

Navin fluorine (Shanghai) Co., LTD

Auditors Report

H. G. R. (2022) S. Z. No. 01155



Shanghai gaoren certified public
accountants Partnership

Address: Room B-24E, No. 1118,
changshou Road, Shanghai ,
China.

Zip code: 200042

Telephone: 021-52385816

Mobile phone: 13918655951

mailbox: gr_cpa@163.com



上海高仁会计师事务所
Shanghai Gaoren Certified Public Accountants

上海市普陀区长寿路1118号悦达国际大厦B座24E
Rm.24E,Building B#, Yueda International Mansion, Changshou Road 1118#,
Putuo District, Shanghai 邮编 Zip : 200042
Http://www.shgrcpa.com
TEL : 021-52385816 E-mail : gr_cpa@163.com

Auditors' Report

H.G.R. (2022) S.Z.No.01155

To the shareholders of Navin fluorine (Shanghai) Co., LTD,

I. Opinion

We have audited the financial statements of Navin fluorine (Shanghai) Co., LTD ("the Company"), which comprise the balance sheet as at March 31st, 2022, and the income statement, the cash flow statement and the statement of change in equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31st, 2022, and the results of its operations and its cash flows for the year then ended in accordance with the Accounting Standards for Small Business Enterprises.

II. Basis for opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with China Code of Ethics for Certified Public Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Responsibilities of the management and those charged with governance for the financial statements

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Small Business Enterprises, and for designing, implementing and maintaining such internal control as the 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, the 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, unless the management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

IV. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements

represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(In case of any discrepancy between the Chinese version and the English version of this auditors' report, the Chinese version shall prevail.)



Shanghai gaoren certified public accountants Partnership.

Chinese Certified Public Accountant:



Chinese Certified Public Accountant:



Shanghai, China

April 6th, 2022

Balance Sheet

2022-3-31

Corporate finance forms 01

Prepared by: Navin fluorine (Shanghai) Co., LTD

Unit: RMB

Item	Line No.	At the end of period	At the beginning of period	Item	Line No.	At the end of period	At the beginning of period
Current Assets:	1	—	—	Current liabilities:	73	—	—
Cash at bank and on the hand	2	91,397.98	518,693.49	Short-term borrowing	74	—	—
Δ Settlement provision	3	—	—	Δ Loan from Central Bank	75	—	—
Δ Outgoing call loan	4	—	—	Δ Deposit received and held for others	76	—	—
☆ Transactional financial assets	5	—	—	Δ Call loan received	77	—	—
Changes included in current Profit & loss of financial assets at fair value	6	—	—	☆ Transactional financial liabilities	78	—	—
Derivative financial assets	7	—	—	Changes included in current Profit & loss of financial liabilities at fair value	79	—	—
Notes receivable & Accounts receivable	8	—	—	Derivative financial liabilities	80	—	—
Advance to suppliers	9	—	—	Notes payable & Account payable	81	—	—
Δ Insurance receivable	10	—	—	Advances from customers	82	—	—
Δ Reinsurance receivable	11	—	—	☆ Contractual liability	83	—	—
Δ Provisions of reinsurance receivable	12	—	—	Δ Selling of repurchased financial assets	84	—	—
Other receivable	13	27,100.00	27,100.00	Δ Fees and commissions payable	85	—	—
Δ Repurchasing of financial assets	14	—	—	Accrued payroll	86	2,898.80	2,898.80
Inventories	15	—	—	Including: Staff salary payable	87	—	—
Including: Raw materials	16	—	—	Staff welfare payable	88	—	—
Finished goods/Finished products	17	—	—	#Including: staff bonus and welfare fund	89	—	—
☆ Contractual assets	18	—	—	Taxes payable	90	12,081.43	2,860.86
The assets held for sale	19	—	—	Including: taxes payable	91	11,680.13	2,860.86
Non-current assets due within one year	20	—	—	Other payable	92	1,480.70	1,480.70
Other current assets	21	—	—	Δ Reinsurance fee payable	93	—	—
Total Current Assets	22	118,497.98	545,793.49	Δ Insurance contract payable	94	—	—
Non-current assets:	23	—	—	Δ Entrusted trading of securities	95	—	—
Δ Loans and advances	24	—	—	Δ Entrusted selling of securities	96	—	—
☆ Debt investment	25	—	—	The liabilities held for sale	97	—	—
Financial assets available for sales	26	—	—	Non-current liabilities due within one year	98	—	—
☆ Other creditor's rights investment	27	—	—	Other current liabilities	99	—	—
Held-to-maturity investment	28	—	—	Total Current Liabilities	100	16,460.93	7,240.36
Long-term receivable	29	—	—	Non-current liabilities	101	—	—
Long-term equity investment	30	—	—	Long-term loan	102	—	—
☆ Investment in other equity instruments	31	—	—	Bonds payable	103	—	—
☆ Other non-current financial assets	32	—	—	Including: Preferred stock	104	—	—
Investment property	33	—	—	Sustainable debt	105	—	—
Fixed assets	34	—	—	Long-term payables	106	—	—
Project in progress	35	—	—	Long term employees' remuneration payable	107	—	—
Biological assets for manufacturing	36	—	—	Anticipated liabilities	108	—	—
Oil and gas assets	37	—	—	Deferred revenue	109	—	—
Intangible assets	38	—	—	Deferred income tax liabilities	110	—	—
Research and development expenditure	39	—	—	Other non-current liabilities	111	—	—
Goodwill	40	—	—	Including: Specialty authorized fund	112	—	—
Long-term deferred expenditures/assets	41	—	—	Total Non-current Liabilities	113	—	—
Deferred income tax assets	42	—	—	Total Liabilities	114	16,460.93	7,240.36
Other non-current assets	43	—	—	Shareholder's equity	115	—	—
Including: Specialty approved reseving materials	44	—	—	Paid-in capital (share capital)	116	5,652,995.68	5,394,600.29
Total Non-current Assets	45	—	—	State-owned capital	117	—	—
	46	—	—	Including: State-owned legal person capital	118	—	—
	47	—	—	Collective capital	119	—	—
	48	—	—	Private capital	120	—	—
	49	—	—	Including: Individual capital	121	—	—
	50	—	—	Foreign investor's capital	122	5,652,995.68	5,394,600.29
	51	—	—	#Less: Investment return	123	—	—
	52	—	—	Net amount of paid-in capital	124	5,652,995.68	5,394,600.29
	53	—	—	Other equity instruments	125	—	—
	54	—	—	Including: Preferred stock	126	—	—
	55	—	—	Sustainable debt	127	—	—
	56	—	—	Capital reserve	128	—	—
	57	—	—	Less: treasure stock	129	—	—
	58	—	—	Other comprehensive incomes	130	—	—
	59	—	—	Including: Converted difference in foreign currency statement	131	—	—
	60	—	—	Special reserve	132	—	—
	61	—	—	Surplus reserve	133	—	—
	62	—	—	Including: Statutory surplus reserve	134	—	—
	63	—	—	Discretionary surplus reserve	135	—	—
	64	—	—	#Reserve fund	136	—	—
	65	—	—	#Enterprise expansion fund	137	—	—
	66	—	—	#Profit capitalized on return of investments	138	—	—
	67	—	—	Δ General risk provision	139	—	—
	68	—	—	Undistributed profit	140	-5,550,958.63	-4,856,047.16
	69	—	—	Total shareholder's equity attributable to parent company	141	102,037.05	538,553.13
	70	—	—	*Minority interest	142	—	—
	71	—	—	Total Shareholder's Equity	143	102,037.05	538,553.13
Total Assets	72	118,497.98	545,793.49	Total Liabilities and shareholder's equity	144	118,497.98	545,793.49

Legal Representative:

Head of Accounting:

Head of Accounting Institution:

Income Statement

2021.4-2022.3

Corporate finance forms 02

Unit: RMB

Prepared by: Navin fluorine (Shanghai) Co., LTD

Item	Line No.	Amount of this year	Amount of last year	Item	Line No.	Amount of this year	Amount of last year
I. Total sales from operations	1	353,655.76	2,555.28	*Minority profit	46		
Including: sales from operations	2	353,655.76	2,555.28	(二) Classified by business continuity:	47		
ΔInterest income	3			Continuous operation profit and loss	48	-694,911.47	-1,064,111.35
ΔPremiums income	4			Stop operating profit and loss	49		
ΔFee and commission income	5			VI. Other net comprehensive income after tax	50		
II. Total Cost of sales	6	1,051,179.25	1,066,714.91	Net of tax amount of other comprehensive income attributable to the owners of the parent company	51		
Including: Cost of operations	7			(一) Other comprehensive income will not be reclassified into profit & loss	52		
ΔInterest expenses	8			1.Re-measurement of Benefit Plan Change	53		
ΔFee and commission expenses	9			2.Other Comprehensive Income Which Can't Transfer Loss and Loss under equity law	54		
ΔInsurance discharge payment	10			☆3.Changes in fair value of investment in other equity instruments	55		
ΔNet claim amount paid	11			☆4.Fair value change of enterprise's credit risk	56		
ΔNet insurance policy reserves provided	12			5.Other	57		
ΔInsurance policy dividend paid	13			(二) Other comprehensive income will be reclassified into profit & loss	58		
ΔReinsurance expenses	14			1.Other Comprehensive Benefits of Convertible Profits and Losses under Equity Law	59		
Business tax and surcharges	15	963.12		☆2.Changes in fair value of other creditor's rights investment	60		
Selling expenses	16			3.Gain or loss of financial assets available for sale at fair value	61		
General and administrative expenses	17	1,034,030.42	979,134.67	☆4.Amount of financial assets reclassified into other comprehensive returns	62		
Including:	18			5.Gains & Losses of Held-to-maturity investment reclassified as financial assets available for sale	63		
Research expenses	19			☆6.Credit impairment reserve for other creditor's rights investment	64		
Financial expenses	20	16,185.71	87,580.04	7.Cash Flow Hedging Reserve (Effective part of Cash flow hedging gains and losses)	65		
Including: Interest expenses	21			8.Converted difference in foreign currency statement	66		
Interest income	22	-446.45	742.79	9.Other	67		
Net exchange gain	23		82,962.23	*Net after tax of other comprehensive income attributable to minority shareholders	68		
Net exchange loss	24	10,656.21		VII. Total comprehensive incomes	69	-694,911.47	-1,064,111.35
Losses on assets impairment	25			Total comprehensive incomes attributable to the owners of the parent company	70	-694,911.47	-1,064,111.35
☆Loss of credit impairment	26			*Total comprehensive incomes attributable to the minority	71		
Other	27			VIII. Earning per share:	72		
Add: Other income	28			(一) Basic earning per share	73		
Investment income/(losses)	29			(二) Diluted earning per share	74		
Including: investment income from associated enterprises and joint ventures	30						
ΔGains/(Losses) from currency exchange	31						
☆Net exposure hedging income (Losses listed as "-")	32						
Income/(loss) from change of fair value	33						
Proceeds from disposal of assets (losses listed as "-")	34						
III. Profit/(loss) from operating activities	35	-697,523.49	-1,064,159.63				
Add: non-operating income	36	2,612.02	48.28				
Including: government subsidy	37						
gain on debt restructuring	38						
Less: non-operating expenses	39						
Including: loss on debt restructuring	40						
IV. Total profit/(loss)	41	-694,911.47	-1,064,111.35				
Less: Income tax	42						
V. Net profit/(loss)	43	-694,911.47	-1,064,111.35				
(一) Classified by ownership:	44						
Net profit attributable to the owners of parent company	45	-694,911.47	-1,064,111.35				

Legal Representative:

Head of Accounting:

Head of Accounting Institution:

Cash Flow Statement

2021.4-2022.3

Corporate finance forms 03

Prepared by: Navin fluorine (Shanghai) Co., LTD

Unit: RMB

Item	Line No.	Amount of this year	Amount of last year	Item	Line No.	Amount of this year	Amount of last year
I 、 Cash flows from operating activities:	1	—	—	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	30		
Cash received from sale of goods and rendering of services	2	362,021.45		Net cash received from disposal of subsidiaries and other entities	31		
△Net increase of customer deposits and capital kept for brother company	3			Cash received relating to other investing activities	32		
△Net increase of loans from central bank	4			Sub-total of cash inflows	33	-	-
△Net increase in funds withdrawn from other financial institutions	5			Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	34		
△Cash received against original insurance contract	6			Cash paid for acquisition of investments	35		
△Net cash received from reinsurance business	7			△Net increase of loan against pledge	36		
△Net increase of client deposit and investment	8			Net Cash paid for acquisition of subsidiaries and other entities	37		
△Net increase of trade financial asset disposal	9			Cash paid relating to other investing activities	38		
△Cash received as interest, processing fee, and commission	10			Sub-total of cash outflows	39	-	-
△Net increase of inter-bank fund received	11			Net cash flows from investing activities	40	-	-
△Net increase of repurchasing business	12			III 、 Cash flows from financing activities:	41	—	—
Refund of taxes	13			Cash received from investors	42	258,395.39	1,425,753.06
Cash received relating to other operating activities	14	1,645.87	17,974.73	Including: cash received from minority shareholder capital contribution to subsidiaries	43		
Sub-total of cash inflows	15	363,667.32	17,974.73	Cash received from borrowings	44		
Cash paid for goods and services	16			△Cash received from issue bond	45		
△Net increase of client trade and advance	17			Cash received relating to other financing activities	46		
△Net increase of savings in central bank and brother company	18			Sub-total of cash inflows	47	258,395.39	1,425,753.06
△Cash paid for original contract claim	19			Cash repayments of borrowings	48		
△Cash paid for interest, processing fee and commission	20			Cash payments for interest expenses and distribution of dividends or profit	49		
△Cash paid for policy dividend	21			Including: dividends or profits distributed by subsidiaries to minority shareholders	50		
Cash paid to and on behalf of employees	22	612,829.59	533,876.59	Cash paid relating to other financing activities	51		
Cash paid for all types of taxes	23	63.00	241.20	Sub-total of cash outflows	52	-	-
Cash paid relating to other operating activities	24	425,809.42	449,583.50	Net cash flows from financing activities	53	258,395.39	1,425,753.06
Sub-total of cash outflows	25	1,038,702.01	983,701.29	IV 、 Effect of foreign exchange rate changes on cash	54	-10,656.21	-82,962.23
Net cash flows from operating activities	26	-675,034.69	-965,726.56	V 、 Net increase in cash and cash equivalents	55	-427,295.51	377,064.27
II 、 Cash flows from investing activities:	27	—	—	Add: cash and cash equivalents at the beginning of period	56	518,693.49	141,629.22
Cash received from disposal of investments	28			VI 、 Cash and cash equivalents at the ends of period	57	91,397.98	518,693.49
Cash received from return on investments	29				58		

Legal Representative:

Head of Accounting:

Head of Accounting Institution:

Statements of Change in Owner's Equity

2021.4-2022.3

Corporate finance forms 04

Unit: RMB

Prepared by: Navin fluorine (Shanghai) Co., LTD

Item	Line No.	Ending Balance this year														
		Owner's Equity of parent company													Minority interest	Total shareholder's equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive incomes	Special reserve	Surplus reserve	△General risk provision	Retained earnings	Others	Subtotal		
Column	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
I 、 Balance at the end of the previous year	1	5,394,600.29				-	-		-	-	-	-4,856,047.16	-	538,553.13		538,553.13
Add: Change of accounting policies	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Early errors correction	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	4													-		-
II 、 At the beginning of current period	5	5,394,600.29	-	-	-	-	-	-	-	-	-	-4,856,047.16	-	538,553.13	-	538,553.13
III 、 Increase/(decrease) In current period	6	258,395.39		-	-	-	-	-	-	-	-	-694,911.47	-	-436,516.08	-	-436,516.08
(I) Total comprehensive incomes	7	—	—	—	—	—	—	—	—	—	—	-694,911.47	—	-694,911.47		-694,911.47
(II) Owner's paid-in capital and capital reduction	8	1,425,753.06	-	-	-	-	-	-	-	-	-	-	-	1,425,753.06	-	1,425,753.06
1.Owner's invested common share	9	1,425,753.06	—	—	—		—	—	—	—	—	—	—	1,425,753.06		1,425,753.06
2.Other equity tool holder's capital	10						—	—	—	—	—	—	—	-		-
3.Amount of share-based payment settled in owner's equity	11		—	—	—		—	—	—	—	—	—	—	-		-
4.Others	12		—	—	—									-		-
(III) Appropriation and usage of special reserve	13		—	—	—				-					-	-	-
1.Appropriation of special reserve	14	—	—	—	—	—	—	—		—	—	—	—	-		-
2.Usage of special reserve	15	—	—	—	—	—	—	—		—	—	—	—	-		-
(IV) Profit distributions	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.Appropriation of surplus reserve	17	—	—	—	—	—		—		—	-	—	—	-	—	-
Including: Statutory surplus reserve	18	—	—	—	—	—		—		—		—	—	-	—	-
Discretionary surplus reserve	19	—	—	—	—	—		—		—		—	—	-	—	-
#Reserve fund	20	—	—	—	—	—		—		—				-		-
#Enterprise expansion fund	21	—	—	—	—	—		—		—				-	—	-
#Profit capitalized on return of investment	22	—	—	—	—	—		—		—				-	—	-
2.Appropriation of general risk provision	23	—		—	—	—		—		—				-	—	-
3.Distributions of profit to the investors	24	—		—	—	—		—		—				-		-
4.Others	25													-		-
(V) Internal transfer of owner's equity	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.Capital reserve transferred to capital	27		—	—	—		—	—	—	—	—	—	—	-	—	-
2.Surplus reserve transferred to capital	28		—		—	—	—	—	—	—	—	—	—	-	—	-
3.Surplus reserve makes up for losses	29	—	—	—	—	—	—	—	—	—	—	—	—	-	—	-
4.Setting benefit plan change amount to transfer retained income	30	—		—	—	—		—	—	—		—	—	-	—	-
☆5.Other comprehensive income carry-over retained income	31	—	—	—	—	—	—	—	—	—			—		—	
6.Others	32													-		-
IV 、 Balance at the end of current period	33	5,652,995.68	-	-	-	-	-	-	-	-	-	-5,550,958.63	-	102,037.05	-	102,037.05

Legal Representative:

Head of Accounting:

Head of Accounting Institution:

Statements of Change in Owner's Equity

2021.4-2022.3

Corporate finance forms 04

Unit: RMB

Prepared by: Navin fluorine (Shanghai) Co., LTD

Item	Line No.	Ending Balance last year														Minority interest	Total shareholder's equity
		Owner's Equity of parent company															
		Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive incomes	Special reserve	Surplus reserve	△General risk provision	Retained earnings	Others	Subtotal			
Column	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30		
I 、 Balance at the end of the previous year	1	3,968,847.23										-3,791,935.81		176,911.42		176,911.42	
Add: Change of accounting policies	2												-			-	
Early errors correction	3													-		-	
Others	4													-		-	
II 、 At the beginning of current period	5	3,968,847.23	-	-	-	-	-	-	-	-	-3,791,935.81	-	176,911.42	-	176,911.42		
III、 Increase/(decrease) in current period	6	1,425,753.06		-	-	-	-	-	-	-	-1,064,111.35	-	361,641.71	-	361,641.71		
(I) Total comprehensive incomes	7	—	—	—	—	—	—	—	—	—	-1,064,111.35	—	-1,064,111.35		-1,064,111.35		
(II) Owner's paid-in capital and capital reduction	8	1,425,753.06	-	-	-	-	-	-	-	-	-	-	1,425,753.06	-	1,425,753.06		
1.Owner's invested common share	9	1,425,753.06	—	—	—	—	—	—	—	—	—	—	1,425,753.06		1,425,753.06		
2.Other equity tool holder's capital	10												-		-		
3.Amount of share-based payment settled in owner's equity	11		—	—	—	—	—	—	—	—	—	—	—		-		
4.Others	12		—	—	—	—							-		-		
(III) Appropriation and usage of special reserve	13		—	—	—			-					-	-	-		
1.Appropriation of special reserve	14	—	—	—	—	—	—		—	—	—	—	-		-		
2.Usage of special reserve	15	—	—	—	—	—	—		—	—	—	—	-		-		
(IV) Profit distributions	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
1.Appropriation of surplus reserve	17	—	—	—	—	—	—	—	—	-	-	—	-	—	-		
Including: Statutory surplus reserve	18	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
Discretionary surplus reserve	19	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
#Reserve fund	20	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
#Enterprise expansion fund	21	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
#Profit capitalized on return of investment	22	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
2.Appropriation of general risk provision	23	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
3.Distributions of profit to the investors	24	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
4.Others	25												-		-		
(V) Internal transfer of owner's equity	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
1.Capital reserve transferred to capital	27		—	—	—	—	—	—	—	—	—	—	-	—	-		
2.Surplus reserve transferred to capital	28		—	—	—	—	—	—	—	—	—	—	-	—	-		
3.Surplus reserve makes up for losses	29	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
4.设定受益计划变动额结转留存收益	30	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
☆5.其他综合收益结转留存收益	31	—	—	—	—	—	—	—	—	—	—	—	-	—	-		
6.Others	32												-		-		
IV、 Balance at the end of current period	33	5,394,600.29	-			-	-	-	-	-	-4,856,047.16	-	538,553.13	-	538,553.13		

Legal Representative:

Head of Accounting:

Head of Accounting Institution:

Please give it your attention: notes to the accounting statements constitute a part of the accounting statement.

I . Company profile

Approved by Shanghai Industrial and Commercial Administration on May 12th, 2015, Navin fluorine (Shanghai) Co.,LTD. (hereinafter referred to as “the Company”) is a wholly foreign-owned enterprises funded by Navin Fluorine International Limited, with a registered capital of USD two million. The corporate representative is SUBBARAO TATA. The business scope covers Chemical raw materials and products import and export, domestic wholesale, commission agent, and provide related technical advisory services and ancillary services.

II. Basis for preparation of financial statements

On a going concern basis, the Company carried out its recognition and measurement work based on the transaction and items actually occurred in accordance with relevant provisions of accounting standards for Small Business Enterprises. It was on this basis that the Company prepared its financial statements.

III. A statement on compliance with the Accounting Standards for Business Enterprises

The Company’ financial statements have been prepared in accordance with the Accounting Standards for Small Business Enterprises, which give, in all material respects, a true and full view of the company’s relevant information on financial position, business performance and cash flows.

IV. The Company’s major accounting policy and estimates

1. Accounting system

The Company carries out the Accounting Standards for Small Business Enterprises, and relevant supplementary provisions.

2. Accounting period

The Company’s accounting period is from April 1st to March 31st .

3. Reporting currency

The Company’s reporting currency is Renminbi (RMB).

4. Accounting basis and principle

The Company’s financial accounting is carried out on an accrual basis. Each asset is recorded and measured on a historical cost basis.

5. Translation of foreign currency

Transactions in foreign currencies are translated into RMB at the exchange rates ruling on the same day when transaction occurs and the balance in each foreign currency account is adjusted after converted into RMB at the year-end market exchange rate. The year-end translation differences of special loan account in foreign currency shall be capitalized according to stipulations and charged in the cost of construction in progress if they were incurred before the fixed asset acquired is ready for the intended use. All the rest translation differences of special loan account in foreign currency are charged in the financial cost.

6. Criteria of cash equivalents recognition

In preparation of the cash flow statement, cash refers to all cash in hand and call deposits. Cash equivalents are defined as short-term, highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

7. Accounting method for bad debts

Recognition criteria: In the event that debtor, pursuant to law, files bankruptcy or has been deregistered, found dead, missing and therefore becomes insolvent; and debtor fails to perform the obligation of repayment in due time and it is proved by solid evidence that the relevant amount of money can never be collected, the account receivable in question will be written off after approved by certain authority of the Company.

