

# GLX Holding

Second quarter results 2021

**General information GLX Holding AS (parent company)**

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



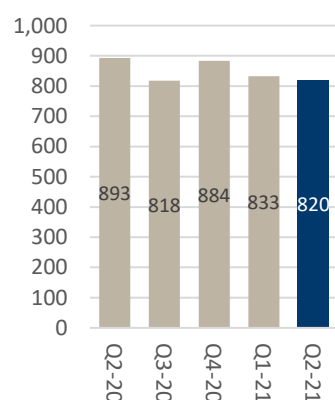
# Highlights 2<sup>nd</sup> quarter 2021

- **Order intake** ended at NOK 961m, an increase of 9% from NOK 880m in the second quarter last year, up 15% on a comparable basis
- **Total revenue** ended at NOK 820m, a decrease of 8% from NOK 893m in the second quarter last year, down 4% on a comparable basis
- **Adjusted EBITDA** was NOK 98m, down from NOK 130m in the second quarter last year
- **Operating cash flow** was NOK 57m, up from NOK 51m in the second quarter last year
- **The acquisition of Luminell** was completed 28<sup>th</sup> April 2021. The acquisition expands the Group's product portfolio and customer base within floodlights, searchlights, and lighting controls, and strengthens the product development capabilities in the GMO business area.

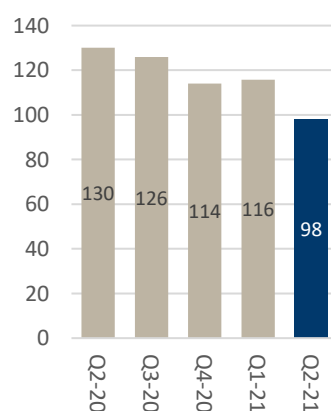
## Key figures

	Q2 2021	Q2 2020	YTD 2021	YTD 2020	FY 2020
Order intake	961	880	1,841	1,828	3,484
Total revenue	820	893	1,653	1,788	3,490
EBITDA	56	101	133	207	382
<i>EBITDA margin (%)</i>	6.8 %	11.3 %	8.1 %	11.6 %	10.9 %
EBIT	(10)	40	9	88	139
<i>EBIT margin (%)</i>	-1.2 %	4.4 %	0.6 %	4.9 %	4.0 %
Adj. EBITDA	98	130	214	253	493
<i>Adj. EBITDA margin (%)</i>	12.0 %	14.6 %	12.9 %	14.1 %	14.1 %
Adj. EBIT	36	69	93	134	259
<i>Adj. EBIT margin (%)</i>	4.4 %	7.7 %	5.6 %	7.5 %	7.4 %
Profit for the period, after tax	(32)	0	(43)	(12)	(33)
Net cash from operations	57	51	58	76	409
Net interest-bearing debt <sup>1</sup>	1,828	1,792	1,828	1,792	1,568

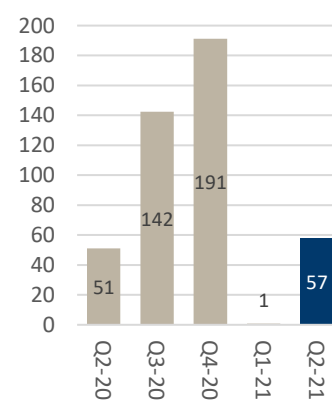
**Revenue development**  
NOK million



**Adjusted EBITDA**  
NOK million



**CF from operations**  
NOK million



<sup>1</sup> Excluding IFRS 16 effects and restricted cash

### **General information GLX Holding AS (parent company)**

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

## **Management comments**

In the second quarter we have seen increased activity in many markets and a positive trend in the Group's order intake. Total order intake ended at NOK 961m, an increase of 9% from NOK 880m in the second quarter 2020. On a comparable basis, adjusted for acquisitions and currency effects, the year-on-year order intake growth is 15%. Total revenue in the quarter was NOK 820m, a decrease of 8% from NOK 893m in the same quarter last year, or 4% below on a comparable basis.

