

# Report of the Auditors

ZCHJBZ (2021) 010254

To: The Board of Directors of Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd

## I. Opinion

We have audited the accompanying financial statements of Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd. including Balance Sheet as of December 31, 2020, and the Statement of Income, Cash Flows and Changes in Equity for the year then ended, and the notes to the financial statements.

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as of December 31, 2020 and the results of its operations and cash flows for the year then ended, in accordance with the requirements of *Accounting Standards for Small Business Enterprises*.

### I. Basis for opinion

We conducted our audit in accordance with Auditing Standards for Chinese Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. According to the CPA professional ethical code, we are independent of the Company and comply with all other professional ethical requirements. We believe the audit evidences we have obtained are sufficient and appropriate and provide a reasonable basis for our opinion.

### II. Management's and Governance's Responsibility 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 requirements of *Accounting Standards for Small Business Enterprises*. and designing, implementing and maintaining necessary internal control so that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing 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 applying going concern basis of accounting unless the management plans to liquidate the Company, to cease operations or have no other realistic alternatives but to do so.

The governance is responsible for overseeing the financial reporting process of the Company.

### III. Auditor's Responsibility 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 auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are 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 Chinese Certified Public Accountants Standards of Auditing, we exercise professional judgment and maintain professional suspicion 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 the risk of not detecting 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 the 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. Meantime, 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 the Management regarding, among other matters, 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.

The English report and its appendices are for reference only, if there is any discrepancy, its official interpretation will be based on its Chinese version.

Shanghai Zhong Chuang Hai Jia Certified Public Accountants Co., Ltd.

Shanghai, the People's Republic of China

Date: March 28, 2021



# BALANCE SHEET

December 31, 2020

Q.C. Schedule 01

Unit: RMB

Enterprise's Name: Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.

Assets	Ending Balance	Beginning Balance	Liabilities & owners' (shareholder's) equity	Ending Balance	Beginning Balance
<b>Current assets:</b>			<b>Current liabilities:</b>		
Monetary funds	62,084.17	110,282.90	Short-term loan		
Financial assets measured at fair value and recognized in current profit and loss			Financial liabilities measured at fair value and recognized in current profit and loss		
Derivative financial assets			Derivative financial liabilities		
Notes receivable			Notes payable		
Accounts receivable	2,068,486.26	2,212,641.29	Accounts payable	1,148,643.68	1,148,643.68
Advances to suppliers	266,962.21	9,338.41	Advances from customers		
Other receivables	103,479.44	95,297.44	Payroll & benefits payable	119,632.68	706,596.86
Including: Dividends receivable			Taxes and dues payable	48,629.22	72,232.63
Inventories			Other payables	500,206.83	174,316.63
Asset available for sale			Including: Dividends payable		
Non-current assets within one year			Liabilities available as sale		
Other current assets			Non-current liabilities within one year		
<b>Total current assets</b>	<b>2,502,982.06</b>	<b>2,427,558.04</b>	Other current liabilities		
<b>Non-current assets:</b>			<b>Total current liabilities</b>	<b>1,817,012.09</b>	<b>2,101,789.78</b>
Financial assets available for sale			Non-current liabilities:		
Held-to-maturity investment			Long-term loans		
Long-term receivables			Debentures payable		
Long-term investment on stocks			Including: Preferred Stock		
Investment real estates			Perpetual debt		
Fixed assets	1,322.73	3,167.96	Long-term accounts payable		
Including: Original value	128,518.00	128,518.00	Foreseeable liabilities		
Accumulated depreciation	127,195.27	125,350.04	Deferred income		
Accumulated impairment provision			Deferred income tax liabilities		
Construction in-process			Other non-current liabilities		
Capitalized biological assets			<b>Total non-current liabilities</b>	-	-
Oil and gas assets			<b>Total liabilities</b>	<b>1,817,012.09</b>	<b>2,101,789.78</b>
Intangible Assets			Owner's equity (or shareholders' equity) :		
Development expenditures			Paid-in capital (Share capital)	14,893,981.11	14,893,981.11
Goodwill			Other equity instruments		
Long-term deferred expenses	3,266.81	5,444.93	Including: Preferred Stock		
Deferred income tax assets			Perpetual debt		
Other non-current assets			Capital reserve		
<b>Total non-current assets</b>	<b>4,589.54</b>	<b>8,612.89</b>	Less: treasury stock		
			Other comprehensive income		
			Special Reserves		
			Surplus Reserves		
			Undistributed profit	-14,203,421.58	-14,659,599.96
			<b>Owners' (shareholder's) equity subtotal</b>	<b>690,559.53</b>	<b>334,381.15</b>
<b>Total Assets</b>	<b>2,507,571.62</b>	<b>2,436,170.93</b>	<b>Total liabilities &amp; owners' (shareholder's) equity</b>	<b>2,507,571.62</b>	<b>2,436,170.93</b>

