

Welldana A/S

Randersvej 6, 6700 Esbjerg

CVR no. 18 93 71 90

Annual report 2022

Approved at the Company's annual general meeting on 15 May 2023

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 2022.

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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

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, 15 May 2023
Executive Board:

.....
Bo Pedersen

Board of Directors:

.....
Sofie Veerle Pollet
Chair

.....
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 2022, 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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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, 15 May 2023
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, Chair 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 2022 shows a profit of DKK 7,708,176 against a profit of DKK 8,153,947 last year, and the balance sheet at 31 December 2022 shows equity of DKK 26,767,861.

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	2022	2021
	Gross profit	19,277,476	19,938,409
2	Staff costs	-9,837,569	-9,708,794
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-157,969	-572,122
	Profit before net financials	9,281,938	9,657,493
	Income from investments in group entities	394,543	635,052
	Financial income	545,805	682,246
3	Financial expenses	-429,298	-672,954
	Profit before tax	9,792,988	10,301,837
4	Tax for the year	-2,084,812	-2,147,890
	Profit for the year	7,708,176	8,153,947
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	7,000,000	0
	Net revaluation reserve according to the equity method	394,543	-559,867
	Retained earnings	313,633	8,713,814
		7,708,176	8,153,947

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2022	2021
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Completed development projects	0	0
	Acquired intangible assets	26,521	30,200
		<u>26,521</u>	<u>30,200</u>
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	142,974	280,514
		<u>142,974</u>	<u>280,514</u>
7	Investments		
	Investments in group entities, net asset value	5,832,733	4,121,429
		<u>5,832,733</u>	<u>4,121,429</u>
	Total fixed assets	<u>6,002,228</u>	<u>4,432,143</u>
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	18,382,292	12,943,536
	Prepayments for goods	943,358	4,064,647
		<u>19,325,650</u>	<u>17,008,183</u>
	Receivables		
	Trade receivables	3,247,726	4,561,173
	Receivables from associates	0	202,075
	Deferred tax assets	1,200	7,600
	Joint taxation contribution receivable	109,274	114,525
	Other receivables	1,000	1,000
	Deferred income	142,569	25,731
		<u>3,501,769</u>	<u>4,912,104</u>
	Cash	<u>4,504,253</u>	<u>1,607,810</u>
	Total non-fixed assets	<u>27,331,672</u>	<u>23,528,097</u>
	TOTAL ASSETS	<u>33,333,900</u>	<u>27,960,240</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2022	2021
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	3,500,000	3,500,000
	Net revaluation reserve according to the equity method	5,207,733	3,496,429
	Retained earnings	11,060,128	10,787,127
	Dividend proposed for the year	7,000,000	0
	Total equity	26,767,861	17,783,556
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Other payables	0	2,987
		0	2,987
	Current liabilities other than provisions		
	Bank debt	55,043	32,230
	Prepayments received from customers	472,190	533,132
	Trade payables	1,813,705	5,177,335
	Payables to group entities	395,801	66,378
	Income taxes payable	1,687,191	2,092,745
	Other payables	2,142,109	2,271,877
		6,566,039	10,173,697
	Total liabilities other than provisions	6,566,039	10,176,684
	TOTAL EQUITY AND LIABILITIES	33,333,900	27,960,240

- 1 Accounting policies
- 9 Contractual obligations and contingencies, etc.
- 10 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	Total
Equity at 1 January 2022	3,500,000	3,496,429	10,787,127	17,783,556
Transfer through appropriation of profit	0	394,543	313,633	7,708,176
Revaluations for the year	0	1,316,761	-52,092	1,264,669
Tax on items recognised directly in equity	0	0	11,460	11,460
Equity at 31 December 2022	<u>3,500,000</u>	<u>5,207,733</u>	<u>11,060,128</u>	<u>26,767,861</u>

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.

In accordance with section 112(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 subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

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 subsidiaries. Subsidiaries 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 subsidiaries

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 subsidiaries 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. Impairment losses on goodwill are not reversed.

