



## Flowtrend Europe ApS

Industrivej Vest 36  
6600 Vejen  
CVR No. 34719624

## Annual report 2021

The Annual General Meeting adopted the  
annual report on 12.04.2022

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**Jan Højsgaard Hansen**

Chairman of the General Meeting

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# Entity details

## Entity

Flowtrend Europe ApS

Industrivej Vest 36

6600 Vejen

Business Registration No.: 34719624

Registered office: Vejen

Financial year: 01.01.2021 - 31.12.2021

## Board of Directors

Jan Højsgaard Hansen

Jesper Myrhøj Verner

Stephen Brian Stovall

Jens Martin Andersen

## Executive Board

Jesper Myrhøj Verner

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

6701 Esbjerg

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Flowtrend Europe ApS for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Vejen, 12.04.2022

## Executive Board

**Jesper Myrhøj Verner**

## Board of Directors

**Jan Højsgaard Hansen**

**Jesper Myrhøj Verner**

**Stephen Brian Stovall**

**Jens Martin Andersen**

# Independent auditor's extended review report

## To the shareholders of Flowtrend Europe ApS

### Conclusion

We have performed an extended review of the financial statements of Flowtrend Europe ApS for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity'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 Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Esbjerg, 12.04.2022

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Anders Rasmussen**

State Authorised Public Accountant  
Identification No (MNE) mne34316

# Management commentary

## Primary activities

The Company's objective is trading and investing, especially trading in pumps, valves and other flow equipment.

## Outlook

The positive result in 2021 is expected to continue in 2022. Based on the global situation and will the expected result for 2022 be equal to 2021 with the same growth sales rate.

# Income statement for 2021

	Notes	2021 DKK	2020 DKK
<b>Gross profit/loss</b>		<b>2,800,402</b>	<b>2,709,329</b>
Distribution costs		(1,895,804)	(1,673,241)
Administrative expenses		(495,597)	(540,028)
<b>Operating profit/loss</b>		<b>409,001</b>	<b>496,060</b>
Other financial expenses	2	(60,057)	(46,489)
<b>Profit/loss before tax</b>		<b>348,944</b>	<b>449,571</b>
Tax on profit/loss for the year	3	(78,221)	(100,933)
<b>Profit/loss for the year</b>		<b>270,723</b>	<b>348,638</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		270,723	348,638
<b>Proposed distribution of profit and loss</b>		<b>270,723</b>	<b>348,638</b>



# Balance sheet at 31.12.2021

## Assets

	Notes	2021 DKK	2020 DKK
Manufactured goods and goods for resale		1,126,189	882,561
<b>Inventories</b>		<b>1,126,189</b>	<b>882,561</b>
Trade receivables		586,735	731,608
Other receivables		85,276	98,747
Income tax receivable		31,779	0
Prepayments		40,000	90,113
<b>Receivables</b>		<b>743,790</b>	<b>920,468</b>
<b>Cash</b>		<b>644,197</b>	<b>664,087</b>
<b>Current assets</b>		<b>2,514,176</b>	<b>2,467,116</b>
<b>Assets</b>		<b>2,514,176</b>	<b>2,467,116</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2021 DKK</b>	<b>2020 DKK</b>
Contributed capital		85,000	85,000
Retained earnings		833,966	563,243
<b>Equity</b>		<b>918,966</b>	<b>648,243</b>
Other payables		0	91,590
<b>Non-current liabilities other than provisions</b>		<b>0</b>	<b>91,590</b>
Trade payables		1,316,679	1,323,425
Income tax payable		0	38,933
Other payables		278,531	364,925
<b>Current liabilities other than provisions</b>		<b>1,595,210</b>	<b>1,727,283</b>
<b>Liabilities other than provisions</b>		<b>1,595,210</b>	<b>1,818,873</b>
<b>Equity and liabilities</b>		<b>2,514,176</b>	<b>2,467,116</b>
Staff costs	1		
Unrecognised rental and lease commitments	4		
Assets charged and collateral	5		
Related parties with controlling interest	6		

# Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	85,000	563,243	648,243
Profit/loss for the year	0	270,723	270,723
<b>Equity end of year</b>	<b>85,000</b>	<b>833,966</b>	<b>918,966</b>

# Notes

## 1 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	1,419,737	1,230,082
Pension costs	219,675	178,120
Other social security costs	35,802	31,801
Other staff costs	25,266	20,665
	<b>1,700,480</b>	<b>1,460,668</b>

Average number of full-time employees	3	2
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## 2 Other financial expenses

	2021 DKK	2020 DKK
Other interest expenses	60,057	46,489
	<b>60,057</b>	<b>46,489</b>

## 3 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	78,221	38,933
Change in deferred tax	0	62,000
	<b>78,221</b>	<b>100,933</b>

## 4 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	177,600	266,400

A rental contract has been entered with an annual rent of DKK 156,000.

## 5 Assets charged and collateral

Bank debt is secured by a floating charge of DKK 250k on inventories as well as trade receivables. The carrying amount of mortgaged assets is DKK 1.713k.

## 6 Related parties with controlling interest

Flowtrend Europe ApS is owned by Holger Danske Inc., 11512 Space Center Boulevard, Houston Texas 77058. Holger Danske Inc.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

This annual report has been presented in accordance with the provisions of the Greenlandic Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, production costs and other operating income.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

**Production costs**

Production costs comprise cost of sales for the financial year, including ordinary writedown of inventories and other costs incurred to earn revenue for the financial year, including wages and salaries and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment.

**Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

**Distribution costs**

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

**Administrative expenses**

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

**Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

**Other financial expenses**

Other financial expenses comprise interest expenses, including net capital or exchange losses on securities, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

**Balance sheet****Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises bank deposits.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.