Glunz & Jensen Holding A/S ; Selandia Park 1, 4100 Ringsted,
CVR 10239680

Glunz & Jensen is a supplier of innovative, high-quality plate making equipment and solutions for the global prepress industry. In addition to developing and producing processors for the Offset and Flexo printing industries, we also offer R&D services plus a full-range of spare- and wear parts. Further our product portfolio includes exposure units, dryers, light finishers, mounting tables, plate stackers and software for monitoring and controlling the complete prepress process.

Glunz & Jensen has been operating in prepress for more than 45 years. We have long-standing relations with major players such as Agfa, Asahi, DuPont, Flint, FujiFilm, Heidelberg, Kodak and MacDermid. We market our products directly to key customers as well as through a comprehensive and worldwide network of distributors and dealers. We have approx. 100 employees in our facilities in Denmark, Slovakia, and the USA.

We strive to be the most innovative high-end equipment and services provider, delivering outstanding value for money in our product areas, and thereby growing our market share with our global partners. Further we aim to strengthen our earnings through improved profitability and optimization of manufacturing and supply chain.

Segment **Prepress** consist of two product areas described below:

	OFFSET	FLEXO
Products	CtP and iCtP processors which prepare Offset plates for Offset printing as well as after sales service	Flexographic (Thermal and Solvent) equipment which process and handle plates for Flexo printing as well as after sales service
Primary applications	Media industry – production of newspapers, magazines, books, etc.	Packaging industry
Share of revenue	Approx. 51% of Prepress	Approx. 49% of Prepress
Main sales channels	Through large customers as Agfa, Fuji, Heidelberg, Kodak, and Cron as well as larger dealers	Through large customers as Asahi, DuPont, Flint, Kodak and MacDermid as well as larger dealers
Markets	Global	Global
Main market drivers	Develop and supply new, innovative products and solutions in close cooperation with customers as well as ongoing consolidation to maintain critical mass. There has been and will be migration to digital platform-based solutions	Improve technological solutions and automation of prepress production processes in close cooperation with customers. There will be focus on developing environmentally friendly solutions which reduces resource consumption and wastewater

Besides from the main segment **Prepress** Glunz & Jensen reports and operates within the segment **investment property, Selandia Park**.

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STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT AND THE INDEPENDENT AUDITOR'S REPORT

CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS

The consolidated financial statements are presented in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional requirements in the Danish Financial Statements Act. The registered office of Glunz & Jensen Holding A/S is in Denmark. References to the future in the annual report reflect Management's current expectations as to future events and financial results. References to the future are associated with uncertainty, and the results achieved may therefore deviate from the expectations stated in the annual report. Circumstances which may imply that results achieved differ from expectations are, e.g., developments in the business cycle and financial markets, including economic developments in the world, wars, pandemics (Covid-19), changes in laws and regulations affecting Glunz and Jensen Holding A/S' business areas and markets, trends in demand for products, competitive and supplier relationships, and energy and commodity prices. See also the sections on risk factors in the annual report.

HEADLINES FOR 2021/22

- The financial year in 2021/22 is from April 1st, 2021, to March 31st, 2022.

- Revenue in Glunz & Jensen Holding A/S came to DKK 147,0 million in 2021/22 vs. DKK 136,9 million in 2020/21, equal to a 7,4% increase in revenue. Offset revenue increased 8,1% (2020/21: declined 37,5%), while Flexo revenue increased 9,4% (2020/21: declined 26,2%) both Offset and Flexo product areas developed very satisfactorily. The revenue is in line with our expectations announced to the market on February 23rd, 2022, as revenue then was communicated at the DKK 145 million level.

- Gross profit totaled DKK 39,1 million (2020/21: DKK 28,4 million), equal to an improved gross profit margin of 26,6% (2020/21: 20,7%).

- Profit before financial income and expenses, tax, depreciation, amortization, and impairment of assets, – the EBITDA, was DKK 23,9 million (2020/21: DKK 19,6 million). The EBITDA is in line with our expectations announced to the market on February 23rd, 2022, as it was then communicated at the DKK 24 million level.

- During 2021/22 Glunz & Jensen finalized the transfer of the assembly and manufacturing activities from Nyborg, Denmark to Presov, Slovakia in order to consolidate the activities and thereby improve productivity and on-time deliveries. As a result of the transfer to Presov, Slovakia the leased HQ property in Nyborg was vacated by March 31st, 2021 and returned to the owner – and the leased production property in Nyborg was subleased to a 3rd party effective March 1st, 2022. The latter resulted in an impairment of leased other fixtures and fittings, tools, and equipment of DKK 0,2 million and impairment of leasehold improvements of DKK 1,0 million included in the 2021/22 financial year.

- Profit for the year before tax totaled DKK 14,6 million (2020/21: DKK 0,9 million). This is in line with our expectations announced to the market on February 23rd, 2022, as profit for the year before tax was then expected at the DKK 14 million level. The improvement in profit for the year before tax is considered very satisfactory.

- Profit for the year totaled DKK 12,1 million (2020/21: DKK 0,9 million), equal to a profit in earnings per share (EPS) of DKK 6,7 in 2021/22 (2020/21: DKK 0,5 per share).

- Net cash flows from operating activities came at DKK 23,2 million (2020/21: DKK 15,6 million), net investments were DKK 4,1 million (2020/21: gain of DKK 0,3 million), and cash flow from financing activities were DKK -18,9 million due to repayment of mortgages to Nordea, repayment of lease liabilities - and decreased utilization of credit lines at Nordea (2020/21: DKK -16,4 million). The free cash flow at year-end was DKK 19,1 million (2020/21: DKK 15,8 million).

- The Board of Directors recommends that no dividend be distributed for 2021/22.

Presentation of income statement before and after non-recurring items and fair value adjustments

For reference, please find below income statement which present the income statement before and after non-recurring items:

April 1st - March 31st (DKK '000)	Group 2021/22 Before non-recurring	Non-recurring	Total	Group 2020/21 Before non-recurring	Non-recurring	Total
Revenue	147.031	-	147.031	136.946	-	136.946
Production costs	(107.955)	-	(107.955)	(106.360)	(2.183)	(108.543)
Gross profit	39.076	-	39.076	30.586	(2.183)	28.403
Other operating income	858	-	858	1.927	2.695	4.622
Sales and distribution costs	(10.935)	-	(10.935)	(10.442)	(462)	(10.904)
Development costs	(1.803)	-	(1.803)	(6.641)	-	(6.641)
Administrative expenses	(9.410)	-	(9.410)	(7.849)	(2.897)	(10.746)
Other operating expenses	-	-	-	-	-	-
Fair value adjustments on investment properties	-	-	-	-	-	-
Operating profit/(loss)	17.786	-	17.786	7.581	(2.847)	4.734
Profit/(loss) after tax in associates	(17)	-	(17)	26	-	26
Financial income	585	-	585	585	-	585
Financial expenses	(3.733)	-	(3.733)	(4.481)	-	(4.481)
Profit/(loss) before tax	14.621	-	14.621	3.711	(2.847)	864
Income taxes	(2.491)	-	(2.491)	(1.228)	1.219	(9)
Profit/(loss) for the year	12.130	-	12.130	2.483	(1.628)	855
Operating profit/(loss)	17.786	-	17.786	7.581	(2.847)	4.734
Fair value adjustments on investment properties	-	-	-	-	-	-
Depreciation, amortization, and impairment losses	6.072	-	6.072	11.441	3.439	14.880
Earnings before interest, taxes, depreciation, and amortisation **(**EBITDA)	23.858	-	23.858	19.022	592	19.614

The intention is to segregate special items (non-recurring items) from the normal operations to differentiate turn-around related items and the normal ongoing operation.

The Non-recurring items are related to turn-around in the previous years. In 2020/21 the non-recurring items are related to the bankruptcy of Glunz & Jensen S.r.l. reduced by settlement of moulding problems in Selandia Park A/S and severance cost for dismissed employees.

Glunz & Jensen has not recorded any non-recurring items during 2021/22 and does not foresee any for 2022/23 either.

GLUNZ & JENSEN HOLDING A/S LOCATIONS

Glunz & Jensen Prepress currently has 3 main locations:

Ringsted, Denmark including HQ, Administration, Finance, Sales and Service. In addition, there is a branch office in Nyborg, Denmark hosting Thermal R&D.

Presov, Slovakia including Administration & Finance, R&D, Internal Sales, Offset and Flexo Manufacturing and Global Spare Parts Center.

Inman, SC, USA including Service and Regional Spare Parts Center.

Investment properties in Selandia Park A/S are located in Ringsted, Denmark.

FINANCIAL HIGHLIGHTS

In millions, except per share data	DKK 10 months 2017/18	DKK 12 months 2018/19	DKK 12 months 2019/20	DKK 12 months 2020/21	DKK 12 months 2021/22	EUR 12 months 2021/22 1)
Key figures						
Income statement						
Revenue	220,0	227,5	195,6	136,9	147,0	19,8
Gross profit	62,8	43,8	35,3	28,4	39,1	5,2
Operating profit/(loss)	18,2	(3,4)	(17,8)	4,7	17,8	2,4
Net financials	(4,5)	(4,4)	(3,1)	(3,9)	(3,1)	(0,4)
Profit/(loss) for the year	9,9	(6,9)	(18,4)	0,9	12,1	1,6
Profit/(loss) before non-recurring items, financial income and expenses, tax, depreciation, amortization, and impairment of assets (EBITDA before non-recurring items)	26,0	16,4	14,9	19,0	23,9	3,2
Profit/(loss) before financial income and expenses, tax, depreciation, amortization, and impairment of assets (EBITDA)	26,8	9,0	1,7	19,6	23,9	3,2
Balance sheet						
Assets						
Completed development projects	17,2	11,4	5,6	0,2	-	-
Other intangible assets	-	-	-	-	-	-
Other non-current assets	155,0	146,6	166,3	154,7	152,7	20,5
Current assets	106,7	81,6	75,3	57,4	67,5	9,1
Total assets	278,9	239,6	247,2	212,3	220,2	29,6
Liabilities						
Share capital	92,2	86,8	73,6	73,9	86,3	11,6
Non-current liabilities	81,1	80,2	88,9	76,5	70,1	9,4
Current liabilities	105,6	72,6	84,7	61,9	63,8	8,6
Total Equity and liabilities	278,9	239,6	247,2	212,3	220,2	29,6
Cash flows						
Cash flows from operating activities	16,7	10,6	(2,1)	15,6	23,2	3,1
Cash flows from investing activities 2)	(2,5)	(3,6)	(7,4)	0,2	(4,1)	(0,5)
Cash flows from financing activities	(12,4)	(10,3)	9,3	(16,4)	(18,9)	(2,6)
Change in cash and cash equivalents for the year	1,8	(3,3)	(0,2)	(0,6)	0,2	0,0
2) including investments in property, plant and equipment and investment properties	(2,2)	(3,9)	(7,4)	(0,3)	(4,1)	(0,5)
Financial ratios in %						
Operating margin	8,3	(1,5)	(9,1)	3,5	11,7	11,7
EBITDA margin	12,2	4,0	0,9	14,3	16,3	16,3
Return on assets (ROIC)	6,8	(1,3)	(7,3)	2,1	8,0	8,0
Return on equity (ROE)	11,8	(7,7)	(22,9)	1,2	15,1	15,1
Equity ratio	33,1	36,2	29,8	34,8	39,2	39,2
Other information						
Credit institutions net interest-bearing debt	90,2	84,1	97,5	86,5	71,1	9,6
Interest coverage	7,3	(1,6)	(12,4)	1,7	6,9	6,9
Earnings per share (EPS)	6,0	(3,8)	(10,1)	0,5	6,7	0,9
Diluted earnings per share (EPS-D)	5,4	(3,8)	(10,1)	0,5	6,7	0,9
Cash flow per share (CFPS)	9,9	5,8	(1,1)	8,6	12,7	1,7
Book value per share (BVPS)	50,6	47,7	40,4	40,6	47,4	6,4
Share price (KI)	73	44	55	65	78	10
Average number of shares outstanding (in thousands)	1.664	1.821	1.821	1.821	1.821	1.821
Dividend per share	0,0	0,0	0,0	0,0	0,0	0,0
Average number of employees	195	171	158	119	101	101

For definitions of financial ratios, see page 62. 1) The DKK/EUR exchange rate applied is 744.
The accounting period in 2017/18 is from June 1st, 2017, to March 31st, 2018, hence covering a 10 month period only. Numbers for 2017/18 have not been adjusted to reflect new accounting policies, IFRS 9 and IFRS 15, adopted April 1st, 2018.
IFRS 16 is adopted April 1st, 2019, and the previous years have not been restated.

BUSINESS AND FINANCIAL REVIEW

Strategy/Turnaround

Following the decline in revenue over the previous years, a short-term right-sizing plan (referred to as the Strategy 2020-22) was developed early 2020 covering a 2-year period. This plan – among others - included further operational consolidation, additional focus on new markets, an updated go-to-market approach, new products launches, and significant organizational adjustments.

For 2021/22 this resulted in:

> Consolidation of activities in Presov, Slovakia, which contributed to a higher productivity and improved on-time deliveries that positively impacted the financial results for 2021/22. Further, our revenue stream improved for the first time in years, resulting in a topline growth of 7,4% compared to 2021/22.
>
> The outbreak of war in Ukraine by February 2022 led us to cease all business with Russia and Belarus. Further, the war made business in Ukraine very difficult. These factors have led to a minor loss of revenue and has added slightly to the general challenge of securing parts and spares to Glunz & Jensen.

It is estimated that Strategy 2020-22 from January 2020 has improved the annual EBITDA for the group with approximately DKK 20 million during the last 2 years.

Glunz & Jensen S.r.l.,Italy

Following the bankruptcy act in 2020 a former employee filed a court case against Glunz & Jensen S.r.l. and Glunz & Jensen A/S. The court proceedings were finalized in the autumn of 2021. The outcome of the court case was fully in favor of Glunz & Jensen A/S and has led to reversals of accruals (liabilities) during 2021/22, hence adjusting the EBITDA positively in 2021/22 by net DKK 1,2 million by March 31st, 2022.

Offset market

Glunz & Jensen's sales to the Offset market increased by 8,1% in 2021/22 compared to 2020/21. There was a sharp slowdown in Offset investments at the start of the Covid-19 pandemic. The market has subsequently regained some traction and at the same time we have increased our market share.

Flexo market

Competition in the Flexo market remained fierce in 2021/22 and we saw sales increasing by 9,4% compared to 2020/21. The revenue in 2021/22 has been impacted by difficulties mainly on the supply side. Glunz & Jensen estimates that the global market volume continues to grow at 1-3% annually and remains confident that we maintain momentum in this segment supported by our improved competitiveness and delivery performance.

Focused development activity

Glunz & Jensen's strategic focus in recent years has been to meet customer demands through the development of new and competitive products, both in Offset and in Flexo. We develop machines both for our own brand and act as a trusted development partner for some of the world's largest plate manufacturers.

Selandia Park A/S

Selandia Park A/S was established on June 1s, 2016. Selandia Park A/S' business objective is to invest in and operate a property portfolio. The revenue decreased in 2021/22. The decrease is related to the planned expiration of an added rent income from a particular tenant. Approximately 1% of the property complex was idle during 2021/22.

All the tenants - except for one – have renewed their rental contracts during 2021/22 thus extending the expiration dates of the rental contracts to 2026 at the earliest and to 2033 respectively. Selandia Park A/S is contributing with DKK 8,3 million to the profit before tax. The fair value of the investment properties amounts to DKK 140,5 million by March 31st, 2022 (2020/21: DKK 137,0 million). The value is positively impacted compared to 2020/21 due to improvement on the Investment properties of DKK 3,5 million, which is included in an extended contract with a tenant. As a result, the discounted cash flow model used as valuation method was positively impacted by extended contracts, increased rental income due to rent adjustment, and the model was also positively impacted as the property is almost fully rented out.

Following the strong financial performance in 2021/22, the Board of Directors decided by May 2022 to discontinue the sales process thus keeping the ownership of the investment properties within Glunz & Jensen.

OPTIMISATION OF THE VALUE CHAIN

Glunz & Jensen's strategy is based on the following key themes:

1. Leading the market for Offset prepress equipment

Offset is one of Glunz & Jensen's cornerstone business areas where the main activity is CtP and iCtP processors, which develop and prepare aluminum Offset plates for printing applications such as newspapers, inserts, magazines, books, information, promotional material, and a variety of other printed matters.

Our aim is to further strengthen our position on the global Offset market by continuing to invest in R&D and deliver cutting-edge quality products with low energy consumption and reduced environmental impact at competitive prices. Further we will increase our footprint in regions, which are still showing good development for Offset products, mainly APAC and Latin America.

2. Developing a leading position in the Flexo market through customer satisfaction and the development and launch of cost-efficient products

Glunz & Jensen is one of the largest providers of Flexo equipment globally. In addition, we act as a valued development and manufacturing partner for some of the largest plate manufacturers globally. The Flexo market – which mainly serves the packaging industry - develops at an estimated annual growth rate of 1-3%, driven by underlying growth in packaging, changing demographics, and shares gained from other printing technologies. We expect to gain market share in this segment going forward.

3. Growing the after-market

Glunz & Jensen's aftermarket business includes sales of spare parts, consumables for iCtP products, installation, repair, preventive maintenance of hardware and software. In addition to enhanced profitability, it strengthens our relationship with customers and provides valuable feedback and dialogue with the end-users.

We strive to increase our aftermarket business by streamlining our supply chain to serve customers faster and continue to offer high-quality OEM parts to keep our equipment running smoothly.

4. Improving profitability

During the last 24 months a significant number of steps have been taken to further improve the profitability of Glunz & Jensen. These include reduction of product range (overlapping products), transfer of functions from Denmark to our subsidiary in Slovakia and discontinuation of loss-making parts of our business and product portfolio and a stringent focus on cost throughout the value chain.

These significant steps combined with a great effort by our staff have resulted in a significantly improved profitability by approx. DKK 14 million in 2021/22 - compared to the 2020/21 profit before tax at DKK 0,9 million.

OUTLOOK

For fiscal 2022/23, the Group revenue is expected to be at the DKK 150-155 million level, while operating profit (EBITDA) is expected at the DKK 20 -25 million level as a result of the turnaround and the strong top-line performance. The profit before tax is expected at the DKK 14-18 million level.

Management underlines that the guidance for the fiscal year 2022/23 is associated with a greater deal of uncertainty than usual, due to challenges on the supply side of parts and materials.

It is the Group’s intention to use the free cash flow to the greatest possible benefit to its shareholders. This includes investment in business development and technology as well as reduction of debt.

FINANCIAL STATEMENTS

The Group

Income statement

Group revenue

The Group's revenue totaled DKK 147,0 million in 2021/22 (2020/21: DKK 136,9 million), corresponding to an increase in revenue of 7,4%.

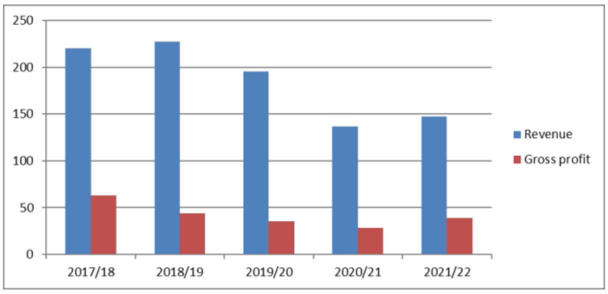


Figure #1: Revenue (DKKm), fiscal years, note 2017/18 at only 10 months

Revenue in Offset increased by 8,1%, Flexo revenue increased by 9,4% while rental income from Selandia Park decreased by 5,9%.

