

Edelweiss Holdings ApS

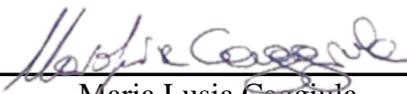
CVR-no. 28 89 95 05

Nymøllevej 50
2800 Kongens Lyngby

Annual Report 2019

(Financial year 1 January 2019 - 31 December 2019)

The Annual Report is presented and
adopted at the Annual General Meeting of
shareholders on the 15 September 2020



Maria Lusia Caggiula
Chairman of the meeting

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Management's Statement

The Executive Board have today considered and approved the Annual Report of 1 January 2019 - 31 December 2019 for Edelweiss Holdings ApS.

The Annual Report has been prepared 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 and liabilities, financial position and results of operations for the financial year ended 31 December 2019.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

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

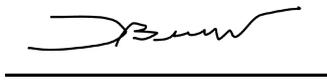
Copenhagen, 15 September 2020

Executive Board:



Maria Lusia Caggiula

Director



Dewis Luciano Mario
Bernasconi

Director

Independent Auditor's Reports

To the Shareholders of Edelweiss Holdings ApS

Report on financial statements

Opinion

We have audited the financial statements of Edelweiss Holdings ApS for the financial year 1 January 2019 - 31 December 2019, which comprise the 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.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the operations for the financial year 1 January 2019 - 31 December 2019, in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Reports (-continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent Auditor's Reports (-continued)

- 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.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Copenhagen, 15 September 2020

EY

Godkendt Revisionspartnerselskab

CVR. no.: 30 70 02 28



Henrik Kronborg Iversen
State Authorized Public Accountant
mne24687



Rasmus Bloch Jespersen
State Authorized Public Accountant
mne35503

Company details

Company details	Edelweiss Holdings ApS Nymøllevej 50 2800 Kongens Lyngby
	CVR no.: 28 89 95 05
	Founded: 20 July 2005
	Registered office: Lyngby-Taarbæk
	Financial year: 1 January - 31 December
Executive Board	Maria Lusia Caggiula Dewis Luciano Mario Bernasconi
Auditor	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg

Management's Review

Primary activities of the Company

The objectives of the company are to carry on commercial and manufacturing business as well as financing and investment.

The Company's principal activity comprise of holding investments in group enterprises.

Development in activities and financial affairs

The company's financial performance is considered satisfying.

Significant events occurred after the end of the financial year

No events materially affecting the financial position of the company have occurred after the end of the financial year.

Income Statement 1 January - 31 December

EUR	Notes	2019	2018
Other external expenses		-18.770	-14.737
Gross profit (loss)		-18.770	-14.737
Operating profit		-18.770	-14.737
Other finance income from group enterprises		0	121.466
Financial income		0	506
Financial expenses	1	0	-1.503
Profit before tax		-18.770	105.732
Tax on profit for the year	2	4.104	-23.517
Profit for the year		-14.666	82.215
 Proposed distribution of results			
Retained earnings		-14.666	82.215
Total distribution		-14.666	82.215

Balance Sheet at 31 December

Assets

EUR	Notes	2019	2018
Long-term investments in group enterprises	3	167.556.450	167.556.450
Financial fixed assets		167.556.450	167.556.450
Fixed assets		167.556.450	167.556.450
Receivables from group enterprises		15.096.740	15.103.141
Corporation tax		4.104	0
Receivables		15.100.844	15.103.141
Current assets		15.100.844	15.103.141
Assets		182.657.294	182.659.591
Equity and liabilities			
Share capital		12.979	12.979
Retained earnings		182.451.081	182.465.747
Equity		182.464.060	182.478.726
Trade payables		18.770	5.361
Payables to group enterprises		0	151.987
Corporation tax		0	23.517
Other payables		174.464	0
Short-term liabilities other than provisions		193.234	180.865
Liabilities other than provisions		193.234	180.865
Equity and liabilities		182.657.294	182.659.591
Contingent liabilities	4		
Related parties	5		
Ownership	6		

