

# GLX Holding

Fourth quarter results 2020

**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.*



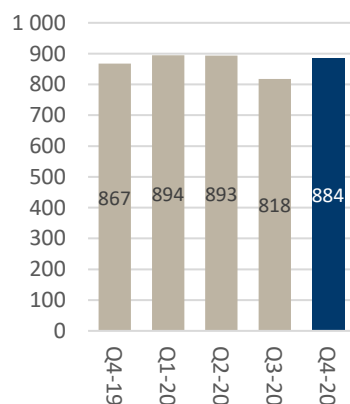
# Highlights 4<sup>th</sup> quarter 2020

- **Order intake** ended at NOK 878m, an increase of 4% from NOK 842m in the fourth quarter last year, down 10% on a comparable basis
- **Total revenue** ended at NOK 884m, an increase of 2% from NOK 867m in the fourth quarter last year, down 8% on a comparable basis
- **Adjusted EBITDA** was NOK 112m, down from NOK 123m in the fourth quarter last year
- **Operating cash flow** was NOK 186m, up from NOK 103m in the fourth quarter last year

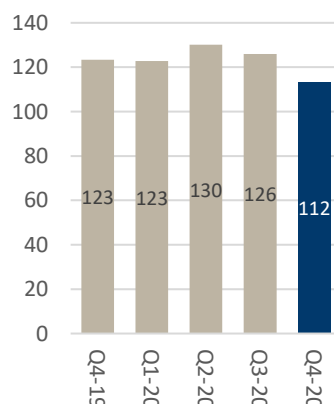
## Key figures

	Q4 2020	Q4 2019	YTD 2020	YTD 2019
Order intake	878	842	3 484	3,100
Total revenue	884	867	3 490	3,098
EBITDA	72	100	379	408
<i>EBITDA margin (%)</i>	<i>8.1 %</i>	<i>11.6 %</i>	<i>10.9 %</i>	<i>13.2 %</i>
EBIT	10	49	139	226
<i>EBIT margin (%)</i>	<i>1.1 %</i>	<i>5.7 %</i>	<i>4.0 %</i>	<i>7.3 %</i>
Adjusted EBITDA	112	123	491	480
<i>Adjusted EBITDA margin (%)</i>	<i>12.7 %</i>	<i>14.1 %</i>	<i>14.1 %</i>	<i>15.7 %</i>
Adjusted EBIT	58	71	259	298
<i>Adjusted EBIT margin (%)</i>	<i>6.6 %</i>	<i>8.2 %</i>	<i>7.4 %</i>	<i>9.8 %</i>
Profit for the period, after tax	(21)	24	(28)	79
Net cash from operations	186	103	404	212
Net interest-bearing debt <sup>1</sup>	1,571	1,655	1,571	1,655

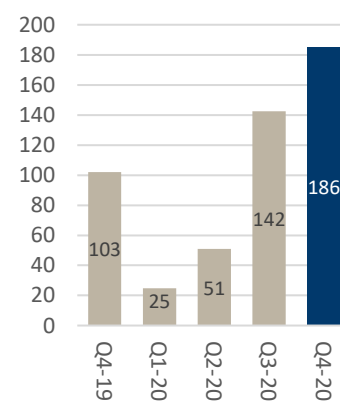
**Revenue development**  
NOK million



**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**

The Group's order intake in the fourth quarter 2020 ended at NOK 878m, representing an increase of 4% from NOK 842m in the fourth quarter last year. Total revenue in the quarter was NOK 884m, an increase of 2% from NOK 867m in the fourth quarter last year. On a comparable basis, adjusted for acquisitions and currency effect, order intake was 10% below while total revenue was 8% below the corresponding quarter last year.

Adjusted EBITDA amounted to NOK 112m in the quarter, 8% below NOK 123m in the fourth quarter last year. The adjusted EBITDA margin decreased from 14.1% to 12.7% year-on-year. The decrease in adjusted EBITDA is mainly explained by a combination of lower comparable volume and lower sales margins.