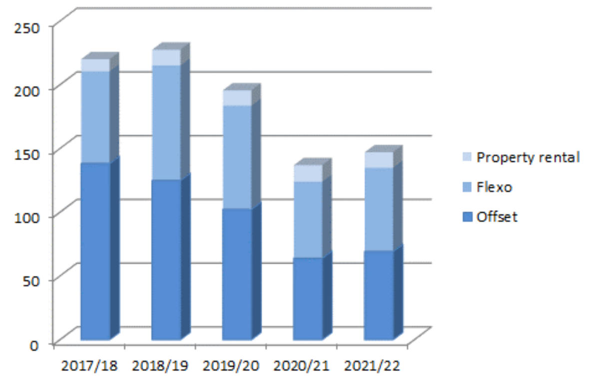


Figure #2: Revenue (million DKK) by product, fiscal years, note 2017/18 at only 10 months

New product range in Offset segment

Glunz & Jensen has successfully launched the next generation of iCtP equipment, the PlateWriter Infuse and the PlateWriter Infuse XL. These systems have replaced the PlateWriter 2000 and PlateWriter 3600 respectively. The new generation is also available as an Infuse retrofit kit, enabling upgrades of existing equipment in the field.

Further, the InterPlater MD85T Offset processor has been released. This will be followed by the InterPlater 125T in April 2022. The InterPlater MD platform is a cost-efficient model of the well-established InterPlater HDX, targeting emerging markets.

Selandia Park

Rental income in Selandia Park A/S decreased to DKK 12,2 million (2020/21: DKK 13,0 million), excluding rental income from Glunz & Jensen A/S. The decrease is related to the planned expiration of an added rent income from a particular tenant. Approximately 97% of the premises are fully rented out at year end. All the tenants - except for one – have renewed their rental contracts during 2021/22 thus prolonging the expiration dates of the rental contracts to 2026 at the earliest and to 2033 at the latest. The fair value of the investment properties amounts to DKK 140,5 million by March 31st, 2022 (2020/21: DKK 137,0 million). The value is positively impacted due to improvement on the Investment properties of DKK 3,5 million which is included in an extended contract with a tenant. Further, the discounted cash flow model used as valuation method was positively impacted by extended contracts, increased rental income due to rent adjustment and also the model was positively impacted by the close to 100% occupation rate.

Gross profit

Gross profit for 2021/22 totaled DKK 39,1 million (2020/21: DKK 28,4 million), corresponding to an improved gross margin at 26,6% against 2020/21 of 20,7%.

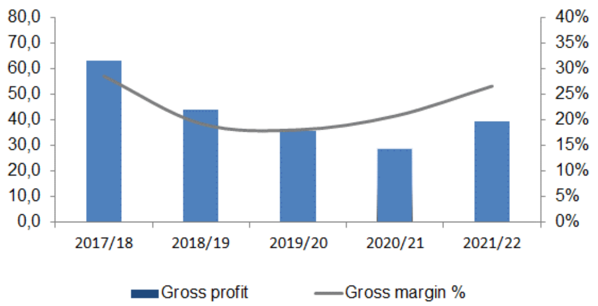


Figure #3: Gross profit and gross profit margin for the fiscal years

EBITDA

Profit before interest, tax, and depreciation and amortization (EBITDA) totaled DKK 23,9 million, (2020/21: DKK 19,6 million) corresponding to an EBITDA margin of 16,2% (2020/21: 14,3%).

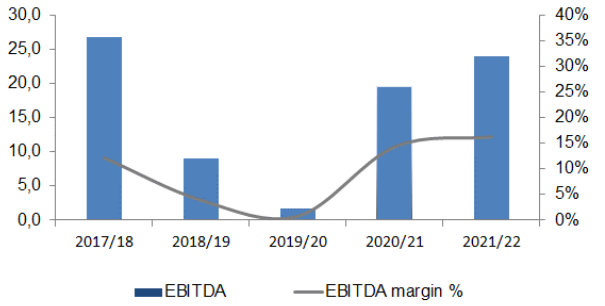


Figure #4: EBITDA/EBITDA margin, all shown in fiscal years. Note 2017/18 is only 10 months.

Profit before tax greatly improved

Glunz & Jensen succeeded with the operational plans for 2021/22 and also managed to reduce the cost which in combination led the profit before tax to DKK 14,6 million (2020/21: DKK 0,9 million), a very satisfactory result in the current market conditions.

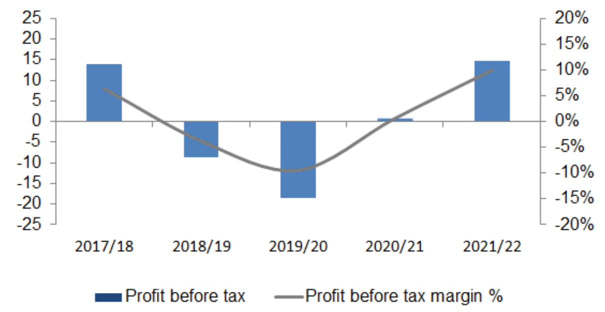


Figure #5: Profit before tax/profit before tax margin, all shown in fiscal years. Note 2017/18 is only 10 months.

The EBITDA and the profit before tax are the key KPI's for the Board of Directors and management in assessing the progress being made in the turnaround plan. Management expects to maintain an EBITDA margin at approx. 15% and a profit before tax margin at approx. 10% in the fiscal year 2022/23.

During 2021/22 Glunz & Jensen finalized the transfer of activities from Nyborg, Denmark to Presov, Slovakia in order to consolidate the activities and thereby get higher efficiency, a lower cost base, and improved on-time deliveries. Due to the transfer, part of the leased properties in Nyborg was vacated, which resulted in an impairment of leased properties of DKK 0,2 million (2020/21: DKK 2,8 million) and impairment of leasehold improvements of DKK 1,0 million (2020/21: DKK 0,6 million). All leased properties in Nyborg were either subleased to a 3rd party by March 2022 or already returned to the owner by March 2021.

The number of staff by the end of 2021/22 was 106 (2020/21: 99).

Operating profit for the financial year 2021/22 represents a profit of DKK 17,8 million against a profit of DKK 4,7 million in 2020/21.

The Group's net financial expenses in 2021/22 totaled DKK 3,1 million (2020/21: DKK 3,9 million).

Financial income in 2021/22 amounted to DKK 0,6 million against DKK 0,6 million in 2020/21, while financial expenses amounted to DKK 3,7 million against DKK 4,5 million in 2020/21.

Satisfactory results of operations

The Group reported a profit before tax of DKK 14,6 million in 2021/22, against a profit of DKK 0,9 million in 2020/21.

The Group recognized tax of DKK 2,5 million in 2021/22 against at tax of DKK 0,0 million in 2020/21. Profit for the year after tax was DKK 12,1 million (2020/21: DKK 0,9 million), corresponding to earnings per share (EPS) of DKK 6,7 (2020/21: DKK 0,5). The financial performance is considered satisfactory by the Executive Management and the Board of Directors.

In 2021/22 other comprehensive income amounted to DKK 0,3 million of which all were related to exchange rate adjustments of investments in subsidiaries. In 2020/21 other comprehensive income amounted to a cost of DKK 0,5 million – also related to exchange rate adjustments of investments in subsidiaries.

Balance sheet

Increase in tied-up capital from working capital

The Group's assets totaled DKK 220,2 million on March 31st, 2022, against DKK 212,3 million the year before.

Non-current assets decreased by DKK 2,4 million primarily due to a decrease of DKK 3,2 million in property, plant and equipment, a DKK 5,7 million decrease in leasehold obligations, an increase of DKK 3,3 million in investment properties and a DKK 3,2 million increase in other receivables.

Inventories increased from DKK 36,4 million last year to DKK 41,0 million - mainly due to efforts in securing parts for manufacturing and spare-parts, but also due to an increase in work in progress.

Trade receivables increased by DKK 3,3 million to DKK 20,8 million mainly due to increased activity.

Equity came at DKK 86,3 million, corresponding to a solvency ratio of 39,2%, compared to 34,8% the year before. The Board of Directors recommends to the Annual General Meeting that no dividend payment be distributed for fiscal year 2021/22.

Long- and short-term interest-bearing debt to credit institutions totaled DKK 72,2 million at the end of 2021/22 (2020/21: DKK 87,3 million), of which DKK 50,9 million (2020/21: DKK 56,3 million) are long-term liabilities and DKK 21,3 million (2020/21: DKK 31,0 million) are current liabilities. Net interest-bearing debt to banks decreased by DKK 15,4 million during fiscal 2021/22 to DKK 71,1 million.

Investment properties totaled DKK 140,5 million end of 2021/22 compared to DKK 137,0 million end of 2020/21 due to the result of the updated discounted cash flow model used as valuation method. From December 1st, 2019, all buildings in Selandia Park A/S, Denmark are measured at fair value.

Cash flow and liquidity

Positive cash flow

Cash flow from operating activities amounted to DKK 23,2 million in 2021/22 (2020/21: DKK 15,6 million), mainly driven by the operating profit

Cash flow from investment activities used DKK 4,1 million in 2021/22 (2020/21: gain of DKK 0,2 million). The increased utilization in 2021/22 is mainly related to a DKK 3,5 million upgrade of the investment property linked to a specific tenant.

The positive free cash flow thus amounted to DKK 19,1 million in 2021/22 (2020/21: DKK 15,8 million).

Capital resources

At the end of fiscal 2020/21, the Group's total available credit facilities amounted to DKK 93,7 million compared to DKK 101,7 million at the end of 2020/21. DKK 72,2 million was utilized at the end of 2021/22 against DKK 87,3 million the year before.

Liquidity reserves totaled DKK 21,5 million by March 31st, 2022 (2020/21: DKK 14,4 million).

Based on budgets, including expectations to the cash flow and the development of the capital base, existing credit facilities, related contractual and expected maturities and conditions, the Board of Directors and the Executive Management consider the Group's liquidity and capital resources to be satisfactory.

The Group's available credit lines for 2022/23 were extended by Nordea on May 12th, 2022, to continue to May 2023 and the cooperation letter was signed by the Company on May 12th, 2022, as planned. The cooperation letter is subject to three covenants, which the Prepress division of Glunz & Jensen must observe in order to maintain the loan. The financial covenants are related to the financial ratio "solvency", the agreed level of EBITDA, and loan to value. Please refer to note 27 regarding covenants.

EVENTS AFTER THE BALANCE SHEET DATE

The Group's available credit lines for 2022/23 were extended by Nordea on May 12th, 2022, to continue to May 2023 and the cooperation letter was signed by the Company on May 12th, 2022, as planned.

Following the strong financial performance in 2021/22, the Board of Directors decided by May 2022 to discontinue the sales process thus keeping the ownership of the investment properties within Glunz & Jensen.

No other events have occurred since March 31st, 2022, which are considered to have a significant impact on the Group's or the Parent Company's financial position.

The Parent Company

Income statement

The Parent Company's revenue, which consists of management fees to subsidiaries, totaled DKK 9,3 million in fiscal year 2021/22 (2020/21: DKK 7,8 million).

Profit after tax in subsidiaries totaled a profit of DKK 11,1 million in fiscal 2021/22 (2020/21: a loss of DKK -0,4 million).

Regarding development in the subsidiaries please refer to the Group income statement information on page 9.

Financial income in 2021/22 amounted to DKK 1,6 million against DKK 2,4 million in 2020/21. The financial income relates to interest received from subsidiaries.

The Parent Company's profit after tax totaled a profit of DKK 12,1 million in 2021/22 against a profit of DKK 0,9 million in 2020/21.

Balance sheet

The Parent Company's total assets amounted to DKK 92,9 million on March 31st, 2022 (2020/21: DKK 78,1 million).

The majority of the assets in the Parent Company refer to the subsidiaries as investments in subsidiaries amount to DKK 54,0 million (2020/21 DKK 39,1 million) and receivables from subsidiaries came to DKK 37,8 million (2020/21: DKK 37,8 million) as of March 31st, 2022.

Equity came at DKK 86,3 million, corresponding to a solvency ratio of 92,8%, compared to 94,6% the year before. The Board of Directors recommends to the Annual General Meeting that no dividend payment be distributed for fiscal year 2021/22.

Cash flow and liquidity

Cash flow from operating activities amounted to DKK 10,2 million in 2021/22 (2020/21: DKK loss of 19,9 million), primarily driven by profit for the year from subsidiaries of DKK 11,1 million.

Cash flow from investing activities was negative by DKK 10,0 million in 2020/21 due to a capital increase given to Glunz & Jensen A/S.

The positive free cash flow thus amounted to DKK 0,2 million in 2021/22 (2020/21: DKK 0,1 million).

Based on budgets, including expectations to the cash flow and the development of the capital base, existing credit facilities and related contractual and expected maturities and conditions, the Board of Directors and the Executive Management consider the Group's and thereby also the Parent Company’s liquidity and capital resources to be satisfactory.

EVENTS AFTER THE BALANCE SHEET DATE

No other events have occurred since March 31st, 2022, which are considered to have a significant impact on the Parent Company’s financial position.

RISK FACTORS

Glunz & Jensen Holding's risk policies and -procedures must efficiently and securely identify, control, and reduce the risks that may affect the Group's business base, development, and value creation. A number of commercial and financial risk factors can have a significant impact on the Group's future financial position, activities and results of operations. The Group's most important risk factors are outlined below.

Commercial risk

Glunz & Jensen's revenue is affected by both global economic developments and changes in industry-specific conditions. The macroeconomic cycles generally affect Glunz & Jensen's customers' probability of investment and may reduce revenue and earnings.

Glunz & Jensen's order lead time is 26 weeks, which is considered to be market-conform. As revenue expectations beyond this period are based on non-binding estimates from the Group's largest customers or based on expectations from management Glunz & Jensen, deviations from the expected revenue may occur.

Glunz & Jensen markets a large part of its production to a number of major customers with whom the Company has a long-term customer relationship. The four largest customers represent approximately 56% of total revenue. One customer account for more than 20% of the Group's revenue.

New technologies and product development

Glunz & Jensen's products are based on many years of development for the Offset and Flexo printing. Insight into the industry's process needs and production technologies is crucial to the Company's ability to maintain customer's loyalty. Some items in Glunz & Jensen's products are patented, but most of the Company's sales are based on products that do not involve patented technology.

As a market leader, Glunz & Jensen's goal is to be among the first to offer products tailored to new technologies within the Company's two product areas. This places great demands on continual product development, enabling the Group to market products at competitive prices in a timely manner, which will also match customer needs. Lack of success in this area can affect revenue and results of operations negatively.

Glunz & Jensen's most important Offset activity is the development and sales of CtP developers. The continued use of CtP processors is conditional on the development of Offset printing plates. Several large plate manufacturers have developed printing plates that do not require development. The process-free CtP technology has gained ground and may affect the demand for CtP processors negatively.

Glunz & Jensen's strategy in the Flexo area is the continued development of technology for solvent-based, and thermal-based prepress solutions, an area in which the Group is currently leading the market. Automation and adaptation to latest technologies are important requirements to ensure continued positive development of the Flexo area.

Competition and market conditions

Prices of Offset and Flexo equipment are under pressure. This is partly due to increased competition (Flexo) and partly due to the fact, that still smaller print shops invest in CtP technology (Offset), leading to demand for smaller equipment and thereby lower investments. The outlook is therefore unchanged, i.e., competition and a possible consolidation in the CtP area.

Production and supplier risks

Maintaining high reliability of delivery and high quality is important to maintain existing customer relationships. To strengthen competitiveness, Glunz & Jensen has established its main production in Slovakia. If the factory in Slovakia is impacted by production problems or accidents, such as fire, this may affect delivery capacity and thus reduce the Group's earnings.

The Russia-Ukraine conflict has highlighted the need to consider geopolitical instability when choosing suppliers. Glunz & Jensen has strengthened its purchasing organization to counter potential supply risks. However, ongoing world-wide supply shortage may affect the cost prices and the planned in-flow of parts (incl. microchips) to Glunz & Jensen.

Risk related to property market

The risk associated with the investment property is primarily determined by the uncertainty of the value of the property involved. As such, a property market recession could materially adversely affect the value of the property. Further the ability to secure that all property is rented out will impact the future cash flow of Glunz & Jensen and thereby the value of the investment property.

Insurance risk

It is the Group's policy to hedge risks that may threaten the Group's financial position. In addition to statutory insurance, insurance against product liability and operating losses has thus been taken out. Property, plant, and inventories are insured at replacement value at all risk levels.

Other risks

There is ongoing consolidation in the graphic industry. Glunz & Jensen is actively involved in industry consolidation; this trend will benefit Glunz & Jensen.

Cyber risks

The continuously evolving threat of cyber security, data leakage and data security is a key area of focus. A major cyberattack could result in an extended period of down time resulting in delays to customers and additional costs for the organization. Glunz & Jensen is focused on IT Security and awareness. In 2021/22, increased cyber awareness training and further IT security measures across the organization have been introduced helping to mitigate this risk.

For financial risks, please refer to note 27.

Covid-19

The year 2021/22 was affected by the Covid-19 pandemic. However, the impact was significantly less than in 2020/21.

Glunz & Jensen has already undertaken specific measures to ensure the health and safety of its employees globally. In addition to human risk, the outbreak of the virus also poses an economic risk to Glunz & Jensen's operations and its trade volumes. Further the customers' ability to pay might be impacted by the pandemic.

The Covid-19 affected our ability to serve our customers as travel restrictions have been imposed, which has adversely affected our sales, installation, and service teams.

To strengthen the liquidity and capital of Glunz & Jensen, the Board of Directors decided in 2020 to initiate a sales process for the investment properties in Selandia Park A/S (assets) or the entity holding the Selandia Park real estate (shares). It was expected that the Covid-19 might delay the sales process further. Following the strong financial performance in 2021/22, the Board of Directors decided by May 2022 to discontinue the sales process thus keeping the ownership of the investment properties within Glunz & Jensen.

In general, the outlook remains uncertain

REPORTING ON MANAGEMENT

- This statement of reporting on management is part of the Management's review, see section 99b and 107b of the Danish Financial Statements Act, covering the fiscal year April 1st, 2021 – March 31st, 2022. The statement consists of three elements:
- Corporate Governance
- Data Ethics
- The composition of the governing bodies and their functions
- Main elements of the Company's internal control and risk management system

Corporate Governance

Glunz & Jensen emphasizes the pursuit of good corporate governance and continuous optimization of the Group's Management. The overall framework for the management of Glunz & Jensen is based on the Company's Articles of Association, values, and policies as well as current Danish and international legislation and "Rules for Issuers of Shares" on NASDAQ OMX Copenhagen A/S, to ensure that the Group pursues its obligations to all shareholders, customers, employees, and other stakeholders, as well as to support long-term value creation.

Glunz & Jensen is governed by the Corporate Governance Committee's recommendations of December 2020.

The recommendations are available at:
https://corporategovernance.dk/.