Adjusted EBITDA amounted to NOK 98m in the quarter, 25% below NOK 130m in the second quarter last year. The adjusted EBITDA margin decreased from 14.6% to 12.0% year-on-year. The decrease in adjusted EBITDA is mainly explained by lower volume and higher operating cost linked to already experienced and further expected increase in activity level, slightly offset by a favorable segment and product mix in the GMO business area.

In the second quarter there has been increased activity levels and an improved market situation across most geographies in the PBS business area. In the GMO business area, the picture is mixed across market segments. The order intake in the second quarter is strong, driven by the Navy segment. Revenue is impacted by weaker results in the offshore energy segment compared to the same period last year. The revenue development is as expected given that many of Glamox markets, in particular in the GMO area, are of late cyclical nature.

Glamox has maintained its strong customer focus during the pandemic and continued to strengthen the sales organization. The roll-out of a new digital platform is well underway, an important project that will further enhance customers' experience in the future. Glamox ambitious growth strategy remains firm supported by organic growth initiatives and targeted acquisitions.

The acquisition of Luminell was closed in the second quarter. The acquisition is an important step for the GMO business area that expands the product portfolio, customer base, and strengthens the product development capabilities. The integration activities are ongoing, and we expect to see valuable synergies from the end of the year onwards.

Scarcity of certain raw materials has led to longer delivery times than usual on some components. Glamox has largely managed to deal with this through second sourcing alternatives. At the same, gradually increasing raw material prices and shipping costs has made it necessary to start increasing prices to customers.

Glamox has enabled sustainability for years, through energy efficient products and solutions. In the second quarter the Group has completed important milestones in the work to establish a holistic sustainability strategy. The aim is to build on existing programs and expand it to create further value through energy efficient products and solutions and reduced environmental footprint of our operations. The strategy will be finalized and implemented during the second half of 2021. The target is to be among the leading companies within our industry.

Glamox is well positioned to take advantage of increased market activity. Although the timing and speed of the recovery in the PBS business area varies across geographies, we expect the positive trend to continue. In the GMO business area, the picture continues to be mixed, we expect a demand recovery in the largest segments towards the end of the year based on increased global shipbuilding and recovery in the MRO activity.

Rune Marthinussen

CEO Glamox AS

# Financial review

## Group results

### Quarter

The order intake in Q2-2021 ended at NOK 961m, an increase of 9% from NOK 880m in Q2-2021. The currency effect in the second quarter 2021 was negative vs. the same period last year. Adjusted for acquisitions and currency effects the Group reported a comparable year-on-year increase in order intake of 15%. Both business areas report a strong year-on-year growth in comparable order intake.

The Group reported total revenue of NOK 820m in Q2-2021, down 8% from NOK 893m in Q2-2020. Both business areas reported lower revenue than last year. Total revenue in the second quarter is positively impacted by the acquisitions of LiteIP and Luminell, while currency effects in the quarter are negative vs. the same quarter last year. On a comparable basis, total revenue decreased by 4% in the quarter.

The adjusted EBITDA for GLX Holding ended at NOK 98m in Q2-2021, below NOK 130m in Q2-2020. The adjusted EBITDA margin in the quarter was 12.0% compared to 14.6% in the same period last year. Special items with a negative EBITDA effect of NOK 42m was reported in the quarter.

In Q2-2021 the Group reports a loss after tax of NOK 32m, this is down from a profit after tax of NOK 0m in Q2-2020. Lower reported operating profit has a negative impact in the net result, offset by slightly lower net financial cost.

### Year to date

The Group reports total order intake of NOK 1,841m YTD 2021, up 1% from NOK 1,828m in the same period last year, or 2% up on a comparable basis. Total revenue YTD 2021 amounted to NOK 1,653m, down 8% from NOK 1,788m YTD 2020, or 6% below last year on a comparable basis.

The adjusted EBITDA YTD 2021 is NOK 214m, 15% below NOK 253m YTD 2020 mainly explained by lower volume. The adjusted EBITDA margin YTD 2021 is 12.9% compared to 14.1% YTD 2020.

## Cash flow

### Quarter

Cash flow from operations equaled NOK 57m in Q2-2021 compared to cash flow from operations of NOK 51m in Q2-2020. Lower year-on-year operating profit is more than offset by a positive effect from changes in working capital and other operating changes of NOK 40m in Q2-2021, compared to NOK 12m in the same period last year.