The market situation in the PBS business area has stabilized in the fourth quarter, but the results continue to be negatively affected by some delays and postponement due to the Covid-19 pandemic. The UK, Irish, Polish and Dutch markets are particularly affected and report a decrease in both order intake and revenue in the quarter, partly offset by a year-on-year increase in Scandinavia. The GMO business area report a weak development in both the Commercial Marine and the Offshore Energy segment in the quarter. An unfavorable product mix in GMO has led to further negative margin pressure compared to last year, partly offset by a reduction in operating expenses.

Activities to streamline operations and improve the productivity continue to progress well. Positive effects from the transfer of products from the factory in Sweden to our factories in Estonia and Norway are expected from the first quarter 2021 with full effect from the second quarter 2021. Our operations in the UK has been fully integrated in the fourth quarter 2020, while the operations in Poland will be fully integrated from the first quarter 2021.

The Glamox Group is entering the new year from a strong position. In the PBS business area, the market situation has stabilized in most geographies, and we have managed to increase the market share in most of the target markets during 2020. In the GMO business area, we expect to see a recovery in our largest market segments during 2021. We continue to have a strong cost focus while also implementing our strategic growth initiatives including the search for accretive acquisition opportunities. The Glamox Group's financial position is strong with solid equity and liquidity.

Rune Marthinussen

President & CEO Glamox AS

# Financial review

## Group results

### Quarter

The order intake in Q4-2020 ended at NOK 878m, an increase of 4% from NOK 842m in Q4-2019. The PBS business area reports order intake in line with last year, while the GMO business area reports lower order intake than last year. The currency effect in the quarter had a positive effect on both order intake and revenue. Adjusted for acquisitions and currency effects, the Group had a comparable year-on-year decline in order intake of 10% in the fourth quarter 2020.

The Group had total revenue of NOK 884m in Q4-2020, up 2% from NOK 867m in Q4-2019. The PBS business area reports higher revenue while the GMO business area reports lower revenue than last year. Compared to last year, total revenue in the fourth quarter is positively impacted by the acquisition of ES-System in addition to positive currency effects. On a comparable basis, total revenue decreased by 8% year-on-year in the quarter.

The adjusted EBITDA for GLX Holding ended at NOK 112m in Q4-2020, below NOK 123m in Q4-2019. The adjusted EBITDA margin in the quarter was 12.7% compared to 14.1% in the same period last year. Special items with a negative EBITDA effect of NOK 40m was reported in the quarter. An impairment loss of NOK 8m related to the closure of the factory in Sweden was also reported as special item in the quarter.

In Q4-2020 the Group reports a loss after tax of NOK 21m, down from a profit after tax of NOK 24m in Q4-2019. Lower reported operating profit, higher depreciation and amortization, impairment cost and higher net financial cost has a negative impact on the net result in the quarter compared to last year.

### Year to date

The Group reports total order intake of NOK 3,484m YTD 2020, up 12% from NOK 3,100m in the same period last year, down 8% on a comparable basis. Total revenue YTD 2020 amounted to NOK 3,490m, up 13% from NOK 3,098m YTD 2019 or 7% below last year on a comparable basis.

The adjusted EBITDA YTD 2020 is NOK 491m, an increase of 2% from NOK 480m YTD 2019 driven by higher volume. The adjusted EBITDA margin YTD 2020 is 14.1% compared to 15.7% YTD 2019.

## Cash flow

### Quarter

Cash flow from operations equaled NOK 186m in Q4-2020 compared to cash flow from operations of NOK 103m in Q4-2019. The strong year-on-year increase in operating cash flow is mainly explained by a positive effect from changes in working capital and other operating changes of NOK 138m in Q4-2020, compared to NOK 66m in Q4-2019. Lower EBITDA has a negative effect while lower taxes paid contributes positively.

Net cash flow from investing activities in the quarter equaled NOK -18m. Investments in existing business was NOK -20m, while NOK 2m is related to other cash flow from investing activities.

Net cash flow from financing was NOK -57m in Q4-2020. This includes interest paid of NOK -30m, lease payments including interest of NOK -18m and other cash flow from financing of NOK -8m. Total cash flow for the period was NOK 111m increasing the cash balance to NOK 565m.