In accordance with the recommendations, we explain on Glunz & Jensen's website how the Company complies with the recommendations:
http://www.glunz-jensen.com/investor/corporate-governance/redegorelse

The Group has decided to deviate from the recommendations due to the size of the Company and thus arranged differently in the following areas:

- The company publishes half year reports at NASDAQ OMX and on the company´s website. The company publishes Q1 and Q3 announcements commenting the development in the company.
- Glunz & Jensen has not yet adopted a policy on corporate social responsibility. A policy on corporate social responsibility will be adopted during 2022/23.
- Glunz & Jensen has no Board committees, as the size of the Company and the operation of the Board mean that it is deemed more efficient to not establish special Board committees. The Board of Directors as a whole assumes the responsibilities of the committees.
- Glunz & Jensen has no share-based incentive schemes for the Executive Management as the Board of Directors finds the current remuneration sufficient.
- Glunz & Jensen has no "claw-back" scheme to reclaim variable remuneration from the Board or the Executive Management if the recipient has acted in bad faith but will consider adopting it.

Interaction with shareholders and other stakeholders

Glunz & Jensen's Management continually seeks to have a dialogue with shareholders and other stakeholders. The company strives for a high degree of openness and effective dissemination of information.

The dialogue with and information to shareholders and stakeholders take place through the publication of interim reports and other communications from the Company, as well as meetings with investors, analysts, and the press and at the Company's general meeting. Interim reports and other announcements are available on Glunz & Jensen's website immediately after publication.

The company's Articles of Association contain no limits on ownership or voting rights. If an offer is made to acquire the Company's shares, the Board of Directors will – in accordance with Danish law – openly consider and convey the offer to the shareholders, accompanied by the Board of Directors comments.

The Glunz & Jensen Group has not entered into significant agreements that are affected, changed, or expired in the event of a change of control of the Company, except if a shareholder other than Heliograph Holding GmbH acquire more than 50% of the shares in Glunz & Jensen. If this situation occur the notice of the CEO are increased from 9 to 18 months. The notice will be reduced with a month for each month passed since the new main shareholder has acquired the 50% shares until the normal notice of 9 months have been reached again.

Besides the above mentioned regarding the CEO, there are no agreements with the Executive Management or employees regarding retention or compensation in case of resignation or dismissal or termination of a post as a result of the acquisition of the Glunz & Jensen Group

The general meeting is Glunz & Jensen's supreme decision-making authority, and the Board of Directors emphasizes that shareholders be given adequate information about the business to be transacted at the general meeting. Notice of general meetings is published on the website and sent electronically to all registered shareholders, who have registered their e-mail address at least three weeks prior to the event.

All shareholders are entitled to attend and vote at the Annual General Meeting. Shareholders can also provide a power of attorney to the Board – on an item-by-item case on the agenda. The general meeting gives shareholders the opportunity to ask questions to the Board of Directors and the Executive Management. The shareholders can submit proposals that must be discussed at the general meeting. The Articles of Association contain no special rules regarding amendments to the Company's Articles of Association. Thus, only the provisions of the Danish Companies Act apply in this area.

Data ethics

In accordance with the regulations, we communicate on Glunz & Jensen's website how the Company complies: http://www.glunz-jensen.com/content/csr

The processing of personal data is not a critical part of and neither closely linked to the companies' business activities. As a B2B company with no transactions with private customers, the company only processes personal data in respect of customers and suppliers to a very limited extent – and only for customer/supplier administration purposes. The processing of personal data mainly relates to the internal activities involving employees' personal data for HR administration purposes.

Composition of the governing bodies and their function

Board of Directors

According to the Articles of Association, the Board of Directors consists of three to eight members elected by the general meeting. Each year, all of the members are elected by the general meeting. Resigned members are eligible for re-election. The Board of Directors elects a Chairman and a Deputy Chairman from among its own number. Further, two employee representatives are elected for a 4-year election period, which has been determined in accordance with the Danish Companies Act. The members elected by the general meeting are considered to be independent.

The current Board of Directors consisted of six members at the end of the fiscal year 2021/22, two of whom are employee representatives. The two employee representatives were elected in May 2021.

As an age limit has been introduced for the members elected by the general meeting, these must resign at the first Annual General Meeting after they have reached the age of 65.

In connection with the identification of new Board members, a careful assessment of required knowledge and professional experience is made to ensure that the Board possesses the necessary competencies. Information about the individual Board members can be found on page 23.

The Board at work

In accordance with the Companies Act, the Board of Directors represents Glunz & Jensen's overall management and defines the Group's goals and strategies as well as approves the overall budgets and action plans. In addition, the Board of Directors in general supervises the Group and checks that it is managed properly and in accordance with Danish law and the Articles of Association. The general guidelines for the Board's work are laid down in the rules of procedure, reviewed at least once a year and adapted to Glunz & Jensen's needs. The rules of procedure include procedures for Management's reporting, the Board's working method and a description of the Chairman's tasks and responsibilities.

The Board of Directors is notified on an ongoing basis of the Group's performance. This takes place systematically at meetings as well as in written and oral reports. The Board receives a monthly report, which includes information on financial developments and the most important activities and transactions.

At least five ordinary Board meetings must be held annually with a fixed plan for the contents of the meetings. In addition, the Board meets whenever necessary. In fiscal 2021/22, six board meetings were held.

No committees have been active during 2021/22.

The Board of Glunz & Jensen has thus collectively taken on the tasks of the audit committee.

Risk management

In connection with the strategy review, the Board of Directors and the Executive Management perform a comprehensive risk assessment for the Group to identify which issues – internal as external – may affect the Group's business base and development.

The risk assessment focuses primarily on the identification of business risks, and for selected risks, action plans are identified to reduce and handle such risks. Glunz & Jensen has decided to manage general risks by taking out relevant insurance, such as "all-risk" on buildings and movables, transport insurance etc. As a main rule, financial risks are the result of commercial activities, and the Group does not actively speculate in financial risks.

The Board of Directors establishes policies and frameworks for the Group's key risks and ensures effective management of these risks. Reporting on significant risks is included in the ongoing reporting to the Board of Directors.

For a more detailed description of Glunz & Jensen's risks, see the section "Risk factors".

Executive Management

The Executive Management is appointed by the Board of Directors. The Executive Management is responsible for the day-to-day operations of the Group and, in accordance with guidelines and instructions developed by the Board of Directors, prepares action plans and budgets that support the Company's strategy and reports on ongoing performance developments, risks and other essential information to the Board. The Board of Director's delegation of responsibilities to the Executive Management is outlined in the Board's rules of procedure.

Evaluation of the Board of Directors and the Executive Management

A formalized evaluation of the work of the Board of Directors and the Executive Management is in place. The Chairman of the Board of Directors regularly reviews the work of the Executive Management and individual Board members, the cooperation of the Board of Directors, the Board of Directors' working methods and the cooperation between the Board of Directors, and the Executive Management. Based on these assessments, the Board of Directors' and the Executive Management's work is adjusted on a regular basis.

Remuneration to the Board of Directors and the Executive Management

Glunz & Jensen seeks to ensure that members of the Board of Directors and the Executive Management are remunerated at a competitive and reasonable level, helping to ensure that Glunz & Jensen can attract and retain competent individuals.

Members of the Board of Directors receive a fixed, annual fee, and the total remuneration to the Board of Directors is approved by the Annual General Meeting in connection with the approval of the annual report. In fiscal 2021/22, directors' fees amounted to DKK 800.000, including DKK 250.000 to the Chairman, DKK 150.000 to the Vice-Chairman and DKK 100.000 to the other members. Members of the Board of Directors are not subject to bonus schemes, but in accordance with section 198 of the Danish Companies Act, the Board of Directors is authorized to acquire treasury shares up to 60% of the Company’s share capital at the market price prevailing at the date of acquisition with a deviation of up to 10% until June 28th, 2023.

The remuneration of the Executive Management is determined by the Board of Directors. In 2021/22, members of the Executive Management received a basic salary, including usual benefits such as company car and telephone, and are also eligible for a bonus scheme. The Executive Management consisted of CEO Martin Overgaard Hansen and CFO Henrik Blegvad Funk. The total remuneration paid to the Executive Management amounted to DKK 5,9 million in 2021/22.

The Remuneration report 2021-22 is available at:
https://www.glunz-jensen.com/investor/corporate-governance/incitamentspolitik

Incentive programs

Glunz & Jensen continually seeks to establish incentive programs that support its shareholders value creation. The incentive programs for the Executive Management and key employees include a bonus scheme. The results in 2021/22 triggered provisions at DKK 1,6 million related to the bonus schemes.

The main elements of the Company's internal control and risk management system

Risk assessment in connection with the financial reporting process

The Board of Directors and the Executive Management have overall responsibility for the Group's risk management and internal control in connection with the financial reporting process, e.g., responsibility for ensuring compliance with relevant legislation and other regulations in relation to the financial reporting.

The Group's internal control and risk management systems should improve the probability of reporting without significant errors, omissions, and irregularities and, moreover, should ensure that the financial statements are presented in accordance with International Financial Reporting Standards (IFRS) as approved by the EU and other accounting regulations applicable to Danish listed companies.

The Group's internal control and risk management systems in connection with the financial reporting include:

Control environment

The Board of Directors is responsible for identifying the Group's most significant risks and the adequacy of internal controls in connection with the presentation of the financial statements. The Executive Management is responsible for the operational organization and daily execution of an effective control environment, e.g., for ensuring compliance with relevant legislation in connection with the presentation of the financial statements. The Executive Management reports to the Board of Directors on all relevant matters and assessments.

The operational management includes an appropriate organizational structure, written procedures for essential processes, accounting instructions for subsidiaries, authorization and certification rules, segregation of duties, consolidation procedures, check and documentation lists and IT security. The Executive Management regularly assesses the adequacy of the control environment, including the adequacy of resources and competencies.

Risk assessment and risk management

The Board of Directors and the Executive Management continually consider risks that are considered to be of importance to the Group's financial reporting, based on a concrete assessment of the significance and probability of each individual risk. The risk assessment focuses on significant financial items and involves an assessment of the immediate risk associated with each item and the critical processes that form the individual financial statements.

Risk assessments and risk management are included as part of the Group's strategy plan.

Control activities

The Group's control activities are organized taking into account the overall objective of reducing the risk of material misstatements, deficiencies or irregularities to an acceptable and low level, so that the consolidated financial statements and the financial statements are correct. Control activities are performed at management and operational level, and checks are performed manually and systematically.

Control activities include the following essential elements:

- The Board of directors reviews and approves the budget presented by the Executive Management for the coming year. The budget includes operations, balance sheet, liquidity, and investments.
- The Board receives monthly income, balance and liquidity accounts with budget follow-up, key figures, and comments on significant developments and/or deviations. The reporting also includes an update from area managers regarding actual sales (customers and products), order status, expectations as to the future, product development, competitors etc. Subsidiaries submit monthly accounts with comments on developments. The reporting is used as a basis in the group reporting to the Board of Directors.
- In connection with the year-end, a reporting package is prepared for the subsidiaries with a view to meeting disclosure requirements, including disclosure requirements under IFRS.
- The Parent Company's finance department is responsible for managing the monitoring and controlling of financial reports from subsidiaries, with active participation of local financial controllers. Regular visits are made to subsidiaries. Management in subsidiaries liaises with the external auditor. The Executive Management is informed of matters identified during the audit of subsidiaries.
- Before the financial statements are presented, the Board of Directors and the Executive Management discuss critical accounting practices and estimates as well as other matters of major importance to the presentation of the financial statements.

Monitoring

The Board of Directors and the Executive Management annually assess the adequacy of the Group's risk management and control systems in the context of the year-end process, including how the Group is protected against fraud and accounting irregularities. The assessment is based on a goal of efficiency and accountability, and focus is thus primarily on significant matters.

Audit

The external auditor is elected annually by the Annual General Meeting. Prior to the election, the Board of Directors assesses the auditor's independence and competences etc. Audit tender process is preformed when required by law or more frequently if the Board of Directors decides it to be appropriate.

The scope for the auditor's work – including fee, audit-related tasks, and non-audit related tasks – are stipulated in an agreement.

Members of the Board of Directors receive the external auditor's audit report concerning the auditor's review of the annual report. The Board of Directors reviews the audit report and the annual report at a meeting with the external auditor, and the auditor's observations and significant findings arising from the audit are discussed. In addition, the significant accounting policies and audit assessments are reviewed.

STATEMENT ON CORPORATE SOCIAL RESPONSIBILTY AND GENDER DIVERSITY

Social responsibility (CSR)

A statutory CSR statement, according to section 99a of the Danish Financial Statements Act, is part of the Management's review. We adopt social co-responsibility in the local areas where the Group is located. The Group wishes to promote a working culture throughout the organization that ensures a sensible and appropriate balance between financial, social, and environmental development. In this regard, it is crucial for the CSR work that Glunz & Jensen's production strategy and value chain management is based to a large extent on an outsourcing model. Virtually all manufacturing of parts takes place with a large number of subcontractors, after which Glunz & Jensen is responsible for product assembly and distribution. Subcontractors are selected at the starting point of our ISO 9001 procedures. This ensures that subcontractors meet our requirements

In this section, the Glunz & Jensen Group provides a report on intended social responsibility, including risk assessments, our policies, actions taken as well as results achieved in 2021/22.

Environment

Material risks: Based on a risk assessment of our environmental and climate impacts, the Group has identified the main risks within environmental and climate issues to constitute our energy consumption from buildings and production processes as well as the use of chemical products and wastewater from production.

Statement: Glunz & Jensen is committed to preserve and protect the environment and climate. We will work actively on reducing negative environment and climate impacts as well as develop innovative solutions that will contribute positively to the environment and climate.

Actions & Results: In 2021/22, the Group focused on climate considerations concerning, for example, maintenance and renovation of its buildings. For instance, a part of Selandia Park has low energy consumption and is equipped with solar cells that cover part of the electricity consumption. As such, an increasingly larger share of the Group's energy consumption came from renewables in 2021/22

In addition; there is a continued focus on energy consumption. Within the Group as well as between customers and suppliers, telephone and video conferences were widely used in 2021/22, which reduced our need for air travel, which, in addition to the climate consequences, also offers financial benefits.

As part of the prepress industry, Glunz & Jensen places an ongoing fundamental focus on reducing the use of chemical products and helping reduce the number of production processes that are environmentally harmful and energy intensive. Therefore, energy-saving features were also incorporated in new products from Glunz & Jensen in 2021/22, and, on demand, products are offered with water-saving solutions that provide positive environmental benefits.

Social and employee conditions

Material risks: The Group has identified material risks in terms of work-related accidents which will have negative consequences for the affected employee. Since our employees are the main drivers for our success, work related accidents could also cause negative consequences for our performance. Additionally, there is a risk associated with employees not feeling well, for instance caused by stress, as sick leave will cause negative consequences for both employees and the Group.

Statement: The Glunz & Jensen Group has formulated an intention for social and employee conditions stating that we always seek to promote a healthy working culture among our employees and always seek to take precautionary measures to prevent work related accidents.

Actions and results: In 2021/22 the Group continued its efforts to focus on our employees in order to ensure continued personal development. We do this by hosting annual employee development interviews which all our employees attended in 2021/22.

The Group has established safety committees and will continue to offer first aid courses to staff members and ongoing maintenance of these. The number of serious employee accidents was 0 in 2021/22.

Education of young people

The Group wishes – to the extent possible and if it is financially sound – to help increase the number of young people who get a business-related education.

The Group supports the staff associations and company sports associations, which aim to strengthen collegial cohesion through the organization of various activities that support employee well-being, social relations, and exercise.

Economic support for charitable purposes

The Group has several initiatives that naturally belong to CSR. Thus, the Group assumes social responsibility in some areas and works to comply with the ethical business practices expressed by CSR activities.

Anticorruption

Material risks: The Group has identified material risks associated with actions that conflict with legislation or considered to be inappropriate, for example bribes and facilitation payments.

Statement: The Glunz & Jensen Group is against all forms of corruption and bribery, and we will constantly work to prevent corruption from taking place.

Actions and results: In 2021/22 we continued our focus to create awareness of our whistleblower system. This system allows employees, external partners, citizens, and members of the executive management and Board of Directors to report matters that conflict with legislation or considered to be inappropriate. Reporting can be done completely anonymously by reporting to the whistleblower system via a link on our website. In 2021/22 we received no reports via our whistleblower system. The Company will continue to communicate to the suppliers and subcontractors to raise awareness on the Company's zero tolerance for corruption.

Human rights

The Glunz & Jensen Group does not have an explicit, written social responsibility policy in place related to human rights because it has been assessed that here is minimal negative impact on human rights issues in relation to the Group's business activities.

It is a natural part of the company's work to support and respect the rights recognized by others. Existing EU legalities, organisation agreements on working conditions and environment are recognized and respected. The Company's production is in Slovakia and the Company continuously works to improve the working environment and improve safety. Management is aware of the potential health risks that may be associated with handling goods in production and has therefore trained the employees to work more safely.

Code of Conduct

Glunz & Jensen has identified a series of guidelines which are accessible in the Code of Conduct. The guidelines are used internally and externally as the Group strives to comply with applicable laws and regulations in the countries we do business – and Glunz & Jensen takes active responsibility in being an asset and of value to our society.

Diversity

The gender diversity statement for fiscal 2021/22 has been prepared in accordance with section 99b and 107d of the Danish Financial Statements Act, Glunz & Jensen will set goals for the ratio of the underrepresented gender on the Company's Board of Directors and formulate a gender diversity policy to increase the proportion of the underrepresented gender at other management levels. Currently, the Company does not have a policy on diversity.

Objective of diversity

The company's focus on value creation and the limited size of the organization means that, in connection with organizational changes as well as the appointment of new members to the Board of Directors, the Executive Management and the senior management team, the business must focus mainly on the knowledge, skills and relevant experience of the individual. The Glunz & Jensen Group does not have an explicit, written social responsibility policy in place, for instance related to human rights because it has been assessed that here is minimal negative impact on human rights in relation to the Group's business activities.

The Board of Directors recognizes the importance of diversity in the Company's Management and emphasizes equal opportunities for all, including both genders. The company's goal was that at least 25% of the members of the Board of Directors who are elected by the general meeting should at all-time be the underrepresented gender before the end of 2022. Currently, the Board of Directors elected by the annual general meeting consists of one woman and three men as members. The company's goal has thus been achieved.

At other management levels, the Company wishes to have a gender composition that matches the overall gender composition of the company. The ratio of women at other management levels was 3 out of 9 on March 31st, 2022, corresponding to 33%. To increase the number of women in these functions, the Company will prepare gender neutral job advertisements and strive to have at least one woman among the last candidates for a vacant position. The company's goal is that at least 50% of the other management level should at all-time be the underrepresented gender before the end of 2027.

The Company believes that a larger diversity in the workforce will benefit everyone. Therefore, Glunz & Jensen focus' on attracting woman to apply for positions across the company and we strive to support their needs and ambitions.

SHAREHOLDER FACTS

Share information

Glunz & Jensen Holding's shares are listed on NASDAQ Copenhagen A/S and are traded under ISIN code DK0010249309.

At the end of the fiscal year, the share price was DKK 77,50 against DKK 65,00 at the beginning of the year. The market value of the share capital amounted to DKK 141 million on March 31st, 2022.

In 2021/22 a total of 162.078 (2020/21: 313.928) shares were traded at a total market value of DKK 11,8 million (2020/21: DKK 17,3 million).

