	158,324.58
Bad Debts Write Offs	74,052.39
Provision for Bad Debts	-240,563.52
Taxes	76,395.91
Salary employees	23,083,014.26
Social security contribution	5,488,830.82
Insurance staff	63,793.32
Other staff charges	943,642.75
Provisions of Bonus	3,178,405.51
Depreciations on fixed assets	194,716.79
other fee	1,728,673.81

5. Financial expense

417,726.55

There-into:

bank charge	162,818.98
bank interest	-22,485.22
exchange gain and loss	277,392.79

6. Dividends paid

14,000,000.00



姓名 张新成
Full name
性别 男
Sex
出生日期 1943-08-04
Date of birth
工作单位 广东中海粤会计师事务所有限公司
Working unit
身份证号码 432301194308041013
Identity card No.



证书编号: 430100440005
No. of Certificate
批准注册协会: 湖南省注册会计师协会
Authorized Institute of CPAs
发证日期: 2007 年 07 月 30 日
Date of Issuance

2018年3月换发

年度检验登记

Annual Renewal Registration

本证书经检验合格, 继续有效一年。
This certificate is valid for another year after this renewal.



张新成(430100440005), 已通过广东省注册会计师协会2018年任职资格检查。通过文号: 粤注协(2018) 68号。

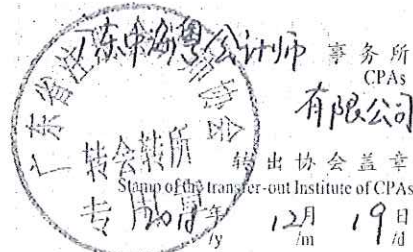


430100440005

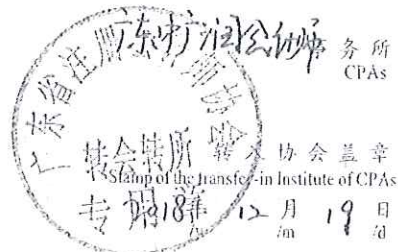
注册会计师工作单位变更事项登记

Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from



同意调入
Agree the holder to be transferred to





姓名: 程尧东
Full name: Cheng Jiaodong
性别: 男
Sex: Male
出生日期: 1952-03-15
Date of birth: 1952-03-15
工作单位: 广州皇图会计师事务所(普通合伙)
Working unit: Guangzhou Huangtu Accounting Firm (General Partnership)
身份证号码: 432301195203151010
Identity card No.: 432301195203151010

证书编号: 440101940001
No. of Certificate: 440101940001
批准注册协会: 广东省注册会计师协会
Authorized Institute of CPAs: Guangdong Association of CPAs
发证日期: 二〇一一年二月二十八日
Date of Issuance: 2011-02-28



年度检验登记
Annual Renewal Registration

本证书经检验合格, 继续有效一年。
This certificate is valid for another year after this renewal.



程尧东(440101940001), 已通过广东省注册会计师协会2019年任职资格检查。通过文号: 粤注协(2019)94号。



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from



同意调入
Agree the holder to be transferred to





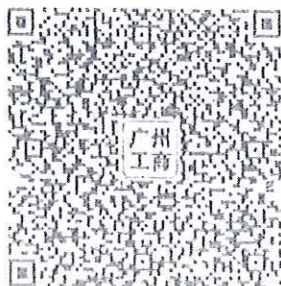
营业执照

(副本)

编号 S0652016051387 (1-1)

统一社会信用代码 91440101MA59H51U2B

名称 广东中广润会计师事务所(普通合伙)
类型 合伙企业(普通合伙)
主要经营场所 广州市天河区华夏路28号1513房
执行事务合伙人 黄飞显
成立日期 2016年12月22日
合伙期限 2016年12月22日至长期
经营范围 商务服务业(具体经营项目请登录广州市商事主体信息公示平台查询。依法须经批准的项目,经相关部门批准后方可开展经营活动。)



登记机关

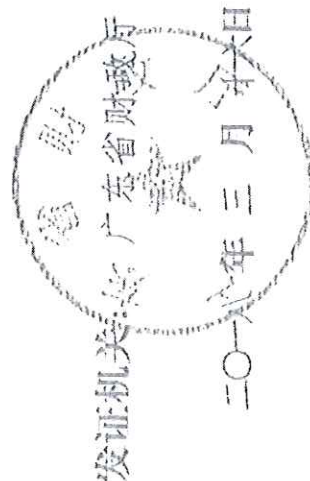


2017年02月16日

证书序号: 0002771

说明

- 1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。
- 2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。
- 3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。
- 4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。



中华人民共和国财政部制



会计师事务所

执业证书

名称: 广东中广润会计师事务所(普通合伙)

首席合伙人: 黄飞显

主任会计师:

经营场所:

广州市天河区华夏路28号



组织形式: 普通合伙

执业证书编号: 44010228

批准执业文号: 粤财会[2017]7号

批准执业日期: 2017年01月12日