# Income Statement

Year 2020

Q.C. Schedule 02

Enterprise's Name: Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.

Unit: RMB

Item	Amount of Current Year	Amount of Prior Year
<b>I. Revenues from operations</b>	<b>4,479,555.25</b>	<b>4,975,572.67</b>
<b>Less: Cost of operations</b>		
<b>Tax and levies</b>	33,135.16	35,173.62
<b>Selling Expenses</b>	3,323,027.18	4,406,260.23
<b>General &amp; Administrative expenses</b>	704,229.59	700,652.66
<b>Research and development expenses</b>		
<b>Financial expenses</b>	137,868.34	4,084.34
<b>Including: Interest expenses</b>		
<b>interest income</b>	541.28	425.65
<b>Add: Other incomes</b>	<b>51,774.31</b>	<b>30,000.00</b>
Investment income (mark "-" referred to as loss)		
<b>Including: Income from investment in jointly managed enterprises and joint enterprises</b>		
Gain from fair value fluctuation (mark "-" referred to as loss)		
Impairment loss of assets (mark "-" referred to as loss)		
Gain from disposal of assets (mark "-" means loss)		
<b>II. Operating profit (mark "-" referred to as loss)</b>	<b>333,066.29</b>	<b>-140,598.18</b>
<b>Add: Non-operating income</b>	<b>43,422.30</b>	<b>375.43</b>
<b>Less: Non-operating expenses</b>	<b>99.08</b>	<b>6.60</b>
<b>III. Profit / loss before tax (mark "-" referred to as total loss)</b>	<b>376,389.51</b>	<b>-140,229.35</b>
<b>Less: Income tax expenses</b>	<b>20,211.13</b>	
<b>IV. Net profit / loss (mark "-" referred to as net loss)</b>	<b>356,178.38</b>	<b>-140,229.35</b>
(1) Net profit from continuing operations (mark "-" referred to as net loss)		
(2) Net profit from discontinued operations (mark "-" referred to as net loss)		
<b>V. Aftertax net amount of other comprehensive income</b>		
(1) Other comprehensive income that can not be reclassified into profit and loss		
1. Changes resulting from the re-measurement of the defined benefit plan		
2. Other comprehensive income that cannot be reclassified into the profit and loss under the equity method		
.....		
(2) Other comprehensive income that will be reclassified into profit and loss		
1. Other comprehensive income that can be reclassified into the profit and loss under the equity method		
2. Profit and loss from changes in fair value of financial assets available for sale		
3. Profit and loss of Held-to-maturity investments reclassified as financial assets available for sale		
4. Cash flow reserve (effective part in the gains or losses on cash flow hedging)		
5. Translation differences in currency financial statements		
.....		
<b>VI. Accumulated other comprehensive income</b>	<b>356,178.38</b>	<b>-140,229.35</b>
<b>VII. Earnings per share:</b>		
(1) Basic earnings per share		
(2) Diluted earnings per share		

# Cash Flow Statement

Year 2020

Q.C. Schedule 03

Unit: RMB

Enterprise's Name: Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.