### Year to date

Cash flow from operations amounted to NOK 404m YTD 2020, an increase from NOK 212m YTD 2019. The increase is driven by a positive year-on-year effect from working capital and other operating changes.

## Financial position

As of 31 December 2020, GLX Holding's equity amounts to NOK 1,954m. The equity ratio as of 31 December 2020 was 37%. Net interest-bearing debt as of 31 December 2020 is NOK 1,571m (adjusted for the IFRS 16 effect), which is down from NOK 1,693m as at 30 September 2020. The decrease is mainly explained by strong operating cash flow in the quarter.

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 31 December 2020, the total liquidity reserve is NOK 1,170m.

## Segments

ES-System is currently reporting as a separate segment, but will from Q1-2021 be reported as part of Professional Building Solutions (PBS). In Q4-2020 ES-System reported order intake of NOK 106m, total adjusted revenue of NOK 114m and adjusted EBITDA of NOK 12m (excluding IFRS16). Order intake YTD 2020 amounted to NOK 432m, total revenue is NOK 431m while adjusted EBITDA ended at NOK 37m.

## Professional Building Solutions (PBS)

NOKm	Q4 2020	Q4 2019	YTD 2020	YTD 2019
Order intake	596	593	2 298	2 190
Adjusted Total revenue	597	552	2 245	2 167
Adjusted EBITDA <sup>1</sup>	74	80	322	359
Adjusted EBITDA margin <sup>1</sup>	12.4 %	14.4 %	14.3 %	16.6 %

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

## Quarter

The Professional Building Solutions (PBS) business area reports total order intake of NOK 596m in Q4-2020, in line with NOK 593m in Q4-2019. Total revenue ended at NOK 597m in Q4-2020, an increase of 8% from NOK 552m in Q4-2019. The order intake and revenue are positively impacted by currency effects in the quarter compared to last year. The comparable year-on-year order intake is down 5%, while comparable revenue increased by 2%. Weaker order intake in the Netherlands and the UK explain the decline in comparable order intake, partly offset by a positive development in Scandinavia. A strong quarter in our largest market Norway, in addition to an increase in Finland, Denmark and Switzerland drives year-on-year comparable revenue growth.

The adjusted EBITDA in Q4-2020 was NOK 74m, a reduction of 7% from NOK 80m in Q4-2019. The adjusted EBITDA margin ended at 12.4%, down from 14.4% in Q4-2019. A combination of lower sales margin and slightly higher operating expenses explains the fall in adjusted EBITDA margin in the quarter compared to last year.

## Year to date

The PBS business area reported total order intake of NOK 2,298m YTD 2020, an increase of 5% from NOK 2,190m YTD 2019. Total revenue is NOK 2,245m YTD 2020, up 4% from NOK 2,167m YTD 2019. The comparable year-on-year order intake is down 4%, while comparable year-on-year revenue decreased by 6%. Adjusted EBITDA is NOK 322m YTD 2020, 10% below NOK 359m YTD 2019.

## Global Marine & Offshore (GMO)

NOKm	Q4 2020	Q4 2019	YTD 2020	YTD 2019
Order intake	176	228	754	889
Adjusted Total revenue	172	242	813	853
Adjusted EBITDA <sup>1</sup>	9	33	78	90
Adjusted EBITDA margin <sup>1</sup>	5.2 %	13.7 %	9.6 %	10.6 %

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

## **Quarter**

The Global Marine & Offshore (GMO) business area reports total order intake of NOK 176m in Q4-2020, down 22% from NOK 228m in Q4-2019. Total revenue ended at NOK 172m in Q4-2020, 29% below NOK 242m in Q4-2019. On a comparable basis the year-on-year order intake is down 25%, while comparable revenue fell by 31% compared to last year. Lower comparable order intake due to a decrease in the Cruise and Ferry segment, the Offshore Energy segment, and the Commercial Marine segment, partly offset by an increase in order intake from the Navy segment. Lower comparable revenue is explained by both the Commercial Marine segment and the Offshore Energy segment reporting a decline in revenue compared to the fourth quarter last year.