8. Accounting method for inventories

- (1) Inventories should be recorded at actual cost on acquisition and delivery.
- (2) Low value consumable items should be amortized on a lump-sum basis.
- (3) Perpetual inventory system is adopted in inventory-taking.

9. Valuation and depreciation of fixed assets

- (1) Fixed assets refer to buildings, machinery equipment, transportation facilities and other facilities and tools with useful lives over 1 year and relatively high unit value, which are held for the purpose of production, service provision, lease or operating management.
- (2) Fixed assets are recorded at cost when acquired.
- (3) Scope of depreciation: all fixed assets will be depreciated excluding the equipment that has been fully depreciated but is still in use which is separately evaluated and charged in the account.
- (4) Provision for depreciation of fixed assets shall be made by their categories using the composite

life method. The depreciation rate is determined by the categories of fixed assets, estimated useful years and the estimated net residual value ratio of 5%. Depreciation by categories is as below:

Category	Useful life	Yearly depreciation rate
Electronic equipment	3	31.67%
Vehicle	5	19%

(5) Subsequent expenditure of fixed assets

Any improvement expenditure that can expand the useful life of fixed asset, actually upgrade the quality of products or reduce the product manufacturing cost shall be charged in the original price of fixed asset. Other expenditures saving the aforesaid such as repair expense shall be charged in loss and profit incurred in current period.

10. Principles of revenue recognition

(1) Revenue from sales of goods: the Company has transferred the major risks of ownership of goods and the corresponding rewards to the buyer; the Company retains neither continuous management right usually related to ownership nor control over the goods sold; business related economic benefits can flow into the Company; relevant income and cost can be measured reliably.

(2) Revenue from service provision: If the provision of services is started and completed within the same accounting year, revenue should be recognized at the time when service was completed, service charges were received or evidence on cash receipt has been obtained; when the provision of services is started and completed in different accounting years, revenue from service provision should be recognized based on the percentage-of-completion method on the balance sheet date provided that the outcome of a service provision can be estimated reliably.

V. Taxation

Major taxes and tax rates applicable to the Company

Categories of taxes	Basis for computation of tax	Tax rate (%)
Corporate income tax	Taxable income	25%

VI. Associated Parties

If the Company is able to directly or indirectly control and jointly control another party or to exert major impact, or the Company and another party or several parties are under the control of the same party, they are regarded as associated parties.

VII. Notes to major items of financial statements (unit: RMB yuan)**1. Other receivable**

Age of account	Balance at the end of the period		Balance at the beginning of the period	
	Balance	%	Balance	%
1-2 years	27,100.00	100%	27,100.00	100%
Total	27,100.00	100%	27,100.00	100%

2. Accrued payroll

Item	Balance at the end of the period	Balance at the beginning of the period
social insurance premium	2,306.80	2,306.80
housing fund	592.00	592.00
Total	2,898.80	2,898.80

3. Taxes payable

Item	Balance at the end of the period	Balance at the beginning of the period
VAT payable	8,026.02	28.38
individual income tax	3,092.29	2,832.48
Urban construction tax and surcharges	963.12	
Total	12,081.43	2,860.86

4. Other payable

Age of account	Balance at the end of the period	Balance at the beginning of the period
Less than one year	1,480.70	1,480.70
Total	1,480.70	1,480.70

5. Paid-in capital

Name of investors	Balance at the beginning of the period		Increase in this year	Decrease in this year	Balance at the end of the period	
	Investment amount	Percentage			Investment amount	Percentage
Navin Fluorine International Limited	5,394,600.29	100%	258,395.39		5,652,995.68	100%
Total	5,394,600.29	100%	258,395.39		5,652,995.68	100%

6. Undistributed profit

Items	Balance at the end of the period	Balance at the beginning of the period
Opening balance	-4,856,047.16	-3,791,935.81
Increased	-694,911.47	-1,064,111.35
therein: Net profit Transferred this year	-694,911.47	-1,064,111.35
Other		
Decreased		
therein: The increase amount of Surplus reserve this period		
General risk provision		
The distribution of Cash Dividends this period		
The distribution of Stock dividend this year		
Other decrease		
Closing balance	-5,550,958.63	-4,856,047.16

