Glamox

GLX Holding AS
Interim report 4th quarter and preliminary full year 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 holds 76.17% of the shares in Glamox AS. GLX Holding consolidates 100% of the Glamox Group in its financial accounts from 11th December 2017.

Group Highlights 4th Quarter and Preliminary Full Year Report 2022

In the following, the figures in brackets indicate the amount or percentage for the corresponding period in the previous year.

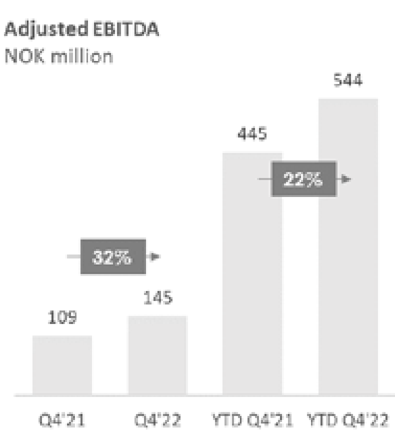
Record high revenues and order intake. Successful implementation of price increases and cost savings initiatives. New offshore wind concept released. Execution of new company strategy and strong progress in sustainability.

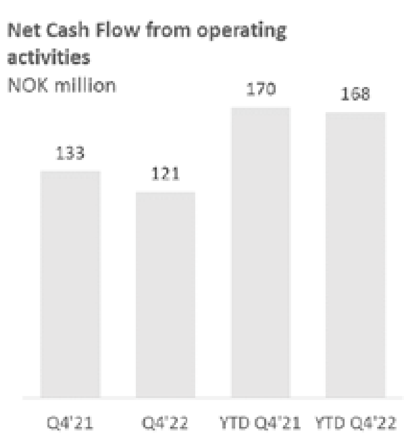
Fourth quarter – Group
- Total Revenue: NOK 1,049m (NOK 905m)
- Order intake: NOK 1,074m (NOK 1,054m)
- Adj. EBITDA[1]: NOK 145m (NOK 109m)
- Adj. EBITDA margin[1]: 14.3% (12.1%)
- Net cash flow from operating activities: NOK 121m (NOK 133m)

Full year – Group
- Total Revenue: NOK 3,772m (NOK 3,377m)
- Order intake: NOK 3,860m (NOK 3,758m)
- Adj. EBITDA[1]: NOK 544m (NOK 445m)
- Adj. EBITDA margin1: 14.6% (13.2%)
- Net cash flow from operating activities1: NOK 168m (NOK 170m)

Key figures

NOK million	Q4 2022	Q4 2021	Change	FY2022	FY2021	Change
Total revenue	1,049	905	15.9%	3,772	3,377	11.7%
Order intake	1,074	1,054	1.8%	3,860	3,758	2.7%
Adj. EBITDA[1]	145	109	32.4%	544	445	22.0%
Adj. EBITDA margin[1] (%)	14.3 %	12.1%	2.2 pp	14.6%	13.2%	1.4 pp
Adj. EBIT[1]	79	45	75.8%	286	196	45.8%
Adj. EBIT margin[1] (%)	7.8%	5.0%	2.8 pp	7.7 %	5.8%	1.9 pp
Profit / (loss) for the period	6	(103)	109	(10)	(246)	236
Net cash flow from operating activities	121	133	(12)	168	170	(2)
Net interest-bearing debt[1]	2,332	2,154	178	2,332	2,154	178





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

Record high revenues and order intake

Glamox Group reported all-time high revenues and order intake in the fourth quarter (Q4'22), despite a challenging macro-economic environment. Both segments, Professional Buildings Solutions (PBS) and Global Marine & Offshore - renamed Marine, Offshore & Wind (MOW) - contributed significantly, with total revenues in MOW up 45.4% versus Q4'21. Successful implementation of price increases and cost savings initiatives across the Glamox Group contributed significantly to EBITDA growth. During the quarter, a new concept was released to address the rapidly growing offshore wind market which contributed to renaming the segment. Also, the company began executing its new Green Light Aspirations strategy and made strong progress in sustainability. Looking ahead, the Glamox Group is well-positioned to capitalize on the growing demand for new lighting solutions driven by the need for energy savings and new EU regulations.

Glamox Group has secured a new corporate style revolving credit facility with the incumbent banks DNB and Danske Bank. In relation to that, GLX Holding AS has mandated Arctic Securities, Danske Bank, and DNB Markets for a potential refinancing of the outstanding senior secured bond.

Financial development

Total revenue in the quarter was at an all-time high of NOK 1,049 million (NOK 905 million), an increase of 15.9%, driven by strong growth in MOW and a robust performance by PBS. The order intake in the quarter was also at a record level at NOK 1,074 million (NOK 1,054 million), an increase of 1.8%. Quarterly order intake for PBS amounted to NOK 765 million (NOK 797 million) a decrease of 4.0%, which was expected as Q4'21 had extraordinarily high levels of pre-orders due to component scarcity. Order intake in MOW ended at NOK 291 million (NOK 245 million), representing 18.8% growth. This was related to increased activity, especially in the Offshore Energy and Wind- and Commercial Marine vessel sub-segments.