Net cash flow from investing activities in the quarter equaled NOK -159m of which NOK -128m is related to the acquisition of Luminell which was closed in Q2-2021. Investments in existing business was NOK -31m compared to NOK -10m in the same quarter last year.

Net cash flow from financing was NOK 27m in Q2-2021. This includes a NOK 135m drawn down of new debt on the existing revolving credit facility to finance the acquisition of Luminell, dividend paid of NOK 31m, interest paid of NOK -32m, lease payments including interest of NOK -15m and other cash flow from financing of NOK -30m. Total cash flow for the period was NOK -75m decreasing the cash balance to NOK 418m.

### Year to date

Cash flow from operations amounted to NOK 58m YTD 2021, below NOK 76m YTD 2020. The decrease is explained by lower operating profit and a smaller positive effect from changes in working capital, partly offset by lower taxes paid.

## Financial position

As of 30 June 2021, GLX Holding's equity amounts to NOK 1,868m. The equity ratio as of 30 June 2021 was 35%. Net interest-bearing debt as of 30 June 2021 is NOK 1,828m (adjusted for the IFRS 16 effect), which is up from NOK 1,642m as at 31 March 2021. The increase is mainly explained by the acquisition of Luminell and the dividend distribution.

The Groups borrowings consist of long-term senior secured notes of NOK 1,350m and a revolving credit facility (RCF) of NOK 1,400m. As of 30 June 2021, the total liquidity reserve is NOK 923m.

## Segments

### Professional Building Solutions (PBS)

NOKm	Q2 2021	Q2 2020 <sup>2</sup>	YTD 2021	YTD 2020 <sup>2</sup>
Order intake	748	701	1,448	1,406
Adj. Total revenue	640	674	1,310	1,332
Adj. EBITDA <sup>1</sup>	75	97	170	179
Adj. EBITDA margin <sup>1</sup>	11.7 %	14.4 %	13.0 %	13.5 %

<sup>1</sup>Excluding IFRS 16 effects

<sup>2</sup>PBS segment results in FY2020 restated to include ES-System

### Quarter

The Professional Building Solutions (PBS) business area reports total order intake of NOK 748m in Q2-2021, an increase of 7% from NOK 701m in Q2-2020. Total revenue ended at NOK 640m in Q2-2021, a decrease of 2% from NOK 674m in Q2-2020. The comparable year-on-year order intake is up 13%, while comparable revenue is flat. We see an increase in order intake in most of our geographies, in particular the UK and the Netherlands report strong order intake in the second quarter. The revenue development is more mixed with year-on-year growth in Scandinavia, Germany and the Netherlands, offset by weaker results in Poland, Finland and Switzerland.

The adjusted EBITDA in Q2-2021 was NOK 75m, a decrease of 23% from NOK 97m in Q2-2020. The adjusted EBITDA margin ended at 11.7%, down from 14.4% in Q2-2020. A combination of slightly lower gross profit margins and higher operating cost related to a higher activity level in the quarter compared to last year explains the decrease in adj. EBITDA.

### Year to date

The PBS business area reported total order intake of NOK 1,448m YTD 2021, an increase of 3% from NOK 1,406m YTD 2020. Total revenue is NOK 1,310m YTD 2021, down 2% from NOK 1,332m YTD 2020. The comparable year-on-year order intake increases by 5%, while comparable year-on-year revenue decreased by 1%. Adjusted EBITDA is NOK 170m YTD 2021, 5% below NOK 179m YTD 2020.

### Global Marine & Offshore (GMO)

NOKm	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Order intake	213	179	393	422
Adjusted Total revenue	178	220	340	456
Adjusted EBITDA <sup>1</sup>	9	19	16	48
Adjusted EBITDA margin <sup>1</sup>	4.9 %	8.5 %	4.7 %	10.6 %

<sup>1</sup>Excluding IFRS 16 effects

### Quarter

The Global Marine & Offshore (GMO) business area reports total order intake of NOK 213m in Q2-2021, up 19% from NOK 179m in Q2-2020. Total revenue ended at NOK 178m in Q2-2021, 19% below NOK 220m in Q2-2020. On a comparable basis the year-on-year order intake is up 19%, while comparable revenue decreased by 22%. The Navy segment is the main driver behind the year-on-year increase in order intake, together with the Cruise and Ferry segment where there is also a positive development. The Offshore energy segment reports order intake

slightly above the same period last year, while the Commercial Marine segment is behind. The decline in revenue is mainly due to weak results in the Offshore Energy segment, partly offset by strong revenue in the Navy segment.