Share capital and voting rights

The share capital in Glunz & Jensen amounted to nominally DKK 36,4 million on March 31st, 2022. Divided into 1.821.309 shares at a nominal value of DKK 20,00. The shares, which are negotiable instruments without restrictions on marketability, are issued to the holder and entitle the holder to cast one vote per share at general meetings.

A total of 82.409 warrants remained unallocated and remained available during 2021/22 until they expired on March 8th, 2022.

In accordance with section 198 of the Danish Companies Act, the Board of Directors is authorized to acquire treasury shares up to 60% of the Company's share capital at the market price prevailing at the date of acquisition with a deviation of up to 10% until June 28th, 2023.

Glunz & Jensen did not own treasury shares at the end of the fiscal year 2021/22 or 2020/21.

Ownership

At the end of the fiscal year, Glunz & Jensen had 560 (2020/21: 636) registered shareholders holding 95,6% (2020/21: 95,4%) of the share capital. Glunz & Jensen wishes to provide the best possible way of providing its shareholders with information about the Group so that all shareholders are encouraged to list their shares in the Company's register of shareholders.

Change of control

The Glunz & Jensen Group has not entered into agreements with finance companies, customers, suppliers, employees, or others which will be affected or changed, or which will expire if the control in the Parent Company changes.

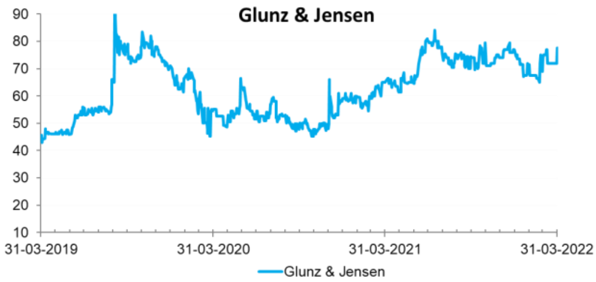
Decisions by the Board of Directors and proposals for the general meeting

Dividend

Glunz & Jensen wants to create the greatest possible value for the shareholders. Based on the Company's financial standing and investment and liquidity requirements, the Board of Directors therefore assesses whether the excess liquidity, after any investments in organic or acquisitive growth measures that can increase the long-term return on the invested capital, must be used to distribute dividends or repurchase of treasury shares.

The Board of Directors proposes to the Annual General Meeting that no dividend be distributed for fiscal 2021/22, and the Company's profit for the year will be transferred to next year.

Share price development since March 31st, 2019



Investor relations

Glunz & Jensen emphasizes to continually providing timely, accurate and relevant information about the Group, including its strategy, results of operations and expectations. Through ongoing reporting, the Group seeks to provide all stakeholders with easy access to information, and emphasis is placed on maintaining an active dialogue with stakeholders.

Communication with investors, analysts, the press, and other stakeholders takes place through ongoing public announcements, including interim reports and individual meetings. Notices are available on the Company's website.

Shareholders, analysts, investors, and other interested parties who have questions regarding Glunz & Jensen should contact:

Glunz & Jensen Holding A/S
Address: Selandia Park 1
DK-4100 Ringsted
Phone: +45 5768 8181
Fax: +45 5768 8340
E-mail: gj@glunz-jensen.com

Martin Overgaard Hansen, CEO
Phone: +45 2260 8405
E-mail: moh@glunz-jensen.com

Flemming Nyenstad Enevoldsen, Chairman of the Board of Directors
Phone: +45 4043 1303
E-mail: f.n.enevoldsen@gmail.com

Annual general meeting

The Company's Annual General Meeting will be held on Thursday, June 30th, 2022, at 15:00 PM at the Company's registered address, Selandia Park 1, DK-4100 Ringsted.

Shareholders on June 8th, 2022

	Ownership interest (%)
Heliograph Holding GmbH, Konrad-Zuse-Bogen 18, 82152 Krailling, Germany	50,10
Strategic Investments A/S	16,05
Notified according to the section 38 of the Danish Securities Trading Act	66,15
All other shareholders	33,85
Total	100,00

Share-related key figures and financial ratios

	2017/18	2018/19	2019/20	2020/21	2021/22
Average number of shares outstanding (in thousands)	1.666	1.821	1.821	1.821	1.821
Earnings per share (EPS), %	6,0	(3,8)	(10,1)	0,5	6,7
Diluted earnings per share (EPS-D), %	5,4	(3,8)	(10,1)	0,5	6,7
Cash flow per share (CFPS), %	9,9	5,8	(1,1)	8,6	12,7
Book value per share (BVPS), %	50,6	47,7	40,4	40,6	47,4
Share price per share	73	44	55	65	78
Share price /book value	1,4	0,9	1,4	1,6	1,6
Market value of average number of shares (DKK million)	133	80	100	118	141
Dividend per share	-	-	-	-	-
Pay-out ratio, %	-	-	-	-	-

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Board of Directors

Flemming N. Enevoldsen (1961)

CEO & Non-Executive Director.
Chairman of the Board of Directors of Glunz & Jensen Holding A/S.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2017. Re-elected in 2021 and is up for re-election in 2022.
Regarded as independent.
Chairman of the Board of Directors in: Insepa A/S, Espersen A/S, Head Energy Denmark A/S, Head Energy A/S (Norway), Business Esbjerg, ST Plast A/S, Skov Industri A/S, Suztain A/S, ABL Food A/S, Glunz & Jensen A/S and Selandia Park A/S.
Member of the Board of Directors in Green Genius A/S and Jysk Display A/S.
Competences: Many years of international experience as CEO within production and energy with expertise in generating profit and leadership skills. 10 years of experience in sales management roles of equipment for the graphic arts industry – including Glunz & Jensen products.

Randi Toftlund Pedersen (1963)

Group Senior Vice President Corporate Finance, Salling Group A/S.
Vice-Chairman of the Board of Directors of Glunz & Jensen Holding A/S.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2020. Re-elected in 2021 and is up for re-election in 2022.
Regarded as independent.
Board Member and Chairman Audit Committee in Roblon A/S.
Chairman of the Board of Directors in Salling Group Forsikring A/S.
Board Member in Salling Group Ejendomme A/S.
Competences: Many years of experience as CFO within production and supply chain companies. Experience from listed companies and within the consumer market. Expertise in Corporate Finance, generating profit and leadership skills.

Maximilian Rid (1961)

CEO & Non-Executive Director.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2020. Re-elected in 2021 and is up for re-election in 2022.
Not regarded as independent.
CEO and shareholder in MRB Holding GmbH.
Board member in several subsidiaries of Heliograph Holding GmbH: Daetwyler Graphics AG, Lüscher Technologies AG.
CEO and shareholder in MRGrund GmbH.
Member of the board and treasurer in European Rotogravure Association (E.R.A.) e.V.
Competences: Many years of CEO experience with strategy and management with particular emphasis on international BTB sales and marketing.

Rolf Pfiffner (1969)

CEO at Daetwyler Graphics AG.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2017. Re-elected in 2021 and is up for re-election in 2022.
Not regarded as independent.
Board of Management in Heliograph Holding GmbH.
Competences: Many years of experience as CEO within process and prepress technology with formation of new companies, restructuring and acquisitions.

Thomas Haase (1971)*

Global Offset Key Account Manager
Member of the Board of Directors of Glunz & Jensen Holding A/S since June 2021. The election period ends in 2025.

Søren Andersen (1971)*

Product Manager Offset
Member of the Board of Directors of Glunz & Jensen Holding A/S since January 2022. The election period ends in 2025.

**Elected by the employees*

Executive Management

Martin Overgaard Hansen (1973)

CEO of Glunz & Jensen Holdings A/S since September 1st, 2019.

Henrik Blegvad Funk (1964)

CFO of Glunz & Jensen Holdings A/S since April 1st, 2016.

All the the Board of Directors participated in all the Board of Director meetings during 2021/22.

Board of Directors and Executive Management; Ownership interest in Glunz & Jensen Holding A/S

No. of shares	2021/22	2020/21
Maximilian Rid	912.500	877.533
Rolf Pfiffner	1.000	0
Flemming N. Enevoldsen	9.584	4.170
Randi Toftlund Petersen	0	0
Thomas Haase	0	0
Søren Andersen	33	33
Martin Overgaard Hansen	300	0
Henrik Blegvad Funk	0	0

GROUP COMPANIES

Glunz & Jensen Holding A/S

Selandia Park 1
4100 Ringsted
Denmark
Tel. +45 5768 8181
gj@glunz-jensen.com
www.glunz-jensen.com

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Glunz & Jensen s.r.o.

Kosicka 50, P.O. Box 116
080 01 Presov
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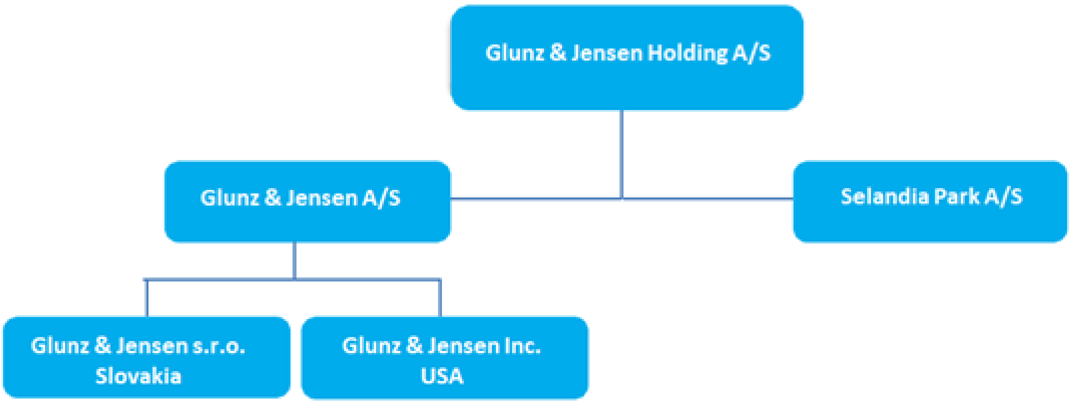
Tel. +421 51 756 3811
skpr@glunz-jensen.com

Glunz & Jensen, Inc.

2185 Highway 292
Inman, SC 29349
USA
Tel. +1 864 568 4638
gj-americas@glunz-jensen.com

Glunz & Jensen A/S owns 40 % of GKS International Ltd. in the UK.

Legal structure – all legal units owned 100%



MANAGEMENT'S REVIEW

The Board of Directors and the Executive Management have today's date considered and approved the annual report for 2021/22 for Glunz & Jensen A/S.

The annual report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional requirements in the Danish Financial Statement Act.

In our opinion, the consolidated financial statements and the financial statements give a true and fair view of the Group's and the Company's financial position on March 31st, 2022, and of the results of the Group's and the Company's activities and cash flows for the fiscal year April 1st, 2021 - March 31st, 2022.

In our opinion, the Management's review gives a true and fair account of the development of the Group's and the Company's activities and financial conditions, the year's results of operations, cash flows and financial position as well as a description of the major risks and uncertainties faced by the Group and the Company.

We recommend that the annual report be approved by the shareholders at the general meeting.

Copenhagen, June 8th, 2022

Executive Management

Martin Overgaard Hansen CEO	Henrik Blegvad Funk CFO

Board of Directors

Flemming Nyenstad. Enevoldsen Chairman	Randi Toftlund Pedersen Vice Chairman
Rolf Pfiffner	Maximilian Rid
Søren Andersen*	Thomas Haase*

**Elected by the employees*

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Glunz & Jensen Holding A/S

Report on the audit of the Consolidated Financial Statements and Parent Company Financial Statements

Opinion

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at March 31st, 2022 and of the results of the Group's and Parent Company's operations and cash flows for the financial year April 1st, 2021 – March 31st, 2022 in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Our opinion is consistent with our reporting to the Board or Directors and the Audit Committee.

Audited financial statements

Glunz & Jensen Holding A/S' consolidated financial statements and parent company financial statements for the financial year April 1st, 2021 – March 31st, 2022comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and notes, including summary of significant accounting policies, for the Group as well as for the Parent Company (the financial statements). The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

We declare, to the best of our knowledge and belief, that we have not provided any prohibited non-audit services, as referred to in Article 5(1) of the Regulation (EU) 537/2014 and that we remained independent in conducting the audit.

We were appointed auditors of Glunz & Jensen Holding A/S for the first time on June 30th 2021 for the financial year 2021/22.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the 2021/22 financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in the forming of our opinion thereon. We do not provide a separate opinion on these matters.

Capital structure and financing

The availability of sufficient funding and the testing of whether the Group will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit. This assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations. Estimates are based on assumptions, including expectations regarding future developments in the economy and the market.

For notes on the capital structure and financing see note 1 of the consolidated financial statements.

For the purpose of our audit, the procedures we carried out included the following:

- In assessing the appropriateness of the capital structure and financing, we performed, among other things, an assessment of the key assumptions made by Management in the estimated cash flow forecasts for 2022/23 and whether available financing facilities for the year ahead are sufficient to meet the forecasts for 2022/23.
- Further, we have read and discussed with Management the main terms of the letter of cooperation with Nordea for 2022/23 and any uncertainties and risks related to covenant compliance expected for 2022/23.

Valuation of investment property

Investment properties represents a significant part of the total assets (64%) of the Group and is valuated at fair value for an amount of DKK 140,500 thousand, refer to note 1 and 14 of the consolidated financial statements.

Management is determining the fair value of its investment properties annually. The valuation of the investment property at fair value is dependent on estimates and assumptions, such as rental value, discount rates, maintenance status and financial stability of tenants.

Given the size and complexity of the valuation of investment property, we consider this as a key audit matter.

For the purpose of our audit, the procedures we carried out included the following:

- The audit procedures we performed consist, among other things, of an assessment of the applied valuation method used in the determination of fair value performed by Management. We have assessed whether the method used by Management has been applied consistently. We have tested the key assumptions used in the determination of fair value performed by Management by comparing the capitalisation rate used to available industry data for similar investment properties. In addition, we have assessed the data used by Management in determination of future cash flows and agreed expected rental income and operating expenditure to underlying tenant contracts, budgets and historical property expenditure.
- We also assessed the appropriateness of the disclosures and sensitivities made relating to investment properties compared to applicable financial reporting standards.

Statement on the Management's review
Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed; we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on compliance with the ESEF Regulation
As part of our audit of the Consolidated Financial Statements and Parent Company Financial Statements of Glunz & Jensen Holding A/S we performed procedures to express an opinion on whether the annual report of Glunz & Jensen Holding A/S for the financial year April 1st 2021 –March 31st 2022 with the file name 549300S5UFTTWALAFE19-2022-03-31-en is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Glunz & Jensen Holding A/S for the financial year April 1st 2021 –March 31st 2022 with the file name 549300S5UFTTWALAFE19-2022-03-31-en is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, June 8th, 2022
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Nikolaj Møller Hansen	**Michael E. K. Rasmussen**
State Authorized	*State Authorized*
Public Accountant	*Public Accountant*
mne33220	*mne41364*

INCOME STATEMENT

Note	April 1st - March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
2	**Revenue**	147.031	136.946	9.250	7.800
3,4,6	Production costs	(107.966)	(108.543)	-	-
	Gross profit	39.065	28.403	9.250	7.800
7	Other operating income	858	4.622	-	-
4,6	Sales and distribution costs	(10.932)	(10.904)	-	-
4,6	Development costs	(1.803)	(6.641)	-	-
4,6	Administrative expenses	(9.402)	(10.746)	(9.499)	(8.475)
7	Other operating expenses	-	-	-	-
14	Fair value adjustments on investment properties	-	-	-	-
	Operating profit/(loss)	17.786	4.734	(249)	(675)
15	Profit/(loss) after tax in subsidiaries	-	-	11.120	(382)
16	Profit/(loss) after tax in associates	(17)	26	-	-
8	Financial income	585	585	1.577	2.426
8	Financial expenses	(3.733)	(4.481)	(31)	(31)
	Profit/(loss) before tax	14.621	864	12.417	1.338
9	Income taxes	(2.491)	(9)	(287)	(483)
	Profit/(loss) for the year	12.130	855	12.130	855
	Attributable to:				
	Equity holders of Glunz & Jensen Holding A/S	12.130	855		
	Total	12.130	855		
	Proposed appropriation of the loss for the year:				
	Retained earnings			12.130	855
	Total			12.130	855
	Earnings per share				
10	Basic earnings per share (DKK)	6,7	0,5		
10	Diluted earnings per share (DKK)	6,7	0,5		

STATEMENT OF COMPREHENSIVE INCOME

Note	April 1st / June 1st - March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
	Profit/(loss) for the year	12.130	855	12.130	855
	Other comprehensive income:				
	Items that may be reclassified to the income statement:				
	Other comprehensive income after tax in associates	2	(6)	-	-
	Exchange rate adjustments of investments in subsidiaries	249	(522)	251	(528)
	Total other comprehensive income	251	(528)	251	(528)
	Total comprehensive income	12.381	327	12.381	327
	Attributable to:				
	Equity holders of Glunz & Jensen Holding A/S	12.381	327		
	Total comprehensive income	12.381	327		

BALANCE SHEET

Note	March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
	ASSETS				
	Non-current assets				
	Intangible assets				
11	Completed development projects	-	232	-	-
		-	232	-	-
	Property, plant, and equipment				
12	Property, plant, and equipment	5.616	8.776	-	-
13	Leased assets	1.932	7.642	281	292
14	Investment properties	140.500	137.000	-	-
		148.048	153.418	281	292
	Other non-current assets				
15	Investments in subsidiaries	-	-	54.021	39.056
16	Investments in associates	244	259	-	-
17	Deferred tax	1.051	995	-	-
18	Other receivables	3.360	-	-	-
		4.655	1.254	54.021	39.056
	Total non-current assets	152.703	154.904	54.302	39.348
	Current assets				
19	Inventories	41.014	36.446	-	-
20	Trade receivables	20.771	17.422	-	-
	Receivables from subsidiaries	-	-	37.751	37.842
18	Other receivables	3.407	1.244	-	-
	Income tax	-	-	-	-
	Prepayments	1.264	1.411	835	889
	Cash	1.054	846	30	25
	Total current assets	67.510	57.369	38.616	38.756
	TOTAL ASSETS	220.213	212.273	92.918	78.104

Note	March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
	LIABILITIES				
21	**Equity**				
	Share capital	36.426	36.426	36.426	36.426
	Translation reserve	4.762	4.511	4.762	4.511
	Revaluation reserve	4.844	4.844	4.844	4.844
	Retained earnings	40.226	28.096	40.226	28.096
	Total equity	86.258	73.877	86.258	73.877
	Non-current liabilities				
17	Deferred tax	5.643	4.388	184	196
22	Provisions	361	246	-	-
23	Credit institutions	50.885	56.317	-	-
24	Other payables	3.164	2.559	155	-
25	Prepayments from customers	4.817	6.176	-	-
13	Lease liabilities	5.206	6.805	204	169
	Total non-current liabilities	70.076	76.491	543	365
	Current liabilities				
23	Credit institutions	21.311	30.998	-	-
	Trade payables	13.105	11.147	75	118
13	Lease liabilities	2.423	2.999	51	121
	Income tax	963	126	299	323
22	Provisions	1.084	2.337	-	-
25	Prepayments from customers	9.107	4.938	-	-
24	Other payables	15.886	9.360	5.692	3.300
	Total current liabilities	63.879	61.905	6.117	3.862
	Total liabilities	133.955	138.396	6.660	4.227
	TOTAL EQUITY AND LIABILITIES	220.213	212.273	92.918	78.104

