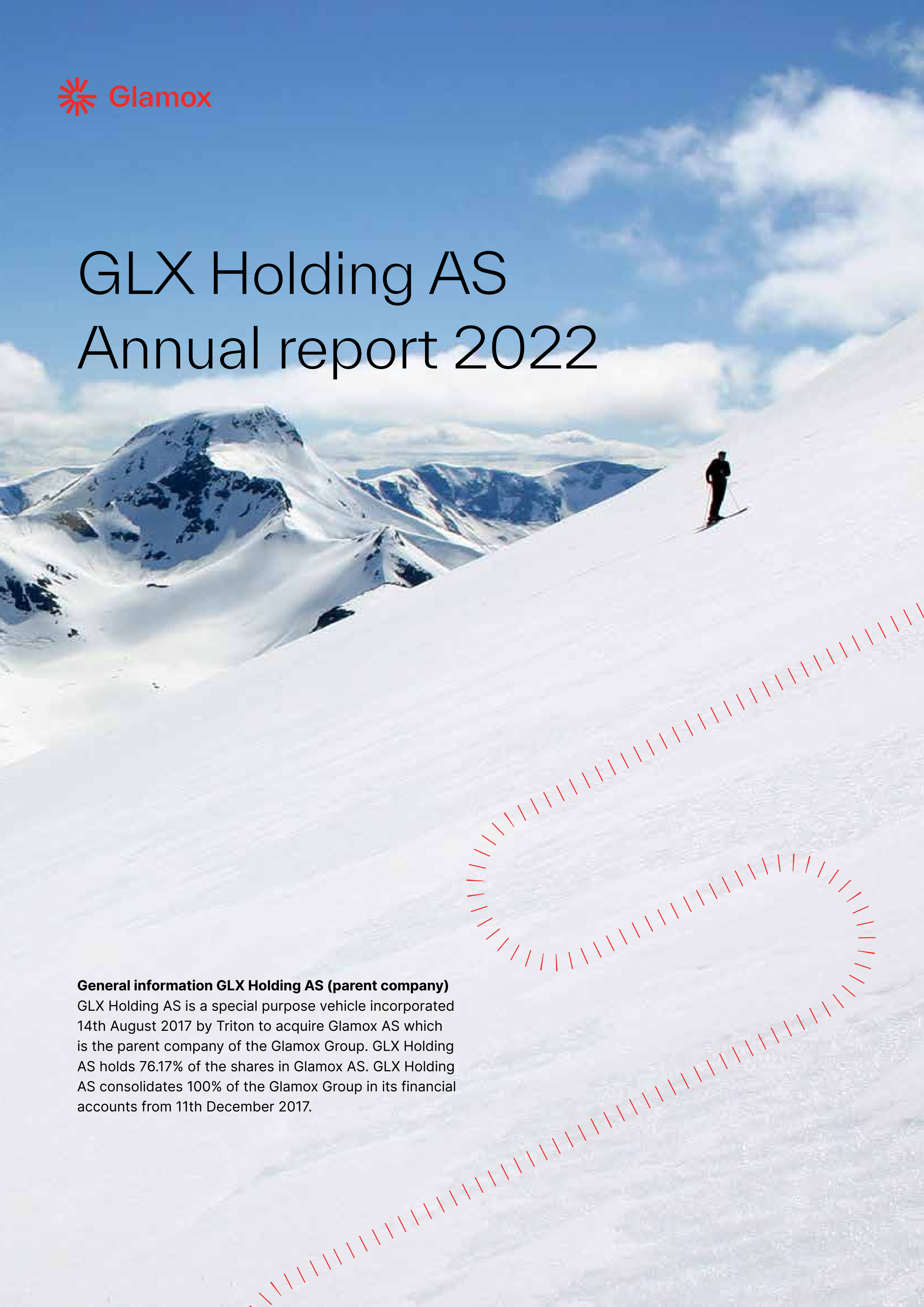

Glamox

GLX Holding AS Annual report 2022

General information GLX Holding AS (parent company)
GLX Holding AS is a special purpose vehicle incorporated 14th August 2017 by Triton to acquire Glamox AS which is the parent company of the Glamox Group. GLX Holding AS holds 76.17% of the shares in Glamox AS. GLX Holding AS consolidates 100% of the Glamox Group in its financial accounts from 11th December 2017.

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Highlights

- Total revenue and other operating income was NOK 3,772 million (NOK 3,377 million), an increase of 11.7%
- Order intake[1] ended at NOK 3,860m (NOK 3,758 million), an increase of 2.7%.
- Adjusted EBITDA[1] ended at NOK 543 million (NOK 445 million), an increase of 21.9%
- Adjusted EBITA[1] ended at NOK 418 million (NOK 318 million), an increase of 31.4%
- Adjusted EBIT[1] ended at NOK 285 million/7.7% (NOK 196 million/5.8%)
- Net profit for the year was NOK 9 million (net loss of NOK 246 million)
- Positive net cash flows from operating activities of NOK 164 million (NOK 170 million)

Key figures

		2022	**2021**
Total revenue and other operating income	MNOK	3,772	3,377
Order intake[1]	MNOK	3,860	3,758
EBITDA[1]	MNOK	482	170
EBITDA margin[1]	%	12.8	5.0
EBIT[1]	MNOK	215	(86)
EBIT margin[1]	%	5.7	(2.5)
Adjusted EBITDA[1]	MNOK	543	445
Adjusted EBITDA margin[1]	%	14.6	13.2
Adjusted EBIT[1]	MNOK	285	196
Adjusted EBIT margin[1]	%	7.7	5.8
Profit for the period, after tax	MNOK	9	(246)
Net cash flows from operating activities	MNOK	164	170
Net interest-bearing debt[1]	MNOK	2,332	2,154

[1] Please refer to APM section for further explanations and details on APM measures.

Board of directors report 2022

1. GLX Holding AS' business
GLX Holding AS, "the company", was formed August 14, 2017 and registered in the Register of Business Enterprises, September 7, 2017.

The company's business is to own shares in Glamox Group. The company's operations are run from the Oslo municipality. At December 11, 2017, GLX Holding AS became parent company of Glamox Group with a 75.16% ownership. During the owner period GLX Holding AS increased its ownership in Glamox Group to 76.17%. Glamox Group's registered address is in Molde, Norway. Headquarter is located in Oslo.

Glamox Group is a Norwegian industrial group that develops, manufactures and distributes professional lighting solutions for the global market. Our mission is to provide sustainable lighting solutions that improve the performance and well-being of people. We employ around 2,000 professionals, with sales and production in Europe, Asia, and North America. In 2022, our annual revenues were NOK 3,772 million. We own a range of quality lighting brands, including Glamox, Aqua Signal, ES-SYSTEM, Küttel, LINKSrechts, LiteIP, Luminell, Luxo, Luxonic, Norselight, and Wasco. The Glamox Group operates two segments - Professional Building Solutions division ("PBS") and Marine Offshore Wind division ("MOW"). Each of the two segments represent a complete value chain and are served by our Sourcing, Production and Logistics division ("SPL"), which operates factories, and plays a central role in the procurement of components and delivery of finished goods.

Professional Building Solutions is responsible for the sale, marketing, development, testing, and certification of a leading range of quality energy efficient LED and connected lighting for professional buildings in Europe. Its quality lighting helps schools, hospitals, offices, warehouses, industry, and stores, to reduce their energy costs and carbon footprint. In addition, Glamox Group is a world leader in Human Centric Lighting that syncs with people's circadian rhythms to help them sleep, feel, and perform better. PBS provides total lighting solutions to the professional building market. The most important markets served by this division are Central- and Northern Europe. It is also operating in the other markets in collaboration with distributors. The level of activity in the new construction, restoration and modernisation within the professional building sectors drives developments in the individual markets.

Marine, Offshore and Wind is responsible for the development, sale, and distribution of quality LED luminaires and connected lighting systems to the commercial marine, cruise & ferry, navy, and offshore energy (including offshore wind) sectors. The activity level within new-build, rebuilding and refurbishment of all types of maritime vessels and offshore installations controls market growth for this business.

For further information about Glamox Group's operations, see Glamox Group's annual report. The company does not own shares in any other companies.

2. Going concern
In accordance with Section 3-3a of the Norwegian Accounting Act, cf. § 4-5, the board of directors confirms that the accounts have been prepared on a going concern basis and that this assumption is appropriate at the date for the accounts, and that GLX Holding AS has sufficient equity and liquidity to fulfil its obligations.

3. Statement of the financial statements
The company reports a loss for the year of NOK -18 million (profit NOK 14 million). The company's equity capital per December 31 2022 was NOK 1,441 million, 51.5% (NOK 1,459 million, 51.9%).

The operating profit in 2022 for the consolidated accounts was NOK 215 million (NOK -86 million). Operating profit was negatively impacted by special items in the magnitude of NOK 70 million (NOK 282 million). The special items mainly consist of restructuring costs related to the relocation of production from Germany to Poland and Norway. Furthermore, special items include ERP implementation costs, which is to be finalized in due course. The restructuring, integration and relocation activities were embarked upon to further enhance the long-term competitiveness of the Group and

will have a positive effect entering into 2023 and onwards.
The adjusted operating profit in 2022 was NOK 285 million (NOK 196 million), an increase of 45.4%. The increase in adjusted operating profit is mainly explained by higher volumes, increased prices, and efficiency gains in both divisions, partly offset by increased raw material and components prices, logistic costs, and higher operating costs due to the ramp up of activities. Increased depreciations and amortisations of NOK 267 million (NOK 256 million) had a slightly negative impact on adjusted operating profit. The profit for the year in the consolidated accounts was NOK 9 million (loss NOK -246 million).

The consolidated equity capital per December 31 2022 was NOK 1,710 million, 31.0% (NOK 1,690 million, 31.3%).

Glamox Group directly expensed NOK 33 million (NOK 32 million) related to research and development activities and capitalised NOK 5 million (NOK 6 million) related to development cost in 2022.

Net change in cash and cash equivalents in 2022 was negative by NOK 49 million (negative NOK 162 million), an improvement of 69.8%. Net cash flows from operating activities amounts to NOK 164 million (170 million). Profit before tax adjusted for depreciation and amortisation and, and the profit from sale of assets was NOK 303 million (NOK 25 million), taxes paid was NOK -50 million (NOK -36 million) while the effect of working capital and other operating changes was NOK -89 million (NOK 181 million).

Net cash flow from investing activities was NOK -57 million (NOK -339 million) while net cash flow from financing activities amounts to NOK -156 million (NOK 6 million).

The Board believes the company's equity and liquidity as of December 31 2022 to be satisfactory.
In the opinion of the Board, the presented income statement and balance sheet and accompanying notes for the company and the consolidated accounts provide a satisfactory statement of earnings in 2022 and the financial position at year-end.

4. Financial risk management
Glamox Group is exposed to credit risk, interest risk and exchange risk in its day-to-day business operations and aims to keep risk at an acceptable level in these areas. The underlying loan contracts are instrumental for managing interest risk. Currency risk is managed through internal invoicing rules, matching income against expenses in the same currency and loans against equity in the same currency, as well as the use of financial instruments. For more detailed information, see note 5.5 in the Annual Accounts.

5. Development by segments
PBS is a leading supplier of lighting solutions to the European non-residential building market. PBS develops and supplies complete lighting solutions for educational and healthcare institutions, office and industrial buildings. The ongoing economic turmoil is to a lesser degree expected to impact the non-residential building market. During the 2022 PBS achieved an order intake of NOK 2,826 million (NOK 2,944 million), a decrease of -4.0%. In the same period, total revenue was NOK 2,808 million (NOK 2,638 million), an increase of 6.4%. PBS achieved an adjusted EBITDA of NOK 358 million (NOK 340 million), with an adjusted EBITDA margin of 12.7% (12.9%). The main explanation for the increase in adjusted EBITDA is higher total revenue. The margin is slightly lower due to high inflation on components and raw materials. This was partly offset by higher sales prices. The most important markets for PBS are Northern- and Central Europe. The market demand across almost all geographies in the PBS business had a positive development in 2022. PBS has also managed to continue to increase its market share in most target markets.

MOW, formerly known as Global Marine & Offshore (GMO) division, is responsible for development, sales and distribution of sustainable lighting solutions to commercial marine, offshore energy, wind energy, and navy subsegments. MOW achieved an order intake of NOK 1,033 million (NOK 814 million), an increase of 26.9% from 2021. The growth in order intake was mainly driven by the commercial marine (+47%) and offshore energy subsegments (+65%). In the commercial marine subsegment, most of the order intake growth came from a rebound of new vessel orders in Asia. The growth in the energy subsegments was primarily from higher refurbishment activity in the North Sea and projects won within the offshore wind area.
Total revenue was NOK 913 million (NOK 737 million), an increase of 23.9%. The adjusted EBITDA was NOK 124 million (NOK 50 million) with an adjusted EBITDA margin of 13.6% (6.7%). A rebound in revenue volumes in the energy, navy, and marine new build and retrofit markets lifted the MOW division's result significantly in 2022. The cost inflation that impacted products through the year was off-set by general sales price increases, a more optimal product sales mix,

and increased sales into the retrofit market. All efforts led to higher sales margins and an increase in the operating result, as underlying sales- and capacity costs were kept at a lower cost inflation level.

6. Proposal for allocation of profit
The board of directors proposes that the year`s loss of GLX Holding AS of NOK 18.4 million is allocated to retained earnings.

7. Corporate governance
The board of directors considers corporate governance to be a prerequisite for long-term value creation and growth. The board of directors has decided that the GLX Holding AS will comply with the Norwegian Code of Practice for Corporate governance (which is available at www.nues.no). Further information on GLX Holding AS' corporate governance can be found under "Investor Relations / GLX Holding AS" on the Glamox Group corporate website. Glamox Group including subsidiaries carries Director & Officers Insurance provided by AIG. The Insurance covers any past, present or future members of the board of directors and company officers. The Insurance covers personal legal liability including defence costs.

8. Environmental, Social and Governance.
ESG is increasingly important among our stakeholders and the Glamox Group further strengthened its focus on ESG during 2022. Our ambition is to be at the forefront in our industry. The Glamox Group has an established ESG program. It has a target to focus on compliance and risk management as part of the value protection of the business, and to align with ESG market expectations to allow further value creation. We have a compliance management system in place which we are continuously developing. This system incorporates, amongst other things, values, policy for corporate social responsibility, and its code of conduct. Also included are other policies, such as our responsible business partner, anticorruption, privacy, whistle blowing and crisis management policies. Also important is the sanctions and export control procedure, and a health, safety and environmental (HSE) policy. In the reporting period, there were no significant instances of non-compliance with laws and regulations.

9. Sustainability
Light has a tremendous impact on people's lives, their health and well-being as well as their performance and this is core to our business and products. At Glamox Group, we aim to create light for a better life. We provide sustainable lighting solutions that improve the performance and well-being of people.

However, our operations and our business as a provider of professional lighting solutions also comes with a carbon footprint that impact the planet. This fact presents a challenge for our industry. To counter this change, Glamox Group seeks to help our customers to reduce their energy usage through sustainable products and solutions. We also aim to reduce emissions and any adverse impact on nature in production and sourcing of materials for luminaires. Finally, Glamox Group works tirelessly to improve transparency on social and governance topics throughout the supply chain.

Glamox Group is continuously working to reduce the overall environmental footprint of its own activities and those of its customers. In our ambition to become a sustainability leader, we have integrated our sustainability strategy into our Glamox Green Light Strategic Aspiration Plan. We are committed to supporting our customers in reducing their use of electricity and minimising their carbon footprint through our lighting products, control systems, and services. More than 98% of our luminaires are based on energy efficient LED technology. Merely replacing a conventional luminaire with one of our LED luminaires will reduce electricity consumption by up to 50%, but this increases up to 90% when it is controlled by our light management systems. We embrace circular economy design principles in our product design, which enables us to extend the lifetime of our products and we recycle materials like plastics and aluminum.

Certifications are a priority at Glamox Group and in 2022 the Luminell production unit in Halmstad, Sweden was certified with ISO 14001. In 2023, the factory in Molde, Norway will be certified according to the ISO 50001 and ISO 45001. In 2022, Glamox Group closed one of the production sites in Germany and the production line was transferred to other locations.