Net Interest-bearing debt of NOK 2,332 million (NOK 2,154 million) saw a small increase, whereas the leverage ratio was 4.3x (4.8x). This reduction was largely due to increased adjusted EBITDA in FY'22. Net cash flow from operating activities equaled NOK 121 million (NOK 133 million), a decrease of NOK 12 million. Working capital decreased compared to Q3'22, mainly due to a positive development for accounts payables. Accounts receivables increased somewhat during the quarter due to strong revenue growth, but good collection have maintained the relative level of receivables. Inventory has stabilized in line with the easing in the supply chain, and a gradual return to a lower inventory level is anticipated in the coming quarters.

Adjusted EBITDA amounted to NOK 145 million (NOK 109 million) in the quarter, an increase of 32.4%. The adjusted EBITDA margin ended at 14.3% (12.1%), as a result of high revenue growth and cost improvement measures implemented in the past few years. These savings, in combination with increased price levels, were partly offset by increased costs for energy and raw materials.

In FY'22, adjusted total revenue amounted to NOK 3,721 million (NOK 3,375 million), representing an increase of 10.3%. Adjusted EBITDA amounted to NOK 544 million (NOK 445 million), with a corresponding adjusted EBITDA margin of 14.6% (13.2%).

New Offshore wind concept release

Glamox released its new offshore wind concept during the quarter to capitalize further on large-scale investments in this rapidly growing segment. The new concept presented the company's total capability in wind, allocating resources to new areas, such as lighting turbine landing towers, substations, and support vessels. It also introduced new products following the acquisition of Luminell in 2021. Wind has become the centerpiece in the offshore energy transition from oil and gas to renewable sources. The number of offshore wind farms is set to rise to 900 globally by 2030 (~275 by the end of 2022), of which 230 will be in European waters (~125 by the end of 2022). The Glamox Group is at the forefront of enabling this green transition. As the trusted expert in marine and offshore lighting, Glamox is the only company to offer a one-stop-shop technical lighting capability for offshore windfarms as well as their construction and support vessels. Given current and projected investment levels, offshore wind represents a highly attractive market, in the short and long term.

Robust business model

The market momentum in the MOW segment is good. Sales activity in the largest sub-segment, Commercial Marine, was strong and the main driver for the increased order intake in the quarter. The Offshore Energy and Wind, and Navy sub-segments, also showed continued positive momentum.

Market demand for PBS is still strong compared to historical levels. A small, decrease in order intake was mainly attributed to extraordinarily high levels of pre-orders in Q4'21 due to component scarcity. There are significant opportunities in the retrofit market - addressing existing and new customers - due to higher energy prices and EU investment in more energy-efficient buildings. Also, new environmental regulations, such as the EU-wide Restriction of Hazardous Substances (RoHS) directive, which bans fluorescent tubes later this year, is expected to further stimulate demand. Good market fundamentals, combined with Glamox's robust business model, provide a strong platform for continued growth. This model is based on two business segments, offering diverse revenue streams that deliver robust financial performance during different cycles. It is scalable and flexible with a high degree of direct customer relationships, commonly supported by the Sourcing, Production and Logistics (SPL) division. The business model is further supported by the new Green Light Strategic Aspirations strategy, which is progressing well, and places extra focus on lighting solutions and digital competencies. For example, illustrating these digital strengths during the quarter, MOW helped major operators of Nordic passenger ferries to retrofit their vessels with energy-efficient LED lighting following a joint "Light on board" inspection. The initiative used digital tools to calculate savings and illustrate the benefit of shifting to Glamox LED solutions.

In accordance with the new strategy, Glamox will after recent years with significant investments in M&A, new ERP system and production facilities, enter into a new optimizing growth phase in all major units. It can then maximize value creation with an asset light assembly and deliver on its growth aspirations. This includes aligning functions, attracting the best talent, and ensuring that the business is well positioned to embrace evolving technologies to better serve its customers' needs.

A Chief People and Culture Officer will join the Glamox Management Team in Q2'23. This new position will be instrumental to bring the human capital within the Glamox Group to the next level.

Glamox' Green Light Strategic Aspirations plan

Continued progress in sustainability with increased product circularity

The Glamox Group continues to make strong progress in reducing its carbon footprint and limiting its impact on the environment. Sustainability is embedded in its product design and manufacturing ethos through circular design principles. For example, during the quarter, it started to switch from using virgin to recycled aluminum in the manufacturing of several popular luminaire ranges, contributing to a significant reduction of CO2 equivalents from purchased materials. Also, plastic is progressively being eliminated in its packaging, such as bubble wrap and Styrofoam, and being replaced by materials that are easier to recycle. These and other measures increased the circularity of the company's products.

Having sustainable and ethical value chains is a big part of the company's commitment to its customers. In Q4'22, it launched an Environmental Product Declaration (EPD) generator. This tool, based on international standards, documents the environmental footprint of products considering their lifecycle. The first of many planned EPDs was documented during the period.

The Glamox Group is committed to being Net Zero in its operations by 2030 and works continuously to reduce its overall environmental footprint and those of its customers. Sustainability is core to its Green Light Strategic Aspirations strategy.

Supply chain and cost inflation

Supply chain disturbances are still impacting the markets, but the situation has eased during the quarter, despite inflationary pressure remaining high. There were fewer delays from transportation bottlenecks, and it is expected that the supply of components will return to more stable, pre-pandemic levels. Uncertainty regarding supply chain disturbances has been a major driver for the build-up of inventory, but again a gradual return to lower levels is anticipated in the coming quarters. In the meantime, the business is focused on working closely with customers and suppliers to minimize the impact of these challenges.