The adjusted EBITDA was NOK 9m, 73% below NOK 33m in Q4-2019. The adjusted EBITDA margin in Q4-2020 was 5.2% compared to 13.7% in Q4-2019. The business area reports a material decrease in operating expenses in the quarter which offsets part of the negative volume effect. A negative product mix did also affect the margin negatively in Q4-2020 compared to last year.

## **Year to date**

The GMO business area had total order intake of NOK 754m YTD 2020, down 15% from NOK 889m YTD 2019. Total revenue ended at NOK 813m YTD 2020, a decrease of 5% from 853m YTD 2019. The comparable year-on-year order intake is down 20%, while comparable year-on-year revenue is 10% lower. Adjusted EBITDA is NOK 78m YTD 2020, 14% below of NOK 90m YTD 2019.

## **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.

In the PBS business area, the market situation has stabilized in most geographies and we expect a gradual improvement in 2021. In the GMO business area, we expect to see a recovery in our largest segments during 2021. However, in both business areas there is still high uncertainty related to the effects of the development of the Covid-19 infection rates and the consequences of the infection-reducing measures being implemented. 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	Q4		YTD	
	2020	2019	2020	2019
Revenue	867 771	813 177	3 435 506	3 005 333
Other operating income	15 825	54 099	54 042	92 312
<b>Total revenues</b>	<b>883 596</b>	<b>867 275</b>	<b>3 489 548</b>	<b>3 097 644</b>
Raw materials and consumables used	(441 877)	(394 075)	(1 673 305)	(1 427 347)
Payroll and related cost	(298 826)	(245 731)	(1 124 175)	(930 208)
Other operating expenses	(70 953)	(127 001)	(312 570)	(332 264)
<b>EBITDA</b>	<b>71 941</b>	<b>100 469</b>	<b>379 499</b>	<b>407 825</b>
Depreciation and impairment	(36 714)	(26 006)	(136 125)	(91 225)
Amortization	(25 355)	(25 260)	(103 960)	(90 558)
<b>Operating profit / EBIT</b>	<b>9 871</b>	<b>49 203</b>	<b>139 413</b>	<b>226 043</b>
Net financial items	(31 063)	(9 216)	(150 677)	(92 538)
<b>Profit before tax</b>	<b>(21 192)</b>	<b>39 986</b>	<b>(11 263)</b>	<b>133 504</b>
Taxes	300	(16 010)	(17 196)	(54 203)
<b>Profit for the period</b>	<b>(20 892)</b>	<b>23 976</b>	<b>(28 460)</b>	<b>79 301</b>
Profit/loss attributable to owners	(20 805)	12 985	(49 215)	36 300
Profit/loss attributable to non-controlling interest	(87)	10 991	20 755	43 001

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

NOK 1000	Q4		YTD	
	2020	2019	2020	2019
<b>Profit for the period</b>	<b>(20 892)</b>	<b>23 976</b>	<b>(28 460)</b>	<b>79 301</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)	(6 348)	(3 509)	(6 348)
Tax effect on re-measurements on defined benefit plans	345	718	345	718
Total items that subsequently will not be reclassified to profit or loss	(3 164)	(5 629)	(3 164)	(5 629)
<i>Other comprehensive income that may be reclassified to profit or loss:</i>				
Currency translation differences	(14 480)	4 031	50 346	(952)
Net gain/loss on hedge of foreign subsidiaries	17 856	928	(51 026)	4 272
Tax effect from hedge of foreign subsidiaries	(3 928)	(204)	11 226	(940)
Total items that subsequently may be reclassified to profit or loss	(552)	4 755	10 546	2 380
<b>Other comprehensive income for the period</b>	<b>(3 716)</b>	<b>(874)</b>	<b>7 382</b>	<b>(3 249)</b>
<b>Total comprehensive income for the period</b>	<b>(24 608)</b>	<b>23 102</b>	<b>(21 078)</b>	<b>76 052</b>
Total comprehensive income attributable to owners	(23 636)	12 319	(43 593)	33 825
Total comprehensive income attributable to Non-Controlling interest	(972)	10 783	22 515	42 227