Glamox Group set out ambitious goals for 2022, with several important milestones achieved throughout the year.
• Over 98% of total sales were LED, and the share of connected lighting was 36%
• Produced its inaugural Environmental Product Declaration (EPD), using an EPD generator. This allows Glamox Group to describe the environmental impact of any product or service, and was developed together with Norsk Industri, LCA.no and EPD Norge
• In March 2022, Glamox Group committed to setting Science Based Targets within 24 months

• Launched a group-wide Whistleblowing channel enabling anonymous reporting
• Decreased waste to landfill from 109 to 64 tons, equivalent to 41%
• Conducted unconscious bias training with the extended leadership team comprising the top leaders in Glamox Group
• Reduced scope 1 & 2 CO2 emissions by 1,122 tonnes, equivalent to 24%
• Started reporting on Scope 3 emissions through the Normative emissions calculation software
• Expanded scope of GRI reporting
• Reduced lost time injuries from 19 to 11 compared to 2021

10. Responsible business partner
The Glamox Group is committed to responsible business practices and conducting business with the highest ethical standards. The ethical guidelines for Glamox Group and our suppliers are set out in the Glamox Code of Conduct with supporting policies and instructions, such as our Responsible Business Partner Policy and our Anti-corruption policy. We communicate our expectations regarding respect for human rights, decent working conditions, and ethical business conduct to our suppliers. We qualify and monitor them in an open and transparent way using digital tools. Glamox has approximately 3,400 suppliers in total. Of these 445 was screened as of year-end 2022. This covers approximately 83% of the total spend. In this way we are catalysing transparency in the industry by imposing requirements on our supply chain and contributing to awareness globally.

The Glamox Group wants all our business partners to view us as their preferred business partner. As such, we strive to achieve a positive reputation in all aspects of our business. We respect the laws, cultures, dignity, and rights of individuals in all countries where we operate. Compliance with national, regional, and international rules, laws and conventions is compulsory and business ethics extend beyond simple compliance. We conduct our business with integrity which makes our employees and business partners proud to work for and with us.

11. Health and safety
The Glamox Group has a zero-accident ambition and our focus on a safe working environment is a continuous process. Division managers at Glamox are responsible for goal setting within health, environment and safety, as well as follow-up of fulfilled results according to goals. Our health and safety KPIs are included in monthly business review. Actions to support the goals are the responsibility of line management, HSE representatives and committees as well as employees. Health, Safety and Environment committees or councils also participate in the planning of the health, environment and safety work, as well as in follow-up of the development of issues concerning employee safety, health and welfare. These committees meet as needed and represent all Glamox Group employees.

The Glamox Group has an established a reporting procedure that requires all lost time accidents to be reported, investigated, and mitigated. A total of 11 lost time accidents were reported in 2022. This gave an accident ratio in the Glamox Group's (H-value) of 3.4 accidents per 1 million worked hours, which is a decrease from 5.1 in 2021. an improvement of 33% from 2021.

12. Equal opportunities and working environment
The company has no employees. The board consists of three people, all men. Average number of fulltime employee equivalents (FTEs) in GLX Group was 2,194 in 2022, a decrease from 2,221 in 2021. Glamox Group have performed an analysis of the equality of pay between the employees in Glamox AS ("likelønnskartlegging") in accordance with the requirements in the law on equality of opportunity and treatment ("Likestillings- og diskrimineringsloven"). Please see note 5.7 in the Glamox Group Annual Accounts for information on the shareholder situation.

The Glamox Group is committed to an inclusive work culture that provides equal opportunities and treats all employees fairly. Glamox Group recognises that every individual is unique and valuable and should be appreciated based on his or her individual skills and abilities. Glamox Group does not accept any form of harassment or discrimination on the basis of race, colour, religion, gender, sexual orientation, national origin, age, disability, or veteran status. This is clearly stated in our code of conduct and supported by our Whistleblowing policy. The Glamox Group's policy is that the same skills and length of service are rewarded on an equal basis regardless of gender. Women and men in all job categories are given the same opportunities to qualify for all types of assignments and career prospects. Female employees made up 40% of the Group's workforce at the end of 2022. In Glamox AS, the number of female employees was 32% and the number of women in leadership positions was 25%. The female share of part time employees in Glamox AS was 34% and the female share of temporary hires was 18%.

Gender diversity is crucial, and while the lighting industry traditionally has been dominated by men in sales and leadership positions, Glamox Group wishes to contribute to the positive developments by targeting an improvement in the ratio the ratio of men and women in all parts of the company. We therefore view our work in this area to have a potential positive impact on diversity and equal opportunity.

We strongly believe that a diverse organisation will be a successful organisation, and we focus on all types of diversity.

For further information about Glamox Group's ESG operations, see Glamox's annual report.

13. Outlook

Glamox Group is the main asset of the group. The Glamox Group's growth prospects are positive based on a robust business model, high order book, good cost control, and positive long-term market drivers in both its operating segments going forward. The order intake is at a high level and increased energy prices and new regulations are expected to result in a stronger drive for energy efficient lighting solutions for professional buildings and in the marine sector. Increasing use of Light Management Systems will create further opportunities for the lighting industry and Glamox Group. Finding new ways to enhance efficiencies and customer experiences based on the data collected by these systems are high up on the company's agenda. The uptick in investments in offshore energy and the transition to offshore wind also bode well for the future and is also considered a positive growth area for Glamox Group. The instability and shortages in the components supply chain have eased during the year and we expect a gradual normalisation going forward for product delivery times. This positive market development is expected to continue in both segments although the inflationary pressure, conflict in Ukraine, and general instability in financial markets, add uncertainty to the development of the general market. The Glamox Group expects to see continued positive effects from value chain efficiencies, continued cost savings initiatives, and the implementation of general market price increases going forward.

Oslo, 27 April 2023

Gustaf Erik David Backemar
Chairman of the Board

Joachim Solbakken Espen
Board member

Torfinn Kildal
Board member

GLX Holding Group

Annual financial statements

2022

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GLX Holding AS - Group

Consolidated statement of profit and loss

For the years ended 31 December

NOK 1000	Notes	2022	2021
Revenue	2.1, 2.2	3 703 593	3 362 090
Other operating income	2.1	68 145	15 294
Total revenue and other operating income		**3 771 738**	**3 377 384**
Raw materials and consumables used		1 781 385	1 643 215
Payroll and related costs	2.4	1 193 874	1 226 860
Depreciation and amortisation	3.1, 3.3, 4.2	257 514	249 158
Impairment of non-current assets	3.2, 3.3, 4.2	9 274	6 412
Other operating expenses	2.5	314 623	337 764
Total operating expenses		3 556 669	3 463 409
Operating profit		**215 069**	**-86 025**
Financial income	5.11	23 063	12 750
Financial expenses	5.11	201 232	156 163
Net financial items		-178 169	-143 413
Profit/loss before tax		**36 900**	**-229 439**
Income tax expense	6.1	27 540	16 831
Profit/loss for the year		**9 360**	**-246 269**
Profit/loss attributable to equity holders of the parent		-17 221	-207 624
Profit/loss attributable to non controlling interests		26 580	-38 645
Earnings per ordinary share attributible to the equity holders of the parent		-17.2	-207.6
Average number of ordinary shares as basis for calculations		1 000	1 000

Consolidated statement of compehensive income

Profit/loss for the year		**9 360**	**-246 269**
Items that subsequently will not be reclassified to profit or loss:			
Gain/loss from remeasurement on defined benefit plans	7.2	27 746	25 927
Tax effect on remeasurements on defined benefit plans	7.2	-3 967	-3 152
Total items that subsequently will not be reclassified to profit or loss		23 779	22 775
Items that subsequently may be reclassified to profit or loss:			
Currency translation differences		38 424	-34 957
Net gain/loss on hedge of foreign subsidiaries	5.5	-33 442	38 776
Tax effect from hedge of foreign subsidiaries	6.1	7 357	-8 531
Total items that subsequently may be reclassified to profit or loss		12 338	-4 712
Other comprehensive income for the period		**36 118**	**18 063**
Total comprehensive income for the period		**45 478**	**-228 206**
Total comprehensive income attributable to equity holders of the parent		10 289	-193 866
Total comprehensive income attributable to non controlling interests		35 189	-34 340

GLX Holding AS - Group

Consolidated statement of financial position

NOK 1000	Notes	31.12.2022	31.12.2021
ASSETS			
Intangible non-current assets			
Goodwill	3.2	1 846 922	1 840 265
Intangible assets	3.3	1 189 627	1 288 776
Total intangible non-current assets		**3 036 549**	**3 129 042**
Tangible non-current assets			
Land, buildings and other property	3.1	205 971	219 101
Machinery and plant	3.1	76 960	85 790
Fixtures and fittings, tools, office equipment etc.	3.1	55 632	68 644
Right-of-use assets	4.2	190 923	216 147
Total tangible non-current assets		**529 486**	**589 682**
Deferred tax assets	6.1	74 660	59 929
Other non-current assets		18 612	33 034
Total non-current assets		**3 659 307**	**3 811 687**
Current assets			
Inventories	2.3	820 202	663 217
Trade receivables	5.9	579 470	449 224
Other receivables	5.9	135 210	93 989
Cash and cash equivalents	5.8	327 535	379 604
Total current assets		**1 862 417**	**1 586 034**
TOTAL ASSETS		**5 521 724**	**5 397 722**
EQUITY AND LIABILITIES			
Equity			
Share capital	5.7	1 000	1 000
Share premium reserve		1 599 346	1 599 346
Paid in capital		**1 600 346**	**1 600 346**
Retained earnings and other reserves		-223 715	-234 003
Non-controlling interests		332 993	324 023
Total equity		**1 709 624**	**1 690 365**
Non-current liabilities			
Pension liabilities	7.2	22 944	45 104
Bond	5.1, 5.2, 9.3	-	1 342 840
Interest bearing liabilities to financial institutions	5.1, 5.2, 9.3	-	948 392
Long-term lease liabilities	4.2	143 124	169 669
Deferred tax liabilities	6.1	314 050	332 293
Provisions and other liabilities	4.1	33 096	44 964
Total non-current liabilities		**513 214**	**2 883 261**
Current liabilities			
Trade payables	5.10	373 338	306 917
Income tax payable	6.1	26 782	9 949
Other payables	5.10	138 538	108 840
Bond	5.1, 5.2, 9.3	1 346 496	-
Short-term interest bearing liabilities to financial institutions	5.1, 5.2, 9.3	1 085 222	8 698
Short term lease liabilities	4.2	59 426	56 871
Provisions and other liabilities	4.1, 5.1, 7.2	269 083	332 821
Total current liabilities		**3 298 886**	**824 095**
Total liabilities		**3 812 099**	**3 707 357**
TOTAL EQUITY AND LIABILITIES		**5 521 724**	**5 397 722**

Oslo, 27 April 2023

Gustaf Erik David Backemar Chairman of the Board	Joachim Solbakken Espen Board member	Torfinn Kildal Board member

Consolidated statement of cash flows

For the years ended 31 December (NOK 1000)

Cash flows from operating activities	Notes	2022	2021
Profit/loss before tax		36 900	-229 439
Taxes paid		-49 789	-35 790
Depreciation, amortisation and impairment	3.1, 3.3, 4.2	266 788	255 570
Profit/loss from sale of assets		-898	-854
Changes in inventory	2.3	-156 984	-19 325
Changes in accounts receivable	5.9	-130 246	8 147
Changes in accounts payable	5.10	66 421	25 949
Changes in pension scheme assets/liabilities	7.2	-24 323	-29 129
Changes defined benefit plan recognized directly in equity	7.2	27 746	25 927
Adjustment financial income and expenses		166 892	109 816
Changes in other balance sheet items		-38 776	59 289
Net cash flows from operating activities		**163 732**	**170 163**
Cash flows from investing activities			
Interests received		22 896	3 766
Proceeds from sale of tangible fixed assets and intangible assets		6 110	-
Purchase of tangible fixed assets and intangible assets	3.1, 3.3	-57 784	-99 448
Acquisition of subsidiary, net of cash acquired	8.2	-	-243 069
Payment of contingent consideration	4.1	-48 509	-
Payment (-) / proceeds (+) on other investments		20 035	168
Net cash flow from investing activities		**-57 252**	**-338 582**
Cash flow from financing activities			
Proceeds from issuance of debt	5.2	110 000	238 260
Lease principal	4.2	-59 329	-56 473
Lease interest paid	4.2	-5 553	-5 010
Dividend paid to non controlling interest		-26 218	-30 747
Interests paid		-164 454	-117 276
Repayment of interest bearing debt	5.2	-4 005	-14 518
Other cash flow from financing activities	5.2	-6 036	-8 293
Net cash flow from financing activities		**-155 594**	**5 944**
Net change in cash and cash equivalents		-49 114	-162 475
Cash and cash equivalents, beginning of period		379 604	564 761
Effect of change in exchange rate		-2 955	-22 682
Cash and cash equivalents, end of period		**327 535**	**379 604**

GLX Holding AS - Group

Consolidated statement of changes in equity

NOK 1000	Share capital	Share premium	Retained earnings	Currency translation differences	Net investment hedge reserve	Total retained earnings and other reserves	Total shareholders equity	Non-controlling interests	Total equity
Balance as of 31 December 2020	**1 000**	**1 599 346**	**-53 841**	**52 598**	**-38 895**	**-40 138**	**1 560 208**	**389 108**	**1 949 317**
Profit (loss) for the year			-207 624			-207 624	-207 624	-38 645	-246 269
Other comprehensive income			17 345	-26 623	23 038	13 760	13 760	4 305	18 065
Total comprehensive income			-190 279	-26 623	23 038	-193 864	-193 864	-34 340	-228 204
Dividends							-	-30 747	-30 747
Balance as of 31 December 2021	**1 000**	**1 599 346**	**-244 120**	**25 975**	**-15 857**	**-234 002**	**1 366 344**	**324 021**	**1 690 365**
Profit (loss) for the year			-17 221			-17 221	-17 221	26 580	9 360
Other comprehensive income			18 110	29 263	-19 866	27 508	27 508	8 610	36 118
Total comprehensive income			890	29 263	-19 866	10 289	10 289	35 189	45 478
Dividends							-	-26 218	-26 218
Balance as of 31 December 2022	**1 000**	**1 599 346**	**-243 230**	**55 239**	**-35 724**	**-223 715**	**1 376 633**	**332 993**	**1 709 624**

1.1 Corporate information

GLX holding AS was established in 2017, with the purpose to own shares in Glamox AS.

At 11 of December 2017, GLX Holding AS became the parent company of Glamox AS. GLX Holding AS owns 76.17% in Glamox AS. GLX Holding AS is a holding company and have no other activities or investments, than the ownership of Glamox AS. GLX Holding AS is a Norwegian company and the registred adress is c/o Triton Advisors (Norway) AS, Kronprinsesse Märthas plass 1, 0161 OSLO. The ultimate parent of GLX Holding AS is Triton Fund IV, which is located at Jersey. Beneficial owner of GLX Holding AS is Triton fund IV, located at Jersey.

Glamox Group consists of Glamox AS and its subsidiaries. It is a industrial group that develops, manufactures and distributes professional lighting solutions for the global market. Glamox Group consists of the two segments 'Professional Building Solutions (PBS) and 'Marine, Offshore and Wind' (MOW). MOW changed name from Global Marine and Offshore (GMO) in 2022.

To be approved by the annual general meeting in 2023.

1.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by The European Union (EU).

The accounting policies applied in the consolidated financial statements are described in note 10.1. The policies are applied consistently to similar transactions and to other events involving similar circumstances.

The consolidated financial statements are presented in Norwegian kroner (NOK), which is also the functional currency of the parent company. All figures are rounded to the nearest thousand (000), except when otherwise specified.

Basis of consolidation
The consolidated financial statements includes GLX Holding AS and its subsidiaries as of 31 December 2022.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Generally, GLX Holding' presumption is that a majority of voting rights results in control.

For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. For presentation purposes, items in the statement of financial position are translated from functional currency to presentation currency by using exchange rates at the reporting date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, daily exchange rates are applied for significant transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Uniform accounting policies are applied to all group companies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.3 Estimation uncertainty, judgments and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

A descriptions of the most important elements subject to estimation uncertainty, significant judgements and assumptions are discussed below.

Impairment of Goodwill
Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating units using a suitable discount rate in order to calculate present value. Details of recognised goodwill are provided in note 3.2, including sensitivity disclosures.

Warranties
Provisions for warranty-related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually. Details related to warranty provisions are provided in note 4.1.

Deferred tax assets
Deferred tax assets are recognised when it is probable that the company will have a sufficient taxable profit in subsequent periods to utilise the tax asset. Assessment of future ability to utilise tax positions is based on judgements of the level of taxable profit, the expected timing of utilisation, expected temporary differences and strategies for tax planning.

Capitalised product development
Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. Further it is only cost related to development of products for a new application and/or with new technology that will be capitialized. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The assessment of when product development are capitalised is highly subjective, as the outcome of these projects may be uncertain.

Useful life of property, plant and equipment and intangible assets
The useful life of each item, which is assessed at least annually, is determined as the period over which the asset is expected to be available for use. Negative changes in the expected useful life may give rise to impairment.

Inventory
A provision for obsolescence is included in the inventory when necessary. The criteria for assessing the needs and level of the provision are based on objective calculations and management judgements. Turnover of the goods is the base of the objective calculation. Depending on the turnover rate (3 months, 6 months or 12 months) the Group has set specific obsolesce rates to be used.