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

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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 subsidiaries 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 subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries 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

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	2022	2021	
2 Staff costs			
Wages/salaries	8,927,195	8,838,938	
Pensions	679,513	651,926	
Other social security costs	230,861	217,930	
	<u>9,837,569</u>	<u>9,708,794</u>	
Average number of full-time employees	<u>14</u>	<u>15</u>	
3 Financial expenses			
Interest expenses, group entities	7,448	7,464	
Other financial expenses	421,850	665,490	
	<u>429,298</u>	<u>672,954</u>	
4 Tax for the year			
Estimated tax charge for the year	2,072,987	2,305,310	
Deferred tax adjustments in the year	6,500	-167,254	
Tax adjustments, prior years	5,325	9,834	
	<u>2,084,812</u>	<u>2,147,890</u>	
5 Intangible assets			
DKK	Completed development projects	Acquired intangible assets	Total
Cost at 1 January 2022	313,425	1,210,583	1,524,008
Additions in the year	0	16,750	16,750
Cost at 31 December 2022	<u>313,425</u>	<u>1,227,333</u>	<u>1,540,758</u>
Impairment losses and amortisation at 1 January 2022	313,425	1,180,383	1,493,808
Amortisation/depreciation in the year	0	20,429	20,429
Impairment losses and amortisation at 31 December 2022	<u>313,425</u>	<u>1,200,812</u>	<u>1,514,237</u>
Carrying amount at 31 December 2022	<u>0</u>	<u>26,521</u>	<u>26,521</u>
6 Property, plant and equipment			Other fixtures and fittings, tools and equipment
DKK			
Cost at 1 January 2022			2,096,910
Cost at 31 December 2022			<u>2,096,910</u>
Impairment losses and depreciation at 1 January 2022			1,816,396
Amortisation/depreciation in the year			137,540
Impairment losses and depreciation at 31 December 2022			<u>1,953,936</u>
Carrying amount at 31 December 2022			<u>142,974</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 2022	625,000
Cost at 31 December 2022	625,000
Value adjustments at 1 January 2022	3,496,429
Share of the profit/loss for the year	394,543
Equity adjustments, investments	1,316,761
Value adjustments at 31 December 2022	5,207,733
Carrying amount at 31 December 2022	5,832,733

Name	Legal form	Domicile	Interest
Subsidiaries			
IME A/S	Aktieselskab	Esbjerg	100%

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.905,000. The contract can be terminated with 12 months' notice.

The company has entered into operating rental and leasing agreements for the following amounts:

- Remaining maturity for 24 months with an average monthly payment of DKK 3,000, a total of DKK 72,000.
- Remaining maturity for 1 month with an average monthly payment of DKK 9,000, a total of DKK 9,000.
- Remaining maturity for 22 months with an average monthly payment of DKK 7,700, a total of DKK 169,400
- Remaining maturity for 11 months with an average monthly payment of DKK 5,900, a total of DKK 64,900.

10 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2022.

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	Brouwerijstraat 14, 8680Koekelare, 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	Brouwerijstraat 14, 8680 Koekelare, 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 AS

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

IP: 87.55.xxx.xxx

2023-05-15 12:27:02 UTC



Bo Pedersen

Board of Directors

On behalf of: Welldana AS

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

IP: 87.55.xxx.xxx

2023-05-15 14:27:58 UTC



Jeroen Hendrik L Van Wauwe

Board of Directors

On behalf of: Welldana AS

Serial number: oet313e5jlsho5clfkleitxuccy0nhb03lh2

IP: 178.119.xxx.xxx

2023-05-17 13:07:46 UTC



Sofie Veerle Pollet

Chairman

On behalf of: Welldana AS

Serial number: ylg5iok4xt0an88hrlax9s06yoo8efg4vc2

IP: 81.246.xxx.xxx

2023-05-19 15:26:20 UTC



Sofie Veerle Pollet

Board of Directors

On behalf of: Welldana AS

Serial number: ylg5iok4xt0an88hrlax9s06yoo8efg4vc2

IP: 81.246.xxx.xxx

2023-05-19 15:26:20 UTC



Morten Oestergaard Koch

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:32977604

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