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

<b>NOK 1000</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
<b>ASSETS</b>		
Intangible non-current assets	2 950 303	3 024 346
Tangible non-current assets	581 649	624 480
Other non-current assets	79 766	62 992
<b>Total non-current assets</b>	<b>3 611 718</b>	<b>3 711 817</b>
Inventory	611 045	587 244
Receivables	517 248	639 212
Cash and cash equivalents	564 761	382 299
<b>Total current assets</b>	<b>1 693 055</b>	<b>1 608 754</b>
<b>TOTAL ASSETS</b>	<b>5 304 772</b>	<b>5 320 572</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	1 563 451	1 607 044
Non-controlling interests	390 078	401 184
<b>Total equity</b>	<b>1 953 529</b>	<b>2 008 228</b>
Deferred tax liabilities	331 221	353 785
Long-term interest-bearing liabilities	2 089 849	1 970 421
Long-term lease liabilities	145 111	133 167
Long-term provision and other liabilities	122 886	101 452
<b>Total non-current liabilities</b>	<b>2 689 067</b>	<b>2 558 825</b>
Short-term interest-bearing liabilities	11 998	22 770
Trade payables	264 719	284 656
Tax payable	3 179	13 777
Short-term lease liabilities	49 460	46 744
Other short-term liabilities	332 820	385 572
<b>Total current liabilities</b>	<b>662 176</b>	<b>753 519</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5 304 772</b>	<b>5 320 572</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 2019</b>	<b>1 000</b>	<b>1 599 346</b>	<b>6 700</b>	<b>1 607 046</b>	<b>401 184</b>	<b>2 008 228</b>
Current period profit and loss			(49 215)	(49 215)	20 755	(28 460)
Other comprehensive income (loss)			5 622	5 622	1 759	7 382
Total comprehensive income (loss)			(43 593)	(43 593)	22 515	(21 078)
Dividends					(33 621)	(33 621)
<b>Balance as of 31 December 2020</b>	<b>1 000</b>	<b>1 599 346</b>	<b>(36 893)</b>	<b>1 563 451</b>	<b>390 078</b>	<b>1 953 529</b>



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

NOK 1000	Q4		YTD	
	2020	2019	2020	2019
Profit before tax	(21 192)	39 986	(11 263)	133 504
Taxes paid	7 269	(17 038)	(55 700)	(83 833)
Depreciation, amortization and impairment	62 070	51 266	240 085	181 783
Profit from sale of assets	-	(36 783)	-	(36 783)
Changes in working capital	95 075	56 084	49 505	(9 961)
Other operating changes	42 846	9 863	181 638	27 503
<b>Net cash flow from operating activities</b>	<b>186 068</b>	<b>103 378</b>	<b>404 264</b>	<b>212 213</b>
Purchase of tangible fixed assets and intangible assets	(19 724)	(33 962)	(54 220)	(81 554)
Proceeds from sale of tangible fixed assets	-	61 504	-	61 504
Acquisition of subsidiary, net of cash acquired	-	(292 889)	(37 865) <sup>1</sup>	(355 369)
Other cash flow from investments incl. interest received	1 502	3 322	9 789	11 691
<b>Net cash flow from investing activities</b>	<b>(18 222)</b>	<b>(262 025)</b>	<b>(82 297)</b>	<b>(363 727)</b>
Down payment	0	(451)	(250 000)	(12 166)
Lease payment including interest	(18 158)	(10 142)	(58 142)	(35 861)
Proceeds from borrowings	-	355 137	350 000	405 137
Dividend paid	-	-	(33 621)	(33 622)
Interest paid	(30 415)	(32 025)	(130 697)	(116 153)
Other cash flow from financing activities	(8 452)	12 814	(9 078)	1 970
<b>Net cash flow from financing activities</b>	<b>(57 025)</b>	<b>325 331</b>	<b>(131 539)</b>	<b>209 305</b>
<b>Total cash flow for the period</b>	<b>110 821</b>	<b>166 684</b>	<b>190 429</b>	<b>57 790</b>
Effect of change in exchange rate	(11 142)	(5 151)	(7 966)	6 162
Cash and cash equivalents, beginning of period	465 081	220 765	382 299	318 346
<b>Cash and cash equivalents, end of period</b>	<b>564 761</b>	<b>382 299</b>	<b>564 761</b>	<b>382 299</b>

<sup>1</sup> On 30 April 2019, Glamox acquired all the shares in Luxonic. An earn-out of up to GBP 6.75m was agreed conditional on the company's performance in 2019 and 2020. NOK 37.9m was paid in Q1-2020 based on the performance in 2019.