2.1 Segment information

Operating segments within Glamox Group
In 2022, Glamox has the following operating segments:
- Professional Building Solutions (PBS)
- Marine Offshore & Wind (MOW), changed name from Global Marine and Offshore (GMO) in 2022

Each of these segments represents a complete value chain with operational reporting also for internal use. For the two segment PBS and MOW all cost of goods sold (COGS) and administration cost of the Sourcing, Production and Logistics (SPL) division, responsible for procurement, manufacturing, warehosing and distribution within the Glamox Group, is distributed between the two operating segments, based on the products sold. Group functions are also distributed between the two operating segments, based on allocation keys.

The segments offer different products, operate in strategically different markets and therefore have different sales channels and marketing strategies, including associated risks. PBS offers products to office, industry, health, education, retail, hotels and resturants mainly in Europe. Their main sales channels are directly to installers and wholesalers. MOW offers its products in the global market within commercial marine, energy (offshore and onshore), navy, cruise and ferry. The customer base of MOW consist of vessel owners, yards, electrical installers, engineering companies and oil companies.

Segment performance is evaluated based on EBITDA (operating profit /loss before income taxes, net financial items, depreciation, amortisation and impairment charges). Management believes this information is the most relevant in evaluating the results of the respective segments. Reconciliation from EBITDA to operating profit according to the statement of total comprehensive income is shown below. The Group's financing activities (including finance costs and finance income) and income tax expense are managed on a Group basis and are not allocated to the operating segments.

The internal managment reporting of operating segments does not include any balance sheet items. Consequently, the overview of financial information per operating segment does not include assets and liabilites.

No single customer purchase across segments in 2022 exceeded 10 % of total revenues.

Year ended 31 December 2022	Professional Building Solutions (PBS)	Marine, Offshore & Wind (MOW)	Other*	Total
Revenues and other operating income	2 807 686	913 230	50 822	**3 771 738**
EBITDA	357 978	124 061	-181	**481 857**
in %	12.7 %	13.6 %		12.8 %

Year ended 31 December 2021	Professional Building Solutions (PBS)	Marine, Offshore & Wind (MOW)	Other*	Total
Revenues and other operating income	2 637 919	736 973	2 492	**3 377 384**
EBITDA	339 827	49 641	-219 922	**169 545**
in %	12.9 %	6.7 %		5.0 %

*Specification of Other	2022	2021
Insurance settlement related to specific products	43 699	-
Restructuring	6 564	-
Other	559	2 492
Total special items in Revenues and other operating income	**50 822**	**2 492**
Restructuring cost	70 326	190 621
Claim cost related to specific product	5 272	12 359
Acqusition and integration cost	4 953	18 521
ERP Integration	20 756	31 541
ESG Compliance	872	1 732
Other	9 555	23 584
Total special items in EBITDA	**60 912**	**275 866**
Operating cost GLX Holding	4 054	4 454
Adjusted EBITDA IFRS16	64 785	60 398
Total EBITDA	**-181**	**-219 922**

Insurance settlements relates to claims for two product-families in the MOW segment. Restructuring cost mainly relates to the production unit in Teterow, Germany, that was discontinued in 2022.

Reconciliation of profit	2022	2021
EBITDA	481 857	169 545
Depreciation, amortisation and impairment	266 788	255 570
Operating profit/loss	**215 069**	**-86 025**

2.2 Revenues from contracts with customers

The Group is a global provider of lighting solutions for a wide variety of applications both onshore and offshore. All significant revenue streams relates to production and sales of goods. Glamox`s main performance obligation is related to sale of goods where the performance obligations are the delivery of an agreed volume of products within the agreed specification.

Change in revenue classification in 2022: Freight to customers is presented as Revenue. Previously Freight to customers was presented as Other operating income. Comparable figures have been adjusted accordingly.

The accounting policies for the group`s revenue from contracts with customers are explained in note 10.1.

The Group's revenue from contracts with customer has been disaggregated and presented in the tables below:

Revenues from sales	**2022**	**2021**
Professional Building Solutions (PBS)	2 794 613	2 627 913
Marine, Offshore and Wind (MOW)	908 980	734 177
Total revenues from contracts with customers	**3 703 593**	**3 362 090**

Geographic information	**PBS**	**MOW**	**2022**	**2021**
Norway	586 252	226 891	813 144	739 660
Sweden	396 571	19 873	416 443	417 353
Nordic Region ex. Norway and Sweden	355 015	40 332	395 347	355 928
Germany	383 930	63 248	447 177	457 276
Europe ex. Nordic Region and Germany	1 040 424	254 192	1 294 616	1 055 665
North-America	23 321	152 461	175 783	134 484
Asia	7 077	126 276	133 353	168 105
Other	2 023	25 706	27 729	33 621
Total revenues from contracts with customers	**2 794 613**	**908 980**	**3 703 593**	**3 362 090**

The geographic split is based on the location of the customer.

2.3 Inventories

Inventories	31.12.2022	31.12.2021
Raw materials	457 949	383 126
Work in progress	56 896	53 954
Finished goods	305 357	226 137
Total inventories	**820 202**	**663 217**

Provision for obsolete inventories	2022	2021
At January 1	**105 593**	**106 688**
Currency effect	3 565	-3 151
Provision used	-44 756	-14 470
Provision reversed	-18 307	-6 630
Additonal provision	22 417	23 156
At December 31	**68 513**	**105 593**

The provision for obsolete inventories covers all inventory classifications (Raw material, Work in progress and Finished goods). The provision is primarily a consequence of the objective calculation based on stock turn at component level. Provision used mainly relates to the closing of the factory in Germany and moving of the warehouses for finished goods from Germany to Poland.

Note 5.2 shows that part of the Group's inventory is pledged as security for secured liabilities.

2.4 Employee benefit expenses

Payroll and related costs	2022	2021
Salaries	949 707	1 005 638
National insurance	158 693	146 108
Pension costs	44 574	41 273
Other remuneration	40 900	33 841
Total payroll and related costs	**1 193 874**	**1 226 860**

Average number of Full Time Employee (FTE)	2 194	2 221

The decrease in salaries in 2022 compared to 2021 is due to restructuring costs amounting to NOK 128 million in 2021, mainly related to discontinuing of the production unit in Teterow, Germany.

See note 7.1 for management remuneration.

2.5 Other operating expenses

Other operating expenses	2022	2021
Sales and marketing expenses	22 579	17 584
Energy and housing	56 236	40 586
Production equipment	22 853	20 781
Repair and maintenance	25 761	28 219
Service fees	61 253	104 903
Office equipments and telecom	15 407	16 164
Travel and transport	41 340	26 550
Insurance expenses	10 681	9 781
Claims	7 935	15 344
Other	47 553	58 143
Bad debts	3 023	-291
Total other operating expenses	**314 623**	**337 764**

Specification of Other operating expenses is more granular compared to the similar note in the 2021 annual report. Comparable figures have been adjusted accordingly.

Auditor	2022	2021
Fee for statutory audit	6 822	6 394
Audit-related fees	826	1 385
Tax compliance services	567	358
Other fees	717	1 428
Total	**8 931**	**9 564**

Audit fee:
The amounts above are excluding VAT.

3.1 Property, plant and equipment

	Land/Buildings	Machinery	Fixtures and Fittings	Total
Acquisition cost 31.12.2020	**298 027**	**151 441**	**111 534**	**561 003**
Additions	20 378	20 020	16 773	57 171
Disposals	-11 364	4 070	-12 325	-19 619
Additions through acquisition of subsidiary	-	3 482	2 680	6 162
Reclassifications	-4 333	-307	2 073	-2 567
Currency translation effects	-3 797	-1 974	-1 857	-7 629
Acquisition cost 31.12.2021	**298 912**	**176 731**	**118 877**	**594 520**
Additions	1 882	10 296	13 500	25 678
Disposals	-1 338	-	-5 632	-6 970
Reclassifications	4 517	-5 387	1 101	230
Currency translation effects	7 401	2 297	3 443	13 141
Acquisition cost 31.12.2022	**311 373**	**183 936**	**131 289**	**626 599**
Accumulated depreciation and impairment 31.12.2020	**66 459**	**61 847**	**44 309**	**172 615**
Depreciation for the year	22 835	27 396	18 871	69 102
Impairment for the year	-	3 336	-	3 336
Disposals	-8 616	-1 685	-12 165	-22 465
Reclassifications	-	13	133	146
Currency translation effects	-868	33	-915	-1 749
Accumulated depreciation and impairment 31.12.2021	**79 811**	**90 941**	**50 234**	**220 985**
Depreciation for the year	23 792	22 737	18 684	65 212
Impairment for the year*	-	-	6 334	6 334
Disposals	-	-7 237	-	-7 237
Currency translation effects	1 801	535	405	2 741
Accumulated depreciation and impairment 31.12.2022	**105 403**	**106 976**	**75 657**	**288 036**
Carrying amount 31.12.2021	**219 101**	**85 790**	**68 644**	**373 535**
Carrying amount 31.12.2022	**205 971**	**76 960**	**55 632**	**338 563**

	Land	Buildings	Machinery	Fixtures and Fittings
Useful life	Indefinite	Up to 20 yrs.	Up to 10 yrs.	Up to 10 yrs.
Depreciation plan	NA	Straight-line	Straight-line	Straight-line

The Group assess, at each reporting date, whether there is an indication that property, plant and equipment may be impaired. Furthermore, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

*In 2022, the Group recorded an impairment of NOK 6.3 million related to Fixtures and Fittings at the German production unit. No other impairments were identified in 2022 for property, plant and equipment.

In 2021, the Group recorded an impairment of NOK 3.3 million related to machinery at the Swedish site, Målilla. No other indicators were identified in 2021 for property, plant and equipment.

3.2 Goodwill

	Goodwill
Acquisition cost 31.12.2020	**1 700 738**
Acquisitions	140 100
Currency translation effects	-572
Acquisition cost 31.12.2021	**1 840 265**
Currency translation effects	6 656
Acquisition cost 31.12.2022	**1 846 922**
Carrying amount 31.12.2021	**1 840 265**
Carrying amount 31.12.2022	**1 846 922**

Carrying amount of goodwill allocated to segments	**Goodwill**
Professional Building Solution (PBS) segment	1 431 165
Global Marine & Offshore (GMO) segment	415 757
Total goodwill - carrying amount 31.12.2022	**1 846 922**

The Group tests goodwill for impairment annually or more frequently if there are indications for impairments. Recognised goodwill in the Group as of 31st of December 2022 is NOK 1,846.9 million. The goodwill is derived from acquisition of Glamox AS in 2017 and subsequent acquistions of Küttel in 2018, Luxonic and ES-System in 2019, LiteIP, Wasco and Luminell in 2021.

Until 2021 the impairmenttesting were performed individually based on each aquisition. The main reason goodwill arose from all acquisitions are related to expectations to reach positive effects from integration and synergies with other parts of Glamox through:
- Realization of synergies at production and sales
- Integration of competence, employees and systems
- Leadership with focus on “one Glamox”
- Monitoring of goodwill with focus at the segment level

Based on continuing integration and synergies across the acquired companies all goodwill are from 2022 allocated to the two segments PBS and MOW for impairment testing purposes. Recoverable amounts have been determined based on value-in-use calculations for each segment.

The Group performs its annual impairment test at reporting date. There are no impairment losses in 2022 or 2021.

Key assumptions used in value in use calculations
For the 2022 impairment testing, the cash flows in the calculations are based on budgets for 2023 and assumption used in the strategy plan for the period 2024 to 2027 both approved by the Group Management. Cash flows after year 2027 have been extrapolated using a long-term growth rate. The calculations of terminal value are based on Gordon’s formula.

Growth rate
The historical sales growth rate in Glamox differ between the two segments, PBS and MOW. In the strategy plan the growth rates are based on published industry research with management adjustments. The growth rate applied in the impairment test is equal to the rate utilized in the strategy plan. The terminal growth rate is assumed 2% in both segments and in 2022 and 2021.

EBITDA margin
Future operating profit is dependent on a number of factors, but primarily volume growth, cost of production and operating expenses. In the impairment test, Glamox has estimated EBITDA margin based on managment's experience.

Discount rates
The discounts rates are based on the Weighted Average Cost of Capital (WACC) formula derived from the CAPM model. The discount rate is set individually for the two segments, PBS and MOW, post-tax 9 % and 10 % in 2022, respectively, and 8.5% in both segments in 2021.

Sensitivities
The impairment tests are sensitive to several factors, such as changes in WACC, revenue growth and EBITDA margins. Below are these factors listed with margins which may result in impairment losses stand alone.

	PBS	MOW
WACC increases with more than:	3.2%-points	6.2%-points
Revenue growth decreases with each year more than:	6%-points	10%-points
EBITDA margin decreases with each year more than:	4%-points	7%-points

3.3 Product development and other intangible assets

	Product Development	Other intangible assets	Total
Acquisition cost 31.12.2020	**170 043**	**1 363 839**	**1 533 883**
Additions	5 836	36 442	42 278
Additions through acquisition of subsidiary	15 818	100 324	116 142
Disposals	-	-69	-69
Reclassifications	160	1 638	1 799
Currency translation effects	-1 172	-4 707	-5 879
Acquisition cost 31.12.2021	**190 684**	**1 497 468**	**1 688 154**
Additions	4 728	27 377	32 105
Disposals	-	-2 284	-2 284
Reclassifications	156	675	831
Currency translation effects	36	5 856	5 892
Acquisition cost 31.12.2022	**195 604**	**1 529 092**	**1 724 698**
Accumulated amortisation and impairment 31.12.2020	**65 972**	**213 768**	**279 740**
Amortisation for the year	29 031	92 785	121 816
Impairment for the year*	484	-	484
Disposals	-484	-68	-551
Currency translation effects	-146	-1 965	-2 111
Accumulated amortisation and impairment 31.12.2021	**94 858**	**304 519**	**399 377**
Amortisation for the year	28 059	104 722	132 781
Impairment for the year*	2 353	-	2 353
Disposals	-	-1 674	-1 674
Reclassifications	93	459	552
Currency translation effects	70	1 612	1 681
Accumulated amortisation and impairment 31.12.2022	**125 432**	**409 638**	**535 070**
Carrying amount 31.12.2021	**95 827**	**1 192 949**	**1 288 776**
Carrying amount 31.12.2022	**70 172**	**1 119 455**	**1 189 627**

Economic life	Up to 3-5 yrs.	Up to 10 yrs. and indifinite	
Amortisation plan	Straight-line	Straight-line	

Net Capitalised development costs as of the year ended 31 December, 2022 were NOK 70,172 thousand. Internal projects that results in products with a new application or new technology is capitalised given that the criteria in IAS 38 is fulfilled. The portion of the total project expenses that qualify for recognition in the statement of financial position are relatively small, as it is only from the time that the product developement project has reached a defined milestone according to an established project management model that expenses can be capitalised. The Group directly expensed NOK 32,780 thousand related to research and development activities in 2022 (2021: NOK 31,540 thousand).

Carrying amount of other intangible assets per 31.12.2022 is NOK 1,119,455 thousand and consist of trademarks of NOK 865,604 thousand, customer relations of NOK 133,470 thousand, technology of NOK 23,307 thousand and NOK 97,074 thousand is related to software investments. The trademark from the aquisition of Glamox and Küttel, amounting to NOK 800, 000 thousand and NOK 16,844 thousand respectively, are well incorporated brands in their markets with no plans of rebranding. Based on this, these two trademarks is assessed to be indefinite and therefore not amortised. Other intangible assets are amortised over 5-10 years based on the useful economic life.

*In 2022, the Group recorded an impairment of NOK 2.4 million related to product developement in Luminell Norway that was not commercialised. No other indicators were identified in 2022 for intangible assets.

4.1 Provisions and other liabilities

Provisions and other liabilities	Note	31.12.2022	31.12.2021
Non-current provisions and other liabilities			
Warranties		26 584	37 231
Other liabilities		6 512	7 732
Total non-current provisions and other liabilities		**33 096**	**44 964**

Provision for warranties	2022	2021
At January 1	**37 231**	**38 470**
Currency effect	737	-674
Addition through acquisition of subsidiary	-	764
Provision used	-7 807	-8 879
Provision reversed	-4 828	-2 095
Additional provision	1 253	9 645
At December 31	**26 585**	**37 231**

	Note	31.12.2022	31.12.2021
Current provisions and other liabilities			
Restructuring/Severance payment		32 589	92 006
Product claims		6 550	10 625
Contingent considerations		15 563	55 011
Sum current provisions		**54 702**	**157 642**
Derivatives		1 588	3 379
Prepayments from customers		15 768	9 438
Accruals for employee benefits		115 554	104 218
Pension liabilities	7.2	1 133	388
Other liabilities		80 336	57 756
Sum current other liabilities		**214 380**	**175 179**
Total current provisions and other liabilities		**269 083**	**332 821**

Warranties relates to product warranty obligations to customers. Standard warranty time is between 2-5 years. The warranty time differs among the different markets that Glamox operates in, and between the different products sold.

Restructurering/severance payment relates mainly to restructuring of the German business (2022 and 2021) and severance payments to former CEO (2022), see note 7.1.