Item	Amount of Current Year	Amount of Prior Year
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods or rendering of service	4,783,811.07	4,921,456.09
Refund of tax and levies	20,000.00	30,000.00
Other cash received relating to operating activities	32,315.59	425.65
Sub-total of operating activities cash inflows	4,836,126.66	4,951,881.74
Cash paid for goods and service		
Cash paid to and on behalf of employees	2,282,537.72	3,569,134.93
Payment of all types of tax and expenses	314,922.19	312,621.68
Other cash paid relating to operating activities	2,286,865.48	1,095,206.03
Sub-total of operating activities cash outflows	4,884,325.39	4,976,962.64
Net cash flows from operating activities	-48,198.73	-25,080.90
<b>II. Cash flows from investing activities:</b>		
Cash received from investment		
Cash received from returns on investment		
Net Cash received from disposal of fixed assets, intangible assets and other long-term assets		30.00
Net cash received from disposal of sub-company and other operating enterprises		
Other cash received relating to investing activities		
Sub-total of cash inflows relating to investing activities	-	30.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets		1,941.69
Cash paid to acquire investments		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities		
Sub-total of cash outflows of investment activities	-	1,941.69
Net cash flows from investment activities	-	-1,911.69
<b>III. Cash flow from financing activities:</b>		
Cash received from capital contribution		
Cash received from borrowings		
Other cash received relating to financing activities		
Sub-total of cash inflows from financing activities	-	-
Cash repayment of amounts borrowed		
Cash payment for interest expenses and distribution of dividend or profit		
Other cash payment relating to financing activities		
Sub-total of cash outflow of financing activities	-	-
Net cash flow from financing activities	-	-
<b>IV. Influence of foreign exchange rate on cash and cash equivalents</b>		
<b>V. Net increase in cash and cash equivalents</b>	-48,198.73	-26,992.59
Add: balance of cash and cash equivalent at period beginning	110,282.90	137,275.49
<b>VI. Balance of cash and cash equivalent at period end</b>	62,084.17	110,282.90

# Statement of Changes in Owners' Equity

Year 2020

Enterprise's Name: Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.

Q.C. Schedule 04

Unit: RMB

Item	Amount of Current Year										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special Reserves	Surplus Reserves	Undistributed profit	Total owners' equity
		Preferred Stock	Perpetual debt	Others							
I. Closing balance of last year	14,893,961.11	-	-	-	-	-	-	-	-	-14,559,699.96	334,361.15
Plus: Changes of accounting policies											
Error correction in previous period											
Others											
II. Beginning balance of this year	14,893,961.11	-	-	-	-	-	-	-	-	-14,559,699.96	334,361.15
III. Change of current year (note "c" referred to as decrease)											
1) Total Amount of consolidated income										356,178.38	356,178.38
2) Capital invested and decreased by owners										356,178.38	356,178.38
1. Common shares invested by the owner											
2. Capital invested by the holders of other equity instruments											
3. Amount of share recorded in owners' equity											
4. Others											
3) Profit distribution											
1. Withdrawal of surplus reserves											
2. Distribution of owners (or shareholders)											
3. Others											
4) Internal transfer of owner's equity											
1. Capital reserves transferred to capital (or share capital)											
2. Surplus reserves transferred to capital (or share capital)											
3. Loss covered by surplus reserves											
4. Retained earnings carried forward from the changes resulting from the defined benefit plan											
5. Others											
IV. Closing balance of current year	14,893,961.11	-	-	-	-	-	-	-	-	-14,203,421.58	680,539.53

# Statement of Changes in Owners' Equity (Continued)

Year 2020

Q.C. Schedule 04

Enterprise's Name: Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.

Unit: RMB

Item	Amount of Prior Year										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special Reserves	Surplus Reserve	Undistributed profit	Total owners' equity
		Preferred Stock	Perpetual debt	Others							
I. Closing balance of last year	14,893,981.11									-14,419,378.61	474,610.50
Plus: Changes of accounting policies											
Error correction in previous period											
Others											
II. Beginning balance of this year	14,893,981.11									-14,419,378.61	474,610.50
III. Change of current year (mark "-" referred to as decrease)											
1) Total Amount of consolidated income											
2) Capital invested and decreased by owners											
1. Common shares invested by the owner											
2. Capital invested by the holders of other equity instruments											
3. Amount of share recorded in owners' equity											
<b>4. Others</b>											
3) Profit distribution											
1. Withdrawal of surplus reserves											
2. Distribution of owners (or shareholders)											
3. Others											
4) Internal transfer of owner's equity											
1. Capital reserves transferred to capital (or share capital)											
2. Surplus reserves transferred to capital (or share capital)											
3. Loss covered by surplus reserves											
4. Retained earnings carried forward from the changes resulting from the defined benefit plan											
5. Others											
IV. Closing balance of current year	14,893,981.11									-14,659,698.96	334,361.18

**Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.**  
**Notes to the 2020**  
**Financial Statements**  
(All amounts expressed in RMB Yuan unless otherwise stated)

**I Company Profile**

Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd. is a foreign-funded enterprise solely funded by Suzlon Energy Ltd incorporated on June 10, 2008. The uniform social credit code of the Company is 91310000674645534M. The registered capital of the Company is USD 2.22 million. Domicile of the Company: Room 18H, 1800 West Zhong Shan Road, Xuhui District, Shanghai. Legal representative: ABHINAV PRABHATKUMAR SHAH. The term of business of this Company is 30 years.

The Company's scope of business: Wholesale, import & export and commission agent services (except auction) of wind power generation units and parts (including turbine towers) as well as relevant services, and business consultation. (No goods under state-owned trade administration are included, and goods involving quota and license administration shall be applied for in accordance with relevant requirements of the state.) [Items that shall be approved according to law shall be operated only upon the approval by the competent authority].

**II Statement of Compliance with the Accounting Standards for Small Business Enterprises**

The financial statements prepared by the Company meet the requirements of the *Accounting Standards for Small Business Enterprises* and present truthfully and completely such information as the financial position, results of operations, cash flow, etc. of the Company.

**III Description of Significant Accounting Policies and Estimates**

a) Accounting Standards Currently Applicable to the Company

The provisions of the Accounting Standards for Small Business Enterprises are implemented by the Company.

b) Fiscal year

The Company's accounting year starts on 1 January and ends on 31 December.

c) Recording currency

The Company takes Renminbi (RMB) as the functional currency.

d) Accounting basis and valuation principle

The Company carries out account treatment on an accrual basis and follows the effective cost principle.

e) Accounting treatment of foreign currency business and translation method

Transactions denominated in foreign currencies are translated into RMB amounts at the exchange rates (middle rates) promulgated by the People's Bank of China on the date of transaction. Foreign currency account balances as of the end of each term are translated into RMB at the exchange rates (middle rates) of that date, with differences stated as exchange gains/losses. Specifically, those incurred during the organization period of the Company are stated as long-term deferred and prepaid expenses; those related to the purchase of fixed assets are stated in accordance with the principle of capitalization.



#### f) Receivables and Prepayments

The creditor's rights incurred in daily production and business operation activities shall include notes receivable, accounts receivable, dividends receivable, interest receivable, and other receivables, such as receivables and prepayments. Receivables and prepayments are recorded in the books at the amount incurred.

##### 1. The Standards under Which Receivables and Prepayments are recognized as Bad Debts:

(1) Debtors are declared bankrupt in accordance with the law, close down, are dissolved or revoked, or canceled in accordance with law, their business licenses are revoked or their liquidating property is insufficient to pay off debts.

(2) Debtors die or are declared missing or dead in accordance with the law, or their property or legacy is insufficient to pay off debts.

(3) Debtors fail to pay off their debts for more than 3 years from the deadline and there is conclusive evidence indicating that debtors are unable to pay off their debts.

(4) Debts cannot be recovered because debtors make any arrangements with their creditors or a bankruptcy reorganization plan is approved by the court.

(5) The debts cannot be recovered due to force majeure, such as natural disasters, wars, etc.

(6) Such other conditions as defined by the financial and taxation authorities under the State Council.

2. Method for measurement of bad debts losses: the direct write-off method is used for measuring bad debts, of which the losses shall be included in non-operating expenses when they are actually incurred.

#### g) Fixed assets

(1) The term "fixed assets" means the tangible assets held for sale of goods, rendering of service or business management, with the service life of over 1 year and high unit value.

(2) Measurement of fixed assets: a fixed asset is measured at the actual cost of acquisition.