STATEMENT OF CHANGES IN EQUITY

Group (DKK '000)	Share capital	Retained earnings	Revaluation reserve	Translation reserve	Total
Equity March 31st, 2020	36.426	27.241	4.844	5.039	73.550
Changes in equity 2020/21					
Profit/(loss) for the year	-	855	-	-	855
Other comprehensive income					
Other comprehensive income after tax in associates	-	-	-	(6)	(6)
Exchange rate adjustments of investments in subsidiaries	-	-	-	(522)	(522)
Total other comprehensive income	-	-	-	(528)	(528)
Total comprehensive income for the year	-	855	-	(528)	327
Equity March 31st, 2021	36.426	28.096	4.844	4.511	73.877
Changes in equity 2021/22					
Profit/(loss) for the year	-	12.130	-	-	12.130
Other comprehensive income					
Other comprehensive income after tax in associates	-	-	-	2	2
Exchange rate adjustments of investments in subsidiaries	-	-	-	249	249
Total other comprehensive income	-	-	-	251	251
Total comprehensive income for the year	-	12.130	-	251	12.381
Equity March 31st, 2022	36.426	40.226	4.844	4.762	86.258

Parent Company (DKK '000)	Share capital	Retained earnings	Revaluation reserve	Translation reserve	Total
Equity March 31st, 2020	36.426	27.241	4.844	5.039	73.550
Changes in equity 2020/21					
Profit/(loss) for the year	-	855	-	-	855
Other comprehensive income:					
Exchange rate adjustments of investments in subsidiaries	-	-	-	(528)	(528)
Total other comprehensive income	-	-	-	(528)	(528)
Total comprehensive income for the year	-	855	-	(528)	327
Equity March 31st, 2021	36.426	28.096	4.844	4.511	73.877
Changes in equity 2021/22					
Profit/(loss) for the year	-	12.130	-	-	12.130
Other comprehensive income:					
Exchange rate adjustments of investments in subsidiaries	-	-	-	251	251
Total other comprehensive income	-	-	-	251	251
Total comprehensive income for the year	-	12.130	-	251	12.381
Equity March 31st, 2022	36.426	40.226	4.844	4.762	86.258

STATEMENT OF CASH FLOWS

Note	April 1st - March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
	Operating activities				
	Profit/(loss) for the year	12.130	855	12.130	855
	Adjustment for non-cash items etc.:				
	Amortization, depreciation, and impairment losses	6.113	14.880	216	121
	Gain and loss on sale of non-current assets	(40)	(159)	-	-
	Fair value gain on investment properties	-	-	-	-
	Profit/(loss) after tax in subsidiaries	-	-	(11.120)	382
	Profit/(loss) after tax in associates	17	(26)	-	-
	Other non-cash items, net	(1.150)	(5.255)	-	2
	Provisions	17	(1.740)	-	-
	Financial income	(585)	(585)	(1.577)	(2.426)
	Financial expenses	3.733	4.481	31	31
	Tax on operating profit	2.491	9	287	483
	Cash flows from operating activities before changes in working capital	22.726	12.460	(33)	(552)
	Changes in working capital:				
	Changes in inventories	(4.445)	10.153	-	-
	Changes in payable and receivables from subsidiaries	-	-	6.496	(22.768)
	Changes in receivables	(3.933)	6.306	54	(283)
	Changes in trade and other payables	11.903	(9.527)	2.480	1.617
	Changes in working capital	3.525	6.932	9.030	(21.434)
	Interest etc. received	585	585	1.577	2.426
	Interest etc. paid	(3.197)	(4.158)	(9)	(13)
	Net income tax paid	(448)	(221)	(323)	(308)
	Net cash flows from operating activities	23.191	15.598	10.242	(19.881)
2, 12	Acquisition of items of property, plant, and equipment	(627)	(277)	-	-
14	Acquisition of investment properties	(3.500)	-	-	-
15	Capital increase in subsidiary	-	-	(10.000)	-
12	Sale of items of property, plant, and equipment	40	477	-	-
	Dividends from subsidiary	-	-	-	20.000
	Net cash flows from investing activities	(4.087)	200	(10.000)	20.000
	Free cash flow	19.104	15.798	242	119
13	Repayment lease liabilities	(3.786)	(4.779)	(238)	(133)
23	Change in net interest-bearing debt	(15.120)	(11.588)	-	-
	Net cash flows from financing activities	(18.906)	(16.367)	(238)	(133)
	Net cash flows generated during the year	198	(569)	4	(14)
	Cash and cash equivalents at the beginning of the year	846	1.439	26	40
	Exchange gains/(losses) rate on cash and cash equivalents	10	(24)	-	-
	Cash and cash equivalents at the end of the year	1.054	846	30	26

NOTES

1. Significant accounting estimates and judgements

Estimates and judgements:
In applying the Group's and the Parent Company's accounting policies, Management is required to make judgments, estimates and assumptions concerning the carrying amount of assets and liabilities that cannot be immediately inferred from other sources. The judgments, estimates and assumptions made are based on historical experience and other relevant factors which Management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. Estimates and underlying assumptions are assessed on an ongoing basis. Changes to accounting estimates are recognized in the reference period in which the change occurs and in future reference periods if the change affects both the period in which the change occurs and subsequent reference periods.

Capital structure and financing:
The Group's primary loan agreement with Nordea is subject to certain conditions and three covenants, which Glunz & Jensen must observe to maintain the loan, including financial covenants concerning the financial ratio "solvency" and the agreed level of EBITDA and loan to value covenants. During 2021/22 Glunz & Jensen did not breach any covenant. The budget for 2022/23 was presented to and viewed satisfactory by the Group's main banker in February 2022 and a letter of cooperation for 2022/23 was received by Glunz & Jensen on May 12th, 2022. On this basis, Management considers the Group's funding for 2022/23 sufficient to be able to continue meeting its payment obligations and its obligations under the financing covenants during 2022/23.

Investment properties:
For investment properties, a valuation methodology based on a discounted cash flow (DCF) model are used every year. In 2021/22 the discount rate used was 7,5%, the yearly average rent adjustment was 2,5%, the maintenance per m^2 in DKK was 42 and the occupancy rate was 97% (2020/21: discount rate was 7,5%, rent adjustment was 2,0%, the maintenance per m^2 in DKK was 42 and the occupancy rate was 87%).

The most significant factor in the fair value calculation is the discount rate. Sensitivity analysis of the fair value calculation indicates that a change in the discount rate +/- 0,5% will lead to a fair value adjustment of approximately DKK 10,5 million.

The discount rate is based on available information from commercial real estate agents and the Executive Management's assessments. The fair values of the properties are however not based on valuations performed by independent external valuer. Please see note 14 concerning investment properties.

Leased Property asset:
During 2021/22 the leased Property in Nyborg, Denmark was fully subleased for a two year period to external tenant. The lease period in Nyborg ends in July 2025. The property has been tested for impairment as of March 31st, 2022. The impairment is based on a valuation methodology based on a discounted cash flow (DCF). The conditions of the calculation are utilization of and/or sublease of all of the Property during the remaining lease period. Interest rate used is 4,5%.

The most significant factor in the impairment calculation is the two-year sublease period. The sensitivity analysis of the impairment calculation indicates depreciation impairment cost of approximately DKK 1,9 million if no sublease agreement is made after the two-year period. Please see note 13 concerning Leased assets and note 18 concerning other receivables.

Estimated level of expected losses on trade receivables:
Write-downs for expected losses on receivables from sales are recognized immediately in the income statement at the same time as the receivable based on a simplified expected credit loss model. When estimating the level of receivables that in the future is expected not to be collected Management take the following information into account; historical losses on receivables, ageing of the receivables, access to payment securities and possibilities to off-set assets against claims. When doing the assessment, we also evaluate the global financial situation and political environments that could impact the recoverability.

Inventories:
In connection with the preparation of the annual report and during the year, Management regularly assesses the need for writing down the inventory value regarding phase-out of materials, consumables, and/or finished machines. The need for write-downs is estimated based on analysis in which last year's revenue is compared to the present composition of the inventories. The percentage of the write-down increase depends on the number of years of revenue the inventory is estimated to cover. If Management estimates that future revenue differs significantly compared to historical sales, e.g., due to planned phase-outs, this is taken into consideration in the impairment test. Normally, inventory write-downs are made when Management estimates that the product portfolio covers more than two years' future expected revenue. Most of the uncertainties in the impairment test relate to estimating the future revenue, the effect of phase-outs and the precision of the write-down percentages used.

1. Significant accounting estimates and judgements (continued)

Deferred tax assets:
When measuring deferred tax assets, Management considers if future earnings, based on budget and operating plans, will make it possible to utilize the temporary differences between the carrying amount and the tax base of assets and liabilities or tax loss-carry forwards. See note 17, which states that tax loss-carry forward are expected to be utilized by 2024/25 at the latest.

Non-current assets:
The carrying amounts of non-current assets are reviewed annually to determine whether there is any evidence of impairment. If any such evidence exists, the recoverable amount of the asset is estimated. The recoverable amount of an asset is the higher of its fair value less expected disposal costs and its value in use. The value in use is determined as the present value of expected future cash flows from the asset or the cash-generating unit to which the assets belong.

Accounting policies:
In applying the Group's and the Parent Company's accounting policies, Management is required to make other judgments not relating to estimates which might significantly affect amounts recognized in the annual report.

Management has made such judgments concerning:

Segments:
The Glunz & Jensen Group's main activities lie within the Prepress market. Product area Flexo and Product area Offset, are both part of the prepress market. All products and services are connected to setters and printing equipment. In addition to equipment, Glunz & Jensen sells installation of the equipment, service, and spare parts. At the production facility in Slovakia, Glunz & Jensen manufactures both Flexo and Offset equipment. Glunz & Jensen markets Flexo and Offset through a comprehensive and worldwide network of private label partners, distributors, and dealers. Flexo and Offset equipment are sold on a standalone basis or in conjunction with other product types. Glunz & Jensen's service organization provides service for both Flexo and Offset equipment. Glunz & Jensen sees an overlap between customers within Flexo and Offset. Consequently, Glunz & Jensen has concluded that Offset and Flexo belong to the same segment. The management of Glunz & Jensen and the internal financial reporting is organized accordingly.

Thus Glunz & Jensen Group account can be divided into two segments: prepress market and investment property, Selandia Park.

Glunz & Jensen presents entity-wide information regarding geographical distribution of revenue and assets. However, Glunz & Jensen's financial reporting does not include information regarding geographical markets beyond those reflected in note 2 and geographical markets are not considered operating segments.

2. Segment information

The Glunz & Jensen Group consists of two reportable segments: the prepress market and rental of the Selandia Park properties.

April 1st, 2021 – March 31st, 2022 (DKK '000)	Prepress market	Selandia Park	Total segments	Elimi-nations	Consoli-dated
External revenue	134.800	12.231	147.031	-	147.031
Inter-segment	-	155	155	(155)	-
Total revenue	134.800	12.386	147.186	(155)	147.031
Fair value loss on investment properties	-	-	-	-	-
Depreciation and impairment of property, plant, and equipment	3.790	-	3.790	-	3.790
Depreciation and impairment of leased assets	2.091	-	2.091	-	2.091
Amortization and impairment of intangible assets	232	-	232	-	232
Operating profit/(loss)	7.904	9.882	17.786	-	17.786
Profit/(loss) after tax in associates	(17)	-	(17)	-	(17)
Financial income	585	-	585	-	585
Financial expenses	(2.161)	(1.572)	(3.733)	-	(3.733)
Segment profit/(loss) before tax	6.311	8.310	14.621	-	14.621
Segment assets	79.095	141.118	220.213	-	220.213
Capital expenditure	627	3.500	4.127	-	4.127
Segment liabilities	38.354	95.601	133.955	-	133.955

2. **Segment information (continued)**

April 1st, 2020 – March 31st, 2021 (DKK '000)	Prepress market	Selandia Park	Total segments	Elimi-nations	Consoli-dated
External revenue	123.947	12.999	136.946	-	136.946
Inter-segment	-	142	142	(142)	-
Total revenue	123.947	13.141	137.088	(142)	136.946
Fair value gains on investment properties	-	-	-	-	-
Depreciation and impairment of property, plant, and equipment	3.711	-	3.711	-	3.711
Depreciation and impairment of leased assets	5.782		5.782		5.782
Amortization and impairment of intangible assets	5.387	-	5.387	-	5.387
Operating profit/(loss)	(5.835)	10.569	4.734	-	4.734
Profit/(loss) after tax in associates	26	-	26	-	26
Financial income	585	216	801	(216)	585
Financial expenses	(2.468)	(2.229)	(4.697)	216	(4.481)
Segment profit/(loss) before tax	(7.692)	8.556	864	-	864
Segment assets	74.992	137.281	212.273	-	212.273
Capital expenditure	277	-	277	-	277
Segment liabilities	39.602	98.225	137.827	-	137.827

Sales and purchases between the segments are made on terms equivalent to those that prevail in arm's length transactions.

Glunz & Jensen operates mainly in the European and North American markets.

External revenue is allocated to geographical areas based on the customer's geographical location, whereas non-current assets are allocated to geographical areas based on the geographical location of the reporting units.

Geographical distribution (DKK '000)	Revenue 2021/22	Revenue 2020/21	Non-current assets 2021/22 March 31st	Non-current assets 2020/21 March 31st
Group				
EMEA (Europe, Middle East, Africa) *	95.949	92.142	147.810	153.067
Americas	31.453	29.609	10	14
Asia and the Pacific	19.629	15.195	-	-
Total	147.031	136.946	147.810	153.081

* Selandia Park is included in EMEA.

8% of the Group's revenue relates to Denmark (2020/21: 10%).

Major customers:
Customers with a revenue of more than 10% of total revenue accounted for DKK 71,7 million in 2021/22 (2020/21: DKK 59,8 million).

Revenue:

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21
Type of Revenue		
Sale of goods	128.262	119.707
Sale of services	6.538	4.240
Rental income from investment properties	12.231	12.999
	147.031	136.946
Timing of revenue recognition		
Revenue recognized at a point in time	128.262	119.707
Revenue recognized over time	18.769	17.239
	147.031	136.946

3. Production costs

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21
Cost of goods sold	75.648	65.499
Inventory write-downs	738	2.135
Reversed inventory write-downs	(1.128)	(1.140)

Inventory write-downs are made based on an assessment that includes expectations as to future demand and use of the item concerned. As such expectations can change from year to year, significant fluctuations in the need for write-downs may occur. As a result, written-down inventories are sometimes reversed.

4. Staff costs

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
Wages and salaries	26.173	33.525	6.196	5.406
Defined contribution plans	933	1.903	302	308
Other social security costs	4.035	4.152	13	11
	31.141	39.580	6.511	5.725
Staff costs are recognized as follows:				
Production costs	9.150	18.225	-	-
Labor transferred to inventory	5.721	5.080	-	-
Sales and distribution costs	6.933	8.551	-	-
Product development costs	409	-	-	-
Administrative expenses	8.928	7.724	6.511	5.725
	31.141	39.580	6.511	5.725
Average number of full-time employees	101	119	2	2
Remuneration of the Executive Management:				
Salaries	4.222	4.077	4.222	4.077
Bonus	1.489	689	1.489	689
Remuneration of the Executive Management total	5.711	4.766	5.711	4.766
Remuneration of the Board of Directors:				
Directors' fees	800	759	800	759
Total remuneration of the Board of Directors	800	759	800	759

Executive Management:
Martin Overgaard Hansen CEO of Glunz & Jensen Holding A/S since September 1st, 2019. Henrik Blegvad Funk CFO of Glunz & Jensen Holding A/S since April 1st, 2016.

There are no defined benefit plans within the Group.

During 2020/21 the Group recognized DKK 1.761 thousand in Covid-19 compensation relating to staff costs. The compensation was recognized as other operating income. During 2021/22 DKK 347 thousand of this was reversed due to final calculation of the Covid-19 compensation. The reversal is recognized as negative other operating income.

To tie the Board of Directors, the Executive Management, and other executive officers more closely to the Group, Glunz & Jensen Holding A/S had set up a share-based program.

In 2017, the Group set up an incentive program for the Board of Directors, the Executive Management and two executive officers. The program was based on warrants. A total of 185.820 warrants were issued in 2016/17, 84.624 of which were granted to the Board of Directors, 72.364 to the Executive Management and 28.832 to the rest of the management team. The warrant program was brought forward and excised by March 20th, 2018, due to the take-over bid by Heliograph Holding GmbH as announced on February 21st, 2018. The exercise price was fixed at DKK 41,50 per share of nominally DKK 20 and a risk-free interest rate at -0,30% p.a., calculated from December 30th, 2016, and until the warrants were in fact exercised. The exercise price was fixed based on the listed price one day after the publication of the Q3 report on April 27th, 2017, and up to May 2nd, 2017. The number of exercised and issued warrants by March 19th, 2018, were a total of 161.309 warrants with 59.595 warrants issued to the Board of Directors, 2.830 warrants to a previous member of the Board of Directors, 70.052 warrants issued to the Executive Management and 28.832 warrants issued to the rest of the management team. A total of 82.409 warrants remained unallocated and remained available until March 8th, 2022.

5. **Auditor's fee**			Parent	Parent
	Group	Group	Company	Company
April 1st – March 31st (DKK '000)	2021/22	2020/21	2021/22	2020/21
Total fees to the auditors:				
KPMG	644	-	233	-
EY	48	721	26	269
	692	721	259	269
Statutory audit	350	458	83	115
Tax and VAT assistance	45	73	(18)	-
Other services	297	190	194	154
	692	721	259	269

Group:
Non-audit services provided by KPMG amounts to DKK 294 thousand in 2021/22 relating to sundry tax advisory services and other advisory services (2020/21: DKK 0).

Non-audit services provided by EY amounts to DKK 48 thousand in 2021/22 relating to sundry tax advisory services and other advisory services (2020/21: DKK 263 thousand).

Parent company:
Non-audit services provided by KPMG amounts to DKK 150 thousand in 2021/22 relating to sundry tax advisory services and other advisory services (2020/21: DKK 0).

Non-audit services provided by EY amounts to DKK 26 thousand in 2021/22 relating to sundry tax advisory services and other advisory services (2020/21: DKK 154 thousand).

6. **Depreciation, amortization, and impairment losses**			Parent	Parent
	Group	Group	Company	Company
April 1st – March 31st (DKK '000)	2021/22	2020/21	2021/22	2020/21
Amortization, intangible assets	232	5.387	-	-
Depreciation, property, plant, and equipment	2.781	3.110	-	-
Impairment losses, property, plant, and equipment	1.009	601	-	-
Depreciation, leased assets	1.863	2.944	106	121
Impairment losses, leased assets	228	2.838	110	-
	6.113	14.880	216	121
Amortization, depreciation, and impairment losses are included in the following items:				
Production costs	5.291	6.699	-	-
Sales and distribution costs	231	379	-	-
Development costs	340	5.731	-	-
Administrative expenses	251	2.071	216	121
	6.113	14.880	216	121

Amortizations relating to intangible assets are recognized in development costs. See notes 11, 12 and 13 concerning impairment of intangible assets, property, plant, and equipment and leased assets.