Product claims relates to concrete warranty cases. The provision is expected to cover cost involved in rectifying received and potential claims.

The contingent considerations relates to earn-out agreements from acquisitions of Wasco GmbH, LiteIP Ltd and Luminell Group AS. The accruals amount to NOK 15,563 thousand in total, wheras NOK 2,523 thousand, NOK 13,039 thousand and NOK 0 thousand are allocated to Wasco, Lite IP and Lumunell Group, respectively. The accurals are based on best estimates of fair value conditional on certain performance measures to be achieved until 2023 for Wasco GmbH and until 2024 for LiteIP Ltd and Luminell Group AS. After 2022, maximum earn-outs if all measures achieved amount to NOK 33,425 thousand. Change in fair values is presented in net financial items at consolidated statement of profit and loss, see note 5.11. The decrease in the accrual from 2021 to 2022 mainly reflects payments in 2022, amounting to NOK 48,509 thousand.

Other liabilities contains accrued fee and general accrued expenses.

4.2 Leases

This note provides information for leases where the group is a lessee.

Right-of-use assets	**Buildings**	**Machinery**	**Fixtures and Fittings**	**Total**
Carrying amount 31.12.2020	**166 821**	**27 455**	**3 815**	**198 091**
Additions	33 201	16 272	263	49 736
Additions through acquisition of subsidiaries	7 359	635	1 061	9 055
Impairment	-2 593	-	-	-2 593
Remeasurement	29 553	-372	340	29 521
Depreciations	-41 120	-15 467	-1 652	-58 240
Termination	-1 905	-1 704	-5	-3 614
Currency translation effects	-5 050	-749	-11	-5 809
Carrying amount 31.12.2021	**186 265**	**26 070**	**3 811**	**216 147**
Additions	1 920	15 511	300	17 731
Impairment	-571	-	-	-571
Remeasurement	10 367	750	425	11 543
Depreciations	-42 888	-14 890	-1 743	-59 521
Currency translation effects	4 883	679	34	5 595
Carrying amount 31.12.2022	**159 976**	**28 120**	**2 827**	**190 923**

Amounts recognised in profit and loss	**2022**	**2021**
Depreciation from right-of-use assets[1)]	59 521	58 240
Interest expense from lease liabilities[2)]	5 553	5 010
Expenses relating to short term leases and leases of low-value assets[3)]	2 883	3 535
Total	**67 957**	**66 785**

1) Presented as Depreciations and amortisations

2) Presented as Interest expenses

3) Presented as Other operating expenses

Amounts recognised in cash flow	**2022**	**2021**
Principal portion of lease payments on lease liabilities[1)]	59 329	56 473
Interest portion of lease payments on lease liabilities[1)]	5 553	5 010
Payments relating to short term leases and leases of low-value assets[2)]	2 883	3 535
Total payments on lease liabilities	**67 765**	**65 018**

1) Presented as cash flow from financing activities.

2) Presented as cash flow from operating activities.

Lease liabilities	**2022**	**2021**
Lease liabilities, non-current	143 124	169 669
Lease liabilities, current	59 426	56 871

Maturity schedule lease liabilities - contractual undiscounted cash flows	**2022**	**2021**
0-1 years	61 830	58 828
1-3 years	137 458	149 077
4 years and later	18 233	35 237
Total undiscounted lease liabilities as of 31.12	**217 521**	**243 142**

Amounts does not include lease liabilities for short term leases and leases of low-value assets.

5.1 Financial instruments

The Group has the following financial instruments:

Financial assets/liabilities at amortised cost:
Financial assets: Trade receivables, other current receivables (notes: 5.9) and cash and cash equivalents (note 5.8)
Financial liabilities: Includes most of the Group's financial liabilities including debt to credit institutions, trade payabl es and other current and non-current financial liabilities (notes: 5.2 and 5.10).

Financial assets/liabilities at fair value through profit and loss (FVTPL):
Derivative instruments – Forward contracts (see below)

Derivates and hedging
The Group applies hedge accounting related to its hedges of net investments in foreign subsidiaries. Loans and bank overdraft s in the same currency as the underlying investments are designated as hedging instruments. As of 31 December 2022 NOK 674.0 millions of the interest bearing liabilities have been designated as hedging instrument (2021: NOK 646.0 millions). In the Group accounts, the underlying currency effects related to the hedging instruments are presented in other comprehensive income, to the extent that the hedging relationship is effective. At the end of the period, the hedging relationship is effective.

Furthermore, the Group holds forward contracts to secure its sales and purchases in foreign currency. Hedge accounting is not applied related to these arrangements, and the derivatives are measured at fair value through profit and loss.
For further information, see note 5.5 and 10.1.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVTOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contract ual cash flow characteristics.The table below shows the various financial assets and liabilities, grouped in the different categories of financial instruments according to IFRS 9.

31.12.2022	**Amortised cost**	**Fair value through profit or loss (FVTPL)**	**Total**
Financial assets			
Trade receivables (note 5.9)	579 470		579 470
Other receivables (note 5.9)	135 210		135 210
Cash and cash equivalents (note 5.8)	327 535		327 535
Total financial assets	**1 042 215**	**-**	**1 042 215**

31.12.2022			**Total**
Financial Liabilities			
Derivatives (currency forward contracts)		1 588	1 588
Bond	1 350 000		1 350 000
Interest bearing liabilities to financial institutions (note 5.2)	1 087 652		1 087 652
Lease liabilities (non-current and current, note 4.2)	202 551		202 551
Trade payables (note 5.10)	373 338		373 338
Other payables (note 5.10)	138 538		138 538
Contingent considerations (note 4.1)		15 563	15 563
Total financial liabilities	**3 152 079**	**17 151**	**3 169 230**

31.12.2021	**Amortised cost**	**Fair value through profit or loss (FVTPL)**	**Total**
Financial assets			
Trade receivables (note 5.9)	449 224		449 224
Other receivables (note 5.9)	93 989		93 989
Cash and cash equivalents (note 5.8)	379 604		379 604
Total financial assets	**922 817**	**-**	**922 817**

31.12.2021			**Total**
Financial Liabilities			
Derivatives (currency forward contracts)		3 379	3 379
Bond	1 350 000		1 350 000
Interest bearing liabilities to financial institutions (note 5.2)	959 806		959 806
Lease liabilities (non-current and current, note 4.2)	226 540		226 540
Trade payables (note 5.10)	306 917		306 917
Other payables (note 5.10)	108 840		108 840
Contingent considerations (note 4.1)		55 011	55 011
Total financial liabilities	**2 952 102**	**58 390**	**3 010 493**

5.2 Interest bearing liabilities

Non-current Interest bearing loans and borrowings	**Company**	**Interest rate**	**Maturity**	**31.12.2022**	**31.12.2021**
Callable Open Bond	GLX Holding AS	NIBOR + margin	2023	-	1 350 000
Revolving facility - utilised amount (NOK)	Glamox AS	NIBOR + margin	2023	-	300 500
Revolving facility - utilised amount (EUR)	Glamox AS	EURIBOR + margin	2023	-	319 642
Revolving facility - utilised amount (PLN)	Glamox AS	WIBOR + margin	2023	-	326 152
Other long term loans (GBP)	Glamox Luxonic Ltd.	LIBOR + margin	2023	-	4 814
Total non-current interest bearing loans and borrowings				**-**	**2 301 108**

Change of non-current Interest bearing loans and borrowings	**2022**	**2021**
Opening balance	2 301 108	2 097 672
Reclassified to current Interest bearing loans and borrowings	-2 437 652	-
Acquired debt due to acquisition of subsidiary	-	12 041
Increase of utilised amount	110 000	238 260
Repayment	-1 342	-14 518
Effect of changes in foreign exchange rates	27 887	-32 347
Closing balance	**0**	**2 301 108**

Current Interest bearing loans and borrowings	**Company**	**Interest rate**	**Maturity**	**31.12.2022**	**31.12.2021**
Callable Open Bond	GLX Holding AS	NIBOR + margin	2023	1 350 000	-
Revolving facility - utilised amount (NOK)	Glamox AS	NIBOR + margin	2023	410 500	-
Revolving facility - utilised amount (EUR)	Glamox AS	EURIBOR + margin	2023	336 442	-
Revolving facility - utilised amount (PLN)	Glamox AS	WIBOR + margin	2023	337 155	-
Other long term loans (GBP) - current part	Glamox Luxonic Ltd.	LIBOR + margin	2023	3 556	2 663
Other short term interest bearing liabilities				-	6 036
Total current interest bearing loans and borrowings*				**2 437 652**	**8 698**

*Excluded arrangement fees of NOK 5.9 million in 2022.

Change of current Interest bearing loans and borrowings	**2022**	**2021**
Opening balance	8 698	14 781
Reclassified from non-current Interest bearing loans and borrowings	2 437 652	-
Acquired debt due to acquisition of subsidiary	-	1 952
Increase/decrease of utilised amount*	-6 036	4 084
Repayment	-2 663	-12 176
Effect of changes in foreign exchange rates	-	57
Closing balance	**2 437 652**	**8 698**

*Factoring agreement in Luminell Norway AS terminated in 2022.

Bond
GLX Holding AS issued a Bond on the 8 December 2017. The initial issued amount is NOK 1,350 million and the maximum issued am ount of the bond is NOK 2,000 million. The initial nominal amount on each bond is NOK 0.5 million. The bond has an interest margin of 5.25% per a nnum. The interest period is 8 March, 8 June, 8 September and 8 December. The maturity date is 08.12.2023. The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100% of the Nominal Amount. The Bond has a Call Option that may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least 10 Business Days prior to the p roposed Call Option Repayment Date for the call.

An arrangement fee of NOK 3.5 millions related to the refinancing, is booked against the bond. The arrangement fee is expense d over the availability period of the facility.

The Bond was listed at Oslo Stock Exchange during second quarter 2018.

Callable Open Bond - Incurrence test:
The "Incurrence Test" is met if (I) no Event of Default is continuing or would result from the relevant event and (II) the Le verage Ratio falls below a certan threshold.

See note 9.3 for refinancing of bond.

Bond - assets pledged as security
The shares in both GLX Holding AS and Glamox AS is pledged as security for the Bond.

There have been no breaches of covenants in 2022 or 2021.

Revolving facility
Glamox holds a multi-currency revolving facility. The multi-currency revolving facility has a credit limit of NOK 1,400m.
In 2022 the utilized amount was increased by NOK 110m.

An arrangement fee related to the financing is booked against current interest bearing liablities and is expensed over the av ailability period of the facility.

Revolving facility - Covenant requirements:
Glamox' loan agreements includes the following financial covenants requirements:
- Equity ratio minimum 20%
- Net interest bearing debt (NIBD)/EBITDA (Last Twelve Months) less than 4.0

There have been no breaches of covenants in 2022 or 2021. Leverage ratio end of 2022 is 1.7 (2021: 2.8) and equity rato end o f 2022 is 23% (2021: 23%). Calculation is based on Glamox Group figures excluded IFRS16 in accordance with Revolving facility agreement.

Revolving facility - assets pledged as security and guarantee liabilities

	31.12.2022	31.12.2021
Secured balance sheet liabilities:		
Interest bearing liabilities to financial institutions	2 434 096	2 296 294
Secured pension liability	10 941	13 820
Balance sheet value of assets pledged as security for secured liabilities:		
Land, buildings and other property	20 148	25 722
Machinery and plant	31 475	33 498
Fixtures and fittings, tools, office equipment etc.	10 277	12 770
Inventories	219 483	148 031
Account receivable	380 603	249 321
Total	**661 986**	**469 342**

5.3 Ageing of financial liabilities

31.12.2022	Less than 12 months	1 to 3 years	Over 3 years	Total
Derivatives	1 588	-	-	1 588
Callable Open Bond*/**	1 458 752	-	-	1 458 752
Interest bearing liabilities to financial institutions (note 5.2)*/**	1 150 773	-	-	1 150 773
Lease liabilities (non-current and current, note 4.2)*	61 830	87 942	67 749	217 521
Trade payables (note 5.10)	373 338	-	-	373 338
Other payables (note 5.10)	138 538			138 538
Contingent considerations (note 4.1)	14 377	1 185		15 563
Total financial liabilities	**3 199 197**	**89 127**	**67 749**	**3 356 073**

31.12.2021	Less than 12 months	1 to 3 years	Over 3 years	Total
Derivatives	3 379	-	-	3 379
Callable Open Bond*	88 020	1 438 020	-	1 526 040
Interest bearing liabilities to financial institutions (note 5.2)*	35 710	978 105	-	1 013 815
Lease liabilities (non-current and current, note 4.2)*	58 828	91 808	92 506	243 142
Trade payables (note 5.10)	306 917	-	-	306 917
Other payables (note 5.10)	108 840			108 840
Contingent considerations (note 4.1)	52 752	2 259		55 011
Total finanical liabilities	**654 446**	**2 510 192**	**92 506**	**3 257 144**

* Figures include estimated interest payable.
** Refinanced in February 2023, see note 9.3.

5.4 Fair value measurement

The table below disclose information about all financial instruments that are either measured at fair value or where information about fair value is disclosed. The Bond was listed at Oslo Stock Exchange during second quarter of 2018 and transferred to level 1 in the fair value hierarchy. There were no transfers between levels in the fair value hierarchy in 2022.

For related accounting policies, reference is made to note 10.1.

	Carrying amount at	Date of valuation	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities measured/disclosed at fair value							
Interest-bearing liability	31.12.2022	31.12.2022	1 087 652	1 087 652		x	
Interest-bearing liability	31.12.2021	31.12.2021	959 806	959 806		x	
Callable Open Bond	31.12.2022	31.12.2022	1 350 000	1 323 000	x		
Callable Open Bond	31.12.2021	31.12.2021	1 350 000	1 333 125	x		
Derivative financial liabilities	31.12.2022	31.12.2022	1 588	1 588		x	
Derivative financial liabilities	31.12.2021	31.12.2021	3 379	3 379		x	

An arrangement fee of NOK 3.5 millions related to the Callable Open Bond, is booked against the bond. Interest-bearing liabilities also includes arrangement fees of NOK 2.4 million related to the revolver credit facility, which is booked against the liabilities. The arrangement fees are expensed over the availability period of the facility.

Fair value of financial instruments
Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models using present value calculations (hierarchy level 2). The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty risk and the Group's own non-performance risk. The changes in counterparty credit risk had no material effect on measurement of financial instruments recognised at fair value. The Group applies input from its respective bank relations in performing the fair value calculations.

The fair value of the Group's interest-bearing liability are assessed to be in all material aspects similar to carrying amount.

Fair value of the Callable Open Bond is calculated by using the OSE trading price at year-end.

5.5 Financial risk management

The Group is exposed to a range of risks affecting its financial performance, currency risk, interest rate risk, liquidity risk and credit risk. The Group seeks to minimise potential adverse effects of such risks through sound business practices, risk management and use of financial instruments. Risk management is carried out by senior management under policies approved by the board of directors.

Interest rate risk
The Group aims to follow the general long-term development in the money market interest levels. The effects of short-term fluctuations in money market interest levels can be reduced by managing the loan portfolio's average interest and the timing of the interest payments.

The main part of the deposit is organised in a Multi Currency Cash pool. The interest-bearing liability relates to a Callable Open Bond and a Revolving Credit Facility (RCF). As of 31.12.2022 it is utilised NOK 410.5 million, EUR 32.0 million and PLN 150.1 million of the RCF. The interest of the utilised amount of the RCF is payable at a rate of NIBOR/EURIBOR/WIBOR plus a margin, dependent on the Group's NIBD/EBITDA ratio.

The following table demonstrates the sensitivity to a possible change in interest rates, with all other variables held constant, on the Group's profit before tax:

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax
31.12.2022	+/- 100	- 21.7 mNOK / +21.7 mNOK
31.12.2021	+/- 100	- 19.9 mNOK / +13.9 mNOK

Foreign currency risk
The Group is exposed to transaction risk by purchasing and selling in different currencies. Purchase and production expenses are mainly in NOK, SEK, EUR, GBP and PLN with sales mainly in NOK, EUR, SEK, DKK, GBP, SGD, CAD, CHF, PLN and USD. Glamox aims to minimise the risk of changes in the value of net cash flows arising from the short-term fluctuations in exchange rates. Transaction risk is controlled by means of internal invoicing rules, matching of income and expenses in the same currency and by using financial instruments (forward contracts).

The Group uses forward contracts as an economic instrument to hedge cash flow. As of 31.12.2022, the Group hold forward contracts for both sale and purchase of currencies. Forward contracts as of 31.12.2022 amounts to NOK 238 million in currency sales and NOK 276 million in currency purchase based on 31.12.2022 exchanges rates. The Group's forward contracts had a market value of NOK -3.4 million as of 01.01.2022 and NOK -1.6 million as of 31.12.2022. Glamox has not applied hedge accounting in accordance with IFRS 9 for cash flow hedging.

