

HydroAir International ApS

Roustvej 50, 6800 Varde
CVR-nr. 31 58 95 09

Annual Report 2024

1 January - 31 December

The Annual Report has been presented and adopted at the
Company's Annual General Meeting on 27 June 2025

Marc Greenberg

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Company Details

Company	HydroAir International ApS Roustvej 50 6800 Varde
	CVR No.: 31 58 95 09 Established: 1 July 2008 Municipality: Varde Financial Year: 1 January - 31 December
Board of Directors	Jeremy Scott Evans, chairman Jean-Pierre Guy Parent Marc Greenberg
Executive Board	Helene Foght
Auditor	BDO Statsautoriseret revisionsaktieselskab Birk Centerpark 30 7400 Herning

Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of HydroAir International ApS for the financial year 1 January - 31 December 2024.

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

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Varde, 27 June 2025

Executive Board

Helene Foght

Board of Directors

Jeremy Scott Evans
Chairman

Jean-Pierre Guy Parent

Marc Greenberg

Independent Auditor's Report

To the Shareholder of HydroAir International ApS

Opinion

We have audited the Financial Statements of HydroAir International ApS for the financial year 1 January - 31 December 2024, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the 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 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.

Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

Independent Auditor's Report

Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary 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 of Management Commentary.

Herning, 27 June 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Martin Jochens Lück
State Authorised Public Accountant
MNE no. mne35421

Management Commentary

Principal activities

The main activity of the company is to supply to professional manufacturers (OEMs) of whirlpools, spas, swimming pools and aquaculture system solutions and co-operate with distribution partners worldwide.

HydroAir International ApS offers system solutions and individual products from a broad product portfolio, which includes pumps, blowers, hydrotherapy jets, electronic and pneumatic systems, underwater lights and other related articles.

Development in activities and financial and economic position

The company's activity has increased in 2024 due to higher demand for the company's products.

The profit of DKK `000 6.770 DKK is satisfactory for 2024.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

Income Statement 1 January - 31 December

	Note	2024 DKK	2023 DKK
Gross profit		15.866.162	2.406.454
Staff costs	1	-6.804.832	-5.599.606
Operating profit		9.061.330	-3.193.152
Financial income	2	44.917	29.710
Other financial expenses	3	-612.356	-780.804
Profit before tax		8.493.891	-3.944.246
Tax on profit/loss for the year	4	-1.724.329	866.436
Profit for the year		6.769.562	-3.077.810
Proposed distribution of profit			
Retained earnings		6.769.562	-3.077.810
Total		6.769.562	-3.077.810

Balance Sheet at 31 December

Assets

	Note	2024 DKK	2023 DKK
Rent deposit and other receivables		6.000	6.000
Financial non-current assets	5	6.000	6.000
Non-current assets		6.000	6.000
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Stocks		18.603.922	15.927.916
Inventories		18.603.922	15.927.916
Trade receivables		22.685.606	22.122.012
Deferred tax assets		18.278	898.929
Other receivables		164.515	1.193.052
Receivables corporation tax		0	490.000
Prepayments and accrued income	6	48.810	74.378
Receivables		22.917.209	24.778.371
Cash and cash equivalents		2.302.066	2.554.378
Current assets		43.823.197	43.260.665
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Assets		43.829.197	43.266.665
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Balance Sheet at 31 December

Equity and liabilities

	Note	2024 DKK	2023 DKK
Share capital		125.000	125.000
Retained profit		22.586.909	15.817.347
Equity		22.711.909	15.942.347
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Trade payables		3.111.945	2.776.774
Payables to group enterprises		16.521.285	23.986.936
Corporation tax		383.678	0
Other liabilities		1.100.380	560.608
Current liabilities		21.117.288	27.324.318
Liabilities		21.117.288	27.324.318
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Equity and liabilities		43.829.197	43.266.665
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Contingencies etc.

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Equity

DKK	Share capital	Retained profit	Total
Equity at 1 January 2024	125.000	15.817.347	15.942.347
Proposed profit allocation		6.769.562	6.769.562
Equity at 31 December 2024	125.000	22.586.909	22.711.909

Notes

	2024 DKK	2023 DKK
1 Staff costs		
Average number of full time employees	9	9
Wages and salaries	6.178.946	5.006.849
Pensions	542.695	511.276
Social security costs	83.191	81.481
	6.804.832	5.599.606
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2 Financial income		
Other interest income	44.917	29.710
	44.917	29.710
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3 Financial expenses		
Associated enterprises	612.356	774.903
Other interest expenses	0	5.901
	612.356	780.804
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4 Tax on profit/loss for the year		
Calculated tax on taxable income of the year	843.678	0
Adjustment of deferred tax	880.651	-866.436
	1.724.329	-866.436
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5 Financial non-current assets		
DKK		Rent deposit and other receivables
Cost at 1 January 2024		6.000
Cost at 31 December 2024		6.000
Carrying amount at 31 December 2024		6.000
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6 Prepayments and accrued income		
Costs	48.810	74.378
	48.810	74.378
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Notes

7 | Contingencies etc.

Contingent liabilities

The Company has entered into operation rent and lease agreements with an average lease payment of DKK' (000)168. The lease can be terminated with 6 months' notice.

Accounting Policies

The Annual Report of HydroAir International ApS for 2024 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

Income Statement

Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

Accounting Policies

Balance Sheet

Financial non-current assets

Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, write-down is provided to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Accounting Policies

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Other liabilities are measured at amortised cost equal to nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.