Well-positioned for continued growth

Despite current macroeconomic uncertainties, the Glamox Group remains optimistic about the long-term outlook for the markets it serves. Its business fundamentals remain solid, and it enjoys a strong product mix, market positions, and relationships with its customers and stakeholders. The business also has a highly capable management team. At the same, it is investing in new products and has digital initiatives to transform the customer experience and improve operational efficiencies.

Importantly, the company is well-placed to serve high-growth segments, such as Human Centric Lighting (HCL) and the demand for light management systems, IoT, and new data-based applications. For PBS, energy prices, coupled with new regulations, are expected to drive demand for the company's LED retrofit solutions and connected lighting. For MOW, all its sub-segments benefit from the increasing demand for energy efficiency and decarbonisation at sea. Renewed focus on offshore energy and the transition to wind power will generate opportunities in the short term and for the foreseeable future. Finally, the Glamox Group expects to see further positive effects from activities to enhance efficiencies in the value chain and from pricing initiatives.

Financial review

Fourth Quarter

Group

NOK million	Q4 2022	Q4 2021	Change
Adjusted Total revenue	1,012	905	11.8%
Order intake	1,074	1,054	1.8%
Adjusted EBITDA	145	109	32.4%
Adjusted EBITDA margin	14.3%	12.1%	2.2 pp

The Glamox Group's total revenue came in at NOK 1,049 million (NOK 905 million), corresponding to an increase of 15.9%, whereas adjusted total revenue increased 11.8%, totaling NOK 1,012 million (NOK 905 million).

The Glamox Group's order intake in Q4'22 ended at NOK 1,074 million (NOK 1,054 million), an increase of 1.8%, driven by robust growth in the Offshore Energy and Wind, and Commercial Marine vessels sub-segments in MOW. The PBS segment experienced an expected decrease of 4.0%, which is mainly related to extraordinarily high levels of pre-orders due to component scarcity. The order stock in Glamox Group is at NOK 1,256 million (NOK 1,114 million), at the end of the quarter, an increase of 12.7%, reflecting solid growth for the Glamox Group.

Total operating expenses amounted to NOK 988 million (NOK 933 million), where raw materials and consumables for production purposes ended at NOK 507 million (NOK 457 million), an increase of 11.0%, mainly driven by increased inflationary pressure and volumes. Payroll and related costs amounted to NOK 321 million (NOK 312 million), an increase of 2.9%.

Adjusted EBITDA ended at NOK 145 million (NOK 109 million), an increase of 32.4%. The adjusted EBITDA margin came in at 14.3% (12.1%). The margin improvement was mainly a result of increased prices, in combination with cost savings programs initiated over the last years, which has increased competitiveness.

Profit after tax ended at NOK 6 million (NOK -103). Q4'22 was negatively affected by special items of NOK 18 million (NOK 73 million). Net Financial expenses ended at NOK 51 million (NOK 56 million), a decrease of 9.1% mainly related to an earn-out provision in Q4'21, partly offset by increased interest rates. The income tax expense amounted to NOK 4 million (NOK 20 million), resulting in an effective tax rate of 42.9% (-23.7%). The effective tax rate was impacted by profit before tax in different tax jurisdictions, with certain loss-making jurisdictions not recognizing deferred tax assets.

Professional Building Solutions

NOK million	Q4 2022	Q4 2021	Change
Adjusted Total revenue	748	698	7.3%
Order intake	765	797	-4.0%
Adjusted EBITDA[1]	88	81	9.0%
Adjusted EBITDA margin[1]	11.8%	11.6%	0.2 pp

[1] Excluding IFRS 16 effects. Please refer to APM section for further explanations and details on APM measures.

The Professional Building Solutions' total revenue came in at NOK 748 million (NOK 698 million), an increase of 7.3% without any revenue adjustments. Revenue development is still mixed among the markets. The positive development was mainly driven by increases in Poland, Norway, and Denmark, whereas UK and Switzerland reported lower revenues compared to the same period last year. PBS, also experienced an increase in orders in Q4'22, related to the RoHS directive.

PBS reported a total order intake of NOK 765 million (NOK 797 million), a decrease of 4.0%. The expected decrease was mainly related to extraordinarily high levels of pre-orders due to component scarcity. The order stock in PBS was at NOK 633 million (NOK 633 million) by the end of the quarter, which is stable year-on-year.

Adjusted EBITDA was NOK 88 million (NOK 81 million) or an increase of 9.0%. The adjusted EBITDA margin ended at 11.8% (11.6%). The increase was mainly related to higher prices and improvement initiatives, partly offset by increased freight-, energy- and raw material costs.

Marine, Offshore & Wind

NOK million	Q4 2022	Q4 2021	Change
Adjusted Total revenue	264	207	27.3%
Order intake	291	245	18.8%
Adjusted EBITDA[1]	41	16	157.9%
Adjusted EBITDA margin[1]	15.7%	7.8%	8.0 pp

[1] Excluding IFRS 16 effects. Please refer to APM section for further explanations and details on APM measures.

Marine, Offshore & Wind's total revenue came in at NOK 301 million (NOK 207 million), an increase of 45.4%, whereas adjusted total revenue ended at NOK 264 million (NOK 207 million), an uplift of 27.3%. The sub- segments of Commercial Marine, Offshore Energy and Wind, and Navy delivered strong sales figures, and the offshore wind segment will generate further opportunities in the short term and for the foreseeable future.