The Group is exposed to currency changes related to carrying amounts of equity in foreign subsidiaries. Changes in the value of equity of foreign subsidiaries are offset/hedged by loans and overdrafts in the same currency. The following tables demonstrates the Group's total exposure to foreign currency risk related to its net debt and equity in foreign subsidiaries:

	Equity in foreign subsidiaries		Net debt and overdraft in foreign currency	
Currency (in currency million)	**31.12.2022**	**31.12.2021**	**31.12.2022**	**31.12.2021**
EUR/DKK	26.6	34.5	27.3	30.0
SEK	38.1	59.8	35.2	55.0
GBP	16.9	19.5	16.7	19.7
CHF	13.7	10.3	12.8	10.7
PLN	209.0	132.5	202.2	143.3
SGD	3.4	5.3	3.4	5.7
CAD	6.3	5.8	6.2	5.1
USD	5.9	4.7	5.9	4.2

Without the hedge of the net investment in foreign subsidiaries, a 10 percent weakening/strengthening in the value of NOK would have increased/decreased equity by NOK 125.9 million as of 31.12.2022, where equity in EUR represents NOK 27.3 million of this increase/decrease. Such changes in value would have limited impact on consolidated statement of profit and loss, as they are mainly booked as translation differences against equity. Because of the hedge, the impact on equity is also limited.

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Volatile commodity prices and exchange rates as well as fluctuating business volumes and inventory levels in Glamox' operations can have a substantial effect on the Group's cash positions and borrowing requirements. The Group' strive to decrease liquidity risk by focusing on profitable growth, lean levels of working capital and a satisfactory long-term leverage.

To fund cash deficits of a more permanent nature the Group has loans both in the bondmarket and by bank loans and - overdrafts. Hence, liquidity risk is affected by interest levels, payments of installments and the Group's ability to refinance existing loans (see note 9.3).

See note 5.3 for an overview of maturity profile on the Group' financial liabilities and an overview about available credit lines, and note 5.8 for liquidity reserve.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. The Group obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaults. In addition, receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to bad debts is not significant.

Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. See note 5.9 for comments regarding trade receivables ageing. With respect to credit risk arising from the other financial assets of the Group, which comprise cash and derivative financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group limits its counterparty credit risk on these assets by dealing only with financial institutions with credit ratings of at least A or equivalent.

5.6 Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of GLX Holding' capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Reference is made to note 5.2 for disclosed information regarding interest bearing liabilities and financial covenants.

	31.12.2022	31.12.2021
Callable Open Bond	1 350 000	1 350 000
Interest bearing liabilities to financial institutions (non-current and current)	1 087 652	959 806
Lease liabilities (non-current and current)	202 551	226 540
Less: interest bearing investment	-	-19 248
Less: cash and bank deposit excl. restricted cash	-308 289	-362 765
Net interest bearing debt/(deposit)	**2 331 914**	**2 154 333**
Net interest bearing debt excludes arrangement fees of NOK 5.9 million in 2022 (2021: NOK 9.9 million).		
Total Assets	5 521 724	5 397 722
Total Equity	1 709 624	1 690 365
Equity ratio	**31 %**	**31 %**

5.7 Equity and shareholders

Share capital in GLX Holding AS at 31.12.2022		Number	Nominal Value	Balance Sheet
Shares	NOK	1 000	1 000	1 000 000
Total	**NOK**	**1 000**	**1 000**	**1 000 000**

All shares have the same voting rights.

Holders of these shares are entitled to dividend and to one vote per share at general meetings of the Company. There have been no changes in the number of shares in 2022 or 2021. GLX Holding AS is a 100% owned subsidiary of Glace Holdco AS.

There has been no distribution of dividend during 2022 or 2021.

Reconciliation of equity is shown in the statement of changes in equity.

5.8 Cash and cash equivalents

Cash and cash equivalents	31.12.2022	31.12.2021
Bank deposits, unrestricted	308 289	362 765
Bank deposit, restricted, employee taxes in Glamox AS	19 247	16 840
Total cash and cash equivalents	**327 535**	**379 604**
Liquidity reserve	**615 367**	**792 047**

The liquidity reserve is the total overdraft and revolving facilites of all Group companies, minus all utilised overdraft and revolving facilities, and added all cash on hand and deposits. The liquidity reserve for the Glamox Group is organised in a revolving facility and a Multi Currency Cash pool. In addition GLX Holding AS has bank deposit.

The bond may be extended by additional NOK 650 million. This is not included in the liquidity reserve.

Legally, Glamox AS is the counter party towards the Bank regarding the Multi Currency Cash pool within the Group. The net position of the cash pool is presented as cash and cash equivalents.

5.9 Trade and other receivables

Trade and other receivables	31.12.2022	31.12.2021
Trade receivables		
Trade receivables	579 470	449 224
Total trade receivables	**579 470**	**449 224**

Provision for impairment of trade receivables	2021	2021
At January 1	**21 197**	**30 884**
Currency effect	817	-32
This years loss	-1 516	-6 189
Provision this year	3 029	-3 466
At December 31	**23 527**	**21 197**

As at 31 December the ageing analysis of trade receivables is, as follows:

			Past due			
Ageing analysis of trade receivables	**Total**	**Not past due**	**< 30 days**	**31-60 days**	**61-90 days**	**> 90 days**
2022	579 470	471 392	57 703	25 025	9 716	15 633
2021	449 224	355 996	64 320	16 013	2 995	9 899

Other receivables	31.12.2022	31.12.2021
Prepaid other expenses	41 097	33 872
Prepaid VAT	54 673	28 417
Prepaid tax	13 192	7 547
Other	26 248	24 153
Total other receivables	**135 210**	**93 989**

For details regarding the Group's procedures on managing credit risk, reference is made to note 5.5.

5.10 Trade and other payables

Trade and other payables	31.12.2022	31.12.2021
Trade payables		
Trade payables	373 338	306 917
Total trade payables	**373 338**	**306 917**
Other payables		
Public duties payables	138 538	108 840
Total other payables	**138 538**	**108 840**

For trade and other payables ageing analysis, refererence is made to note 5.3.

5.11 Financial income and expenses

Financial income and expenses	2022	2021
Financial income		
Interest income	22 896	3 766
Realised gain financial derivatives	-	8 868
Other financial income	167	116
Total financial income	**23 063**	**12 750**
Financial expenses		
Net currency loss	11 236	134
Interest expenses*	178 402	125 163
Contingent consideration	8 545	25 500
Other financial expenses	3 049	5 365
Financial expenses	**201 232**	**156 163**

** Interest expenses include interest on lease liabilities.*

The Group applies hedge accounting on net investments in foreign subsidiaries. Loans and bank overdrafts are applied as hedgi ng instruments (see note 5.1). Currency effects from hedging instruments are presented in other comprehensive income, to the extent that the hedging is effective.

Contingent considerations relates to earn-out agreements from acquisitions of Wasco GmbH and Lite IP Ltd.

Currency gain/loss are presented net from 2022 and comparble figures have been adjusted accordingly.

6.1 Taxes

	2022	2021
Income tax expense:		
Tax payable	66 373	36 135
Change deferred tax/deferred tax assets	-39 551	-12 379
Tax related to previous years	718	-6 925
Total income tax expense	**27 540**	**16 831**

Income tax and deferred tax related to items recognised in OCI during the year:		
Tax effect of net gain/loss on hedge of foreign subsidiaries	-7 357	8 531
Tax effect on remeasurements on defined benefit plans	3 967	3 152
Income tax and deferred tax charged to OCI	**-3 391**	**11 683**

Total income tax expenses for the year on group level:		
Norwegian companies	7 360	-3 075
Foreign companies	20 180	19 906
Total income tax expenses for the year	**27 540**	**16 831**

Current tax liabilities consist of:		
Income tax payable for the year as above	66 373	36 135
- adjusted for tax effect of net gain/loss on hedge of foreign subsidiaries	-7 357	8 531
- of which paid in fiscal year	-44 432	-34 199
- tax on group contribution to subsidiaries	-	-725
- payment of withholding tax	-994	-1 501
- tax provision related to previous years	-	-5 837
Current tax liabilities 31.12	**13 589**	**2 402**
- Of which claissified as other receivables (prepaid tax - note 5.9)	-13 192	-7 547
- Of which claissified as income tax payable	26 782	9 949

Deferred tax liabilities (assets):	**31.12.2022**	**31.12.2021**
Property, plant and equipment	14 128	24 781
Intangible assets[1]	1 062 805	1 176 521
Other current assets	-33 674	-3 815
Liabilities	-34 754	-50 108
Net pension reserves/commitments	-17 390	-42 250
Losses carried forward (including tax credit)	-495 891	-453 571
Untaxed profit[2]	325 281	319 758
Restricted interest deduction carried forward	-309 077	-211 443
Basis for deferred tax liabilities (assets):	**511 428**	**759 873**

[1] In 2021, temporary differences on Intangible assets have been corrected related to product development.

[2] Untaxed profit relates to profit in the Estonian subsidiary, that is taxed when future dividend is distributed. In group accounts, taxes are booked as deferred tax liability based on profit generated in the Estonian subsidiary. Taxes on dividends to the parent company Glamox AS are offset against the deferred tax liability.

Calculated deferred tax assets	**224 042**	**188 957**
- Deferred tax assets not recognised	-149 381	-129 028
Net deferred tax assets recognised in balance sheet	**74 660**	**59 929**
Deferred tax liabilities recognised in balance sheet	**314 050**	**332 293**

Change deferred tax/deferred tax assets in balance sheet	-32 975	14 641
Deferred tax charged to OCI	-3 967	-3 152
Deferred tax/ deferred tax assets from acquisitions	-	-23 494
Currency effects	-2 610	-374
Change deferred tax/deferred tax assets in current income tax expense	**-39 551**	**-12 379**

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 14% to 31%, which results in a difference between the statutory income tax rate in Norway and the average tax rate applicable to the grou p. A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is

Reconciliation of income tax expense	**2022**	**2021**
Profit/loss before taxes	**36 900**	**-229 439**
Tax expense (Norway tax rate)	8 118	-50 476
Permanent differences	8 659	35 132
Effect of deferred tax asset not recognised	17 138	45 325
Tax related to previous years	718	-6 925
Effects of foreign tax rates	-7 295	-9 744
Other taxes	202	3 519
Recognised income tax expense	**27 540**	**16 831**
Effective tax rate	**74.6 %**	**-7.3 %**

7.1 Management remuneration

GLX Holding AS
GLX Holding AS has no employees.
The Board of GLX Holding AS has proposed a remuneration of NOK 50 thousand to board member, Torfinn Kildal, for the twelve month period ending in June 2023 at the General meeting.

Benefits for CEO – agreements on severance pay, bonuses, etc. in Glamox AS
Group CEO Astrid Simonsen Joos joined Glamox 1 August 2022. Her remuneration conditions include payment to a pension scheme amounting to 10% of the base salary and a performance bonus with maximum payment amounting to 75% of the base salary. The notice period is 6 months if she decides to resign and 12 months if Glamox terminates the employment contract. She is entitled a 12 months base salary as severance payment.

Former CEO Rune Marthinussen will be available during his notice period until 30 June 2023. He is member of a defined contribution pension scheme covering salary up to approx NOK 1.3 million (12G). Furthermore, he is entitled to a salary compensation of 23.95% of fixed salary for amounts exceeding 12G. He will receive a 18 months severance pay, including vacation and pension payments, from 1 July 2023 until 31 December 2024.

Remuneration to CEO		**Salary***	**Performance-related bonus****	**Pension**	**Other remuneration**
Astrid Simonsen Joos - CEO	from 1 August 2022	2 406	-	241	146
Rune Marthinussen - CEO	until 31 July 2022	2 168	542	379	93
Rune Marthinussen - CEO	2021	3 716	1 764	638	127

*) Salary for the period employed as CEO

**) Paid

The board members are not subject to agreements for severence pay, bonuses or profit-sharing. No loans or pledges have been provided to the board members or senior management of the Group.

7.2 Post-employment benefits

Glamox AS is legally obliged to have occupational pension arrangements under the Norwegian Mandatory Occupational Pension Act . The Norwegian pension arrangements satisfy the requirements of this act.

Defined contribution plan
The majority of the Group's employees are covered by defined contribution pension schemes. Contributions to these schemes are recognised as pension expense as they occur. Total costs related to the Groups contribution plans were NOK 38.0 million in 2022 (2021: NOK 38.1 million).

Defined benefit pension plan
The Group also has defined benefit pension plans in Glamox AS and in four subsidiaries of Glamox AS. The defined benefit plans in O. Küttel AG, Glamox AS and ES-System accounts for approximately 85% of the net liability in the Group. The remaining 15 % of the net liability consist of several minor defined benefit pension plans in other subsidiaries.

On Group level, total net pension liabilities were NOK 21.9 million (net of the pension liability of NOK 109.2 million and reserve of NOK 87.2 million) as at 31 December 2022. As of 31.12.2021 total net pension liabilities were NOK 45.5 million (net of the pension liability of NOK 145.3 million and reserve of NOK 99.8 million). Actuarial gains/losses recognised in the net pension liabilities amounted to NOK -27.7 million in 2022 (2021: NOK -25.9 million).

Risks related to defined benefit plans
The defined benefit plans expose the company to various demographic and economic risks, such as longevity, investment, curren cy and interest rate risks and in some cases, inflation risk.

Components of defined benefit cost in profit and loss	**2022**	**2021**
Net Service Cost	6 112	6 586
Prior Service Cost	-	-4 272
Interest cost inluding tax	999	603
Interest income	-343	-146
Administration expenses	132	388
Total recognozed in profit and loss	**6 900**	**3 159**

Changes in pension plan assets during the year		
Pension plan assets (fair value) 1 January	99 821	87 409
Contributions and benefits paid during the year	-10 207	400
Interest income	436	197
Administration expenses	-132	-388
Return on assets excl. interest income	-11 512	12 712
Currency translation	8 856	-510
Pension plan assets (fair value) 31 December	**87 261**	**99 821**

Changes in the present value of pension obligations during the year		
Pension obligations 1 January	145 313	162 843
Net service cost	6 112	6 586
Contributions and benefits paid during the year	-15 533	-5 787
Past Service Cost	-	-4 272
Interest cost inluding tax	1 092	654
Actuarial gains and losses	-39 258	-13 216
Currency translation	11 450	-1 497
Pension obligations 31 December	**109 175**	**145 313**
Net pension obligations 31 December	**21 914**	**45 492**

Reconciliation of net defined benefit liability/(asset)		
Net defined liability/(asset) , 1 January	45 492	75 434
Defined benefit cost recognized in P&L	6 900	3 159
Defined benefit cost recognized in OCI	-27 746	-25 927
Contributions and benefits paid during the year	-5 326	-6 187
Currency translation	2 595	-987
Net defined liability/(asset), 31 December	**21 914**	**45 492**

O. Küttel AG

The net pension liabilities consists of a defined benefit plan for 54 employees. The pension plan are organized as "contribution-based" schemes as per Art. 15 of the Swiss Federal Law on Vesting in Pension Plans. Under these plan arrangements, retirement benefits of active participants accrue over a notional account as the sum of retirement credits (retirement credit rate multiplied with pensionable salary) and interests. Average age of the participants in the pension plan was 43.39 as of 31 December, 2022.

Financial conditions:	**2022**	**2021**
Mortality table	BVG 2020GT	BVG 2020 GT
Discount rate	2.30 %	0.40%
Expected return on plan assets	1.00 %	1.00%
Salary increase	2.00 %	0.60%
Pension increase	0.00 %	0.00%

Sensitivity analysis of pension obligations	**Change (NOK 1000)**	**Change %**
DBO end of period discount rate + 0.25%	-2 372	-3 %
DBO end of period discount rate - 0.25%	2 397	3 %
DBO end of period salary increase + 0.25%	353	0 %
DBO end of period salary increase - 0.25%	-530	-1 %

Currency rate (CHF/NOK) as of 31 December 2022 have been used in the sensitivity analysis.

Expected future contributions	**NOK 1000**
Expected employer contributions next year	2 638
Expected employee contributions next year	2 638
Expected benefits payments next year	-4 731

Currency rate (CHF/NOK) as of 31 December 2022 have been used to calculate expected future contributions and benefit payments.

ES-System

The pension liability in ES-System consists of retirements benefits, disability benefits and death severance pay. Disability benefits and death severance pay make up approximately 20 % of the pension liability, while 80 % relates to retirement benefits. On the basis of IAS 19 the profitability of 10-year treasury bonds amounting to 6.7% was used to determine the discount rate. The long-term annual salary growth rate was assumed to be from 4% to 12% depending on site location in nominal terms. When determining the pension liability, the probability of obtaining additional benefit entitlements was taken into account. The probability of achieving rights to severance pay and death severance pay is understood as the probability of invalidity and death of an employee before reaching retirement age, provided that they remain in an employment relationship with their current employer. Retirement age means the age of 60 for women and 65 for men.

