

Welldana A/S

Randersvej 6, 6700 Esbjerg

CVR no. 18 93 71 90

Annual report 2023

Approved at the Company's annual general meeting on 8 May 2024

Chair of the meeting:

.....
Sofie Veerle Pollet

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Welldana A/S for the financial year 1 January - 31 December 2023.

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 of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 8 May 2024
Executive Board:

.....
Bo Pedersen

Board of Directors:

.....
Sofie Veerle Pollet
Chairman

.....
Jeroen Hendrik L Van
Wauwe

.....
Bo Pedersen

Independent auditor's report

To the shareholders of Welldana A/S

Conclusion

We have conducted an extended review of the financial statements of Welldana A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's standard on extended review for Small entities and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. 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 believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

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.

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 that 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.

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 for our conclusion on the financial statements and perform specifically required supplementary procedures to obtain additional assurance for our conclusion.

An extended review comprises procedures that primarily consist of making enquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

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

Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

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

Esbjerg, 8 May 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Morten Østergaard Koch
State Authorised Public Accountant
mne35420

Management's review

Company details

Name	Welldana A/S
Address, Postal code, City	Randersvej 6, 6700 Esbjerg
CVR no.	18 93 71 90
Established	1 November 1995
Registered office	Esbjerg
Financial year	1 January - 31 December
Board of Directors	Sofie Veerle Pollet, Chairman Jeroen Hendrik L Van Wauwe Bo Pedersen
Executive Board	Bo Pedersen
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg, Denmark

Management's review

Business review

The company's activities, include purchase, marketing and sale of components for spa, pool and sauna products.

Financial review

The income statement for 2023 shows a profit of DKK 4,415,348 against a profit of DKK 7,708,176 last year, and the balance sheet at 31 December 2023 shows equity of DKK 24,183,209.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2023	2022
	Gross profit	14,562,604	19,277,476
2	Staff costs	-9,222,854	-9,837,569
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-111,295	-157,969
	Profit before net financials	5,228,455	9,281,938
	Income from investments in group entities	431,737	394,543
	Financial income	379,863	545,805
3	Financial expenses	-474,391	-429,298
	Profit before tax	5,565,664	9,792,988
4	Tax for the year	-1,150,316	-2,084,812
	Profit for the year	<u>4,415,348</u>	<u>7,708,176</u>
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	5,000,000	7,000,000
	Net revaluation reserve according to the equity method	-368,263	394,543
	Retained earnings/accumulated loss	-216,389	313,633
		<u>4,415,348</u>	<u>7,708,176</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Completed development projects	0	0
	Acquired intangible assets	0	26,520
		0	26,520
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	114,694	142,974
		114,694	142,974
7	Investments		
	Investments in group entities, net asset value	5,464,470	5,832,733
		5,464,470	5,832,733
	Total fixed assets	5,579,164	6,002,227
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	13,492,529	18,382,292
	Prepayments for goods	457,808	943,358
		13,950,337	19,325,650
	Receivables		
	Trade receivables	4,833,191	3,247,726
	Receivables from group entities	24,786	0
	Deferred tax assets	9,988	1,200
	Joint taxation contribution receivable	127,598	109,274
	Other receivables	1,000	1,000
	Deferred income	120,361	142,569
		5,116,924	3,501,769
	Cash	6,286,651	4,504,253
	Total non-fixed assets	25,353,912	27,331,672
	TOTAL ASSETS	30,933,076	33,333,899

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	3,500,000	3,500,000
	Net revaluation reserve according to the equity method	4,839,470	5,207,733
	Retained earnings	10,843,739	11,060,128
	Dividend proposed for the year	5,000,000	7,000,000
	Total equity	24,183,209	26,767,861
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	25,931	55,043
	Prepayments received from customers	341,628	472,190
	Trade payables	3,245,981	1,813,704
	Payables to group entities	0	395,801
	Income taxes payable	560,424	1,687,191
	Other payables	2,575,903	2,142,109
		6,749,867	6,566,038
	Total liabilities other than provisions	6,749,867	6,566,038
	TOTAL EQUITY AND LIABILITIES	30,933,076	33,333,899

- 1 Accounting policies
- 9 Contractual obligations and contingencies, etc.
- 10 Security and collateral
- 11 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed for the year	Total
Equity at 1 January 2023	3,500,000	5,207,733	11,060,128	7,000,000	26,767,861
Transfer through appropriation of profit	0	-368,263	-216,389	5,000,000	4,415,348
Dividend distributed	0	0	0	-7,000,000	-7,000,000
Equity at 31 December 2023	3,500,000	4,839,470	10,843,739	5,000,000	24,183,209

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Welldana A/S has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

Pursuant to section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Gross profit

The items revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Acquired intangible assets	3 years
Other fixtures and fittings, tools and equipment	5 years

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Investments in group entities

Investments in subsidiaries are measured, using the equity method, at the parent's proportionate share of such entities' equity plus goodwill on consolidation and intra-group losses and less intra-group gains and negative goodwill, if any. Investments in entities whose net asset value is negative are measured at DKK 0. The entity's proportionate share of a deficit on equity, if any, is set off against receivables from the investment in so far as the deficit is irrecoverable. Amounts in excess thereof are recognised under 'Provisions' in so far as the parent has a legal or constructive obligation to cover the deficit.