# 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 2019. 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 2019. 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 2019.

## 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. ES-System, 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>Q4-2020</b>	<b>Q4-2020</b>	<b>Q4-2020</b>	<b>Q4-2020</b>
Revenues	597	172	115	884
EBITDA	49	1	23	72
in %	8.1 %	0.3 %		8.1 %

	<b>PBS</b>	<b>GMO</b>	<b>Other</b>	<b>Group</b>
	<b>YTD-2020</b>	<b>YTD-2020</b>	<b>YTD-2020</b>	<b>YTD-2020</b>
Revenues	2 245	813	432	3 490
EBITDA	269	48	63	379
in %	12.0 %	5.9 %		10.9 %

## Note 3 - Items affecting comparability

In Q4-2020 the Group recorded special items of NOK 48m. NOK 24m is related to restructuring and NOK 7m is related to integration cost. Further, NOK 2m is related to ERP upgrade, NOK 4m is related to ESG compliance, NOK 8m is related to impairment loss of factory building in Sweden and NOK 3m relates to other items.

In Q4-2019 the Group recorded special items of NOK 22m. NOK 23m was related to acquisition cost, integration cost and severance pay. NOK 24m was related to provision for potential claim cost. NOK 14m was related to ongoing restructuring activities. NOK 5m was related to other items. In Q4-2019 the Group had income items that was recorded as special items of NOK 43m. Of this, NOK 36m was related to sale of office in Bremen and NOK 7m related to reversal of provision.

YTD 2020 the Group recorded special items of NOK 120m. NOK 48m is related to restructuring and NOK 30m is related to integration cost. Further, NOK 17m is related to ERP upgrade, NOK 4m is related to claim cost, NOK 4m is related to ESG compliance, NOK 3m is related to Covid-19, NOK 8m is related to impairment loss of factory building in Sweden and NOK 6m relates to other items.

YTD 2019 the Group recorded special items cost of NOK 72m. Of this NOK 32m was related to acquisition cost, integration cost and severance pay. NOK 24m was related to provision for potential claim cost. NOK 46m was related to ongoing restructuring activities. NOK 8m was related to cancellation of orders to Russia and Iran. NOK 5m was related to other items. In 2019 the Group had income that was recorded as special items of NOK 43m. Of this, NOK 37m related to sales of office in Bremen and NOK 7m related to reversal of provision.

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

The Group holds a bond and a multi-currency revolving facility. The multi-currency revolving facility has a credit limit of NOK 1,400m and by year end 2019 the utilized amount was NOK 630m. In Q1-2020 the utilized amount was increased by NOK 350m. In Q3-2020 the utilized amount is decreased by NOK 250m. The remaining change in utilized amount is due to currency translation effects and utilization of the overdraft facility. As of December 31, 2020, the utilized amount is NOK 780m. The liquidity reserve is NOK 1,170m as of December 31, 2020.

Net interest-bearing debt is NOK 1,760m. Adjusted for the IFRS 16 effect of NOK 189m, net interest-bearing debt is NOK 1,571m as of December 31, 2020.

#### **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 Q4-2020 is NOK -5m and is booked as net financial items.

#### **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 Q4-2020, the company has expensed NOK 1m.

#### **Note 7 – Dividend**

In June 2020, Glamox AS distributed dividend of total NOK 141m (NOK 2.138 per share). Of this NOK 107 was distributed to the parent company, GLX Holding AS, and non-controlling interests received NOK 34m.

#### **Note 8 – Impairment of non-current assets**

In Q4-2020 the Group recorded an impairment loss of NOK 8m related to the factory building at the Swedish site, Målilla.

#### **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 2019. 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. The Covid-19 pandemic is expected to continue to have a negative impact on our business activities into 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.

## 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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