Financial conditions:	**2022**	**2021**
Mortality table	PTTZ 2021 wg GUS	PTTZ 2020 wg GUS
Discount rate	6.7%	3.6%
Expected return on plan assets	n/a	n/a
Salary increase	4.0 - 12.0%	3.50 - 5.50%
Pension increase	n/a	n/a

Sensitivity analysis of pension obligations	**Change (NOK 1000)**	**Change %**
DBO end of period discount rate + 0.25%	-239	-3 %
DBO end of period discount rate - 0.25%	253	3 %
DBO end of period salary increase + 0.25%	523	6 %
DBO end of period salary increase - 0.25%	-474	-6 %

Currency rate (PLN/NOK) as of 31 December 2022 have been used in the sensitivity analysis.

Glamox AS

Glamox AS has defined benefit plans for 2 former employees and for some employees who have not been transferred from previous defined benefit plan when this was closed and replaced by a defined contribution plan.

Financial conditions:	**2022**	**2021**
Mortality table	K2013	K2013
Discount rate	3.00 %	1.90%
Expected return on plan assets	3.00 %	1.90%
Salary increase	3.50 %	2.50%
Pension increase	3.25 %	2.50%

8.1 Group companies

GLX Holding AS owns 76.17% of the shares in Glamox AS, this also equals the voting share. The head office of Glamox is in Norway. Share capital of Glamox AS is NOK 66 million. Carrying amount of Glamox shares in the GLX Holding accounts is NOK 2,735.3 million.

Glamox AS is the parent company in Glamox group consisting of 31 companies. All are directly og indirectly 100 % owned.

Glamox AS has the following subsidiaries as of December 31, 2022:

Name of company	Office	CUR	Share Capital	Glamox Group's voting ownership share	
Glamox A/S	Denmark	DKK	4 900	100.0%	
Glamox AB	Sweden	SEK	600	100.0%	
Glamox Oy	Finland	EUR	100	100.0%	
GSU (Borehamwood) Ltd.	England	GBP	4	100.0%	
Glamox Ireland Ltd.	Ireland	EUR	169	100.0%	
Glamox GmbH	Germany	EUR	683	100.0%	
Wasco GmbH	Germany	EUR	26	100.0%	2)
AS Glamox	Estonia	EUR	166	100.0%	
Glamox Marine and Offshore GmbH	Germany	EUR	5 626	100.0%	
Glamox B.V.	The Netherlands	EUR	18	100.0%	
Glamox Aqua Signal Corporation	USA	USD	100	100.0%	
Glamox Inc.	Canada	CAD	2 208	100.0%	
Glamox Pte Ltd.	Singapore	SGD	6 100	100.0%	
Glamox (Suzhou) Lighting Co. Ltd	China	CNY	20 388	100.0%	
Suzhou Glamox Trade Co. Ltd	China	CNY	500	100.0%	
Glamox Co. Ltd.	South Korea	KRW	775 020	100.0%	
Glamox Brasil Iluminacao LTDA	Brazil	BRL	50	100.0%	1)
Birger Hatlebakks veg 15 AS	Norway	NOK	100	100.0%	
O. Küttel AG	Switzerland	CHF	200	100.0%	
Luxonic Group Ltd.	England	GBP	47	100.0%	
Glamox Luxonic Ltd.	England	GBP	59	100.0%	
LiteIP Ltd.	England	GBP	0	100.0%	
ES-System sp. z o.o.	Poland	PLN	65 000	100.0%	
ES-SYSTEM Wilkasy sp. z o.o.	Poland	PLN	45 000	100.0%	
ES-SYSTEM NT sp. z o.o.	Poland	PLN	24 050	100.0%	
ES-SYSTEM Lighting UK Ltd.	England	GBP	50	100.0%	
Luminell Group AS	Norway	NOK	48	100.0%	
Luminell Norway AS	Norway	NOK	200	100.0%	
Luminell Drone Light AS	Norway	NOK	60	100.0%	
Luminell Sweden AB	Sweden	SEK	114	100.0%	
Luminell US Inc.	USA	USD	0	100.0%	

1) Glamox Brasil Iluminacao LTDA owns 1 share of totally 50 000 shares, corresponding to non-controlling interest of 0.002%.
2) In 2022, Wasco Verwaltungs GmbH and Wasco International GmbH & CO. KG was merged with Wasco GmbH.
3) Luxo corporation (USA) liquidated in 2022.

All subsidiaries are included in the consolidated statement of financial position.

8.2 Business combinations

There were no business combinations in 2022.
See note 4.1 for information about accurals for contingent considerations (earr-out agreements) related to the acquisition of Lite IP Ltd, Wasco GmbH and Luminell Group AS.

Business combinations 2021

LiteIP Ltd.
On 1 of March 2021, the subsidiary of Glamox AS, Glamox Luxonic Ltd., aquired 100% of the shares in LiteIP Ltd. The company was established in 2012 and is a UK based lighting company that designs, manufactures and supplies wireless lighting control systems to four different segments; industrial, commercial, public sectorand retail. LiteIP had revenues of GBP 2.6 million in 2020 and GBP 2.7 million in 2019.

The total purchase consideration was NOK 43.4 million, consisting of cash consideration paid of NOK 30.8 million and contingent consideration of NOK 12.6million. The contingent consideration relates to future financial key figures, and integration and development of technology.

The acquisition cost is allocated to identifiable assets and liabilities at fair value on the acquisition date. The excess amount is recognised as Goodwill. The below table illustrates the fair values of the identifiable assets and liabilities at acquisition.

All figures in tNOK	Book value	Fair value_Adj	Estimate FV	Adjustment	Fair value
Assets					
Goodwill		17 346	17 346		17 346
Other intangible non-current assets	3 629	14 911	18 540		18 540
Tangible non-current assets	884		884		884
Inventories	3 093		3 093		3 093
Trade and other receivables	11 190		11 190	-3 535	7 655
Cash and cash equivalents	8 870		8 870	3 535	12 405
Total assets	**27 666**	**32 257**	**59 923**	**0**	**59 923**
Liabilities					
Deferred tax		2 833	2 833		2 833
Long term liabilities	3 535		3 535		3 535
Current liabilities	10 191		10 191		10 191
Total liabilities	**13 726**	**2 833**	**16 559**	**0**	**16 559**
Total identifiable net assets at fair value	**13 940**	**29 424**	**43 364**	**0**	**43 364**
Purchase consideration					
Cash consideration paid					30 765
Contigent consideration liability					12 598
Total consideration for the shares					**43 364**
Analysis of cash flows on acquisition					
Cash consideration paid					30 765
Net cash acquired with the subsidiary (included in the cash flows from investing activities)					12 405
Net cash flow on acquisition					**18 361**

The acquired goodwill is assumed to mainly relate to positive market development, possibilities for efficiency improvements and opportunities related to strategic growth. The acquired Other intangible non -current assets relates to Trademark, Customer relationship and product portefolio.

If the acquisition of LiteIP had occured 1 January 2021, revenues in 2021 for the Glamox Group would have been approximately GBP 0.9 million (NOK 10.3 million) higher and Profit before interest and tax would have been approximately GBP 0.2 million (NOK 2.0 million) higher.

Luminell Group AS

On 29th of April 2021, Glamox AS aquired 100% of the shares in the Norwegian company Luminell Group AS. The company was estab lished in 2010 and is a high-quality developer and supplier of floodlights, searchlights and lighting controls in the marine and offshore lighting market. Luminell reported total revenue of NOK 108. 5million and EBITDA of NOK 16.5 million in 2020. Luminell Group AS is the parent company of Luminell Norway AS, Luminell Drone Light AS, Luminell Sweden AB and Luminell US Inc.

The total purchase consideration was NOK 136.7 million, consisting of cash consideration paid of NOK 133.4 million and a Prom isorry note to Luminell Team AS of NOK 3.3 million.

The acquisition cost is allocated to identifiable assets and liabilities at fair value on the acquisition date. The excess am ount is recognised as Goodwill. The below table illustrates the fair values of the identifiable assets and liabilities at acquisition.

All figures in tNOK	**Book value**	**Fair value_Adj**	**Estimate FV**	**Adjustment**	**Fair value**
Assets					
Goodwill		66 311	66 311	3 441	69 751
Other intangible non-current assets	18 112	49 704	67 815	-3 433	64 383
Tangible non-current assets	7 453		7 453	-8	7 445
Inventories	18 782		18 782		18 782
Trade and other receivables	13 435		13 435		13 435
Cash and cash equivalents	5 125		5 125		5 125
Total assets	**62 907**	**116 014**	**178 921**	**0**	**178 921**
Liabilities					
Deferred tax	299	10 935	11 234		11 234
Long term liabilities	12 290		12 290		12 290
Current liabilities	18 672		18 672		18 672
Total liabilities	**31 261**	**10 935**	**42 196**	**0**	**42 196**
Total identifiable net assets at fair value	**31 646**	**105 080**	**136 725**	**0**	**136 725**
Purchase consideration					
Cash consideration paid					133 400
Promissory note					3 325
Total consideration for the shares					**136 725**
Analysis of cash flows on acquisition					
Cash consideration paid					133 400
Net cash acquired with the subsidiary (included in the cash flows from investing activities)					5 125
Net cash flow on acquisition					**128 275**

The acquired goodwill is assumed to mainly relate to positive market development, possibilities for efficiency improvementsand opportunities related to strategic growth. The acquired Other intangible non-current assets relates to Trademark, Customer relationship and pr oduct portefolio.

If the acquisition of Luminell Group had occured 1 January 2021, revenues in 2021 for the Glamox Group would have been approximately NOK 35.8 million higher and Profit before interest and tax would have been approximately NOK 0.3 million higher.

Wasco GmbH

On 1 of September 2021, the subsidiary of Glamox AS, Glamox GmbH, aquired 100% of the shares in Wasco GmbH, including Wasco Verwaltungs GmbH and Wasco International GmbH & Co. KG. Wasco is located in Lower Saxony, Germany and specializes in continuous line luminaires. Wasco will provide Glamox Group with a leading lighting solution range for logistics buildings and warehouses. Wasco had revenues of EUR 4.6 million (app. NOK 47.5 million) in 2020.

The total purchase consideration was NOK 128.2 million, consisting of cash consideration paid of NOK 110.8 million and contingent consideration of NOK 17.4 million. The contingent consideration relates to future financial key figures and development of technology.

All figures in tNOK	Book value	Fair value_Adj	Estimate FV	Fair value
Assets				
Goodwill		53 003	53 003	53 003
Other intangible non-current assets		31 799	31 799	31 799
Tangible non-current assets	21 640		21 640	21 640
Inventories	11 028		11 028	11 028
Trade and other receivables	5 272		5 272	5 272
Cash and cash equivalents	15 733		15 733	15 733
Total assets	**53 672**	**84 802**	**138 474**	**138 474**
Liabilities				
Deferred tax		9 540	9 540	9 540
Long term liabilities	220		220	220
Current liabilities	511		511	511
Total liabilities	**731**	**9 540**	**10 270**	**10 270**
Total identifiable net assets at fair value	**52 942**	**75 262**	**128 203**	**128 203**
Purchase consideration				
Cash consideration paid				110 836
Contigent consideration liability				17 367
Total consideration for the shares				**128 203**
Analysis of cash flows on acquisition				
Cash consideration paid				110 836
Net cash acquired with the subsidiary (included in the cash flows from investing activities)				15 733
Net cash flow on acquisition				**95 103**

Glamox Group profit and loss for 2021 includes a loss of NOK 25.5 million related to the contingent consideration for Wasco. In preparing the prichase price allocation, best estimate is used to calculate the potensial liability of the contingent consideration. At yea r end the estimate has changed as a higher share of the key financial assumtion related to the contingent consideration seemes to be achieved.

The acquired goodwill is assumed to mainly relate to positive market development, possibilities for efficiency improvements and opportunities related to strategic growth. The acquired Other intangible non -current assets relates to Trademark, Customer relationship and product portefolio.

If the acquisition of Wasco Group had occured 1 January 2021, revenues in 2021 for the Glamox Group would have been approxima tely EUR 3.2million (NOK 32.3 million) higher and Profit before interest and tax would have been approximately EUR 0.9 million NOK 8.8 million higher.

9.1 Earnings per share

Basic earning per share (EPS) is calculated by dividing the profit for the year attributable to ordinary equity holders of th e parent by the weighted average number of ordinary shares outstanding during the year.

GLX Holding AS does not have any dilutive effects at the earnings per share calculations.

	2022	2021
Attribution of profit for the year		
Total profit for the year attributable to equity holders of the parent	-17 221	-207 624
Total profit/loss for the year attributable to equity holders of the parent for basic earnings	**-17 221**	**-207 624**
Earnings per ordinary share attributable to shareholders:		
Weighted average number of ordinary shares outstanding used for calculation:	1 000	1 000
Earnings per share in (basic and diluted)	**-17.2**	**-207.6**

9.2 Related party transactions

Related parties are Group companies, major shareholders, board and senior management in the parent company and the group subs idiaries. The agreements on remuneration for CEO appear in note 7.1

All transactions within the Group or with other related parties are based on the principle of arm's length.

The company has agreements with Triton Advisers Limited and Triton Investment Management Limited for counseling and success f ee related to the acquisition of businesses respectively. Expenses during 2022 were NOK 3.3 million (2021: 3.5 million).

9.3 Events after the reporting period

Refinancing of debt

In February 2023 GLX Holding AS refinanced its outstanding bonds with maturity in December 2023 with a new 4-year senior secured sustainability linked bond. The initial issue amount is NOK 1,350 million with a maximum limit amounting to NOK 2,000 million, similar to the substituted bond. The interest rate is 3 months' NIBOR plus 6.75% per annum. The new bond will be listed at Oslo Børs within 9 months.

Glamox AS agreed in February 2023 to refinance its multi-currency revolving credit facility with a commitment amounting to NOK 1,400 million. The lenders are Danske Bank and DNB on 50/50 basis. Both the committed amount and lenders are the same as the previous loan agreement. The duration of the loan is 3.5 year (3 years plus 0.5-year option at lenders descretion). The interest rate is NIBOR plus 3.00-3.50% per annum depending on leverage ratio. Covenants are related to equity ratio: 15% until Q3 2024, 17,5% until Q3 2025 and 20% onwards.

Proposed dividend

After the reporting date, the board of Glamox AS has proposed a dividend distribution amounting to NOK 150.0 million. GLX Holding AS wi ll receive NOK 114.2 million of this distribution.

10.1 Significant accounting policies

Revenue recognition
IFRS 15 is based on the principle that revenue is recognised when control of goods or services is transfered to a customer. Recognition of revenues should represent the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

All significant revenue streams relate to production and sales of goods. Glamox`s main performance obigation is related to sale of goods where the performance obligations are the delivery of an agreed volume of products within the agreed specification. Linksrechts is the only company in the group that produces and delivers installations that are tailored through engineering and design. For each project, management assess if the projects consist of several distinct performance obligations and when the performance obligation(s) are satisfied. The company did not have any ongoing projects at year-end with material effect on the timing of the revenue recognition.

Sale of goods
Revenue are recognised when control of the products has transferred, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer´s acceptance of the product. The products are mainly sold in relation to seperately identifiable contracts with customers. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied. Standard delivery terms for customers within the PBS segment is Delivered Duty Paid (DDP). DDP delivery terms inplies that delivery is completed when the goods are made available to the buyer at a specified location. Standard delivery terms to customers within the GMO segment is Ex Works (EXW). EXW delivery terms implies that delivery is completed when the goods are made available, suitably packaged at a specified loaction, often at Glamox factory or depot.

In some cases, Glamox offer to deliver freight as a service to the customer. In such cases, freight are considered to be a fullfilment of the delivery and not considered to be a distinct performance obilgation. Freight and delivery of goods are therefore considered as a common performance obligation and recognised when control of the products have been transferred to the customer.

No element of financing is deemed present as the sales are made with a credit term up to 60 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The goods are normally sold with standard warranties that the goods comply with the agreed-upon specifications. These standard warranties are accounted for using IAS 37 Provisions, see note 4.1 for more information. Glamox does not have any other significant obligations for returns or refunds.

Inventories
Inventories are valued at the moving average unit cost (MAUC) and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: Purchase cost on a moving average unit cost (MAUC) basis
- Finished goods and work in progress using MAUC: Including cost of direct materials and labour and a proportion of manufacturing overheads ba sed on the normal operating capacity, but excluding borrowing costs

Raw material mainly consists of metal parts, LED components, plastic modules, cables, electronic parts and packaging. The basic calculation of inventory is based on moving average unit cost (MAUC). The MAUC is the average value for each unit of the current inventory. Inventory is valued against the average receipt price. For each new receipt, the MAUC is updated.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Current versus non-current classification
The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:
- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Property, plant and equipment
Tangible fixed assets such as plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The group considers equipment used in operations to be a tangible fixed asset are expected to be used for more than one period.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, reference is made to note 3.1 for further guidance related to useful lives.