7. **Other operating income and expenses**	Group	Group
April 1st – March 31st (DKK '000)	2021/22	2020/21
Other operating income		
Gain on sale of non-current assets	40	159
Glunz & Jensen S.r.l., Italy reversals of accruals (liabilities)	1.155	2.696
Covid-19 compensation from government	(347)	1.761
Other income	10	6
	858	4.622
Other operating expenses		
Loss on sale of non-current assets	-	-
	-	-

7. **Other operating income and expenses (continued)**

Based on the difficulties related to the current business environment in general related to Covid-19 which made normal business operations challenging and following the past years efforts to turn Glunz & Jensen S.r.l. around and into a profitable organization, including injecting significant amounts of cash over the past years, the Board of Directors in the parent company (Glunz & Jensen A/S) decided to prioritize the operations in the parent company Glunz & Jensen A/S (Denmark) and the subsidiary Glunz & Jensen s.r.o. (Slovakia). The decision was made on May 15th, 2020, as the parent company Glunz & Jensen A/S concluded that it was expected to be unable to provide further support to Glunz & Jensen S.r.l. Following the bankruptcy act in 2020 a former employee filed a court case against Glunz & Jensen S.r.l. and Glunz & Jensen A/S. Glunz & Jensen A/S assessed the risk and recognized provisions in the event of a negative outcome of the court case based on legal advice from the lawyer team. The net composition of the balance sheet provisions in Glunz & Jensen A/S led to reversals of accruals (liabilities) during 2020/21 hence adjusting the EBITDA positively in 2020/21 by net DKK 2.696 thousand by March 31st, 2021.
The outcome of the court case was fully in favor of Glunz & Jensen A/S. As a result, provision of DKK 1.155 thousand was reversed by March 31st, 2022.

During 2020/21 the Group recognized DKK 1.761 thousand in Covid-19 compensation relating to staff costs. The compensation relates to productions costs (DKK 1.275 thousand), sales and distribution costs (DKK 280 thousand) and administrative expenses (DKK 206 thousand). During 2021/22 final calculation of the Covid-19 compensation resulted in reversal of DKK 347 thousand. The reversed compensation relates to productions costs.

8. **Financial income and expenses**

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
Financial income				
Interest income, cash, and cash equivalents etc.	3	8	-	-
Interest income, subleasing receivables	42	-	-	-
Interest income from subsidiaries	-	-	1.577	2.426
Foreign exchange gains	540	577	-	-
	585	585	1.577	2.426
Interest on financial assets measured at amortized cost represents	45	8	1.577	2.426
Financial expenses				
Interest expenses, credit institutions	1.950	2.545	1	4
Interest expenses, leasing liabilities	536	306	22	18
Foreign exchange losses	847	984	1	-
Other financial expenses	400	646	7	9
	3.733	4.481	31	31
Interest on financial liabilities measured at amortized cost represents	2.486	2.851	23	22

9. **Tax on profit/(loss) for the year**

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21	Parent Company 2021/22	Parent Company 2020/21
Tax on profit/(loss) for the year:				
Current tax	1.339	22	299	323
Adjustment of tax regarding previous years	(55)	355	-	97
Adjustment of deferred tax	1.207	(368)	(12)	63
Total tax on profit/(loss) for the year	2.491	9	287	483
Analysis of tax on profit/(loss) for the year:				
Tax charged at 22%	3.217	189	2.732	294
Tax effect of:				
Non-deductible Profit/(loss) after tax in subsidiaries	-	-	(2.446)	84
Non-taxable income and non-deductible expenses	(710)	(376)	1	8
Non-recognized deferred tax asset in foreign subsidiaries	(28)	3	-	-
Adjustment of tax calculated for foreign subsidiaries against 22%	67	(162)	-	-
Tax relating to previous years	(55)	355	-	97
	2.491	9	287	483
Effective tax rate	17,0%	1,0%	2,3%	36,1%

9. Tax on profit/(loss) for the year (continued)

Group:
The effective tax rate for 2021/22 increased to 17% from 1% in 2020/21 due to adjustments of non-taxable income and non-deductible expenses and adjustments of tax relation to prior years.

Parent:
The effective tax rate for 2021/22 decreased to 2% from 36% in 2020/21 due to the development in non-deductible Profit/(loss) after tax in subsidiaries.

10. Earnings per share

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21
Profit/(loss) for the year	12.130	855
Average number of shares	1.821	1.821
Average number of outstanding shares	1.821	1.821
Average dilutive effect of outstanding warrant program shares	-	-
Average number of outstanding shares, diluted	1.821	1.821
Earnings per share (EPS) (DKK)	6,7	0,5
Diluted earnings per share (EPS-D) (DKK)	6,7	0,5

11. Intangible assets

(DKK '000)	Completed development projects	Total
Group		
Total cost on April 1st, 2020	49.090	49.090
Disposals	(42.263)	(42.263)
Total cost on March 31st, 2021	6.827	6.827
Amortization and impairment losses on April 1st, 2020	43.471	43.471
Amortization for the year	5.387	5.387
Depreciation of disposals	(42.263)	(42.263)
Amortization and impairment losses on March 31st, 2021	6.595	6.595
Carrying amount on March 31st, 2021	232	232
Total cost on April 1st, 2021	6.827	6.827
Disposals	(6.827)	(6.827)
Total cost on March 31st, 2022	-	-
Amortization and impairment losses on April 1st, 2021	6.595	6.595
Amortization for the year	232	232
Depreciation of disposals	(6.827)	(6.827)
Amortization and impairment losses on March 31st, 2022	-	-
Carrying amount on March 31st, 2022	-	-

Group
Development projects:
Amortization relating to development projects is recognized in development costs.

Development costs of DKK 1.803 thousand (2020/21: DKK 6.641 thousand) were incurred in 2021/22. Hereof, DKK 0 (2020/21: DKK 0) are recognized in the balance sheet and DKK 1.803 thousand (2020/21: DKK 6.641 thousand) are recognized in the income statement as development costs.

Disposals for the year mainly refer to the fully amortized completed development projects which were recognized as part of the acquisition of the former subsidiary Glunz & Jensen Microflex A/S.

On March 31st, 2021, Management tested the carrying amount of development projects. Project development plans and revenue budget approved by Management were compared to the project development processes, which included a follow-up on expenses incurred, time schedules and project completion.

12. Property, plant, and equipment

(DKK '000)	Land and buildings	Other fixtures and fittings, tools, and equipment	Leasehold improve-ments	Total
Group				
Total cost on April 1st, 2020	33.537	30.633	4.305	68.475
Foreign exchange adjustments	(152)	(88)	-	(240)
Additions	186	91	-	277
Disposals	-	(10.547)	(561)	(11.108)
Total cost on March 31st, 2021	33.571	20.089	3.744	57.404
Depreciation and impairment losses on April 1st, 2020	24.602	29.829	1.478	55.909
Foreign exchange adjustments	(118)	(84)	-	(202)
Depreciation for the year	2.110	251	749	3.110
Impairment for the year	-	-	601	601
Depreciation of disposals	-	(10.229)	(561)	(10.790)
Depreciation and impairment losses on March 31st, 2021	26.594	19.767	2.267	48.628
Carrying amount on March 31st, 2021	6.977	322	1.477	8.776
Total cost on April 1st, 2021	33.571	20.089	3.744	57.404
Foreign exchange adjustments	3	29	-	32
Additions	51	576	-	627
Disposals	-	(2.237)	(3.744)	(5.981)
Total cost on March 31st, 2022	33.625	18.457	-	52.082
Depreciation and impairment losses on April 1st, 2021	26.594	19.767	2.267	48.628
Foreign exchange adjustments	3	26	-	29
Depreciation for the year	2.113	200	468	2.781
Impairment for the year	-	-	1.009	1.009
Depreciation of disposals	-	(2.237)	(3.744)	(5.981)
Depreciation and impairment losses on March 31st, 2022	28.710	17.756	-	46.466
Carrying amount on March 31st, 2022	4.915	701	-	5.616

Group:
The carrying amount of land and buildings amounting to DKK 4.915 thousand (March 31st, 2021: DKK 6.977 thousand) had a registered mortgage on March 31st, 2022. The value of the relating collateral was DKK 5.160 thousand on March 31st, 2022 (March 31st, 2021: DKK 6.297 thousand).

On March 31st, 2022, Management tested the carrying amount of Property, plant, and equipment. In fiscal 2021/22, impairment testing showed a need to recognize an impairment loss of DKK 1.009 thousand due to sublease of the leased premises in Nyborg, Denmark. In fiscal 2020/21, impairment testing of Property, plant, and equipment showed a need to recognize an impairment loss of DKK 601 thousand.

13. Leased assets

(DKK '000)	Property	Other fixtures and fittings, tools, and equipment	Total
Group			
Adjusted balance on April 1st, 2020	12.278	2.682	14.960
Foreign exchange adjustments	(2)	0	(2)
Additions	-	602	602
Disposals	-	(523)	(523)
Depreciation for the year	(3.873)	(684)	(4.557)
Impairment for the year	(2.451)	(387)	(2.838)
Carrying amount on March 31st, 2021	5.952	1.690	7.642
Balance on April 1st, 2021	5.952	1.690	7.642
Foreign exchange adjustments	-	-	-
Additions	1.022	318	1.340
Disposals	-	(266)	(266)
Transfer to Other receivables (Subleasing)	(4.693)	-	(4.693)
Depreciation for the year	(1.299)	(564)	(1.863)
Impairment for the year	-	(228)	(228)
Carrying amount on March 31st, 2022	982	950	1.932
Parent			
Adjusted balance on April 1st, 2020	-	-	-
Additions	-	413	413
Depreciation for the year	-	(121)	(121)
Carrying amount on March 31st, 2021	-	292	292
Balance on April 1st, 2021	-	292	292
Additions	-	318	318
Disposals	-	(113)	(113)
Depreciation for the year	-	(106)	(106)
Impairment for the year	-	(110)	(110)
Carrying amount on March 31st, 2022	-	281	281

March 31st (DKK '000)	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Expected maturity:				
Due within 1 year or less	2.585	3.537	87	133
Due within 1-5 years	5.865	7.586	214	187
Due after 5 years	-	-	-	-
Total non-discounted leasing liabilities March 31st	8.450	11.123	301	320
Leasing liabilities recognized in the balance sheet:				
Long-term liabilities	5.206	6.805	204	169
Short-term liabilities	2.423	2.999	75	121
Total liabilities	7.629	9.804	279	290
Leasing liabilities recognized in income statement:				
Interest	536	324	22	18
Cost relating to leasing agreements with a term of less than 12 months or low value	36	117	-	-

Group:
In fiscal 2021/22, payments related to leases amounted to DKK 3.786 thousand (2020/21: DKK 4.779 thousand) of which interest payments relating to recognized lease liabilities accounted for DKK 536 thousand (2020/21: DKK 324 thousand) and repayment of recognized lease liabilities account for DKK 3.250 thousand (2020/21: DKK 4.455 thousand).

The weighted average discount rate applied is 5%.

On March 31st, 2022, Management tested the carrying amount of leased assets. In fiscal 2021/22, impairment testing showed a need to recognize an impairment loss of DKK 228 thousand due to early termination of lease agreements. (2020/21: DKK 2.838 thousand)

13. **Leased assets (continued)**

Finance lease:
During 2021/22, the Group has sub-leased a building that has been presented as part of a right-of-use asset – property, plant, and equipment for a two-year period.

During 2021/22, the Group recognized a gain of DKK 0 (2020/21: DKK 0) on derecognition of the right-of-use asset pertaining to the building. During 2021/22, the Group recognized interest income on lease receivables of DKK 42 thousand (2020/21: DKK 0).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

March 31st (DKK '000)	Group 2021/22	Group 2020/21
Due within 1 year or less	1.893	-
Due within 1-2 years	1.767	-
Due after 3 years	-	-
Total non-discounted lease receivable	3.660	-
Unearned finance income	612	-
Net investment in the lease	3.048	-

Parent Company:
In fiscal 2021/22, payments related to leases amounted to DKK 238 thousand (2020/21: DKK 151 thousand), of which interest payments relating to recognized lease liabilities accounted for DKK 22 thousand (2020/21: DKK 18 thousand) and repayment of recognized lease liabilities account for DKK 216 thousand (2020/21: DKK 133 thousand).

The weighted average discount rate applied is 5%.

On March 31st, 2022, Management tested the carrying amount of leased assets. In fiscal 2021/22, impairment testing showed a need to recognize an impairment loss of DKK 110 thousand due to early termination of lease agreements. (2020/21: DKK 0).

14. **Investment properties**

(DKK '000)	Group 2021/22	Group 2020/21
Opening balance on April 1st	137.000	137.000
Additions (subsequent expenditure)	3.500	-
Reevaluation reclassified property measured at fair value	-	-
Closing balance on March 31st	140.500	137.000
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in administrative expenses)	2.504	2.572

The investment properties are located in Ringsted. Selandia Park A/S was established on June 1st, 2016. Selandia Park A/S' business objective is to invest in and operate a property portfolio.

97% of the investment properties were leased to tenants on March 31st, 2022 (2020/21: 87%). Own-use of the properties are 2% on March 31st, 2022 (2020/21: 3%).

During 2021/22 all the tenant – except for one – have renewed their rental contracts thus extending the expiration dates of the rental contracts to 2026 at the earliest and to 2033 respectively. One of the extended agreements include improvement plan which initially is partly financed by Selandia Park A/S. The additions of DKK 3.500 thousand refer to this agreement. The discounted cash flow (DCF) model includes the repayment schedule for the improvement.

The carrying amount of investment properties amounting to DKK 140.500 thousand had a registered mortgage on March 31st, 2022 (March 31st, 2021: DKK 137.000 thousand). The value of the relating collateral was DKK 56.312 thousand at March 2022 (March 31st, 2021: DKK 61.736 thousand).

Please see note 1 Significant accounting estimates and judgements "Investment properties" and note 2 Segments "Rental of the Selandia Park properties".

15. Investment in subsidiaries

Parent Company (DKK '000)	Profit/(loss) for the year after tax 2021/22	Equity 2021/22	Profit/(loss) for the year after tax 2020/21	Equity 2020/21
Glunz & Jensen A/S, Ringsted, Denmark	4.659	8.504	(7.056)	(6.405)
Selandia Park A/S, Ringsted, Denmark	6.461	45.517	6.674	39.056
	11.120	54.021	(382)	32.651

Ownership interest is 100% for both 2021/22 and 2020/21.

	Parent company 2021/22	Parent company 2020/21
Total cost on April 1st	120.000	120.000
Increase capital	10.000	-
Total cost on March 31st	130.000	120.000
Adjustments on April 1st	(87.349)	(66.439)
Profit/(loss) for the year	11.120	(382)
Dividend from subsidiaries??text	-	(20.000)
Foreign exchange adjustments	250	(528)
Adjustments on March 31st	(75.979)	(87.349)
Carrying value on March 31st	54.021	32.651
Net deficit on equity against receivables from subsidiaries	-	6.405
Carrying value on March 31st	54.021	39.056

As of March 31st, 2022, the difference on initial recognition of the subsidiaries totaled DKK 0 thousand.

No tax liability will be incurred on realization of the Parent Company's investments in subsidiaries at carrying amount (2020/21: DKK 0 thousand).

In May 2021 Glunz & Jensen A/S were granted a tax-free group contribution of DKK 10.000 thousand.

16. Investments in associates

The Group's investments in associates are measured using the equity method.

March 31st (DKK '000)	Group 2022	Group 2021
GKS International Ltd, UK (40% ownership interest)	244	259
	244	259

As the associate's revenue is less than 1% of consolidated revenue, the Management evaluates that the associates are not significant for which reason no further information is disclosed regarding this entity.

17. Deferred tax

(DKK '000)	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Deferred tax on April 1st	(3.393)	(3.739)	(196)	(133)
Foreign exchange adjustments	8	(22)	-	-
Tax income/(expense) during the period recognized in profit or loss	(1.207)	368	12	(63)
Deferred tax on March 31st	(4.592)	(3.393)	(184)	(196)
Breakdown of deferred tax and recognition in the balance sheet:				
Deferred tax asset	1.051	995	-	-
Deferred tax liability	(5.643)	(4.388)	(184)	(196)
Total on March 31st	(4.592)	(3.393)	(184)	(196)

The value of tax loss carry-forwards has been recognized as a deferred tax asset in the companies where, based on the budget, it is considered very likely that they can be set off against future earnings and where a history of profit before tax in the last three years has been verified. The value of tax loss carry-forwards, DKK 5.058 thousand at March 31st, 2022 (March 31st, 2021: DKK 5.592 thousand), has not been recognized as a deferred tax asset, as it is not considered likely that they will be utilized.

(DKK '000)	Intangible assets	Property, plant, and equipment	Current assets	Liabilities	Tax loss carry-forwards etc.	Total
Group						
Deferred tax on April 1st, 2020	(1.436)	(7.352)	(322)	700	4.671	(3.739)
Foreign exchange adjustments	-	(3)	(19)	-	-	(22)
Recognized in profit/(loss) for the year, net	1.385	1.619	508	(393)	(2.751)	368
Deferred tax on March 31st, 2021	(51)	(5.736)	167	307	1.920	(3.393)
Deferred tax on April 1st, 2021	(51)	(5.736)	167	307	1.920	(3.393)
Foreign exchange adjustments	-	-	8	-	-	8
Recognized in profit/(loss) for the year, net	51	(1.383)	(51)	(62)	238	(1.207)
Deferred tax on March 31st, 2022	-	(7.119)	124	245	2.158	(4.592)
Parent Company						
Deferred tax on April 1st, 2020	-	-	-	(133)	-	(133)
Recognized in profit/(loss) for the year, net	-	-	-	(63)	-	(63)
Deferred tax on March 31st, 2021	-	-	-	(196)	-	(196)
Deferred tax on April 1st, 2021	-	-	-	(196)	-	(196)
Recognized in profit/(loss) for the year, net	-	-	-	12	-	12
Deferred tax on March 31st, 2022	-	-	-	(184)	-	(184)

18. Other receivables

March 31st (DKK '000)	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Non-current other receivables:				
Sub-leasing receivable	3.205	-	-	-
Deposit regarding leased property	155			
	3.360	-	-	-
Current other receivables:				
Sub-leasing receivable	1.373	-	-	-
VAT and other receivables (authorities)	1.562	1.244	-	-
Other receivables	472	-	-	-
	3.407	1.244	-	-

In March 2022 the Property in Nyborg, Denmark was fully subleased for a two-year period leading to reclassification of leased property asset to other receivables.

Please see note 1 Significant accounting estimates and judgements "Leased Property asset" and note 13 Leased assets.

19. Inventories

March 31st (DKK '000)	Group 2022	Group 2021
Raw materials and consumables	31.437	31.151
Finished goods and semi-manufacture goods	9.577	5.295
Total	41.014	36.446
Inventories recognized at net realizable value	124	97

20. Trade receivables

(DKK '000)	Group 2022	Group 2021
Trade receivables, gross	21.403	18.503
Changes in credit loss allowance:		
Allowance on April 1st	(1.081)	(2.873)
Additions in the year	(27)	(77)
Realized losses in the year	258	-
Reversal in the year	218	1.869
Allowance on March 31st	(632)	(1.081)
Trade receivables, net	20.771	17.422

The credit risk of the various trade receivables is mainly associated with the customer's geographical location.
Breakdown of trade receivables, net, based on the customer's geographical location:

March 31st (DKK '000)	Group 2022	Group 2021
Western Europe	11.550	9.607
Eastern Europe	1.122	977
North America	2.804	3.052
Asia and Pacific	3.687	1.421
Rest of the world	1.608	2.365
Trade receivables, net	20.771	17.422

The write down in 2021/22 is based on historical observed default rates adjusted for estimates of uncertainties in project related activities and market conditions.