Enterprises acquired or formed during the year are recognised in the financial statements from the date of acquisition or formation. Enterprises disposed of are recognised up to the date of disposal.

The purchase method of accounting is applied to corporate takeovers as described under 'Business combinations'.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

Every year, intangible assets and property, plant and equipment as well as investments in subsidiaries and associates are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, a loss must first be allocated to goodwill and then to the other assets on a pro rata basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at the lower of cost, measured by reference to the FIFO method, and net realisable value.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables. Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividends proposed for the financial year are presented as a separate item under 'Equity'.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the group entities' income taxes vis à vis the tax authorities as the group entities pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including a guaranteed residual value, if any, based on the interest rate implicit in the lease.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2023	2022	
2 Staff costs			
Wages/salaries	8,366,216	8,927,195	
Pensions	644,141	679,513	
Other social security costs	212,497	230,861	
	<u>9,222,854</u>	<u>9,837,569</u>	
Average number of full-time employees	<u>13</u>	<u>14</u>	
3 Financial expenses			
Interest expenses, group entities	3,687	7,448	
Other financial expenses	470,704	421,850	
	<u>474,391</u>	<u>429,298</u>	
4 Tax for the year			
Estimated tax charge for the year	1,162,316	2,072,987	
Deferred tax adjustments in the year	-8,788	6,500	
Tax adjustments, prior years	-3,212	5,325	
	<u>1,150,316</u>	<u>2,084,812</u>	
5 Intangible assets			
DKK	<u>Completed development projects</u>	<u>Acquired intangible assets</u>	<u>Total</u>
Cost at 1 January 2023	313,425	1,227,333	1,540,758
Cost at 31 December 2023	313,425	1,227,333	1,540,758
Impairment losses and amortisation at 1 January 2023	313,425	1,200,813	1,514,238
Amortisation/depreciation in the year	0	26,520	26,520
Impairment losses and amortisation at 31 December 2023	313,425	1,227,333	1,540,758
Carrying amount at 31 December 2023	<u>0</u>	<u>0</u>	<u>0</u>
6 Property, plant and equipment			
DKK			<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2023			2,096,910
Additions in the year			56,495
Cost at 31 December 2023			<u>2,153,405</u>
Impairment losses and depreciation at 1 January 2023			1,953,936
Amortisation/depreciation in the year			84,775
Impairment losses and depreciation at 31 December 2023			<u>2,038,711</u>
Carrying amount at 31 December 2023			<u>114,694</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK	Investments in group entities, net asset value
Cost at 1 January 2023	625,000
Cost at 31 December 2023	625,000
Value adjustments at 1 January 2023	5,207,733
Dividend distributed	-800,000
Share of the profit/loss for the year	431,737
Value adjustments at 31 December 2023	4,839,470
Carrying amount at 31 December 2023	5,464,470

Group entities

Name	Legal form	Domicile	Interest
IME A/S	Aktieselskab	Esbjerg	100.00%

8 Share capital

The share capital is divided into shares of DKK 1,000 or multiples thereof.

The Company's share capital has remained DKK 3,500,000 over the past 5 years.

9 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with IME A/S and is jointly and severally with other jointly taxed group entities for payment of income taxes.

Other financial obligations

The company has entered into an agreement on the rental of premises with an associated company. The annual expense amounts to DKK.932,000. The contract can be terminated with 12 months' notice.

The Company has entered into operating lease agreements with a total remaining commitment of DKK 410,500 and remaining maturity of up to 35 months. Lease payments within the next 12 months amount to DKK 215,000.

10 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2023.

Financial statements 1 January - 31 December

Notes to the financial statements

11 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Pollet Pool Group NV	Belgium	Textielstraat 13, 8790 Waregem, BE

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Pollet Pool Group NV	Textielstraat 13, 8790 Waregem, BE

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Bo Pedersen

Executive Board

On behalf of: Welldana A/S

Serial number: 2c684410-e167-4b37-abf8-64719d03f65b

IP: 87.55.xxx.xxx

2024-05-08 12:31:38 UTC



Bo Pedersen

Board of Directors

On behalf of: Welldana A/S

Serial number: 2c684410-e167-4b37-abf8-64719d03f65b

IP: 87.55.xxx.xxx

2024-05-08 12:31:38 UTC



Van Wauwe Jeroen Hendrik L

Board of Directors

On behalf of: Welldana A/S

Serial number: 44:AE:56:ED:75[...]6:31:F4:6A:BA

IP: 94.109.xxx.xxx

2024-05-10 11:56:23 UTC



Pollet Sofie Veerle

Board of Directors

On behalf of: Welldana A/S

Serial number: 56:E4:3F:18:46[...]D:80:A7:25:D9

IP: 185.41.xxx.xxx

2024-05-12 14:04:57 UTC



Morten Østergaard Koch

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 0c0d65e5-9b5a-4661-b898-a6ac2f3dea25

IP: 147.161.xxx.xxx

2024-05-13 07:05:43 UTC



Pollet Sofie Veerle

Chairman

On behalf of: Welldana A/S

Serial number: 56:E4:3F:18:46[...]D:80:A7:25:D9

IP: 94.109.xxx.xxx

2024-05-13 12:31:01 UTC



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