Business combinations and goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments: Recognition and Measurement, is measured at fair value with the changes in fair value recognised in the statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the CGU's that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Reference is made to note 3.2 for an overview over goodwill, allocation of goodwill per CGU and impairment testing.

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense related to the intangible assets is recognised in the statement of profit or loss.

Research and development costs
Research costs are expensed as incurred. Development expenditures on an individual project, which represents new applications/technology, are recognised as an intangible asset when the Group can demonstrate:
- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Impairment of non-financial assets
Further disclosures relating to impairment of non-financial assets are also provided in the following notes:
- Property, plant and equipment - Note 3.1
- Goodwill - Note 3.2
- Other Intangible assets - Note 3.3

At each reporting date, the Group assess whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the nature of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Provisions

General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions
Provisions for warranty-related costs are recognised when the product is sold to the customer. Initial recognition of the warran ty provision is based on previous years turnover and management judgment. The length of the warranty time may differ between the markets. The initial estimate of warranty-related costs is revised annually. Reference is also made to note 1.3 and 4.1 for further details.

Restructuring provisions
Restructuring provisions are recognised only when the Group has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and the employees affected have been notified of the plan's main features. Reference is also made to note 4.1 for further details.

Leases
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.
The Group applies its incremental borrowing rate at the time of initial application. The group have used interest rates from the cash pool facility and intercompany loans for determining the incremental borrowing rate (IBR) for each subsidiary. The length of the agreement is an additional element that has been taken into consideration when calculating the IBR for a specific lease.

Glamox has assessed the general guidance on portfolio accounting and the practical expedient upon transition as discussed above. Glamox has decided not utilize the portfolio approach, and instead determine separate discount rate for each lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee.

Glamox has not applied the practical expedient in IFRS 16.15 which allows lessees to combine non-lease and lease components in lease arrangeme nts and account for the total arrangement as a lease. As such, non-lease components will be identified and accounted for separately from the lease components in all arrangements.

Options should be taken into account if management is reasonably certain to exercise the option. For the Group`s lease arrangements the vast majority of the options have exercise date many years down the line. As such, management has limited insight and they are not reasonable certain to exercise and no options have been taken into consideration.

Dividend distribution to shareholders
Glamox recognises a liability to make distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of financial instruments
Glamox' financial instruments are grouped in the following categories:

- Fair value through profit or loss (FVTPL)
- Amortised cost (AC)

The classification is dependent on the type of instrument and the purpose for which the investments were acquired or originated.

Fair value through profit or loss is the classification of instruments that are held for trading or for which the entity`s business model is to manage the financial assets on a fair value basis i.e. to realise the asset through sales as opposed to holding the asset to collect contractual cash flows.

Amortised cost applied to instruments for which an entity has a business model to hold the financial asset to collect the contractual cash flows. The characteristics of the contractual cash flows are that of solely payments of the principal amount and interest.

Financial assets and liabilities measured at amortised cost is the category most relevant to the Group. This category generally applies to trade and other receivables, interest-bearing loans, trade payables and other financial liabilities.

The Group has the following financial instruments:

FVTPL: Derivative instruments – Forward contracts (note: 5.1)

Financial assets (AC): Trade receivables and other current receivables (notes: 5.1 and 5.9)

Financial liabilities (AC): Includes most of the Group's financial liabilities including debt to credit institutions, trade payables and other current and non-current financial liabilities. (notes: 5.1, 5.2 and 5.10)

Initial recognition and subsequent measurement

FVTPL: Financial derivatives that are not designated as hedging instruments are categorized as held for trading and initially measured at their fair value. Subsequent changes in the fair value are recognised in the profit or loss (financial income or expense).

Financial assets (AC): These assets are measured at the amount recognised at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method (EIR) and is recognised in profit and loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial liabilities (AC): These liabilities are measured at the amount recognised at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount. Interest income is calculated using the effective interest method (EIR) and is recognised in profit and loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Impairment of financial assets
Under IFRS 9, financial assets valued at amortised cost are impaired based on the "Expected credit losses (ECL)" model. Expected credit losses are calculated by (a) identifying scenarios in which a loan or receivable defaults; (b) estimating the cash shortfall that would be incurred in each scenario if

a default were to happen; (c) multiplying that loss by the probability of the default happening; and (d) summing the results of all such possible default events.

The Group recognised loss allowances for ECLs on financial assets measured at amortised cost. Furthermore, the Group measures loss allowances at an amount equal to lifetime ECLs for all financial assets.

Credit-impaired trade receivables
At each reporting date, the Group assesses whether trade receivables are credit-impaired. Trade receivables are credit-impaired when one or more events that have a detrimental impact on estimated future cash flows have occured.

Evidence that may trigger impairment at trade receivables:

- significant financial difficulty of the customer; or
- it is probable that the customer will enter bankruptcy or other financial reorganisation
- the customer is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

Loss allowances for trade receivables are deducted from the gross carrying amount.

Write off
The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Derecognition of financial instruments
A financial asset is derecognized when the rights to receive cash flows from the asset have expired; or the Group has transferred its rights to receive cash flows from the asset and either (i) the Group has transferred substantially all the risks and rewards relating to the instrument, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards relating to the instrument, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting
The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of currency derivatives are recognised in the statement of comprehensive income as financial income or financial expense. Glamox does not apply hedge accounting related to its forward currency contracts.

Hedge of net investment in foreign operations
Glamox aims to hedge its net investments in foreinternal loans. The Group uses its overdraft facilities and long term debt in foreign currency as hedging instrument to hedge its exposure. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss. Reference is made to note 5.1 and 5.5 for more details.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash and short-term deposits
Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Fair value measurement
The Group measures financial instruments such as derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

External valuers are involved for valuation of derivate financial instruments. Involvement of external valuers is decided upon annually. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarised in note 5.3 Fair value measurement.

Taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates

and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity (OCI) and not in thestatement of profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assetsand liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates andinterests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused taxcredits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable thattaxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates andinterests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that itis no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assetto be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year whenthe asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferredtax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government Grants

Government grants, including the Norwegian Skattefunn tax incentive scheme, are recognized in the sameyear as the government grant are received. Grants are recognized as deductions against the cost that they are intended to compensate. Investment grants are capitalizedand recognized systematically over the asset's useful life. Investment grants are recognized either as deferred income or as a deduction ofthe asset's carrying amount.

Pensions and other post-employment benefits

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the statement offinancial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Consolidated statements of cash flow

The consolidated statements of cash flows are prepared using the indirect method. Cash flows in foreign currencieshave been translated into NOK using the exchange rate at the cash flow date.

10.2 Changes in accounting policies

There are no changes in accounting policies which significantly affect current and future periods.

10.3 Standards issued but not yet effective

No published but not yet effective standards, interpretations or amendements are expected to have significantly effect at the group accounts.

Alternative Performance Measures (APMs)

APM Definitions

In order to enhance investors' understanding of the company's performance, GLX Holding presents certain alternative performance measures (APMs) as defined by the European Securities and Markets Authority ("ESMA") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS). The company uses APMs to measure operating performance and is of the view that the APMs provide investors with relevant and specific operating figures which may enhance their understanding of GLX Holding's performance. The company uses the APMs: Adjusted EBIT, adjusted EBITA, adjusted EBITDA, adjusted EBIT margin, adjusted EBITA margin, adjusted EBITDA margin, adjusted total revenue, EBIT, EBITA, EBITDA, EBIT margin, EBITA margin, EBITDA margin, Leverage ratio, Net interest-bearing debt and Order intake as further defined below.

The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of GLX Holding's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the company's historical operating results, nor are such measures meant to be predictive of GLX Holding's future results. The company believes that the APMs presented herein are commonly reported by companies in the markets in which GLX Holding competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortization and impairment, which can vary significantly depending upon accounting measures (in particular when acquisitions have occurred), business practice or non-operating factors. Accordingly, GLX Holding discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods, and of the company's ability to service its debt. Because companies calculate the APMs presented herein differently, GLX Holding's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The company has presented these APMs because it considers them to be important supplemental measures for prospective investors to understand the overall picture of profit generation in GLX Holding's operating activities. Adjustments are non-IFRS financial measures that the group considers to be an APM, and these measures should not be viewed as a substitute for any IFRS financial measures.

The APMs used by GLX Holding are set out below (presented in alphabetical order):

Adjusted EBIT is defined as the profit/(loss) for the year/period before net financial income (expenses) and income tax expense (EBIT), adjusted for special items.

Adjusted EBITA is defined as the profit/(loss) for the year before net financial income (expenses), income tax expense, amortisation and impairment of intangible assets, adjusted for special items.

Adjusted EBITDA is defined as the profit/(loss) for the year before net financial income (expenses), income tax expense, depreciation, amortisation and impairment of non-current assets, adjusted for special items.

Adjusted EBIT margin is defined as adjusted EBIT as a percentage of adjusted total revenues.

Adjusted EBITA margin is defined as adjusted EBITA as a percentage of adjusted total revenues.

Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of adjusted total revenues.

Adjusted total revenue is defined as total revenue adjusted for special items.

EBIT is defined as the profit/(loss) for the year before net financial income (expenses) and income tax expenses.

EBITA is defined as the profit/(loss) for the year before net financial income (expenses), income tax expense, amortisation and impairment of intangible assets.

EBITDA is defined as the profit/(loss) for the year before net financial income (expenses), income tax expense, depreciation, amortization and impairment of non-current assets.

EBIT margin is defined as EBIT as a percentage of revenues.

EBITA margin is defined as EBITA as a percentage of revenues.

EBITDA margin is defined as EBITDA as a percentage of revenues.

Leverage ratio is a measure of net interest-bearing debt divided by adjusted EBITDA last twelve months.

Net interest-bearing debt is defined as interest-bearing debt excluding arrangement fees minus cash and cash equivalents (excluded restricted cash) and interest-bearing investments.

Order intake is measured at gross value before deduction of commissions and other sales reductions

APM Reconciliation

Adjusted EBIT[1]

NOK 1000	31.12.2022	31.12.2021
EBIT	**215 069**	**-86 025**
Special items	70 187	282 279
Adjusted EBIT[1]	**285 256**	**196 253**
Total revenues	3 771 738	3 377 384
Adjusted total revenues[1]	3 720 916	3 374 892
EBIT margin	***5.7 %***	***-2.5 %***
Adjusted EBIT margin [1]	***7.7 %***	***5.8 %***

Adjusted EBITA[1]

NOK 1000	31.12.2022	31.12.2021
EBITA	**350 203**	**36 274**
Special items	67 834	281 795
Adjusted EBITA[1]	**418 037**	**318 069**
Total revenues	3 771 738	3 377 384
Adjusted total revenues[1]	3 720 916	3 374 892
EBITA margin	***9.3 %***	***1.1 %***
Adjusted EBITA margin [1]	***11.2 %***	***9.4 %***

Adjusted EBITDA[1]

NOK 1000	31.12.2022	31.12.2021
Profit/loss for the period	**9 360**	**-246 269**
Income tax expense	27 540	16 831
Net financial items	178 169	143 413
EBIT	**215 069**	**-86 025**
Amortisation and impairment of intangible-assets	135 134	122 299
EBITA	**350 203**	**36 274**
Depreciation and impairment of tangible-assets	131 654	133 271
EBITDA	**481 857**	**169 545**
Special items	60 912	275 866
Adjusted EBITDA[1]	**542 769**	**445 411**
Total revenues	3 771 738	3 377 384
Adjusted total revenues[1]	3 720 916	3 374 892
EBITDA margin [1]	***12.8 %***	***5.0 %***
Adjusted EBITDA margin [1]	***14.6 %***	***13.2 %***

Adjusted Total revenues[1]

NOK 1000	31.12.2022	31.12.2021
Total revenues	**3 771 738**	**3 377 384**
Special items in total revenues	50 822	2 492
Adjusted total revenues[1]	**3 720 916**	**3 374 892**

Special items

NOK 1000	31.12.2022	31.12.2021
Insurance settlement related to specific products	43 699	-
Restructuring	6 564	-
Other	559	2 492
Total special items in total revenues	**50 822**	**2 492**
Restructuring cost	70 326	190 621
Claim cost related to specific product	5 272	12 359
Acqusition and integration cost	4 953	18 521
ERP Integration	20 756	31 541
ESG Compliance	872	1 732
Other	9 555	23 584
Total special items in EBITDA	**60 912**	**275 866**
Impairment of non-current assets	9 274	6 412
Total Special items in EBIT	**70 187**	**282 279**

Net debt and leverage ratio[1]

NOK 1000	31.12.2022	31.12.2021
Non-current interest-bearing liabilities	-	2 291 231
Non-current lease liabilities	143 124	169 669
Current interest-bearing liabilities	2 431 718	8 698
Current lease liabilities	59 426	56 871
Arrangement fees	5 934	9 876
Interest bearing debt	**2 640 203**	**2 536 346**
Interest bearing Investments	-	-19 248
Cash and cash equivalents (excluded restricted cash)	-308 289	-362 765
Net interest-bearing debt[1]	**2 331 914**	**2 154 332**
Adjusted EBITDA[1] last twelve months	542 769	445 411
Leverage ratio[1]	**4.3**	**4.8**

Segment reconciliation

NOK 1000	31.12.2022	31.12.2021
Adjusted total revenues[1] - PBS	2 807 686	2 637 919
Adjusted total revenues[1] - MOW	913 230	736 973
Adjusted total revenues[1]	**3 720 916**	**3 374 892**
Adjusted EBITDA[1] - PBS	357 978	339 827
Adjusted EBITDA margin [1] - PBS	*12.7 %*	*12.9 %*
Adjusted EBITDA[1] - MOW	124 061	49 641
Adjusted EBITDA margin [1] - MOW	*13.6 %*	*6.7 %*
Adjusted EBITDA IFRS16[2]	64 785	60 398
Adjusted EBITDA GLX Holding[2]	-4 054	-4 454
Adjusted EBITDA[1]	**542 769**	**445 411**
Adjusted EBITDA [1] margin	**14.6 %**	**13.2 %**

[1] Please refer to previous page for explanations on the APM definitions

[2] *IFRS 16 effect and operating costs in GLX Holding AS unallocated to segment.*

GLX Holding AS

Annual financial statements

2022

Statement of profit and loss

For the years ended 31 December

NOK 1000	Notes	2022	2021
Other operating expenses	1,13	4 054	4 454
Total operating expenses		4 054	4 454
Operating profit		**-4 054**	**-4 454**
Net Financial items	8	-14 324	18 576
Profit/loss before tax		**-18 378**	**14 122**
Taxes	9	-	-
Profit/loss for the year		**-18 378**	**14 122**

Statement of comprehensive income

Profit/loss for the year		**-18 378**	**14 122**
Total comprehensive income for the period		**-18 378**	**14 122**

Statement of financial position

NOK 1000	Notes	31.12.2022	31.12.2021
ASSETS			
Shares in Subsidiary	11	2 735 346	2 735 346
Total non-current assets		**2 735 346**	**2 735 346**
Current assets			
Other receivables		184	113
Cash and cash equivalents	7	61 725	73 150
Total current assets		**61 909**	**73 263**
TOTAL ASSETS		**2 797 255**	**2 808 609**
EQUITY AND LIABILITIES			
Equity			
Share capital	6	1 000	1 000
Share premium	6	1 599 346	1 599 346
Retained earnings	6	-159 743	-141 365
Total equity		**1 440 603**	**1 458 981**
Non-current liabilities			
Interest bearing liabilities	3,4,5	1 346 496	1 342 840
Total non-current liabilities		**1 346 496**	**1 342 840**
Current liabilities			
Other short term liabilities	2,5	10 156	6 789
Total current liabilities		**10 156**	**6 789**
Total liabilities		**1 356 652**	**1 349 628**
TOTAL EQUITY AND LIABILITIES		**2 797 255**	**2 808 609**

Oslo, 27 April 2023

Gustaf Erik David Backemar
Chairman of the Board

Joachim Solbakken Espen
Board member

Torfinn Kildal
Board member

Statement of cash flows

For the years ended 31 December

Cash flows from operating activities	Notes	31.12.2022	31.12.2021
Profit before tax		-18 378	14 122
Net financial items		7 752	-21 810
Changes in other balance sheet items		6 952	3 483
Net cash flows from operating activities		**-3 674**	**-4 205**
Cash flows from investing activities			
Interests received		1 292	207
Dividend received		83 782	98 253
Net cash flow from investing activities		**85 074**	**98 459**
Cash flow from financing activities			
Interests paid	8	-92 826	-85 519
Net cash flow from financing activities		**-92 826**	**-85 519**
Net change in cash and cash equivalents		-11 426	8 736
Cash and cash equivalents, beginning of period		73 150	64 415
Cash and cash equivalents, end of period		**61 725**	**73 150**

Statement of changes in equity

NOK 1000	Share capital	Share premium	Retained earnings	Total equity
Balance as of 31 December 2020	**1 000**	**1 599 346**	**-155 487**	**1 444 859**
Profit (loss) for the year			14 122	14 122
Total comprehensive income			**14 122**	**14 122**
Balance as of 31 December 2021	**1 000**	**1 599 346**	**-141 365**	**1 458 981**
Profit (loss) for the year			-18 378	-18 378
Total comprehensive income			**-18 378**	**-18 378**
Balance as of 31 December 2022	**1 000**	**1 599 346**	**-159 743**	**1 440 603**

Note 1 - Other operating expenses

Other operating expenses	2022	2021
Consultancy	2 990	3 437
Legal	-	71
Audit	702	525
Other	361	421
Total other operating expenses	**4 054**	**4 454**

Auditor	2022	2021
Fee for statutory audit	681	448
Tax compliance services	21	77
Total	**702**	**525**

Note 2 - Other short term liabilities

	Balance 31.12.2022	Balance 31.12.2021
Accrued interest cost	7 722	5 192
Other accrued cost	2 434	1 596
Total other short term liabilities	**10 156**	**6 789**

Note 3 - Interest bearing liabilities

Non-current Interest bearing loans and borrowings	Interest rate	Maturity	Balance 31.12.2022	Balance 31.12.2021
Callable Open Bond	NIBOR + margin	2023	1 350 000	1 350 000
Bank fee related to the bond issue			-3 504	-7 160
Total non-current interest bearing loans and borrowings			**1 346 496**	**1 342 840**

Bond
GLX Holding AS issued a Bond on the 8 December 2017. The initial issued amount is NOK 1,350 million and the maximum issued am ount of the bond is NOK 2,000 million. The initial nominal amount on each bond is NOK 0.5 million. The bond has an interest margin of 5.25% per annum. The interest period is 8 March, 8 June, 8 September and 8 December. The maturity date is 08.12.2023. The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 % of the Nominal Amount. The Bond has a Call Option that may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least 10 Business Days prior to the proposed Call Option Repayment Date for the call.

