Flow-Loop ApS

Sortemosevej 21
3450 Allerød

CVR No. 38046349

Annual report 2024

1 January 2024 - 31 December 2024

Adopted at the Annual General Meeting on 26. May 2025

Troels Grene
Chairman

Contents

Company details

Company
Flow-Loop ApS
Sortemosevej 21
3450 Allerød

CVR No.: 38046349

Executive board
Troels Grene

Board of Directors
Mads Flemming Prebensen
Brian Ottar Olsen
Jalen David Bigej
Troels Grene

Auditors
inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Simon Høgenhav, State authorised public accountant
Charlotte Preisler Friedlænder, State Authorised Public Accountant

Management's Review

Primary activities

The company's purpose is to operate a business related to the development, production and sale of equipment for water and energy saving as well as other activities that are naturally related to this.

Development in activities and finances

The results of the company's activities in the financial year amounted to a profit/loss of DKK -2.565.771 against DKK -9.309.771 in last financial year. The equity at the balance sheet date amounted to DKK 6.527.672.

The main activities in 2024 has been sales and to secure funding for the company’s growth strategy. The company has ongoing negotiations that will secure funding of the growth strategy and expect a solution in Q2 2025.

Statement by Management

The Board of Directors and The Executive Board have today considered and adopted the annual report for 1 January 2024 - 31 December 2024 for Flow-Loop ApS.

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 the company's financial position at 31 December 2024 and of the results of its operations for the financial year 1 January 2024 - 31 December 2024.

We believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

We still consider that the conditions to refrain audit are fulfilled.

We recommend that the annual report be adopted at the Annual General Meeting.

Allerød, 26. May 2025

Executive board

Troels Grene
CEO

Board of Directors

Mads Flemming Prebensen *Chairman*	Brian Ottar Olsen *Board member*	Jalen David Bigej *Board member*

Troels Grene
Board member

Auditor´s report on the compilation of financial statements prepared in accordance with the Danish Financial Statement Act

To the Board of Directors and The Executive Board of Flow-Loop ApS

We have prepared the financial statements of Flow-Loop ApS for the financial year 1 January 2024 - 31 December 2024 on basis of the company's bookkeeping as well as other information provided by management.

The financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We have carried out the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist management in the preparation and presentation of the financial statements in accordance with the Danish Financial Statement Act. We have complied with the relevant provisions of the Danish Act on Registered and State-Authorised Public Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statement Act.

Søborg, 26. May 2025

inforevision statsautoriseret revisionsaktieselskab
CVR-nr. 19263096

Simon Høgenhav
State authorised public accountant
mne33745

Charlotte Preisler Friedlænder
State Authorised Public Accountant
mne51606

Accounting policies

Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class B.

Some provisions from reporting class C has been adopted.

The accounting policies have not been changed from last year.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

Gross profit/loss includes "Revenue", "Cost of sales", "Own work capitalised", "Other operating income" and "External expenses".

Revenue

As income recognition criterion, the production criterion is applied so that revenue comprises the invoiced revenue for the year reduced by prepayments and with addition for work in progress measured at market value. Revenue is measured at fair value excl. VAT and less granted discounts.

Own work capitalised

Own work capitalised comprises work performed in the financial year on own assets which is capitalised as intangible fixed assets. The basis of measurement is cost and comprise other external expenses as well as staff costs.

Cost of sales

Cost of sales comprise expenses incurred to earn revenue for the year including changes in goods for resale, raw materials and consumables used as well as packaging in the year.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the company's primary activities, including payments received from public authorities as well as profit on sale of fixed assets.

External expenses

External expenses comprises Selling costs, Cost of premises and Administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

Financial income

Financial income is recognised with amounts concerning the financial year. Financial income comprise interest.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest.

Tax on profit or loss for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

Tax on profit or loss for the year is recognised in the income statement by the portion attributable to the profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Accounting policies, continued

The company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Balance sheet

The balance sheet has been presented in account form.

Assets

Intangible assets

Intangible assets are measured at cost less accumulate amortisation.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the company can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets.

Other development costs not meeting the criteria for capitalisation are recognised as costs in the income statement as incurred.

For own-developed development projects, capitalised after 1 January 2016 the carrying amount less deferred tax is transferred from "Retained earnings" to "Reserve for development expenditure" under equity. Carrying amounts which exist as a consequence of purchases of assets or enterprises' are not taken into the reserve.

Assets are amortised on a straight-line basis over their estimated useful lives:

Category	Period
Completed development projects	5 - 10 years
Patents originating from development projects	8 - 10 years
Acquired other similar rights	5 - 10 years

As the intangible assets are not being traded in an active and effective market, no residual values after end of use are included when determining the amortisation period.