The adjusted EBITDA was NOK 9m, 53% below NOK 19m in Q2-2020. The adjusted EBITDA margin in Q2-2021 was 4.9% compared to 8.5% in Q2-2020. The decrease in adjusted EBITDA is explained by a negative volume effect, partly offset by a favorable segment and product mix.

### **Year to date**

The GMO business area had total order intake of NOK 393m YTD 2021, down 7% from NOK 422m YTD 2020. Total revenue ended at NOK 340m YTD 2021, a decrease of 25% from 456m YTD 2020. The comparable year-on-year order intake is down 8%, while comparable year-on-year revenue is 27% lower. Adjusted EBITDA is NOK 16m YTD 2021, 66% below of NOK 48m YTD 2020.

## **Outlook**

The Glamox Group's fundamental long-term growth prospects are positive. The growth is supported by increased global focus on energy efficiency and digitalization. The transfer to LED technology and the developments in Light Management Systems create new opportunities for the lighting industry.

Although the timing and speed of the recovery in the PBS business area varies across geographies, we expect the positive trend to continue. In the GMO business area, we expect a demand recovery in the largest segments towards the end of the year. The Glamox Group's financial position is strong with solid equity and liquidity.

# Condensed consolidated interim financial statements

## GLX Holding Group consolidated statement of profit and loss (unaudited)

NOK 1000	Q2		YTD		FY
	2021	2020	2021	2020	2020
Revenue	808,831	882,232	1,630,061	1,762,750	3,435,506
Other operating income	11,419	11,114	22,780	25,070	54,042
<b>Total revenues</b>	<b>820,251</b>	<b>893,346</b>	<b>1,652,841</b>	<b>1,787,820</b>	<b>3,489,548</b>
Raw materials and consumables used	(386,761)	(430,327)	(773,032)	(841,697)	(1,673,305)
Payroll and related cost	(291,477)	(284,992)	(585,118)	(574,909)	(1,124,175)
Other operating expenses	(86,183)	(77,286)	(161,481)	(164,419)	(310,476)
<b>EBITDA</b>	<b>55,829</b>	<b>100,741</b>	<b>133,211</b>	<b>206,795</b>	<b>381,593</b>
Depreciation and impairment	(35,438)	(34,760)	(66,706)	(66,844)	(138,272)
Amortization	(30,234)	(26,355)	(57,356)	(51,861)	(103,913)
<b>Operating profit / EBIT</b>	<b>(9,842)</b>	<b>39,627</b>	<b>9,149</b>	<b>88,090</b>	<b>139,409</b>
Net financial items	(27,295)	(32,753)	(56,041)	(87,901)	(150,758)
<b>Profit before tax</b>	<b>(37,136)</b>	<b>6,874</b>	<b>(46,893)</b>	<b>189</b>	<b>(11,349)</b>
Taxes	4,892	(6,474)	4,301	(12,231)	(21,608)
<b>Profit for the period</b>	<b>(32,244)</b>	<b>400</b>	<b>(42,592)</b>	<b>(12,042)</b>	<b>(32,957)</b>
Profit/loss attributable to owners	(29,337)	(6,606)	(42,104)	(26,538)	(52,676)
Profit/loss attributable to non-controlling interest	(2,908)	7,006	(487)	14,495	19,719