MOW reported an increase in order intake. Total order intake ended at NOK 291 million (NOK 245 million), up by 18.8%, mainly related to the Offshore Energy and Wind-, Commercial Marine vessels- and Navy sub-segments. MOW holds a leading position in Europe in the offshore wind sub-segment. The order stock in MOW was at NOK 602 million (NOK 469 million) by the end of the quarter, an increase of 28.3%, reflecting strong momentum.

Adjusted EBITDA was NOK 41 million (NOK 16 million), an increase of 157.9%. The adjusted EBITDA margin came in at 15.7% (7.8%). The increase in adjusted EBITDA is explained by the combination of higher revenue and higher gross profit margins due to an improved segment mix and increased prices, as well as improvement initiatives.

Year-to-date

Group

NOK million	FY2022	FY2021	Change
Adjusted Total revenue	3,721	3,375	10.3%
Order intake	3,860	3,758	2.7%
Adjusted EBITDA	544	445	22.0%
Adjusted EBITDA margin	14.6%	13.2%	1.4 pp

The Glamox Group's total revenue was NOK 3,772 million (NOK 3,377 million), an increase of 11.7%, whereas total adjusted revenue amounted to NOK 3,721 million (NOK 3,375 million), corresponding to an increase of 10.3%.

The Glamox Group's total order intake was NOK 3,860 million (NOK 3,758 million), 2.7% up from the corresponding period last year.

Total operating expenses amounted to NOK 3,555 million (NOK 3,463 million). Raw materials and consumables for production purposes ended at NOK 1,781 million (NOK 1,643 million), an increase of 8.4%, mainly driven by increased inflationary pressure and volumes. Payroll and related costs amounted to NOK 1,194 million (NOK 1,227 million), a decrease of 2.7%. In FY'22 special items of NOK 69 million (NOK 282 million) were accounted for. In 2021, special items of NOK 196 million were booked related to restructuring, and discontinuation of the factory site and supporting factory functions in Germany.

Adjusted EBITDA was NOK 544 million (NOK 445 million), 22.0% above the corresponding period last year. The improvement is driven by revenue growth and the ability to manage increasing cost pressures, both inputs and production, but also overhead costs in general. The adjusted EBITDA margin is 14.6% (13.2%).

Professional Building Solutions

NOK million	FY2022	FY2021	Change
Adjusted Total revenue	2,808	2,638	6.5%
Order intake	2,778	2,898	-4.2%
Adjusted EBITDA[1]	359	340	5.5%
Adjusted EBITDA margin[1]	12.8%	12.9%	-0.1 pp

[1] Excluding IFRS 16 effects. Please refer to APM section for further explanations and details on APM measures.

Professional Building Solutions total revenue came in at NOK 2,808 million (NOK 2,640 million), an increase of 6.4%, without any revenue adjustments. PBS reported total order intake of NOK 2,778 million (NOK 2,898 million), corresponding to a reduction of 4.2%. Adjusted EBITDA was NOK 359 million (NOK 340 million), an increase of 5.5%.

Marine, Offshore & Wind

NOK million	FY2022	FY2021	Change
Adjusted Total revenue	913	737	23.9%
Order intake	1,033	814	26.9%
Adjusted EBITDA[1]	124	50	151.2%
Adjusted EBITDA margin[1]	13.6%	6.7%	6.9 pp

[1] Excluding IFRS 16 effects. Please refer to APM section for further explanations and details on APM measures.

Marine, Offshore & Wind's total revenue came in at NOK 963 million (NOK 737 million), an increase of 30.7%, whereas adjusted total revenue ended at NOK 913 million (NOK 737 million), corresponding to an increase of 23.9%[2]. MOW had a total order intake of NOK 1,033 million (NOK 814 million), an increase of 26.9%. Adjusted EBITDA is NOK 124 million (NOK 50 million), an increase of 151.2%.

[2] Refer to Note 3 - Special Items for details

Cash flow

Fourth Quarter

Glamox Group

NOK 1000	Q4 2022	Q4 2021	Change
Net cash flow from operating activities	120 772	132 860	-12 088
Net cash flow from investing activities	-6 643	-20 123	13 481
Net cash flow from financing activities	-69 263	-39 913	-29 350
Net change in cash and cash equivalents	44 867	72 823	-27 957

Net cash flow from operating activities equaled NOK 121 million (NOK 133 million), a decrease of NOK 12 million. Compared to Q3'22, increased working capital and a negative effect from changes in profit before tax explains the decrease in operating cashflow, partly offset by a positive effect from other operating changes. The small increase in working capital is a result of increased levels in accounts receivables due to strong revenue growth. This is partly offset by an increase in accounts payables, whereas inventory has remained stable through the quarter.

Net cash flow from investing activities equaled NOK -7 million (NOK -20 million) of which NOK -18 million was related to investment in tangible fixed assets and intangible assets.

Net cash flow from financing activities was NOK -69 million (NOK -40 million). This includes interest paid of NOK -50 million, lease payments including interest of NOK –17 million, and other financing activities of NOK -3 million.

Net change in cash and cash equivalents for the period was NOK 45 million (NOK 73 million) and FX-effects of NOK 11 million (NOK -15 million), increasing the cash balance to NOK 328 million from Q3'22.