7. Operating revenue and cost

Item	Amount incurred in this year		Amount incurred in last year	
	Revenue	Cost	Revenue	Cost
Main business	352,491.27			
Other business	1,164.49		2,555.28	
Total	353,655.76		2,555.28	

8. Non-operating income

Item	Amount incurred in this year	Amount incurred in last year
government subsidy	2,612.02	48.28
Total	2,612.02	48.28

9. Cash flow statement

I. The indirect method:

Items	Balance at the end of the period	Balance at the beginning of the period
I. Conversion of net profit into cash flow from operating activities:	—	
Net profit	-694,911.47	-1,064,111.35

Items	Balance at the end of the period	Balance at the beginning of the period
Less :Unrealised investment losses		
Add: Provision for impairment loss on assets		
Depreciation of fixed assets		
Amortization of intangible assets		
Decrease (increase) in deferred expenses		
Increase (Decrease) in accrued expenses		
Amortization of long-term deferred expenses		
Loss on disposal of fixed assets, intangible assets and other long term assets		
Loss on discarding of fixed assets (gain is stated in “—”)		
Loss on change in fair value (gain is stated in “—”)		
Financial cost (gain is stated in “—”)		
Loss on investment (gain is stated in “—”)		
Decrease in deferred income tax assets (increase is stated in “—”)		
Increase in deferred income tax liabilities (decrease is stated in “—”)		
Decrease in inventory (increase is stated in “—”)		
Decrease in operating receivables (increase is stated in “—”)		17,650.00
Increase in operating payables(decrease is stated in “—”)	9,220.57	-2,227.44
Others	10,656.21	82,962.23
Net cash flow from operating activities	-675,034.69	-965,726.56
2. Investing and Financing Activities that do not Involve Cash Receipts and Payments:		
Conversion of debt into capital		
Reclassification of convertible bonds expiring within one year as current liability		
Fixed assets acquired under finance leases		
Net Increase in Cash and Cash Equivalents:		
Cash at the end of the period	91,397.98	518,693.49
Less: cash at the beginning of the year	518,693.49	141,629.22
Add: cash equivalents at the end of the period		
Less: cash equivalents at the beginning of the period		
Net increase in cash and cash equivalents	-427,295.51	377,064.27

II. Monetary capital

items	Balance at the end of the period	Balance at the begin of the period
Cash	91,397.98	518,693.49
Including : Cash in hands		
Cash in bank	91,397.98	518,693.49
Other monetary funds		
Cash equivalents		
Including: bond investments maturing within three months		
Cash and cash equivalents	91,397.98	518,693.49
Including:Restricted cash and cash equivalents in Parent company or subsidiaries of the Group		

VIII. Business with Associated Party

Associated Party:

Name of Associated Party	Place of Registration	Shareholding ratio %
Navin Fluorine International Limited	India	100%

IX. Others to be explained

None.

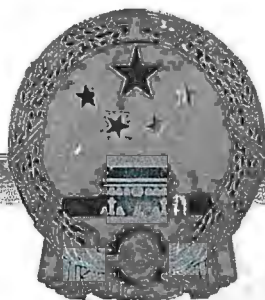
X. Events after the balance sheet date

None.

XI. Approval of the financial statements

The Financial Statement of this term has been confirmed by the corporation's directorate .

Navin fluorine (Shanghai) Co., LTD



统一社会信用代码

91310115586792817H

证照编号: 41000000202006080045

营业执照



扫描二维码登录“国家企业信用信息公示系统”了解更多登记、备案、许可、监管信息。

中国（上海）自由贸易试验区

名称 上海高仁会计师事务所（普通合伙）

类型 普通合伙企业

执行事务合伙人 高龙伟

经营范围 审查企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。

【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】

成立日期 2011年12月02日

合伙期限 2011年12月02日至 不约定期限

主要经营场所 中国（上海）自由贸易试验区祖冲之路1559号2幢1002室

登记机关

2020年06月08日