Statement of changes in equity 1. January - 31. December

EUR	<u>2019</u>	<u>2018</u>
Share capital		
Beginning balance	12.979	12.979
End balance	<u>12.979</u>	<u>12.979</u>
Retained earnings		
Beginning balance	182.465.747	182.383.532
Profit (loss)	-14.666	82.215
End balance	<u>182.451.081</u>	<u>182.465.747</u>
Equity	<u>182.464.060</u>	<u>182.478.726</u>

Notes

	2019	2018
1 Financial expenses		
Finance expenses arising from group enterprises	0	310
Other financial expenses	0	1.193
	0	1.503
2 Tax on profit for the year		
Tax expense on ordinary activities	-4.104	23.517
Adjustment of deferred tax	0	0
	-4.104	23.517
3 Long-term investments in group enterprises		
Cost at 1 January	167.556.450	167.556.450
Cost at 31 December	167.556.450	167.556.450
Carrying amount at 31 December	167.556.450	167.556.450

Information from the latest financial statements

	Ownership Percentage
PaloDEX Group Oy Tuusula, Finland	100%

Impairment considerations

Management has performed an assessment of whether there are indications that investments may be impaired and on this basis, concluded that there are no impairment indicators at 31. December 2019.

Notes

4 Contingent liabilities

Contingent liabilities

Until the 18. december 2019 the company was a subsidiary in joint taxation with Danaher Tax Administration ApS as the administration company. The companies in the joint taxation are jointly liable on corporation taxes and taxes on dividends, interest and

From the 19. december 2019 the company is a subsidiary in joint taxation with Nobel Biocare Danmark A/S as the administration company. The companies in the joint taxation are jointly liable on corporation taxes and taxes on dividends, interest and royalties.

5 Related parties

The Company related parties include:

Controlling influence

Envista Holdings Corporation, 200 S. Kraemer Blvd., Building E, Brea, California, who is the main shareholder.

6 Ownership

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

Ormco B.V.
Basicweg 20
3821BR Amersfoort
Holland

7 Consolidated financial statements

Envista Holdings Corporation
200 S. Kraemer Blvd., Building E
Brea, California

The consolidated financial statement for Envista Holdings Corporation group can be acquired at the following link:

<https://www.sec.gov/ix?doc=/Archives/edgar/data/1757073/000162828020001914/nvst-123119x10k.htm>

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

The accounting policies are consistent with those of last year.

General

Reporting currency

The Annual Report is presented in EURO (EUR).

In general regarding accounting and measuring

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Currency retranslation

Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Accounting policies

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Consolidated financial statements

In accordance with the exemption in the section 112 of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements for Edelweiss Holdings ApS and its group entities are part of consolidated financial statement for Envista Holdings Corporation, USA.

Income statement

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

Dividends from group enterprises

Received dividends in the financial year from group enterprises are recognized in the income

Financial items

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Tax expense

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

The Company is jointly taxed with wholly-owned Danish enterprises. The current Danish corporation tax is distributed between the jointly taxed Danish companies in proportion to their taxable income, and with full distribution of refund regarding taxable losses.

Accounting policies

Balance sheet

Financial fixed assets

Investments in group enterprises

Investments in group enterprises are recognized at historic cost less accumulated impairment losses. If the historic cost exceeds the recoverable amount the investment is written down to this lower value.

Impairment of fixed assets

The carrying amount of intangible and tangible fixed assets together with investments, which are not measured at fair value, are on an annual basis reviewed for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, write-down is provided to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the assets or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Cash and bank balances

Cash comprises cash balances and bank balances.

Balance in the group's cash pool scheme are not, due to the nature of the scheme, considered cash, but are recognised under "Receivables from group enterprises" or "Payables to group enterprises" as applicable.

Dividends

Dividends expected to be paid in respect of the year are stated as a separate line item under equity.

Accounting policies

Current tax and current deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities

Liabilities are measured at amortized cost, corresponding to the nominal value.