## GLX Holding Group consolidated statement of other comprehensive income (unaudited)

NOK 1000	Q2		YTD		FY
	2021	2020	2021	2020	2020
<b>Profit for the period</b>	<b>(32,244)</b>	<b>400</b>	<b>(42,592)</b>	<b>(12,042)</b>	<b>(32,957)</b>
<i>Other comprehensive income that will not be reclassified to profit or loss:</i>					
Gain/loss from re-measurement on defined benefit plans	-	-	-	-	(3,509)
Tax effect on re-measurements on defined benefit plans	-	-	-	-	517
Total items that subsequently will not be reclassified to profit or loss	-	-	-	-	(2,993)
<i>Other comprehensive income that may be reclassified to profit or loss:</i>					
Currency translation differences	(20,398)	88,811	(36,548)	118,731	50,459
Net gain/loss on hedge of foreign subsidiaries	18,743	(92,309)	36,893	(119,708)	(51,026)
Tax effect from hedge of foreign subsidiaries	(4,111)	20,308	(8,057)	26,336	11,226
Total items that subsequently may be reclassified to profit or loss	(5,766)	16,810	(7,712)	25,359	10,658
<b>Other comprehensive income for the period</b>	<b>(5,766)</b>	<b>16,810</b>	<b>(7,712)</b>	<b>25,359</b>	<b>7,665</b>
<b>Total comprehensive income for the period</b>	<b>(38,010)</b>	<b>17,211</b>	<b>(50,304)</b>	<b>13,316</b>	<b>(25,291)</b>
Total comprehensive income attributable to owners	(33,728)	6,198	(47,978)	(7,223)	(46,837)
Total comprehensive income attributable to Non-Controlling interest	(4,282)	11,013	(2,326)	20,539	21,546

## GLX Holding Group statement of financial position (unaudited)

<b>NOK 1000</b>	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>31.12.2020</b>
<b>ASSETS</b>			
Intangible non-current assets	3,088,834	3,007,126	2,954,881
Tangible non-current assets	568,696	621,058	586,479
Other non-current assets	87,059	66,345	87,817
<b>Total non-current assets</b>	<b>3,744,588</b>	<b>3,694,529</b>	<b>3,629,178</b>
Inventory	629,562	650,713	611,045
Receivables	587,903	673,788	519,105
Cash and cash equivalents	417,632	620,394	564,761
<b>Total current assets</b>	<b>1,635,097</b>	<b>1,944,894</b>	<b>1,694,911</b>
<b>TOTAL ASSETS</b>	<b>5,379,686</b>	<b>5,639,424</b>	<b>5,324,089</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	1,512,230	1,599,821	1,560,206
Non-controlling interests	356,037	388,103	389,109
<b>Total equity</b>	<b>1,868,267</b>	<b>1,987,923</b>	<b>1,949,316</b>
Deferred tax liabilities	318,771	324,662	330,068
Long-term interest-bearing liabilities	2,215,681	2,366,208	2,084,350
Long-term lease liabilities	152,602	134,832	148,115
Long-term provision and other liabilities	112,974	128,063	122,021
<b>Total non-current liabilities</b>	<b>2,800,027</b>	<b>2,953,766</b>	<b>2,684,553</b>
Short-term interest-bearing liabilities	3,421	12,241	14,781
Trade payables	262,665	256,525	264,719
Tax payable	22,542	21,286	15,106
Short-term lease liabilities	54,076	49,743	51,204
Other short-term liabilities	368,686	357,939	344,409
<b>Total current liabilities</b>	<b>711,391</b>	<b>697,734</b>	<b>690,220</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,379,686</b>	<b>5,639,424</b>	<b>5,324,089</b>

## GLX Holding Group consolidated statement of changes in equity (unaudited)

<b>NOK 1000</b>	<b>Share capital</b>	<b>Share premium reserve</b>	<b>Retained earnings</b>	<b>Total shareholders' equity</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
<b>Balance as of 31 December 2020</b>	<b>1 000</b>	<b>1 599 346</b>	<b>(40 137)</b>	<b>1 560 207</b>	<b>389 109</b>	<b>1 949 316</b>
Current period profit and loss			(42,104)	(42,104)	(487)	(42,592)
Other comprehensive income (loss)			(5,874)	(5,874)	(1,838)	(7,712)
Total comprehensive income (loss)			(47,978)	(47,978)	(2,326)	(50,304)
Dividends					(30,747)	(30,747)
<b>Balance as of 30 June 2021</b>	<b>1 000</b>	<b>1 599 346</b>	<b>(88,115)</b>	<b>1,512,231</b>	<b>356,037</b>	<b>1,868,267</b>