As of March 31st, 2022, 22,3% of the trade receivables are due (March 31st, 2021, 17,5%).

In the expected default rate is included effect of Covid-19 and the war in Ukraine.

(DKK '000)	Expected default rate	Trade receivables gross	Expected loss	Trade receivables net
Maturity of trade receivables on March 31st, 2021:				
Not due	1,5%	14.403	220	14.182
Due 0-30 days	9,4%	2.692	255	2.438
Due 30-60 days	20,9%	63	13	50
Due more than 60 days	44,1%	1.345	593	752
		18.503	1.081	17.422
Maturity of trade receivables on March 31st, 2022:				
Not due	1,4%	16.233	244	15.989
Due 0-30 days	6,9%	5.050	340	4.710
Due 30-60 days	20,2%	1	0	1
Due more than 60 days	40,3%	119	48	71
		21.403	632	20.771

No loss is expected on receivables from subsidiaries in the Parent Company

See to note 27, section debtor risks.

21. **Share capital and treasury shares**

The share capital in Glunz & Jensen Holding A/S consists of 1.821.309 shares as of March 2022 and likewise in March 2021, representing a nominal value of DKK 20 each. The total nominal value is DKK 36.426 thousand. No shares carry any special rights. All shares are fully paid.

As of March 31st, 2022, and on March 31st, 2021, Glunz & Jensen Holding A/S hold no treasury shares.

Movements in the share capital during the last 5 years:	Number of shares	Nominal value
Capital increase in 2017/18	161.309	3.226.180
Disposal of treasury shares in 2017/18	6.617	132.340

Glunz & Jensen Holding A/S has been authorized by the shareholders to acquire up to 25% of its treasury shares.

Please see to note 27 under the "Capital management" section.

22. **Provisions**

(DKK '000)	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Warranty commitments on April 1st	985	1.329	-	-
Additions	1.098	52	-	-
Disposals	(638)	(396)	-	-
Warranty commitments on March 31st	1.445	985	-	-
Restructuring on April 1st	1.598	7.021	-	-
Foreign exchange adjustments	-	(23)	-	-
Additions	-	443	-	-
Reversals	(1.155)	(4.004)	-	-
Paid	(443)	(1.839)	-	-
Restructuring on March 31st	-	1.598	-	-
Provisions on March 31st	1.445	2.583	-	-
Breakdown of provisions by non-current and current liabilities:				
Non-current liabilities	361	246	-	-
Current liabilities	1.084	2.337	-	-
Provisions on March 31st	1.445	2.583	-	-

Warranties
A provision has been made for warranty commitments to cover contract-related warranty for goods already delivered. Warranty commitments are recognized as the goods are sold and are calculated based on historical warranty costs. The warranty commitments cover a period from 6 months to 2 years after delivery of the goods.

Warranty commitments comprise commitments under ordinary product guarantees of up to 1-2 years. The commitments are calculated based on historical warranty costs and are assessed for specific matters. The expenses are expected to be incurred over the next two years.

Restructuring
Provisions for restructuring costs in 2020/21 related to severance cost. Following the bankruptcy act in 2020 in Glunz & Jensen S.r.l. a former employee filed a court case against Glunz & Jensen. The court proceedings ended in 2021/22 with positive outcome for Glunz & Jensen and as a result provision of DKK 1.155 thousand is reversed. The reversal is recognized under operating income.

Reversals of restructuring costs in 2020/21 also refer to Glunz & Jensen S.r.l., Italy due to bankruptcy.

23. Credit institutions

(DKK '000)	Due within 1-5 years	Due after 5 years	Due after 1 year, total	Due within 1 year	Total
Group					
Credit institutions on March 31st, 2021:					
Credit institutions (DKK), floating rate 3%	21.580	34.737	56.317	21.592	77.909
Credit institutions (USD), floating rate 7%	-	-	-	64	64
Credit institutions (GBP), floating rate 7%	-	-	-	2.828	2.828
Credit institutions (EUR), floating rate 3%	-	-	-	6.514	6.514
	21.580	34.737	56.317	30.998	87.315
Credit institutions on March 31st, 2022:					
Credit institutions (DKK), floating rate 2%	21.573	29.312	50.885	13.578	64.463
Credit institutions (USD), floating rate 4%	-	-	-	9	9
Credit institutions (GBP), floating rate 4%	-	-	-	504	504
Credit institutions (EUR), floating rate 2%	-	-	-	7.220	7.220
	21.573	29.312	50.885	21.311	72.196

(DKK '000)	March 31st, 2020	Cash flows	Non-cash items	March 31st, 2021
Group				
Non-current credit institutions	61.683	(5.366)	-	56.317
Current credit institutions	37.243	(6.222)	(23)	30.998
	98.926	(11.588)	(23)	87.315

	March 31st, 2021	Cash flows	Non-cash items	March 31st, 2022
Group				
Non-current credit institutions	56.317	(5.432)	-	50.885
Current credit institutions	30.998	(9.688)	1	21.311
	87.315	(15.120)	1	72.196

The Parent Company has no credit facilities.

24. Other payables

March 31st (DKK '000)	Group 2022	Group 2021	Parent Company 2022	Parent Company 2021
Non-current other payables:				
Holiday pay	2.142	2.396	-	-
VAT and other payables toward authorities	871	-	155	-
Other payables	151	163	-	-
	3.164	2.559	155	-
Current other payables:				
Wages, salaries, holiday pay etc.	6.157	5.153	2.797	2.061
Accrued employee taxes	57	907	-	155
VAT and other payables toward authorities	4.218	1.234	2.638	858
Other payables	5.454	2.066	257	226
	15.886	9.360	5.692	3.300

25. Prepayments from customers

March 31st (DKK '000)	Group 2022	Group 2021
Non-current prepayments from customers:		
Prepayment from tenants in Selandia Park	4,817	6.176
	4,817	6.176
Current prepayments from customers:		
Prepayments from customers in connection with the sale of goods and services	6.784	2.896
Prepayment from tenants in Selandia Park	2.323	2.042
	9.107	4.938

In 2012/13, Selandia Park rebuilt one office facility for an external tenant. Part of the rebuilding of the office was paid by the tenant upfront. The prepayment will be recognized as revenue by 2023/24.

26. Contingent liabilities and collateral

Group:
The shares in Glunz & Jensen A/S and Selandia Park A/S are pledged as security towards the main bank, Nordea. The Group has provided a company charge of DKK 35,0 million secured upon the Company's inventories, goodwill, domain names and rights, fixtures, and operating equipment as well as unsecured claims relating to the sale of goods and services at a carrying amount of DKK 3,3 million. The company charge of DKK 35,0 million has been provided as security for credit facility of which 10,7 million has been drawn.

Please refer to note 12, Property, plant, and equipment and 14 Investment properties regarding collateral mortgage.

The Group is a party to a limited number of lawsuits and disputes. In Management's opinion, these lawsuits and disputes will not significantly affect the financial position of the Group.

Parent Company:
The Parent Company acts as guarantor for the subsidiaries' credit facilities. The financial guarantee on March 31st, 2022, amounted to DKK 30,0 million of which 10,7 million has been drawn (March 31st, 2021: DKK 32,5 million of which DKK 19,3 million has been drawn).

The Parent Company acts as management company for the jointly taxed Danish companies. Pursuant to the provisions of the Danish Corporate Income Tax Act, the Parent Company is thus liable to withhold tax at source on interest, royalties, and dividend for the jointly taxed companies for contingent liabilities and to withhold income taxes. The Parent Company recognized jointly tax receivables in the balance sheet amounting to DKK 0 on March 31st, 2022 (March 31st, 2021: DKK 0,0 million). The Parent Company's liability regarding joint tax may be impacted by future corrections of the taxable income. The companies in the joint taxation arrangement are not subject to withholding tax on dividend, interest, or royalties.

Please refer to note 12, Property, plant, and equipment and 14 Investment properties regarding collateral mortgage.

The Parent Company is a party to a limited number of disputes. In Management's opinion, these disputes will not significantly affect the financial position of the Parent Company.

27. Financial risks and financial instruments

Risk management policy:
As a result of its operating, investing, and financing activities, the Group is exposed to various financial risks, including market risks, credit risks and liquidity risks. It is the Group's policy not to speculate actively in financial risks. The Group's financial risk management is thus aimed exclusively at managing the financial risks that are a direct consequence of the Group's operating, investing, and financing activities.

Currency risk:
The Group's currency risk consists of transaction risks and currency translation risks.

The main part of the Group's sales is invoiced in EUR and USD. In 2021/22, approx. 81% of sales were invoiced in EUR and approx. 10% in USD (2020/21: 79 % in EUR and 11% in USD).

The main part of the Group's expenses is paid in EUR (51%), DKK (39%) and USD (8%). In 2021/22, expenses paid in DKK, USD and EUR amounted to 98% of total expenses (2020/21: 98%). As Management considers the EUR/DKK exchange rate to be fixed, the Group's exposure to currency risks is limited.

As part of the Group's currency policy, Glunz & Jensen seeks only to reduce the impact of exchange rate fluctuations (EUR exempted) on its profits and financial position via financial instruments when the risk is assesses as unacceptable. As in 2021/22, future currency transactions are currently not hedged. Due to the foreign subsidiaries, Glunz & Jensen is exposed to currency translation risks insofar as part of the Group's earnings and net assets derive from these foreign subsidiaries and, therefore, are translated and included in the consolidated financial statements, which are presented in DKK.

27. Financial risks and financial instruments (continued)

An increase in the USD rate of 10% is estimated, all else being equal, to affect the Group's operating profit by approx. DKK 0,1 million (2020/21: DKK 0,5 million). The estimate is based on the level of USD Profit/(loss) transactions in 2021/22.

Based on the Group's USD exposure at the balance sheet date, the impact of a hypothetical fluctuation of 10% of the USD/DKK exchange rate on the profit/(loss) for the year and consolidated equity amounts to DKK 0 regarding cash and receivables (2020/21: DKK 0,1 million) and DKK 0 regarding financial liabilities (2020/21: DKK 0), respectively.

Interest rate risk:
As a result of its investing and financing activities, the Group is exposed to interest rate fluctuations. Net interest-bearing debt on March 31st, 2022, amounted to DKK 71,4 million (March 31st, 2021: DKK 86,5 million).

During 2018/19 Selandia entered into a DKK 74,0 million floating-rate, 14-year DKK-based bond loan. All of the interest-bearing debt earns interest at floating rates.

A 1 percentage point change in the general interest rate level relative to the balance sheet date is estimated to affect the Group's profit/(loss) for the year by DKK 0,6 million and consolidated equity by DKK 0,6 million based on financial commitments at March 31st, 2022 (March 31st, 2021: an effect on the profit/(loss) for the year of DKK 0,8 million and consolidated equity of DKK 0,8 million). The estimate does not include adjustments concerning repayment and borrowing.

Credit risk:
The Group may realize losses if trade and other receivables are not settled. The majority of the Group's goods and services are sold to large companies with which Glunz & Jensen has long-term relationships. The four largest customers account for approx. 56% of total revenue. The Group normally requires prepayment from new customers.

Based on the Group's internal credit procedures, the credit risk associated with the various trade receivables mainly relates to the customer's geographical location. Trade receivables deemed to have a high credit quality (low risk) are estimated to relate to Western Europe and North America. Conversely, trade receivables relating to Asia, Eastern Europe and rest of the world are deemed to have a lower credit quality (medium and high risk). As part of the Group's risk management, past due receivables are monitored monthly. Historically, the Group has realized only minor credit losses related to trade receivables. Please refer to note 20 regarding the credit quality of trade receivables.

Liquidity risk:
Liquidity risk is the risk that Glunz & Jensen will be unable to meet its obligations as they fall due because of its inability to liquidate assets or obtain adequate funding.

The Group's primary loan agreement with Nordea is subject to certain conditions and three covenants, which Glunz & Jensen must observe to maintain the loan, including financial covenants concerning the financial ratio "solvency" and the agreed level of EBITDA and loan to value covenants. During 2021/22 Glunz & Jensen did not breach any covenant. The budget for 2022/23 was presented to and viewed satisfactory by the Group's main banker in February 2022 and a letter of cooperation for 2022/23 was received by Glunz & Jensen on May 12th, 2022. On this basis, Management considers the Group's funding for 2022/23 sufficient to be able to continue meeting its payment obligations and its obligations under the financing covenants during 2022/23.

The Group's interest-bearing liabilities amounted to DKK 72,2 million on March 31st, 2022 (March 31st, 2021: DKK 87,3 million).

On March 31st, 2022, the Group's credit facilities amounted to DKK 93,7 million (March 31st, 2021: DKK 101,7 million) of which DKK 72,2 million has been drawn (March 31st, 2021: DKK 87,3 million). The liquidity reserve amounted to DKK 21,5 million on March 31st, 2022 (March 31st, 2021: DKK 14,4 million).

The liabilities fall due as follows:

Group

(DKK '000)	Carrying amount	Payment obligation	In 1 year or less	1-5 years	Over 5 years
On March 31st, 2021					
Non-derivative financial instruments:					
Credit institutions and banks	87.315	88.773	32.459	21.577	34.737
Lease liabilities	9.804	11.123	3.537	7.586	-
Trade payables	11.147	11.147	11.147	-	-
Total	108.266	111.043	47.143	29.163	34.737
On March 31st, 2022					
Non-derivative financial instruments:					
Credit institutions and banks	72.196	72.742	21.857	21.573	29.312
Lease liabilities	7.629	8.450	2.585	5.865	-
Trade payables	13.105	13.105	13.105	-	-
Total	92.930	94.297	37.547	27.438	29.312

27. **Financial risks and financial instruments (continued)**

Parent Company

(DKK '000)	Carrying amount	Payment obligation	In 1 year or less	1-5 years	Over 5 years
On March 31st, 2021					
Non-derivative financial instruments:					
Lease liabilities	290	320	133	187	
Trade payables	118	118	118	-	-
Total	408	438	251	187	-
On March 31st, 2022					
Non-derivative financial instruments:					
Lease liabilities	279	301	87	214	
Trade payables	51	51	51	-	-
Total	330	352	138	214	-

The maturity analysis is based on undiscounted cash flows, including estimated interest payments. Interest payments are based on current market conditions.

The Group did not enter into any new long-term debt agreements in 2021/22.

Management believes that the Group has sufficient cash resources to cover planned operations and ongoing investments.

Capital management:
It is the Group's policy that capital is distributed to the shareholders via dividends or that Glunz & Jensen purchases treasury shares if and when earnings justify it. This means that during periods of low and unstable income, the equity ratio must be high, while it may be reduced if earnings stabilize at a higher level than achieved in recent years.

On March 31st, 2022, the equity ratio was 39,2% (2020/21: 34,8%). Based on the performance during 2021/22 and the outlook for 2022/23, the Board of Directors proposes to the Annual General Meeting that no dividend be distributed for fiscal 2021/22.

Fair values:
There was no difference between the fair values and the carrying amounts of financial assets and liabilities on March 31st, 2022, or on March 31st, 2021. Short-term, floating-rate bank loans are measured at price of 100. The methods used are unchanged compared with last year.

Group

(DKK '000) **Fair value measurement hierarchy for assets and liabilities using:**	Observable inputs (Level 2)	Un-observable inputs (Level 3)	Total
At March 31st, 2021			
Non-current assets:			
Investments Properties	-	137.000	137.000
Total Non-current assets	-	137.000	137.000
At March 31st, 2022			
Non-current assets:			
Investments Properties	-	140.500	140.500
Total Non-current assets	-	140.500	140.500

There are no fair value measurement hierarchy for assets and liabilities in the parent company.

28. Related parties

Group:
The Group's related parties include the members of the Board of Directors and the Executive Management and their close family members.

Apart from contracts of employment, no transactions were entered into between the Group and the Executive Management in the year. Remuneration to the Board of Directors and the Executive Management is disclosed in note 4.

Heliograph Holding GmbH owns 50,1% of the share capital and hence can exercise control over the Group. No transactions have taken place between the Group and Heliograph Holding GmbH during 2021/22 and 2020/21.

On March 31st, 2022, the following shareholders owned more than 5% of Glunz & Jensen Holding A/S' share capital and voting rights:

Heliograph Holding GmbH 50,1%.

Related party transactions are carried through on arm's length basis.

Further, the associate GKS International Ltd. is a related party. Transactions with associates:

April 1st – March 31st (DKK '000)	Group 2021/22	Group 2020/21
Sale of parts and services	36	23

Parent Company:
In addition to the above, related parties of the Parent Company include subsidiaries as mentioned in note 14 and associates. The Danish group companies are jointly taxed. On March 31st, 2022, tax of DKK 0 was transferred between the Parent Company and the Danish subsidiaries (March 31st, 2021: DKK 0,0 million).

There were no transactions between the Parent Company and associates during 2021/22.

Related party transactions are carried through on arm's length basis.

April 1st – March 31st (DKK '000)	Parent Company 2021/22	Parent Company 2020/21
Sale of services to subsidiaries	9.250	7.800
Interest income from subsidiaries	1.577	2.426
Tax free contribution to subsidiaries	10.000	-
Dividend received from subsidiaries	-	20.000

29. Events after the balance sheet date

The Company's available credit lines for 2022/23 were extended by Nordea on May 12th, 2022, to continue to May 2023 and the cooperation letter was signed by the Company on May 12th, 2022, as planned. The cooperation letter is subject to three covenants, which the Prepress division of Glunz & Jensen must observe in order to maintain the loan. The financial covenants are related to the financial ratio "solvency", the agreed level of EBITDA, and loan to value

No other events have occurred since March 31st, 2022, which is deemed to have a significant impact on the Group's or the Parent Company's financial position.

30. New accounting standards

The IASB has issued several new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the 2021/22 consolidated financial statements. Glunz & Jensen Holding A/S expects to implement these standards when they take effect. None of the new standards issued are currently expected to have any significant impact on the consolidated financial statements when implemented.

31. Accounting policies

Glunz & Jensen Holding A/S is a limited company domiciled in Denmark. The annual report for the period April 1st, 2021 - March 31st, 2022, includes both consolidated financial statements of Glunz & Jensen Holding A/S and its subsidiaries (the Group) and the separate financial statements of the Parent Company.

The annual report of Glunz & Jensen Holding A/S for 2021/22 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish disclosure requirements for listed companies.

The Board of Directors discussed and approved the annual report of Glunz & Jensen Holding A/S for 2021/22 on June 8th, 2022. The annual report will be submitted to the shareholders of Glunz & Jensen Holding A/S for adoption at the Annual General Meeting on June 30th, 2022.

Basis of preparation

The annual report is presented in DKK, rounded to the nearest amount in DKK thousands. The annual report is prepared using the historical cost principle. However, recognized derivatives are measured at fair value. Non-current assets are measured at the lower of their carrying amount before the reclassification and fair value less selling costs.

Adoption of new and revised IFRSs

Glunz & Jensen Holding A/S has implemented all the relevant new or amended financial reporting standards and interpretations as adopted by the EU that are effective as of April 1st, 2022.