Profit/loss on sale has been included in the income statement under other operating income and other operating expenses.

The carrying amounts of intangible assets are reviewed annually for indication of impairment for losses, apart from what is expressed by usual amortisation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulate depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Accounting policies, continued

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The cost price for an asset is divided into separate components, that are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

Category	Period	Residual value
Fixtures, fittings, tools and equipment	3 - 5 years	0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under other operating income and other operating expenses.

The carrying amounts of property, plant and equipment are reviewed annually for indication of impairment for losses, apart from what is expressed by usual depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

Inventories

Inventories are measured at cost according to the FIFO method. In the event of cost exceeding net realisable value, writedown is made to this lower value.

Cost of goods for resale as well as raw materials and consumables comprises purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and other direct costs.

The net realisable value of inventories is calculated at the estimated selling price less completion costs and expected costs to execute sale. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales price.

Received prepayments from customers regarding non delivered goods are recognised as liabilities.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Accounting policies, continued

Equity and liabilities

Equity

Reserve for development expenditure comprise capitalised development expenses. The reserve cannot be used for dividends or for elimination of negative retained earnings. The reserve is reduced or dissolved due to amortisation or divestment by transferring the amount from the reserve to retained earnings.

Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measures with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Corporation tax relating to the the financial year which has not been settled at the balance sheet date is classified as corporation tax in receivables or liabilities other than provisions.

Financial debts

Financial debts are recognised initially at the proceeds received net of transaction expenses incurred, which are directly related with the loan. In subsequent years, financial debts are measured at amortised cost equal to the capitalised value using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement over the loan period.

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprise income received relating to subsequent financial years.

Income statement

	Note	2024	2023
		DKK	DKK
Gross profit		**35.001**	**1.470.275**
Staff costs	1	-1.258.578	-10.510.023
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**-1.223.577**	**-9.039.748**
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	2	-1.338.408	-1.080.708
Earnings before interest and taxes (EBIT)		**-2.561.985**	**-10.120.456**
Finance income	3	85	4.759
Finance expenses	4	-3.871	-9.622
Profit/loss before tax		**-2.565.771**	**-10.125.319**
Tax on profit/loss for the year	5	0	815.548
Profit/loss for the year		**-2.565.771**	**-9.309.771**

Proposed distribution of profit and loss

	2024	2023
	DKK	DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	-2.565.771	-9.309.771
Profit/loss for the year	**-2.565.771**	**-9.309.771**

Assets

	Note	31-12-2024	31-12-2023
		DKK	DKK
Patents originating from development projects		219.470	247.524
Other similar rights originating from development projects		4.052.177	4.987.513
Acquired other similar rights		184.692	415.283
Intangible assets	6	**4.456.339**	**5.650.320**
Fixtures, fittings, tools and equipment		447.971	592.397
Property, plant and equipment	7	**447.971**	**592.397**
Fixed assets		**4.904.310**	**6.242.717**
Manufactured goods and goods for resale		940.315	1.418.497
Inventories		**940.315**	**1.418.497**
Trade receivables		10.735	374.819
Other receivables		404.817	542.457
Corporation tax receivables	5	0	995.078
Receivables		**415.552**	**1.912.354**
Cash at bank and in hand		**811.878**	**810.397**
Current assets		**2.167.745**	**4.141.248**
Total assets		**7.072.055**	**10.383.965**

Equity and liabilities

	Note	31-12-2024	31-12-2023
		DKK	DKK
Contributed capital		82.398	82.398
Reserve for development expenditure		2.829.404	3.448.537
Retained earnings		3.615.870	5.562.508
Equity		**6.527.672**	**9.093.443**
Deferred income		283.158	424.734
Long-term liabilities other than provisions	9	**283.158**	**424.734**
Short-term part of long-term liabilities other than provisions		141.577	141.577
Trade payables		117.297	136.422
Other payables		2.351	364.247
Deferred income		0	223.542
Short-term liabilities other than provisions		**261.225**	**865.788**
Liabilities other than provisions		**544.383**	**1.290.522**
Total equity and liabilities		**7.072.055**	**10.383.965**
Contingent assets	10		
Unrecognised contractual commitments	11		

Statement of changes in equity

	Contributed capital	Reserve for develop-ment expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January 2023	82.398	1.907.265	16.413.551	18.403.214
Distributed profit/loss for the year			-9.309.771	-9.309.771
Transferred to reserve for development expenditure for the year		1.541.272	-1.541.272	0
Equity at 1 January 2024	**82.398**	**3.448.537**	**5.562.508**	**9.093.443**
Distributed profit/loss for the year			-2.565.771	-2.565.771
Transferred to reserve for development expenditure for the year		-619.133	619.133	0
Equity at 31 December 2024	**82.398**	**2.829.404**	**3.615.870**	**6.527.672**