Year-to-date – Glamox Group

NOK 1000	FY2022	FY2021	Change
Net cash flow from operating activities	167 510	170 163	-2 653
Net cash flow from investing activities	-57 152	-338 582	281 431
Net cash flow from financing activities	-155 227	5 944	-161 171
Net change in cash and cash equivalents	-44 868	-162 475	117 607

Net cash flow from operating activities amounted to NOK 168 million (NOK 170 million). The decrease is mainly explained by a significant buildup of working capital in the first half of 2022 and less contribution from other operating changes, partly offset by higher profit. The FY'22 cash flow from operating activities are affected by NOK 74 million related to the discontinuation of the factory site and supporting factory functions in Germany.

Capital structure

As of 31 December 2022, the equity amounts to NOK 1,690 million, corresponding to an equity ratio of 30.7%. Net interest-bearing debt is NOK 2,332 million, which is up from NOK 2,154 million as of 31 December 2021. The leverage ratio was 4.3x (4.8x), reducing from 4.6x on 30 September 2022, and mainly related to increased adjusted EBITDA.

The Glamox Group's borrowings consist of long-term senior secured notes of NOK 1,350 million and a revolving credit facility (RCF) of NOK 1,400 million (classified as current interest-bearing liabilities in the Q4'22 condensed consolidated interim financial statements).

Glamox Group has secured a new corporate style revolving credit facility with the incumbent banks DNB and Danske Bank. In relation to that, GLX Holding AS has mandated Arctic Securities, Danske Bank, and DNB Markets for a potential refinancing of the outstanding senior secured bond.

As of 31 December 2022, the total liquidity reserve is NOK 604 million (NOK 792 million).

Significant risks and uncertainties

For information regarding the most significant risks and uncertainty factors, please read the description in the 2021 annual report. The Glamox Group is exposed to risks and uncertainty factors that may affect some or all group activities.

The company is exposed to financial, market, and operational risks. The global economic prospects have deteriorated because of Russia's invasion of Ukraine, fueling uncertainty and adding to the inflationary pressure brought on by the pandemic. The risk of recession in many countries is rising. These elements add further uncertainty to the development of the general market.

Outlook

The Glamox Group's fundamental 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 with particular strong momentum in MOW. 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 MOW sector. Increasing use of Light Management Systems is also expected to create further opportunities for the lighting industry. Finding new ways to enhance efficiencies and customer experiences based on the data collected by these systems are high up on our agenda. The uptick in investments in offshore energy and transition to offshore wind also bode well for the future.

The instability and shortages in the components supply chain have eased further during the quarter, and we expect a gradual normalization going forward for product delivery times. This positive market development is expected to continue in both business 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 has no business exposure to Russia and very limited business with Ukraine. 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.

GLX Holding AS condensed consolidated interim financial statements

Condensed consolidated interim statement of profit and loss

NOK 1000	Notes	Q4 2022	Q4 2021	FY2022	FY2021
Revenue		1 011 343	899 532	3 703 763	3 362 090
Other operating income		37 634	5 447	68 317	15 294
Total revenues	2	1 048 977	904 978	3 772 080	3 377 384
Raw materials and consumables used		507 081	456 886	1 780 976	1 643 215
Payroll and related cost		321 349	312 268	1 194 000	1 226 860
Other operating expenses	6	84 926	98 628	313 661	337 764
Depreciation, amortization and impairment of non-current assets		74 849	64 778	266 781	255 570
Operating profit		60 772	-27 582	216 661	-86 025
Financial income		30 362	29 109	143 750	69 122
Financial expenses		80 867	84 661	323 651	212 536
Net financial items	5	50 504	55 551	179 901	143 413
Profit/loss before tax		10 268	-83 134	36 760	-229 439
Taxes		4 408	19 673	46 503	16 831
Profit/loss for the period		5 860	-102 806	-9 743	-246 269
Profit/loss attributable to equity holders of the parent		-2 596	-83 756	-31 770	-207 624
Profit/loss attributable to non-controlling interest		8 456	-19 050	22 027	-38 645

Condensed consolidated interim statement of comprehensive income

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Profit/loss for the period	5 860	-102 806	-9 743	-246 269
Other comprehensive income that will not be reclassified to profit or loss:				
Gain/loss from remeasurement on defined benefit plans	27 746	25 927	27 746	25 927
Tax effect on remeasurements on defined benefit plans	-3 967	-3 152	-3 967	-3 152
Total items that subsequently will not be reclassified to profit or loss	23 779	22 775	23 779	22 775
Other comprehensive income that may be reclassified to profit or loss:				
Currency translation differences	32 293	-27 842	37 769	-34 957
Net gain/loss on hedge of foreign subsidiaries	-31 715	30 854	-33 442	38 776
Tax effect from hedge of foreign subsidiaries	6 977	-6 788	7 357	-8 531
Total items that subsequently may be reclassified to profit or loss	7 555	-3 777	11 684	-4 712
Other comprehensive income for the period	31 334	18 998	35 463	18 063
Total comprehensive income for the period	37 194	-83 808	25 720	-228 206
Total comprehensive income attributable to equity holders of the parent	21 270	-69 286	-4 760	-193 866
Total comprehensive income attributable to non- controlling interest	15 924	-14 522	30 480	-34 340