## GLX Holding Group consolidated statement of cash flow (unaudited)

NOK 1000	Q2		YTD		FY
	2021	2020	2021	2020	2020
Profit before tax	(37,136)	6,874	(46,893)	189	(11,349)
Taxes paid	(10,358)	(29,335)	(26,844)	(56,697)	(61,580)
Depreciation, amortization and impairment	65,671	61,115	124,062	118,705	242,185
Profit from sale of assets	(854)	-	(854)	-	423
Changes in working capital	39,090	(22,371)	(18,390)	(75,610)	49,505
Other operating changes	1,077	34,718	27,245	89,151	190,250
<b>Net cash flow from operating activities</b>	<b>57,491</b>	<b>51,001</b>	<b>58,328</b>	<b>75,739</b>	<b>409,433</b>
Purchase of tangible fixed assets and intangible assets	(31,472)	(10,119)	(46,475)	(22,775)	(54,220)
Proceeds from sale of tangible fixed assets	-	-	-	-	1,282
Acquisition of subsidiary, net of cash acquired	(128,275)	-	(151,509)	(37,865)	(37,865)
Other cash flow from investments incl. interest received	402	1,092	1,867	4,500	9,788
<b>Net cash flow from investing activities</b>	<b>(159,344)</b>	<b>(9,027)</b>	<b>(196,116)</b>	<b>(56,140)</b>	<b>(81,015)</b>
Down payment	-	-	-	-	(250,547)
Lease payment including interest	(15,451)	(14,405)	(29,788)	(26,673)	(60,386)
Proceeds from borrowings	135,000	-	135,000	350,000	350,000
Dividend paid	(30,747)	(33,621)	(30,747)	(33,621)	(33,621)
Interest paid	(31,707)	(31,552)	(61,886)	(63,167)	(130,697)
Other cash flow from financing activities	(30,453)	(11,586)	(13,183)	(8,528)	(8,531)
<b>Net cash flow from financing activities</b>	<b>26,642</b>	<b>(91,164)</b>	<b>(604)</b>	<b>218,011</b>	<b>(133,782)</b>
<b>Total cash flow for the period</b>	<b>(75,211)</b>	<b>(49,190)</b>	<b>(138,393)</b>	<b>237,610</b>	<b>194,635</b>
Effect of change in exchange rate	(5,326)	(3,568)	(8,737)	485	(12,173)
Cash and cash equivalents, beginning of period	498,170	673,152	564,761	382,299	382,299
<b>Cash and cash equivalents, end of period</b>	<b>417,632</b>	<b>620,394</b>	<b>417,632</b>	<b>620,394</b>	<b>564,761</b>

# Notes to the condensed consolidated interim financial statements

## Note 1 - General information and accounting principles

GLX Holding AS is a company incorporated and domiciled in Norway. GLX Holding AS is a holding company and has no other activities or investments, than the ownership of 76.17% of Glamox AS. The registered address is c/o Triton Advisors (Norway) AS, Kronprinsesse Märthas plass 1, 0161 OSLO. The ultimate parent of GLX Holding AS is Triton Fund IV.

This interim report has been prepared in accordance with IAS34 for interim financial reporting. GLX Holding AS has applied the same accounting policies as in the IFRS consolidated financial statement for 2020. The interim financial statements do not include all the information required for a full financial report and should therefore be read in conjunction with the IFRS consolidated financial statement for 2020. The quarterly report has not been audited.

The preparation of the interim financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognized as assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant estimates and judgements made by management in preparing these condensed consolidated interim financial statements, in applying the Group's accounting policies and key sources of estimation of uncertainty, were based on the same underlying principles as those applied to the IFRS consolidated financial statement for 2020.

## Note 2 - Operating segments

The Group operates with two different business areas, Professional Building Solution (PBS) and Global Marine & Offshore (GMO). These two business areas have to a large extent different products and solutions they provide to their markets. Further they operate in strategically different markets and therefore have different sales channels, marketing strategies and risk. PBS offers products to office, industry, health, education, retail, hotels and restaurants mainly in Europe. Their main sales channels are direct to customer and wholesalers. GMO offers its products in the global market within commercial marine, energy (offshore and onshore), navy, recreational, cruise and ferry. The customer base of GMO consists of vessel owners, yards, electrical installers, engineering companies and energy companies.