Notes

1. Staff costs

	2024	2023
	DKK	DKK
Wages and salaries	1.107.605	9.234.887
Pensions	131.962	810.200
Other social security costs	14.473	118.903
Other staff cost	4.538	346.033
Total	**1.258.578**	**10.510.023**
Average number of full-time employees	2	16

2. Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets

	2024	2023
	DKK	DKK
Amortisation of intangible assets	1.193.981	977.143
Depreciation of property, plant and equipment	144.426	103.565
Total	**1.338.407**	**1.080.708**

3. Finance income

	2024	2023
	DKK	DKK
Other financial income	85	4.759
Total	**85**	**4.759**

4. Finance expenses

	2024	2023
	DKK	DKK
Other financial expenses	3.871	9.622
Total	**3.871**	**9.622**

Notes, continued

5. Tax expense

	Corporation tax	Deferred tax	Tax on profit/loss for the year	2023
	DKK	DKK	DKK	DKK
Payables at 1 January 2024	-995.078	0		
Adjustment tax, previous years	0	0	0	-209.747
Refund for previous year	995.078			
Tax on profit/loss for the year	0	0	0	-605.801
Payables at 31 December 2024	**0**	**0**		
Tax on profit/loss for the year recognised in the income statement			**0**	**-815.548**

6. Intangible assets

	Other similar rights originating from development projects	Patents originating from development projects	Acquired other similar rights	Total	2023
	DKK	DKK	DKK	DKK	DKK
Cost at 1 January 2024	6.547.522	273.528	714.725	7.535.775	4.552.165
Additions for the year	0	0	0	0	2.983.610
Cost at 31 December 2024	**6.547.522**	**273.528**	**714.725**	**7.535.775**	**7.535.775**
Amortisation and impairment losses at 1 January 2024	-1.560.009	-26.003	-299.443	-1.885.455	-908.312
Amortisation for the year	-935.336	-28.055	-230.590	-1.193.981	-977.143
Amortisation and impairment losses at 31 December 2024	**-2.495.345**	**-54.058**	**-530.033**	**-3.079.436**	**-1.885.455**
Carrying amount at 31 December 2024	**4.052.177**	**219.470**	**184.692**	**4.456.339**	**5.650.320**

The company's development projects primarily include investments in the LOOP project, the water- and energy-saving shower system.

Notes, continued

7. Property, plant and equipment

	Fixtures, fittings, tools and equipment	Total	2023
	DKK	DKK	DKK
Cost at 1 January 2024	697.013	697.013	37.819
Additions for the year	0	0	659.194
Cost at 31 December 2024	**697.013**	**697.013**	**697.013**
Depreciation and impairment losses at 1 January 2024	-104.616	-104.616	-1.051
Depreciation for the year	-144.426	-144.426	-103.565
Depreciation and impairment losses at 31 December 2024	**-249.042**	**-249.042**	**-104.616**
Carrying amount at 31 December 2024	**447.971**	**447.971**	**592.397**

8. Investments

	2023
	DKK
Cost at 1 January 2024	84.179
Disposals for the year	-84.179
Cost at 31 December 2024	**0**
Carrying amount at 31 December 2024	**0**

9. Long-term liabilities

	31-12-2024	31-12-2023
	DKK	DKK
Liabilities in total:		
Deferred income	424.735	566.311
Total	**424.735**	**566.311**
Current portion of non-current liabilities:		
Deferred income	141.577	141.577
Total	**141.577**	**141.577**

Notes, continued

10. Contingent assets

	2024
	DKK
Unrecognised deferred tax assets due to tax losses carried forward and tax depreciation below accounting depreciation on fixtures, fittings, tools and equipment	2.268.837

11. Unrecognised contractual commitments

	2024	2023
	DKK	DKK
The company has entered into rental commitment regarding rent of premises. The total commitment represents	31.500	83.100
The company has entered into operational lease commitment regarding IT equipment, cars and other operating equipment . The lease commitments expire within 39 months. The total lease commitment represents	113.200	163.500
Total rental and lease obligations	**144.700**	**246.600**

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Troels Grene
Direktør
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Troels Grene
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Mads Flemming Prebensen
Bestyrelsesformand
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Brian Ottar Olsen
Bestyrelsesmedlem
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Jalen David Bigej
Bestyrelsesmedlem
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Charlotte Preisler Friedlænder
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