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Earnings per share attributable to equity holders of the parent				
Weighted average number of ordinary shares outstanding:				
Basic	1 000	1 000	1 000	1 000
Diluted	1 000	1 000	1 000	1 000
Per ordinary share in NOK (thousand):				
Basic	-2,60	-83,76	-31,77	-207,62
Diluted	-2,60	-83,76	-31,77	-207,62

Condensed consolidated interim statement of financial position

NOK 1000	Notes	FY2022	FY2021
ASSETS			
Intangible non-current assets and goodwill		3 036 516	3 129 042
Tangible non-current assets		529 517	589 682
Deferred tax assets		77 165	59 929
Other non-current assets		20 681	33 034
Total non-current assets		3 663 879	3 811 687
Inventory		819 699	663 217
Receivables		693 632	543 213
Cash and cash equivalents	4	327 536	379 604
Total current assets		1 840 867	1 586 034
TOTAL ASSETS		5 504 746	5 397 722
EQUITY AND LIABILTIES			
Equity		1 361 583	1 366 342
Non-controlling interests		328 284	324 023
Total equity		1 689 867	1 690 365
Pension liabilities		22 944	45 104
Non-current interest-bearing liabilities	4	0	2 291 231
Non-current lease liabilities	4	143 124	169 669
Deferred tax liabilities		324 539	332 293
Non-current provision and other liabilities		33 460	44 964
Total non-current liabilities		524 067	2 883 261
Trade payables		371 882	306 917
Income tax payable		37 368	9 949
Other payables		123 091	108 840
Interest bearing liabilities	4	2 431 718	8 698
Lease liabilities	4	59 426	56 871
Provisions and other liabilities		267 327	332 821
Total current liabilities		3 290 812	824 095
TOTAL EQUITY AND LIABILTIES		5 504 746	5 397 722

Condensed consolidated interim statement of changes in equity

NOK 1000	Share capital	Share premium reserve	Other equity	Total shareholders' equity	Non-controlling interests	Total equity
Balance as of 31 December 2021	1 000	1 599 346	-234 003	1 366 342	324 023	1 690 365
Current period profit and loss			-31 770	-31 770	22 027	-9 743
Other comprehensive income (loss)			27 011	27 011	8 453	35 463
Total comprehensive income (loss)			-4 760	-4 760	30 480	25 720
Dividends				-	-26 218	-26 218
Balance as of 31 December 2022	1 000	1 599 346	-238 763	1 361 583	328 284	1 689 867

NOK 1000	Share capital	Share premium reserve	Other equity	Total shareholders' equity	Non-controlling interests	Total equity
Balance as of 31 December 2020	1 000	1 599 346	-40 137	1 560 207	389 109	1 949 316
Current period profit and loss			-207 624	-207 624	-38 645	-246 269
Other comprehensive income (loss)			13 758	13 758	4 305	18 063
Total comprehensive income (loss)			-193 866	-193 866	-34 340	-228 206
Dividends					-30 747	-30 747
Balance as of 31 December 2021	1 000	1 599 346	-234 003	1 366 342	324 023	1 690 365

Condensed consolidated interim statement of cash flow

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Profit/loss before tax	10 268	-83 134	36 760	-229 439
Taxes paid	-22 576	-5 916	-48 119	-35 790
Depreciation, amortization and impairment	74 849	64 778	266 781	255 570
Profit from sale of assets	-898	-	-898	-854
Changes in working capital	-39 743	95 984	-217 712	14 772
Other operating changes	98 873	61 148	130 698	165 903
Net cash flow from operating activities	120 772	132 860	167 510	170 163
Purchase of tangible fixed assets and intangible assets	-17 682	-25 332	-57 015	-99 448
Proceeds from sale of tangible fixed assets	1 610	-	6 110	-
Acquisition of subsidiary, net of cash acquired	-	3 535	-48 509	-243 069
Other cash flow from investments incl interest received	9 430	1 674	42 262	3 934
Net cash flow from investing activities	-6 643	-20 123	-57 152	-338 582
Repayment of long-term debt	-928	-	-4 005	-12 041
Lease payments including interest	-16 948	-14 656	-64 882	-61 483
Proceeds from borrowings	-	-	110 000	238 260
Dividend paid to non-controlling interests	-	-	-26 218	-30 747
Interest paid	-49 683	-28 414	-164 087	-117 276
Other cash flow from financing activities	-1 704	3 157	-6 036	-10 770
Net cash flow from financing activities	-69 263	-39 913	-155 227	5 944
Net change in cash and cash equivalents	44 867	72 823	-44 868	-162 475
Effect of change in exchange rate	11 251	-14 538	-7 200	-22 682
Cash and cash equivalents, beginning of period	271 418	321 319	379 604	564 761
Cash and cash equivalents, end of period	327 536	379 604	327 536	379 604

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 IAS 34 for interim financial reporting. GLX Holding AS has applied the same accounting policies as in the IFRS consolidated financial statements for 2021. 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 statements for 2021. The fourth quarter 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 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 Glamox 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 statements for 2021.

Change in revenue classification
From Q4'22, Freight to customers is presented as Revenue. Previously Freight to customers was presented as Other operating income. Comparable figures have also been adjusted accordingly. In some cases, Glamox offers to deliver freight as a service to the customer. In such cases,freight is not considered to be a distinct performance obligation. Freight and delivery of goods are therefore considered as a common performance obligation and presented as Revenue.

