
FlowVision A/S

Stavadgyden 190, DK-5270 Odense N

Annual Report for 2021

CVR No. 38 21 96 85

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 21/4 2022

Eric Benazzi
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of FlowVision A/S for the financial year 1 January - 31 December 2021.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Odense N, 21 April 2022

Executive Board

Sasja Fischer
Manager

Payam Baradaran Salimi
Manager

Board of Directors

Eric Benazzi
Chairman

Sasja Fischer

Nicolas Lambert

Independent Auditor's report

To the shareholder of FlowVision A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of FlowVision A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 ISAs and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements 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.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance 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.

Odense M, 21 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Line Hedam

State Authorised Public Accountant

mne27768

Anders Kronborg Choy

State Authorised Public Accountant

mne44142

Company information

The Company	FlowVision A/S Stavadgyden 190 DK-5270 Odense N CVR No: 38 21 96 85 Financial period: 1 January - 31 December Incorporated: 28 November 2016 Financial year: 5th financial year Municipality of reg. office: Odense
Board of Directors	Eric Benazzi, chairman Sasja Fischer Nicolas Lambert
Executive board	Sasja Fischer Payam Baradaran Salimi
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal 5230 Odense M
Bankers	Sydbank

Management's review

Key activities

The company's main activity is engineering in the field of emission technology design, supply and combustion technique.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 202,010, and at 31 December 2021 the balance sheet of the Company shows positive equity of DKK 16,556,247.

The result for 2021 was not as expected. Though in light of the difficult market situation in 2021 with delays in the supply chains etc, the management sees this as acceptable. The expectations for the financial year 2022 are positive. In the first months of the year there have been delays in the supply chain causing delays in the progress of the contract work. The influx of new projects is positive.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021	2020
		DKK	DKK
Gross profit		5,945,430	6,262,299
Staff expenses	1	-5,836,775	-4,828,731
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-305,996	-307,000
Profit/loss before financial income and expenses		-197,341	1,126,568
Financial income		14,945	0
Financial expenses		-76,517	-196,617
Profit/loss before tax		-258,913	929,951
Tax on profit/loss for the year	2	56,903	-206,206
Net profit/loss for the year		-202,010	723,745

Distribution of profit

	2021	2020
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-202,010	723,745
	-202,010	723,745

Balance sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Goodwill		237,798	369,798
Intangible assets	3	237,798	369,798
Other fixtures and fittings, tools and equipment		99,014	162,698
Property, plant and equipment	4	99,014	162,698
Deposits		51,000	51,000
Fixed asset investments		51,000	51,000
Fixed assets		387,812	583,496
Trade receivables		3,247,132	2,758,279
Contract work in progress	5	2,445,830	214,582
Receivables from group enterprises		15,000,000	560,703
Other receivables		51,186	917,599
Deferred tax asset		109,972	53,069
Prepayments		40,513	129,839
Receivables		20,894,633	4,634,071
Cash at bank and in hand		166,152	3,736,590
Current assets		21,060,785	8,370,661
Assets		21,448,597	8,954,157

Balance sheet 31 December

Liabilities and equity

	Note	2021	2020
		DKK	DKK
Share capital		15,500,000	500,000
Reserve for unpaid share capital and share premium		11,250,000	375,000
Retained earnings		-10,193,753	883,256
Equity		<u>16,556,247</u>	<u>1,758,256</u>
Other payables		316,799	240,000
Long-term debt	6	<u>316,799</u>	<u>240,000</u>
Credit institutions		86,474	63,238
Trade payables		2,065,334	2,706,171
Contract work in progress	5	1,045,830	1,114,582
Payables to group enterprises relating to corporation tax		0	219,849
Other payables	6	1,377,913	2,852,061
Short-term debt		<u>4,575,551</u>	<u>6,955,901</u>
Debt		<u>4,892,350</u>	<u>7,195,901</u>
Liabilities and equity		<u>21,448,597</u>	<u>8,954,157</u>
Contingent assets, liabilities and other financial obligations	7		
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Statement of changes in equity

	Share capital	Reserve for unpaid share capital and share premium	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500,000	375,000	883,257	1,758,257
Cash capital increase	15,000,000	11,250,000	-11,250,000	15,000,000
Payment of unpaid share capital	0	-375,000	375,000	0
Net profit/loss for the year	0	0	-202,010	-202,010
Equity at 31 December	15,500,000	11,250,000	-10,193,753	16,556,247

Notes to the Financial Statements

	<u>2021</u>	<u>2020</u>
	DKK	DKK
1. Staff Expenses		
Wages and salaries	5,065,267	4,089,495
Pensions	600,416	449,985
Other social security expenses	21,021	34,346
Other staff expenses	150,071	254,905
	<u>5,836,775</u>	<u>4,828,731</u>
 Average number of employees	 <u>9</u>	 <u>8</u>

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2. Income tax expense		
Current tax for the year	0	219,849
Deferred tax for the year	-56,903	-13,643
	<u>-56,903</u>	<u>206,206</u>

3. Intangible fixed assets

	<u>Goodwill</u>
	DKK
Cost at 1 January	<u>908,798</u>
Cost at 31 December	<u>908,798</u>
 Impairment losses and amortisation at 1 January	 539,000
Amortisation for the year	<u>132,000</u>
Impairment losses and amortisation at 31 December	<u>671,000</u>
 Carrying amount at 31 December	 <u>237,798</u>

Notes to the Financial Statements

4. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	776,698
Additions for the year	110,316
Cost at 31 December	<u>887,014</u>
Impairment losses and depreciation at 1 January	614,000
Depreciation for the year	174,000
Impairment losses and depreciation at 31 December	<u>788,000</u>
Carrying amount at 31 December	<u>99,014</u>

	2021	2020
	DKK	DKK
5. Contract work in progress		
Selling price of work in progress	8,096,077	14,296,823
Payments received on account	-6,696,077	-15,196,823
	<u>1,400,000</u>	<u>-900,000</u>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	2,445,830	214,582
Prepayments received recognised in debt	-1,045,830	-1,114,582
	<u>1,400,000</u>	<u>-900,000</u>

Notes to the Financial Statements

6. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2021</u>	<u>2020</u>
	DKK	DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	316,799	240,000
Long-term part	<u>316,799</u>	<u>240,000</u>
Within 1 year	0	0
Other short-term payables	1,377,913	2,852,061
	<u>1,694,712</u>	<u>3,092,061</u>

<u>2021</u>	<u>2020</u>
DKK	DKK

7. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

Floating charge of DKK 8,000,000 with mortgage in unsecured receivables, stocks of raw materials, semi-finished and finished goods, brand new vehicles, operating equipment and supplies, fuels and other consumables and intellectual property rights, the carrying amount of which is	5,086,130	4,259,374
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Rental and lease obligations

Lease obligations, period of non-terminability 60 months	2,357,674	2,878,846
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Other contingent liabilities

Work guarantees have been issued via a credit institution for a total of	1,067,183	1,153,828
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Notes to the Financial Statements

8. Accounting policies

The Annual Report of FlowVision A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Notes to the Financial Statements

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 7 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Notes to the Financial Statements

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Notes to the Financial Statements

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.