To be able to monitor and follow up the profitability of the complete value chain of these two business areas, the Group has an operating segment reporting where PBS and GMO each represents a complete value chain. Glamox Group functions are distributed between the two operation segments based on allocation keys. IFRS-16 Leasing effects and GLX Holding AS functions and cost are not allocated to the operating segments.

	<b>PBS</b>	<b>GMO</b>	<b>Other</b>	<b>Group</b>
	<b>Q2-2021</b>	<b>Q2-2021</b>	<b>Q2-2021</b>	<b>Q2-2021</b>
Revenues	642	178		820
EBITDA	45	-4	14	56
in %	7.0 %	-2.1 %		6.8 %

	<b>PBS</b>	<b>GMO</b>	<b>Other</b>	<b>Group</b>
	<b>YTD-2021</b>	<b>YTD-2021</b>	<b>YTD-2021</b>	<b>YTD-2021</b>
Revenues	1,313	340		1,653
EBITDA	107	-2	28	133
in %	8.2 %	-0.5 %		8.1 %

## Note 3 - Items affecting comparability

In Q2-2021 the Group recorded special items of NOK 45m. NOK 24m is related to restructuring and NOK 8m is related to integration and acquisition cost. Further, NOK 8m is related to ERP upgrade, NOK 1m is related to ESG compliance and NOK 4m relates to other items.

In Q2-2020 the Group recorded special items of NOK 29m. NOK 12m is related to integration cost and NOK 6m is related to restructuring. Further, NOK 4m is related to ERP upgrade, NOK 2m is related to Covid-19 and NOK 6m relates to other items.

YTD 2021 the Group recorded special items of NOK 84m. NOK 14m is related to integration and acquisition cost and NOK 47m is related to restructuring. Further, NOK 13m is related to ERP upgrade, NOK 1m is related to ESG compliance and NOK 9m relates to other items.

YTD 2020 the Group recorded special items of NOK 46m. NOK 18m is related to integration cost and NOK 10m is related to restructuring. Further, NOK 6m is related to ERP upgrade, NOK 2m is related to Covid-19 and NOK 11m relates to other items.

#### **Note 4 – Interest bearing liabilities to financial institutions**

The Group holds a bond and a revolving facility. The multi-currency revolving facility has a credit limit of 1,400 million and by end of Q2 2021 the utilized amount was NOK 886m. The liquidity reserve is NOK 923m as of June 31, 2021.

Net interest-bearing debt is NOK 2,031m. Adjusted for the IFRS 16 effect of NOK 203m, net interest-bearing debt is NOK 1,828m as of June 30, 2021.

#### **Note 5 – Derivatives**

GLX Holding AS holds a floating-to-fixed interest rate swap for the nominal amount of NOK 1,350 million in order to remove interest rate risk on the bond. The change in fair value of the interest rate swap in Q2-2021 is NOK 4m (income) and is booked as net financial items. The floating-to-fixed interest rate swap expired in June and GLX Holding will from this point have a floating interest rate on the bond and be exposed to changes in NIBOR.

#### **Note 6 - Related party transactions**

Related parties are Group companies, major shareholders, board and senior management in the parent company and the group subsidiaries. All transactions within the Group or with other related parties are based in the principle of arm's length.

GLX Holding AS has agreements with Triton Advisers Limited and West Park Management Services Limited for counselling. In Q2-2021, the company has expensed NOK 1m.

#### **Note 7 – Acquisition of Luminell Group**

On 29th of April 2021, Glamox AS acquired 100% of the shares in the Norwegian company Luminell Group AS. The company was established in 2010 and is a high-quality developer and supplier of floodlights, searchlights and lighting controls in the global marine and offshore lighting market. Luminell reported total revenue of NOK 108.5m and EBITDA of NOK 16.5m in 2020 in accordance with NGAAP.