Note 2 – Segments
The Glamox Group operates with two different segments, Professional Building Solutions (PBS) and Marine, Offshore & Wind (MOW). These two segments, to a considerable extent, offer different products and solutions to their markets. They operate in strategically different markets and therefore have different sales channels, marketing strategies and risks. PBS offers complete lighting solutions for the following markets: office and commercial buildings, industrial buildings, health institutions, educational establishments, retail and shopping centers, and hotels and restaurants, mainly in Europe. Their main sales channel is direct to customers and wholesalers. MOW offers products to the global market within commercial marine, offshore- and onshore energy, navy, cruise and ferries. The customer base of MOW consists of vessel owners, yards, electrical installers, engineering- and oil companies.

To monitor and follow up the profitability of the complete value chain of the two segments, the segment reporting presents both PBS and MOW with their respective complete value chains. The two segments operate with differentiated "front ends", and one common, integrated "back-end" serving both functions with procurement, manufacturing, warehousing and distribution. Group functions are distributed between the two operational divisions based on allocation keys. IFRS 16 Leasing effects and GLX Holding AS functions and costs are not allocated to the two operating segments.

NOK million	PBS Q4 2022	MOW Q4 2022	Other Q4 2022	Group Q4 2022
Revenues	748	301		1,049
EBITDA	76	44	16	136
in %	10.2 %	14.5 %		12.9 %

NOK million	PBS 1.1-31.12.2022	MOW 1.1-31.12.2022	Other 1.1-31.12.2022	Group 1.1-31.12.2022
Revenues	2,809	963		3,772
EBITDA	311	111	61	483
in %	11.1 %	11.5 %		12.8 %

Note 3 – Items affecting comparability
In Q4’22 the Glamox Group recorded special items of NOK 18 million. NOK 29 million is related to restructuring and NOK 2 million is related to integration costs. Further, NOK 4 million is related to ERP upgrade, NOK -25 million is related to insurance settlements regarding claims for two product-families sold to the energy area (MOW segment) over several years, and NOK 8 million relates to other items.

In FY’22 the Glamox Group recorded special items of NOK 69 million. NOK 70 million is related to restructuring and NOK 5 million is related to integration costs. Further, NOK 21 million is related to ERP upgrade, NOK -39 million is related to insurance settlements regarding claims for two product-families sold to the energy area (MOW segment) over several years, and NOK 12 million relates to other items.

In Q4’21 the Glamox Group recorded special items of NOK 73 million. NOK 42 million is related to restructuring and NOK 1 million is related to integration and acquisition costs. Further, NOK 13 million is related to an ERP upgrade, NOK 6 million is related to a Claim, and NOK 11 million relates to other items.

In FY’21 the Glamox Group recorded special items of NOK 282 million. NOK 196 million is related to restructuring and NOK 19 million is related to integration and acquisition costs. Further, NOK 33 million is related to an ERP upgrade, NOK 12 million is related to a Claim, and NOK 22 million relates to other items.

Note 4 – Interest bearing liabilities to financial institutions
The Glamox 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 Q4’22 the utilized amount was NOK 1,104 million. The revolving facility has a maturity until September 30, 2023 and maturity date of the Callable Open Bond is December 8, 2023. Net interest-bearing debt is NOK 2,332 million as of December 31, 2022.

Glamox Group has secured a new corporate style revolving credit facility with the incumbent banks DNB and Danske Bank. In relation to that, GLX Holding AS has mandated Arctic Securities, Danske Bank, and DNB Markets for a potential refinancing of the outstanding senior secured bond.

The liquidity reserve is NOK 604 million as of December 31, 2022.

Note 5 – Financial income and expenses

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Financial Income				
Currency gain	20 801	27 536	121 355	56 373
Interest income	9 430	1 506	22 228	3 766
Gain financial derivates	-	-	-	8 868
Other financial income	131	67	167	116
Total financial income	30 362	29 109	143 750	69 122
Financial expenses				
Currency loss	18 901	26 204	134 891	52 317
Interest expenses[1]	53 439	31 850	178 033	125 163
Loss financial derivates	1 484	411	-859	4 189
Other financial expenses[2]	7 043	26 194	11 586	30 865
Total financial expenses	80 867	84 661	323 651	212 536

[1] Interest expenses include interest on lease liabilities

[2] In Q4’22, Other financial expenses include increased earn-out provision for the acquisition of Wasco and LiteIP of NOK 6.4 million

[2] In Q4’21, Other financial expenses include increased earn-out provision for the acquisition of Wasco of NOK 25.5 million

Note 6 – Related party transactions
Related parties are Glamox Group companies, major shareholders, board and senior management in the parent company and the group subsidiaries. All transactions within the Glamox 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 Q4’22, the company expensed NOK 2 million.

Note 7 – Subsequent events
Glamox Group has secured a new corporate style revolving credit facility with the incumbent banks DNB and Danske Bank. In relation to that, GLX Holding AS has mandated Arctic Securities, Danske Bank, and DNB Markets for a potential refinancing of the outstanding senior secured bond.

Alternative Performance Measures (APMs)

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 EBITDA, adjusted EBIT margin, adjusted EBITDA margin, adjusted total revenue, EBIT, EBITDA, EBIT 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 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, adjusted for special items.

• Adjusted EBIT margin is defined as adjusted EBIT 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.

• 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.