(3) Depreciation of fixed assets: fixed assets are depreciated by the straight-line method. See below for the depreciation rates determined according to the original price, estimated economic service life and estimated salvage value rate of fixed assets:

Asset category	Estimated service life	Estimated salvage value rate (%)	Annual depreciation rate (%)
Electronic and other equipment	3 years	-	33.33

#### h) Long-term deferred expenses

A long-term deferred expense will be accounted for at the amount actually incurred, and be amortized evenly through the benefit period of the expense item. In case of no more use, the benefits of the future period shall be recorded once and for all into the current profits and losses.

#### i) Principle for Recognition of Revenue

1. Sale of products: income from sale of products is recognized when the products are shipped and the payments therefor are received or the right to collect the payments is obtained.

2. Provision of labor services: for labor services started and completed within the same accounting year, the revenue from provision of labor services shall be recognized when a transaction concerning the provision of labor services is completed, payments therefor are received or the right to collect the payments is obtained. If the start and completion of labor services are divided into different accounting years, the revenue from providing labor services shall be recognized based on the progress of completion of a transaction concerning the provision of labor services.

j) Accounting treatment of income tax

Accounting treatment of income tax: tax payable method, the income tax expenses of the current period shall be calculated and recognized according to the taxable income and applicable tax rate of the current period.

#### IV Taxes

Tax	Tax base	Tax rate	Benchmark tax rate/ tax preference and relevant approvals
VAT	Taxable income	13%,6%	Benchmark tax rate
Urban maintenance and construction tax	Turnover tax	7%	Benchmark tax rate
Educational surcharges	Turnover tax	3%	Benchmark tax rate
Local educational surcharges	Turnover tax	2%	Benchmark tax rate
Enterprise income tax	Taxable income	25%	Benchmark tax rate

Preferential policies for enterprise income tax :From January 1, 2019 to December 31, 2021, for the small low profit enterprises whose annual taxable income does not exceed 1 million yuan, 25% shall be included in the taxable income and 20% shall be paid as enterprise income tax; for the parts whose annual taxable income exceeds 1 million yuan but does not exceed 3 million yuan, 50% shall be included in the taxable income and 20% shall be paid as enterprise income tax.

#### V Notes to Financial Statement Items

##### 1. Monetary funds

Item	Year end			Year beginning		
	Amount in original currency	Translation exchange rate	Equivalent to RMB	Amount in original currency	Translation exchange rate	Equivalent to RMB
Cash			-			-
Bank deposits			62,084.17			110,282.90
Including: RMB			50,361.14			102,463.14
USD	1,796.66	6.5249	11,723.03	1,120.92	6.9762	7,819.76
Total			62,084.17			110,282.90

##### 2. Accounts receivable

###### (1) By the Age structure

Age	Year end		Year beginning	
	Book balance	Proportion of total amount (%)	Book balance	Proportion of total amount (%)
Less than 1 year (1 year inclusive)	2,057,383.73	99.46	2,201,568.76	99.50
1-2 years (2 years inclusive)	-	-	-	-

Age	Year end		Year beginning	
	Book balance	Proportion of total amount (%)	Book balance	Proportion of total amount (%)
2-3 years (3 years inclusive)	-	-	-	-
More than 3 years	11,072.53	0.54	11,072.53	0.50
Total	2,068,456.26	100	2,212,641.29	100

(2) Receivables of significant amount

Item	Closing book balance	Opening book balance
Suzlon Energy Ltd	2,057,383.73	2,201,568.76
Total	2,057,383.73	2,201,568.76

3. Other receivables

(1) By the Age structure

Age	Year end		Year beginning	
	Book balance	Proportion of total amount (%)	Book balance	Proportion of total amount (%)
Less than 1 year (1 year inclusive)	42,451.50	41.02	969.50	1.02
1-2 years (2 years inclusive)	-	-	33,000.00	34.63
2-3 years (3 years inclusive)	33,000.00	31.89	-	-
More than 3 years	28,027.94	27.09	61,327.94	64.35
Total	103,479.44	100	95,297.44	100

(2) Other receivables of significant amount

Item	Closing book balance	Opening book balance
House leasing security deposit	52,000.00	66,300.00
Total	52,000.00	66,300.00