An arrangement fee of NOK 3.5 millions (2021: NOK 7.2 million) related to the refinancing, is booked against the bond. Carry ing amount of the bond is NOK 1,350 million, while the carrying amount adjusted for arrangement fee is 1,346.5 million. The arrangement fee is expensed ove r the availability period of the facility.

Callable Open Bond - Incurrence test:
The "Incurrence Test" is met if (I) no Event of Default is continuing or would result from the relevant event and (II) the Le verage Ratio falls below a certan threshold.

Bond - assets pledged as security
The shares in both GLX Holding AS and Glamox AS is pledged as security for the Bond.

Note 4 - Aging of financial liabilities

31.12.2022	Less than 12 months	1 to 3 years	Over 3 years	Total
Callable Open Bond*	1 458 752	0	0	1 458 752
Totals	**1 458 752**	**0**	**0**	**1 458 752**

31.12.2021	Less than 12 months	1 to 3 years	Over 3 years	Total
Callable Open Bond*	88 020	1 438 020	0	1 526 040
Totals	**88 020**	**1 438 020**	**0**	**1 526 040**

* figures include estimated interest payable.

Note 5 - Fair value measurement

The table below disclose information about all financial instruments that are either measured at fair value or where information about fair value is disclosed. The Bond was listed at Oslo Stock Exchange in second quarter of 2018 and transferred to level 1 in the fair value hierarchy. There were no transfers between levels in 2022.

For related accounting policies, reference is made to note 10.1.

	Carrying amount at	Date of valuation	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities measured/disclosed at fair value							
Callable Open Bond	31.12.2022	31.12.2022	1 350 000	1 323 000	x		
Callable Open Bond	31.12.2021	31.12.2021	1 350 000	1 333 125	x		

Fair value of financial instruments
In 2018 the Callable Open Bond was listed at Oslo Stock Exchange. Fair value of the Callable Open Bond is calculated by using the OSE trading price at year-end.

Note 6 - Equity and shareholders

Share capital in GLX Holding AS at 31.12.2022		Number	Nominal Value	Balance Sheet
Shares	**NOK**	1 000	1 000	1 000 000
Total		**1 000**	**1 000**	**1 000 000**

Holders of these shares are entitled to dividend and to one vote per share at general meetings of the Company. There have been no changes in the number of shares in 2022 or 2021. GLX Holding AS is a 100% owned subsidiary of Glace Holdco AS.

There has been no distribution of dividend in 2022.

Note 7 - Cash and cash equivalents

Cash and cash equivalents amounts to NOK 61.7 million as of 31.12.2022. GLX Holding AS has no restriced bank deposit.
The liquidity reserve equals the cash and cash equivalent amount. The bond may be extended by additional NOK 650 million. Thi s is not included in the liquidity reserve.

Note 8 - Financial income and expenses

Financial income and expenses	2022	2021
Interest income	1 292	207
Dividend from subsidiary	83 782	98 253
Realised gain financial derivatives	-	8 868
Interest expenses	-99 012	-88 396
Other financial expenses	-386	-357
Net Financial income	**-14 324**	**18 576**

Note 9 - Tax

	2022	2021
Tax payable		
Ordinary profit before tax	-18 378	14 122
Permanent differences	-81 268	5 267
Change in temporary differences not recognised	99 646	-19 389
Bases for tax payable	0	0
Tax base	22 %	22 %
Tax payable this years profit	**0**	**0**
Current tax liabilities 31.12	**0**	**0**
Deferred tax liabilities (assets):		
Losses carried forward (including tax credit)	-106 457	-104 531
Restricted interest deduction carried forward	-293 445	-195 726
Basis for deferred tax liabilities (assets):	**-399 902**	**-300 256**
Net deferred tax assets recognised in balance sheet	**0**	**0**

Note 10 - Management remuneration

GLX Holding AS has no employees.
The Board of GLX Holding AS has proposed a remuneration of NOK 50 thousand to board member, Torfinn Kildal, for the twelve month period ending in June 2023 at the General meeting.

Note 11 - Interest in subsidiaries

As of 31.12.2022 GLX Holding AS owns 76.17% of the shares in Glamox AS, which also represents the voting share.

Glamox AS is a leading lighting supplier to the world's marine and offshore markets, and a significant supplier to the professional building market in Europe. Glamox AS is the parent company of Glamox Group. Glamox AS registered adress is Birger Hatlebaks veg 15 in Molde, Norway. Glamox AS has 31 subsidiaries located in Europe, Asia and America. Total revenue of Glamox Group in 2022 is NOK 3,771.7 million (2021: NOK 3,377.4 million). Operating profit in 2022 is NOK 293.7 million (2021: NOK -7.0 million). Average number of full time employees in Glamox Group was 2,194 in 2022 (2021: 2,221).

The book value of the Glamox shares is NOK 2,735.3 million as of 31.12.2022.
The total Share capital in Glamox AS is NOK 66.0 million as of 31.12.2022.

Note 12 - Events after the reporting period

Refinancing of debt
In February 2023 GLX Holding AS refinanced its outstanding bonds with maturity in December 2023 with a new 4-year senior secured sustainability linked bond. The initial issue amount is NOK 1,350 million with a maximum limit amounting to NOK 2,000 million, similar to the substituted bond. The interest rate is 3 months' NIBOR plus 6.75% per annum. The new bond will be listed at Oslo Børs within 9 months.

Dividends
After the reporting date, the board of Glamox AS has proposed a dividend distribution amounting to NOK 150.0 million. GLX Holding AS will receive NOK 114.2 million of this distribution.

13 Related party transactions

Related parties are Group companies, major shareholders, board and senior management in the parent company and the group subsidiaries. Note 11 provides information about the Group’s subsidiary.

All transactions within the Group or with other related parties are based on the principle of arm's length.

The company has agreements with Triton Advisers Limited and Triton Investment Management Limited for counseling and success fee related to the acquisition of businesses respectively. Expenses during 2022 were NOK 3.3 million (2021: 3.5 million).

Note 14 - Significant accounting policies

GLX Holding AS is a company incorporated and domiciled in Norway. GLX Holding AS was established in 2017, with the purpose to own shares in Glamox AS. Kronprinsesse Märthas plass 1, 0161 OSLO. The parent company is Glace HoldCo AS. The ultimate parent of GLX Holding AS is Triton Fund IV, which is located at Jersey.

The financial statements of the company comprise of statements of profit and loss, other comprehensive income, financial position, cash flows, changes in equity, and related notes. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by The European Union (EU). The financial statements have been prepared on a historical cost basis, and the financial statements are prepared based on the going concern assumption.

Subsidiaries in parent company
'Subsidiaries' refers to companies in which GLX Holding normally has a shareholding of more than 50%, and in which the company has a controlling interest. Investments in subsidiaries are accounted for using the cost method. The investments are valued at cost less impairment losses. Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the fair value of investment.

Current versus non-current classification
The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:
- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Dividend distribution to shareholders
GLX Holding AS recognises a liability to make distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of financial instruments
The Company`s financial instruments are grouped in the following categories:

- Fair value with changes in value through profit or loss (FVTPL)
- Amortised cost (AC)

The classification is dependent on the type of instrument and the purpose for which the investments were acquired or originated.

Fair value through profit or loss is the classification of instruments that are held for trading or for which the entity`s business model is to manage the financial assets on a fair value basis i.e. to realise the asset through sales as opposed to holding the asset to collect contractual cash flows.

Amortised cost applied to instruments for which an entity has a business model to hold the financial asset to collect the contractual cash flows. The characteristics of the contractual cash flows are that of solely payments of the principal amount and interest.

Financial assets and liabilities measured at amortised cost is the category most relevant to the company. This category generally applies to interest-bearing loans and other financial liabilities.

The company has the following financial instruments:

Financial liabilities (AC): Includes the company`s other non-current interest bearing liabilities (notes: 3,4 and 5) and current non- financial liabilities (notes: 2).

Initial recognition and subsequent measurement
Financial liabilities (AC): These liabilities are measured at the amount recognised at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount. Interest income is calculated using the effective interest method (EIR) and is recognised in profit and loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Derecognition of financial instruments
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Cash and short-term deposits
Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Fair value measurement
The Company measures financial instruments such as derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

External valuers are involved for valuation of derivate financial instruments. Involvement of external valuers is decided upon annually. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarised in note 5 Fair value measurement.

Taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.
Current income tax relating to items recognised directly in equity is recognised in equity (OCI) and not in the statement of profit or loss.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Statements of cash flow
The consolidated statements of cash flows are prepared using the indirect method.

Note 15 - Changes in accounting policies

There are no changes in accounting policies which significantly affect current and future periods.

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To the General Meeting of GLX Holding AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GLX Holding AS, which comprise:

- the financial statements of the parent company GLX Holding AS (the Company), which comprise the statement of financial position as at 31 December 2022, the statement of profit and loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- the consolidated financial statements of GLX Holding AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Board of Directors.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have been the auditor of the Company for 6 years from the election by the general meeting of the shareholders on 17 October 2017 for the accounting year 2017.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Impairment assessment of Goodwill, Product development and Other intangible assets

Reference is made to section 10.1 Significant accounting policies under *Impairment of non-financial assets*, section 3.2 Goodwill and section 3.3 Product development and other intangible assets.

The Key Audit Matter	*How the matter was addressed in our audit*
There is an inherent uncertainty related to the assessment of whether future cash flows will be sufficient to support the carrying value of goodwill, product development and other intangible assets. As of 31 December 2022, the Group carries NOK 1.847 million of goodwill and NOK 1.190 million of product development and other intangible assets in the statement of financial position. The total amount mainly relates to the acquisition of Glamox AS in 2017. The remaining elements of goodwill relates to Glamox AS' acquisitions in 2018, 2019 and 2021. Due to the significance of the carrying value and risk of non-recoverability related to goodwill, product development and other intangible assets, impairment assessment is considered a key audit matter. The recoverable amount is based on value in use calculations. The key judgments and estimates applied by management in the impairment testing were: • Determination of the level for performing impairment test; • growth rate; • future financial performance; and • discount rate. No significant impairment charges are recognized in respect of goodwill, product development and other intangible assets in 2022.	Our audit procedures in this area included: • assessing management's process and results for determining the level for performing impairment testing to evaluate whether the level for which impairment is tested is in accordance with IAS 36; • evaluating the historical accuracy of management`s 2022 budgets and forecasts and challenging management on the current year cash flow forecasts as well as the timing of future cash flows; • challenging management on the growth assumptions and management`s future business plan assumptions with reference to current market conditions; • engaging KPMG valuation specialists to assess the discount rates applied with reference to market data; • obtaining and evaluating management's sensitivity analysis to determine the impact of reasonably possible changes. Performing our own independent sensitivity calculations to quantify the downside changes to management's models required to result in impairment.; and • assessing whether the disclosures regarding key assumptions and sensitivities adequately reflected the underlying assets' impairment assessments. From the audit evidence obtained, we consider management's assessment of the carrying value of goodwill and intangible assets to be in accordance with the requirements under the relevant accounting standards.

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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. We 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 and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- conclude on the appropriateness of management's use of the going concern basis of accounting 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 and the Group'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 and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

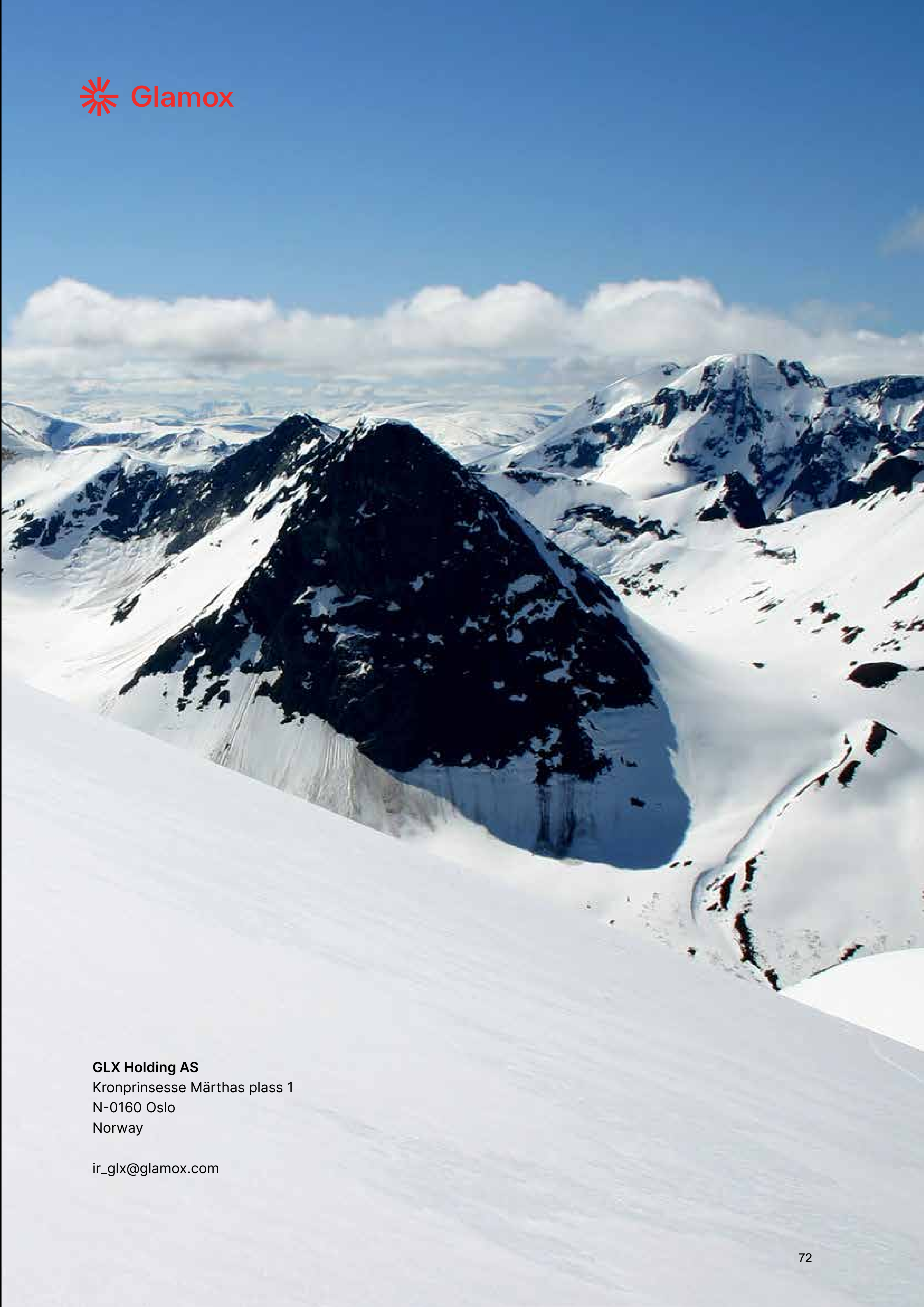
We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Oslo, 28 April 2023
KPMG AS

Lone Frogner

Lone Brith Frogner
State Authorised Public Accountant



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