• 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

Adjusted EBIT[1]

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
EBIT[1]	60 772	-27 582	216 661	- 86 025
Special items	18 408	72 619	69 411	282 279
Adjusted EBIT[1]	79 180	45 036	286 072	196 253
Total revenues	1 048 977	904 978	3 772 080	3 377 384
Adjusted total revenues	1 011 841	904 761	3 721 258	3 374 892
EBIT margin[1]	5,8 %	-3,0 %	5,7 %	-2,5 %
Adjusted EBIT margin[1]	7,8 %	5,0 %	7,7 %	5,8 %

Adjusted EBITDA[1]

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Profit/loss for the period	5 860	-102 806	-9 743	- 246 269
Income tax	4 408	19 673	46 503	16 831
Net financial items	50 504	55 551	179 901	143 413
EBIT[1]	60 772	-27 582	216 661	- 86 025
Depreciation, amortization and impairment of non-current assets	74 849	64 778	266 781	255 570
EBITDA[1]	135 621	37 196	483 442	169 545
Special items	9 133	72 135	60 136	275 866
Adjusted EBITDA[1]	144 754	109 331	543 578	445 411
Total revenues	1 048 977	904 978	3 772 080	3 377 384
Adjusted total revenues	1 011 841	904 761	3 721 258	3 374 892
EBITDA margin[1]	12,9 %	4,1 %	12,8 %	5,0 %
Adjusted EBITDA margin[1]	14,3 %	12,1 %	14,6 %	13,2 %

Adjusted Total revenues[1]

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Total revenues	1 048 977	904 978	3 772 080	3 377 384
Special items in total revenues	37 136	217	50 822	2 492
Adjusted total revenues[1]	1 011 841	904 761	3 721 258	3 374 892

[1] Please refer to page 16 for explanations on the APM definitions

Net interest-bearing debt and leverage ratio[1]

NOK 1000	FY2022	FY2021
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	2 154 333
Adjusted EBITDA last twelve months	543 578	445 411
Leverage ratio[1]	4,3x	4.8x

Segment reconciliation

NOK 1000	Q4 2022	Q4 2021	FY2022	FY2021
Adjusted total revenues[1] - PBS	748 257	697 642	2 807 942	2 637 919
Adjusted total revenues[1] - MOW	263 584	207 119	913 315	736 973
Adjusted total revenues[1]	1 011 841	904 761	3 721 258	3 374 892
Adjusted EBITDA[1] - PBS	87 998	80 706	358 584	339 827
Adjusted EBITDA margin[1] PBS	11,8 %	11,6 %	12,8 %	12,9 %
Adjusted EBITDA[1] - MOW	41 399	16 054	124 263	49 641
Adjusted EBITDA margin[1] MOW	15,7 %	7,8 %	13,6 %	6,7 %
Adjusted EBITDA IFRS162	17 044	14 801	64 785	60 398
Adjusted EBITDA GLX Holding[2]	-1 686	-2 230	-4 054	-4 454
Adjusted EBITDA[1]	144 754	109 331	543 578	445 411
Adjusted EBITDA margin[1]	14,3 %	12,1 %	14,6 %	13,2 %

[1] Please refer to page 16 for explanations on the APM definitions

[2] IFRS 16 effect and operating cost for GLX Holding company unallocated to segment.

Definitions

Financial:

Total revenue	Revenue and other operating income net of commissions and other sales reductions
Net financial items	Financial income minus financial expenses including exchange rate differences related to financial assets and liabilities
Special Items	Any items (positive or negative) of a one off, special, unusual, non-operational or exceptional nature including restructuring expenses
Liquidity reserve	Unused credit facility plus cash and cash equivalents (excluded restricted cash)

Non-Financial:

HCL	Human Centric Lighting
LED	Light-Emitting Diode
LMS	Light Management Systems
MRO	Maintenance, Repair and Operations

Marine, Offshore & Wind segment descriptions:

Commercial marine	Glamox provides a complete range of lighting products and solutions suitable for all kinds of vessels, whether it is a wind farm support vessel, a live fish carrier or a chemical tanker. The products are designed and manufactured to meet all relevant standards, and work reliably even under the most extreme conditions.
Offshore energy	Glamox' focused sub-segments for the wind farms are the turbines, foundations, substations and converter stations. Traditional oil & gas industries focused sub-segments are floating production units, such as drilling units as well as continental shelf field centers.
Onshore energy	Glamox brings lessons learned from the offshore industry to onshore energy installations. Smart lighting solutions for huge and complex petrochemical plants, refineries, tank storage, and other onshore facilities.
Navy and coast guard	Glamox has a long history in the maritime defense and security sector and offers a complete and comprehensive military tested product and system portfolio to the Global Naval, Coast Guard, and SAR markets including navigation lights, floodlights, searchlights, interior and exterior technical lighting, explosion-proof luminaries, integrated system solutions for surface ships and submarines and Helicopter Visual Landing Aid systems and perimeter lighting.
Cruise and ferry	Cruise vessels are passenger ships used for pleasure voyages, where the voyage itself and the ship's amenities are a part of the experience.

Professional Building Solutions sector descriptions:

Retrofit	Exchange of a lighting solution (complete luminaries or LED kits) in a non-residential building. Existing footprint of electrical infrastructure remains.
Renovation	Upgrade of non-residential buildings, normally including both mechanical and electrical solutions. New electrical infrastructure and new lighting solutions are normally needed.
Newbuild	New construction of a non-residential building, including electrical infrastructure and the lighting solution.

Glamox

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