4. Pre-payments

(1) Pre-payments by aging structure

Age	Year end		Year beginning	
	Book balance	Proportion of total amount (%)	Book balance	Proportion of total amount (%)
Less than 1 year (1 year inclusive)	268,962.21	100	9,336.41	100
1-2 years (2 years inclusive)	-	-	-	-
2-3 years (3 years inclusive)	-	-	-	-
More than 3 years	-	-	-	-
Total	268,962.21	100	9,336.41	100

(2) Pre-payments of significant amount

Item	Closing balance	Opening balance
Prepayment for school fee	260,000.00	-
Global CGL Policy fee to be amortized	6,832.83	7,207.03
<b>Total</b>	<b>266,832.83</b>	<b>7,207.03</b>

5. Fixed assets

Item	Year beginning	Increase in the current year	Decrease in the current year	Year end
1.Total original value	128,518.00	-	-	128,518.00
Including: Electronic and other equipment	128,518.00	-	-	128,518.00
2.Total accumulated depreciation	125,350.04	1,845.23	-	127,195.27
Including: Electronic and other equipment	125,350.04	1,845.23	-	127,195.27
3. Total book value of fixed assets	3,167.96	/	/	1,322.73

6. Long-term deferred expenses

Item	Year beginning	Increase in the current year	Decrease in the current year	Year end
1.Original costs	41,004.91	-	-	41,004.91
Including: Office renovation	41,004.91	-	-	41,004.91
2.Accumulated amortization	35,559.98	2,178.12	-	37,738.10
Including: Office renovation	35,559.98	-	-	35,559.98
3.Amortized value	5,444.93	/	/	3,266.81

7. Accounts payable

(1) By the Age structure

Age	Year end		Year beginning	
	Amount	Proportion of total amount (%)	Amount	Proportion of total amount (%)
Less than 1 year (1 year inclusive)	-	-	-	-
1-2 years (2 years inclusive)	-	-	-	-
2-3 years (3 years inclusive)	-	-	-	-
More than 3 years	1,148,643.66	100	1,148,643.66	100
<b>Total</b>	<b>1,148,643.66</b>	<b>100</b>	<b>1,148,643.66</b>	<b>100</b>

(2) Payables of significant amount

Item	Closing book balance	Opening book balance
SETL	1,148,643.66	1,148,643.66
<b>Total</b>	<b>1,148,643.66</b>	<b>1,148,643.66</b>

## 8. Payroll & benefits payable

Item	Year beginning	Increase in the current year	Decrease in the current year	Year end
Staff Salary	706,596.86	1,310,696.62	1,897,660.90	119,632.58
Staff Insurance payment	-	404,659.94	404,659.94	-
<b>Total</b>	<b>706,596.86</b>	<b>1,715,356.56</b>	<b>2,302,320.84</b>	<b>119,632.58</b>

## 9. Taxes and dues payable

Tax	Year end	Year beginning
VAT	18,827.09	33,869.34
Enterprise income tax	20,211.13	-
Urban maintenance and construction tax	1,317.90	2,370.85
Individual income tax	7,042.95	34,124.83
Educational surcharges	941.35	1,693.47
Stamp duty	188.80	174.14
<b>Total</b>	<b>48,529.22</b>	<b>72,232.63</b>

## 10. Other payables

Item	Closing book balance	Opening book balance
<b>Total Other payables</b>	<b>500,206.63</b>	<b>174,316.63</b>
Mainly: School fees payable	200,000.00	-
Insurance fees	119,650.13	92,318.63

## 11. Paid-in capital

Investor's name	Year beginning		Increase in the current year	Decrease in the current year	Year end	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
Suzlon Energy Ltd	14,893,981.11 (USD 2,220,000)	100	-	-	14,893,981.11 (USD 2,220,000)	100
<b>Total</b>	<b>14,893,981.11</b> <b>(USD 2,220,000)</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>14,893,981.11</b> <b>(USD 2,220,000)</b>	<b>100</b>