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

#### **Preliminary Purchase Price Allocation**

<u>NOK million</u>	<u>Carrying amount</u>	<u>Fair value Adj</u>	<u>Fair value</u>
Goodwill		66.3	66.3
Other intangible non-current assets	18.1	49.7	67.8
Tangible non-current assets	7.5		7.5
Inventories	18.8		18.8
Receivables	13.4		13.4
Cash and cash equivalents	5.1		5.1
Long term liabilities	-12.3		-12.3
Deferred tax	-0.3	-10.9	-11.2
Current liabilities	-18.7		-18.7
<b>Total</b>	<b>31.6</b>	<b>105.1</b>	<b>136.7</b>

Purchase consideration:	
Cash consideration paid	133.4
Promissory note	3.3
<b>Total consideration for the shares</b>	<b>136.7</b>

Net cash flow:	
Cash consideration paid	133.4
Cash acquired	5.1
<b>Net cash flow from acquisition</b>	<b>128.3</b>

The activities of Luminell are reported as a part of the business segment; Global Marine and Offshore (GMO). Luminell contributed with NOK 21.3m in revenue in Q2-2021.

#### **Note 8 - Dividend**

On 27 April 2021, the Board of Glamox AS decided to distribute a dividend for 2020 of NOK 1.955 per share, total NOK 129m. In June, GLX Holding AS received NOK 98m and non-controlling interest received NOK 31m in dividends from Glamox AS.

#### **Note 9 - Significant risk and uncertainties**

For information regarding the most significant risks and uncertainty factors, please read the description in the annual report for 2020. The company does not consider that there have been any material changes during the reporting period in the risks and uncertainty factors presented in the annual report. There is still uncertainty regarding the Covid-19 pandemic and its impact on our business activities in 2021.

#### **Note 10 - Forward-looking statements / Legal disclaimer**

Certain statements in this report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, fluctuations in exchange rates and interest rates and political risks.

## Statement by the board of directors

Today, the board of directors reviewed and approved the half-yearly board of directors' report and the unaudited condensed consolidated half-yearly financial statements for GLX Holding AS as of 30 June 2021 and for the six-month period ended 30 June 2021 (half-yearly financial report 2021). The half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU, and the Norwegian additional requirements in the Securities Trading Act.

To the best of our knowledge

- the half-yearly financial statements for 2021 have been prepared in accordance with applicable financial reporting standards
- the half-yearly financial statements give a true and fair view of the assets, liabilities, financial position and profit (or loss) as a whole as of 30 June 2021.
- the half-yearly board of directors' report includes a fair review of
  - important events that have occurred during the first six months of the financial year, and their impact on the half-yearly financial statements
  - the principal risks and uncertainties for the remaining six months of the financial year
  - major related party transactions

27 August 2021

Gustaf Backemar

(sign)

Chairman

Joachim Espen

(sign)

Board member

Torfinn Kildal

(sign)

Board member

## Definitions

GLX Holding presents certain financial performance measures that are not defined in the interim report in accordance with IFRS or other generally accepted accounting principles and should not be considered as a substitute for measures of performance in accordance with IFRS. GLX Holding believe that these measures provide useful supplemental information to investors and the company's management when they allow evaluations of trends and the performance of the company. As companies calculate the performance measures differently, these are not always comparable to similar titled measures used by other companies.

This report has not been subject to audit.

Order intake	Orders received measured at gross value before deduction of commissions and other sales reductions
Total revenue	Revenue and other operating income net of commissions and other sales reductions
Adjusted total revenue	Revenue and other operating income net of commissions, other sales reductions and special items
Comparable growth	Growth adjusted for acquisitions, special Items and currency effects
EBITDA	Earnings before net financial items, tax, depreciation, amortization and impairment
Adjusted EBITDA	Earnings before net financial items, tax, depreciation, amortization, impairment and special items
EBITDA-margin	EBITDA as a percentage of total revenue
Adjusted EBITDA-margin	Adjusted EBITDA as a percentage of total adjusted revenue
Net financial items	Financial income minus financial expenses including exchange rate differences related to financial assets and liabilities
Net debt	Interest-bearing debt minus cash and cash equivalents
Special Items	Any items (positive or negative) of a one off, special, unusual, non-operational or exceptional nature including restructuring expenses
LED	Light-emitting diode
LMS	Light Management Systems
MRO	Maintenance, repair and operations



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