No new standards or interpretations have had effect on the financial statements of the Group

The accounting policies have been applied consistently in the financial year and to comparative figures.

Description of accounting policies

Consolidated financial statements

The consolidated financial statements include the Parent Company Glunz & Jensen Holding A/S and subsidiaries. Subsidiaries are entities controlled by the group. The group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The consolidated financial statements are prepared by aggregating the Parent Company's and the individual subsidiaries' financial statements, applying the Group's accounting policies. Intra-group income and expenses, shareholdings, balances, and dividends as well as realized and unrealized gains arising from intra-group transactions are eliminated on consolidation.

Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates.

Business combinations

Newly acquired or established companies are recognized in the consolidated financial statements from the date of acquisition. Enterprises sold or otherwise disposed of are recognized in the consolidated financial statements until the date of sale/disposal. Comparative figures are not restated to reflect newly acquired companies. Discontinued operations are presented separately, see below.

In the acquisition of new entities over which the Group obtains control, the acquisition method is used, meaning that the acquired entities' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Intangible assets identified are recognized if they can be separated or if they originate from contractual terms. The tax effect of the revaluations performed is considered.

Positive balances (goodwill) between the purchase consideration for the acquired enterprise and the fair value of the acquired assets, liabilities and contingent liabilities are recognized as asset in intangible assets and tested for impairment at least once a year. The first impairment test is performed before the end of the acquisition year. Upon acquisition, goodwill is allocated to the cash-generating unit which subsequently forms the basis for impairment testing. Goodwill and fair value adjustments arising from acquisition of foreign entities with a functional currency other than DKK are accounted for as assets and liabilities of the foreign entity. This means that goodwill and fair value adjustments are initially translated at the foreign entity's functional currency at the transaction date. Negative goodwill arising on acquisition is recognized directly in the income statement at the date of acquisition.

The consideration for an entity consists of the fair value of the consideration paid for the acquiree. If the final determination of the consideration is contingent on one or more future events, such events are recognized at fair value at the date of acquisition. Expenses relating to the acquisition are recognized in profit or loss when incurred.

If, at the date of acquisition, there is uncertainty as to the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration, initial recognition is made based on initially calculated values. These values may be adjusted, or additional assets or liabilities may be recognized, until 12 months after the acquisition if new information is obtained about circumstances that existed at the date of acquisition and which would have affected the calculation of the values at the date of acquisition had such information been known. Subsequently, goodwill is not adjusted. Changes in estimates of conditional purchase considerations are generally recognized directly in the income statement.

Gains or losses on disposal of subsidiaries are calculated as the difference between the selling price or the settlement price and the carrying amount of net assets, including goodwill at the date of the disposal and the expenses relating to the disposal.

Foreign currency translation

A functional currency is designated for each of the reporting entities in the Group. The functional currency is the currency used in the primary economic environment in which the reporting entity operates. Transactions denominated in currencies other than the functional currency are transactions in foreign currencies.

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the transaction date. Gains and losses arising between the rate at the transaction date and the rate at the date of payment are recognized in the statement of comprehensive income under financial income and expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rate at the balance sheet date. Differences between the rate at the balance sheet date and the rate at the transaction date or the exchange rate stated in the latest annual report are recognized in the statement of comprehensive income under financial income and expenses.

On recognition of foreign subsidiaries and associates with a functional currency other than DKK, items in the statement of comprehensive income are translated at average rate rates that do not differ significantly from the rates ruling at the transaction date. Balance sheet items in subsidiaries and the equity share of associates are translated at closing rates.

Exchange rate differences arising on the translation of the opening equity of subsidiaries and associates at closing rates and on the translation of items in the statement of comprehensive income from average rates to closing rates are recognized in the consolidated financial statements under other comprehensive income in equity as a separate translation reserve.

Derivative financial instruments

Derivative financial instruments are recognized at fair value. The fair value of derivative financial instruments is recognized in other receivables (positive value) and in other payables (negative values). Offsetting of positive and negative values only occurs when the Company is entitled to and intends to settle several derivative financial instruments net.

Fair values of derivative financial instruments are determined based on current market data.

Any gains or losses arising from fair value adjustments of derivative financial instruments are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit or loss when the hedge item affects profit or loss.

For derivative financial instruments that do not qualify for recognition as hedging instrument, fair value adjustments are recognized under financial income and expenses in the statement of comprehensive income.

Statement of comprehensive income

Revenue

The Glunz & Jensen Group's main activities lie within Flexo and Offset, which are both part of the prepress market. All products and services are connected to setters and printing equipment. In addition to equipment, Glunz & Jensen sells installation of the equipment, service, and spare parts.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The recognized revenue is measured at the fair value of the agreed consideration exclusive of VAT and fees collected on behalf of third parties. All forms of discounts will be recognized in revenue.

Any part of the total consideration that is variable, e.g. in the form of discounts, bonuses, penalties, etc., will be recognized in revenue only when reasonably certain that no repayments will be made in subsequent periods, i.e. as the result of failure to meet goals, etc.

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Customers are not entitled to return purchased goods.

The sale of services includes service packages and extended guarantees concerning products sold. The services typically include one performance obligation which is recognized on a straight-line basis over the period during which the services are provided.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

Costs

The Group distributes the cost, including depreciation and amortization and wages and salaries, by the functions production costs, sales and distribution costs, development costs and administrative expenses. Costs not directly attributable to a function are allocated to the functions based on the number of employees in each function.

Administrative expenses comprise operating expenses relating to the Group's investment property.

Development costs comprise research costs and any development costs not qualifying for capitalization and depreciation and amortization of capitalized development projects.

Administrative expenses comprise operational expenses relating to the Group's rental property.

Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature, including gains and losses from disposal of intangible assets and property, plant and equipment, which are measured as the selling price less selling costs and the carrying value at the time of sale.

Other operating income also includes government Covid-19 compensation related to payroll. The compensation is recognized when compensation is expected to materialize. The compensation is allocated to functions under staff costs.

Financial income and expenses

Financial income and expenses comprise interest, including interest on lease liabilities, fair value gains and losses on securities, realized and unrealized foreign exchange adjustments, amortization and surcharges and allowances under the tax prepayment scheme. Also included are realized and unrealized gains and losses relating to derivative financial instruments not qualifying as effective hedges.

Income tax expense

Glunz & Jensen Holding A/S is jointly taxed with its Danish subsidiaries. The current Danish income tax charge is allocated among the jointly taxed entities in proportion to their taxable income.

Tax for the year, comprising current income tax for the year and changes in deferred tax, including such changes as follow from changes in the tax rate, is recognized in profit or loss, other comprehensive income or in equity, depending on where the relevant item is recognized.

Balance sheet

Development projects, patents, and trademarks

Development costs comprise costs and salaries and depreciation and amortization relating to the Group's development activities.

Development costs on an individual project are recognized as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that the asset will be available for use or sale, the technical feasibility of completing the intangible asset so that the asset will be available for use or sale, its intention to complete and its ability and intention to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to reliably measure the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit, which is 3-10 years. During the period of development, the asset is tested for impairment annually.

Other development costs are expensed as incurred.

Patents and trademarks are measured at cost less any accumulated depreciation and accumulated impairment losses. Patents are amortized on a straight-line basis over the term of the patent. Trademarks are amortized using the straight-line method over their expected useful live. The amortization period is 3-5 years.

The amortization periods mentioned above also apply to acquired assets.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the asset is available for use.

Subsequent costs, e.g., for the replacement of components of an item of property, plant or equipment, are recognized in the carrying amount of the asset when it is likely that the expenditure of the replacement involves a future financial benefit for the Group. The carrying amount of the replaced components ceases to be recognized in the balance sheet and is transferred to profit or loss. All other costs related to general repair and maintenance are recognized in profit or loss as and when incurred.

The cost value of a total asset is divided into separate components that are depreciated separately if the useful lives of the individual components differ. Items of property, plant and equipment are depreciated on a straight-line basis over their expected useful lives:

Production buildings and components	10-20 years
Technical installations	10-15 years
Administration buildings and components	10-25 years
Other fixtures and fittings	3-5 years

Land is not depreciated.

The depreciation basis is determined considering the residual value of the asset and any impairment losses. The residual value is determined at the date of acquisition and is re-assessed annually. If the residual value exceeds the carrying amount of the asset, depreciation will cease. If the depreciation period or the residual value is changed, the effect on depreciation going forward is recognized as a change in accounting estimates.

Leased assets

A lease asset and a lease liability are recognized in the balance sheet when a right-of-use lease asset is transferred to the group or the parent company for the term of the lease pursuant to a concluded lease agreement and the group obtains the right to substantially all of the economic benefits from the use of the identifiable asset and the right to control the use of the identifiable asset. Service components are excluded from the lease liability.

On initial recognition, lease liabilities are measured at the present value of the future lease payments, discounted using an alternative interest rate.

The lease liability is measured at amortized cost using the effective interest rate method. The lease liability is re-measured when there is a change in the underlying contractual cash flows due to changes in an index or an interest rate, if there is a change to the estimate of a residual value guarantee, or if there is a change to the assessment as to whether it is reasonably certain that a purchase option, an extension option or a termination option will be exercised.

On initial recognition, the right-of-use asset is measured at cost, corresponding to the value of the lease liability adjusted for prepaid lease payments plus any initial direct costs and estimated costs for dismantling, removing, and restoring or similar and less any discounts or other types of incentive payments granted by the lessor.

On subsequent recognition, the asset is measured at cost less any accumulated depreciation and impairment. The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the asset. Depreciation charges are recognized in the income statement on a straight-line basis.

The right-of-use asset is adjusted for any changes in the lease liability due to changes in the lease terms or changes in the contractual cash flows as a result of changes in an index or an interest rate.

Lease assets are depreciated on a straight-line basis over the estimated lease term.

The lease asset and the lease liability are presented separately by the group and the parent company in the balance sheet.

The group and the parent company have elected not to recognize right-of-use assets of low value and short-term leases in the balance sheet and instead to recognize lease payments concerning these leases in the income statement on a straight-line basis.

When the group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Investment property

Investment properties are measured initially at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment" up to the date of change in use. At the same date the property are evaluated to fair value and the adjustment between the cost value and fair value are recognized as other comprehensive income.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured using the equity method.

Investments in subsidiaries and associates are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies minus or plus unrealized intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the purchase method of accounting.

Investments in subsidiaries and associates with negative net asset values are measured at DKK 0, and any amounts owed by such entities are written down insofar as the amount receivable is considered irrecoverable. If the Parent Company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognized under "Provisions".

Net revaluation of investments in subsidiaries and associates is recognized in the net revaluation reserve according to the equity method under equity where the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be declared before the annual report of Glunz & Jensen Holding A/S is adopted are not taken to the net revaluation reserve.

Impairment of non-current assets

Development projects are tested annually for evidence impairment.

Deferred tax assets are tested for impairment annually and are written down if it is deemed likely that the deferred tax asset cannot be utilized against tax on future income or set off against deferred tax liabilities in the same legal tax entity and jurisdiction. This assessment considers the type and nature of the recognized deferred tax asset, the estimated period for set-off of the deferred tax asset etc.

Other long-term assets are tested for impairment once a year. When there is evidence that an asset may be impaired, the recoverable amount of that asset is determined. The recoverable amount is the higher of the net selling price of the asset and the net present value of the expected future net cash flows.

An impairment loss is recognized when the carrying amount of an asset or its cash-generating unit exceeds the recoverable amount of the asset or its cash-generating unit. Impairment losses are recognized in the statement of incomprehensive income under production costs, development costs, sales and distribution costs and administrative expenses. However, impairment losses in respect of goodwill are recognized in a separate line in the statement of incomprehensive income.

Impairment losses on other long-term assets are reversed to the extent that changes have occurred in the assumptions and estimates based on which the impairment loss was recognized. Impairment losses are reversed only to the extent that the new carrying amount of the asset does not exceed the carrying amount it would have had net of amortization and net of depreciation if the impairment loss had not been recognized.

Inventories

Inventories are measured at cost using the FIFO method.

Goods for resale, raw materials and consumables are measured at cost, comprising the purchase price plus delivery costs. Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct labor costs and production overheads. Production overheads comprise indirect materials and labor costs as well as maintenance and depreciation of production machinery, factory buildings and equipment and factory administration and management costs.

Where the net realizable value is lower than cost, inventories are written town to such lower value. The net realizable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence, and developments in the expected selling price.

Receivables

Receivables are measured at amortized cost. A credit loss allowance is made upon initial recognition based on historical observed default rates adjusted for forward looking estimates (simplified 'expected credit loss' model). The cost of the credit loss allowances is included in sales and distribution costs. A loss is considered realized when it is certain that we will not recover the receivable, e.g., in case of bankruptcy or similar.

Deposits are measured at fair value cost and consists of rent deposits. The leases are non-cancellable for a period of 0–2 years.

Prepayments

Prepayments include expenses paid in respect of subsequent fiscal years.

Equity

Dividend:
Dividend proposed for the year is recognized as a liability at the time it is adopted at the Annual General Meeting. The amount proposed as dividend for the year is stated as a separate item in equity.

Translation reserve:
The translation reserve in the consolidated financial statements includes accumulated foreign exchange differences arising on the translation of the financial statements of foreign subsidiaries from their functional currency to the presentation currency of the Group.

Hedging reserve:
The hedging reserve contains the accumulated net change in the fair value of hedging transactions qualifying as cash flows hedges for which the hedged transaction has not yet been realized.

Revaluation reserve:
The revaluation reserve contains adjustment occurred during transfers to (or from) investment property when there is a change in use.

Share-based payment

Share-based incentive schemes under which executive officers may only opt to purchase shares in the Company (equity-settled, share-based payment arrangements) are measured at the fair value of the equity instruments at the grant date and are recognized in the income statement under staff costs over the vesting period. The counter entry is taken directly to equity. The fair value of the equity instruments is measured using the Black-Scholes model with the parameters indicated in note 4.

Income tax and deferred tax

Current tax payable and receivable is recognized in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method, providing for all temporary differences between the carrying amount and the tax base of assets and liabilities. However, the following items are not recognized: goodwill not deductible for tax purposes and other items – apart from business combinations – where temporary differences have arisen at the date of acquisition that neither affect profit/(loss) nor taxable income.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognized as other non-current assets at the value at which they are expected to be utilized, either by elimination against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

The deferred tax charge is adjusted in respect of elimination of unrealized intra-group profits and losses.

Deferred tax is measured based on the tax rules and at the tax rates that will apply under the legislation enacted at the balance sheet date in the relevant countries when the deferred tax is expected to crystallize in the form of current tax. Changes in deferred tax as a result of changes in tax rates are recognized in the statement of comprehensive income.

Under the joint taxation rules, Glunz & Jensen Holding A/S, as the management company, becomes liable vis-à-vis the tax authorities for the subsidiaries' income taxes as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable and receivable are recognized in the balance sheet under receivables from/payables to subsidiaries.

Provisions

Provisions comprise estimated commitments regarding warranty obligations and restructuring etc.

Provisions are recognized when, as a result of events occurring before or at the balance sheet date, the Group has a legal or constructive obligation, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at Management's best estimate of the amount required to settle the obligation at the balance sheet date.

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data.

Restructuring costs are recognized as liabilities when a detailed, formal restructuring plan has been announced not later than at the balance sheet date to the parties affected by the plan.

Pension obligations

Payments relating to defined contribution plans under which the Group regularly pays fixed contributions into an independent pension fund are recognized in profit or loss in the period in which they are earned, and outstanding payments are recognized in the balance sheet under other payables.

There are no defined benefit plans within the Group.

Financial liabilities

Payables to credit institutions are recognized at the date of borrowing at fair value (corresponding to the net proceeds received) less transaction costs paid. In subsequent periods, payables to credit institutions are measured at amortized cost, corresponding to the capitalized value using the effective interest rate method. Accordingly, the difference between the proceeds and the nominal value (capital loss) is recognized in profit or loss over the term of the loan.

Other liabilities are measured at net realizable value.

Prepayments from customers

Prepayments from customers include payments received which relate to subsequent financial years.

Cash flow statement

The cash flow statement shows cash flows for the year, broken down by operating, investing and financing activities, and the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately under cash flows from investing activities. Cash flows from acquisitions of entities are recognized in the cash flow statement from the date of acquisition, and cash flows from disposals of entities are recognized up to the date of disposal.

Cash flows from operating activities are determined as profit/(loss) for the year adjusted for non-cash operating items, changes in working capital, interest received and paid, including interest on lease liabilities, and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities; acquisitions and disposals of intangible assets, property, plant and equipment, investment properties and other non-current assets; and acquisitions and disposals of securities that are not recognized as cash and cash equivalents.

Cash flows from financing activities comprise changes in the size or composition of the share capital and associated expenses as well as raisings of loans, repayment of interest-bearing debt, including repayment of lease liabilities, purchase and sale of treasury shares, and payment of dividends as well as dividend received from subsidiaries.

Cash and cash equivalents comprise deposits with credit institutions and cash.

Segment information

Segment information is prepared in accordance with the Group's accounting policies and internal financial reporting.

The Group presents two reportable segments: the prepress marked and the property rental Selandia Park.

Segment revenue, segment expenses, segment assets and liabilities are those items that are directly attributable to the individual segment or can be allocated to the segment on a reliable basis.

Segment assets are those assets that are employed directly by the segment in its operating activities, including non-current assets, inventories, trade receivables, other receivables, prepayments and cash and cash equivalents.

Segment liabilities are those liabilities that result from the segments' operating activities, including trade liabilities, borrowings, lease liabilities and other liabilities.

Additional segment information is stated regarding consolidated revenue broken down by geographic market.

DEFINITIONS OF RATIOS

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33.

Other ratios are calculated in accordance with the online version "Recommendations & Financial Ratios" issued by the Danish Finance Society.

The ratios in the annual report are calculated as follows:

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit (EBITA) x 100}}{\text{Revenue}}$
Operating margin before non-recurring costs	$\frac{\text{EBITA before non-recurring costs x 100}}{\text{Revenue}}$
EBITDA margin	$\frac{\text{Profit before interest, tax, amortization, depreciation and impairment x 100}}{\text{Revenue}}$
EBITDA margin before non-recurring costs	$\frac{\text{EBITDA before non-recurring costs x 100}}{\text{Revenue}}$
Return on assets (ROIC)	$\frac{\text{Operating profit x 100}}{\text{Average operating assets}}$
Return on equity (ROE)	$\frac{\text{Profit or loss for the year x 100}}{\text{Average Equity}}$
Equity ratio	$\frac{\text{Equity at year-end x 100}}{\text{Liabilities at year-end}}$
Interest coverage	$\frac{\text{Operating profit (EBITA) + interest income}}{\text{Interest expenses}}$
Earnings per share (EPS)	$\frac{\text{Profit(loss) for the year}}{\text{Average number of shares outstanding}}$
Diluted earnings per share (EPS-D)	$\frac{\text{Diluted earnings}}{\text{Diluted average number of shares outstanding}}$
Cash flow per share (CFPS)	$\frac{\text{Cash flows from operating activities}}{\text{Diluted average number of shares outstanding}}$
Book value per share (BVPS)	$\frac{\text{Equity at year-end}}{\text{Numbers of shares at year end}}$
Pay-out ratio	$\frac{\text{Total dividend paid}}{\text{Profit or loss for the year}}$
Share price/book value (KI)	$\frac{\text{Share price}}{\text{BVPS}}$

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