## 12. Undistributed profits

Item	Current period	Prior period
Balance at the beginning of the current year	-14,559,599.96	-14,419,370.61
Increase in the current year	356,178.38	-140,229.35
Including: transfer-in from the current year net profits	356,178.38	-140,229.35
Decrease in the current year	-	-
<b>Balance at the end of the year</b>	<b>-14,203,421.58</b>	<b>-14,559,599.96</b>

### 13. Operating revenues and Operating cost

Item	Current period		Prior period	
	Income	Cost	Income	Cost
Main operating income	4,479,555.25	-	4,975,572.67	-
Including: Consulting service income	4,479,555.25	-	4,975,572.67	-

### 14. Selling expenses

Item	Current period	Prior period
Total Selling expenses	3,323,027.18	4,406,260.23
Mainly: Salaries and social insurance premiums	2,528,625.71	3,303,199.60
Welfare expenses for foreigners	632,500.00	938,750.00
Traveling expenses	76,871.24	55,884.83
Insurance expenses	27,705.70	34,980.17
Communication expenses	41,623.40	42,993.00

### 15. Administrative expenses

Item	Current period	Prior period
Total Administrative expenses	704,229.59	700,652.66
Mainly: Rents and Property charges	617,188.30	626,880.23
Communication expenses	996.42	7,136.39
Depreciation expenses	8,979.03	9,468.41
Long-term deferred amortization expenses	2,178.12	3,816.05

### 16. Financial expenses

Item	Current period	Prior period
Total Financial expenses	137,868.34	4,084.34
Including: Net interest expenses	-541.28	-425.65
Net exchange gains or losses	121,096.08	-14,281.38
Handling charges	17,313.54	18,791.37

### 17. Other incomes

Item	Current period	Prior period
Government grants	20,000.00	30,000.00
Stable position subsidy income	8,718.00	-
Refund of individual income tax handling charges	23,056.30	-
Total	51,774.30	30,000.00

## 18. Non-operating revenue

Item	Current period	Prior period
Total Non-operating revenue	43,422.31	375.43
Including: Compensation income	43,000.00	-
Net income from disposal of fixed assets	-	29.13
Added input tax deduction	422.31	346.30

## 19. Income tax expenses

Item	Current period	Prior period
Income tax expenses	20,211.13	-
Including: income tax of the current period	20,211.13	-

## VI Contingencies

### 1. Information of parent company

Name of parent company	Place of incorporation	Equity Ratio	
		Opening	Closing
Suzlon Energy Ltd	India	100%	100%

### 2. Related party transactions

Provision of labor services to related parties:

Name of related party	Amount of purchase		Pricing policy or method
Suzlon Energy Ltd	4,479,555.25	4,963,748.03	Negotiated prices

### 3. Accounts receivable from the related parties

Item	Related party	Year end		Year beginning	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable	Suzlon Energy Ltd	2,057,383.73	-	2,201,568.76	-

**Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.**

March 28, 2021

**Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.**

**2020 Taxable Income Calculator**

Unit: RMB

Adjustment Item	Amount	Remarks
<b>I Accounting profits of the Year</b>	<b>376,389.51</b>	
<b>II Increase in the Taxable Income due to Adjustments</b>		
1	<b>Entertainment fees over those allowable under tax regulations</b>	<b>28.22</b>
		Actually listed 70.55, adjustment $70.55 \times 40\% = 28.22$
2	<b>Employee benefits</b>	<b>27,705.70</b>
3	<b>Tax overdue fine</b>	<b>99.08</b>
4		
5		
<b>Total</b>		<b>27,833.00</b>
<b>III Decrease in the Taxable Income due to Adjustments</b>		
1		
2		
3		
4		
5		
6		
7		
<b>Total</b>		<b>-</b>
<b>IV Income after the Tax Adjustments</b>		<b>404,222.51</b>
<b>Less: prior year deficiency</b>		<b>-</b>
<b>V Taxable Income after Adjustments</b>		<b>404,222.51</b>

Note:

The Taxable Income Adjustment Table only represents the opinions of the certified public account. The final taxable income of an enterprise is subject to the review of the concerned taxation administration.

Shanghai Zhongchuang & Haijia Certified Public Accountants Co., Ltd.

Chinese Certified Public Accountant: Xu Jin

Shanghai China

2021/3/28