



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	919 505 281
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	GLX HOLDING AS
Forretningsadresse:	c/o Triton Advisers (Norway) AS Kronprinsesse Märthas plass 1 0160 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim Solbakken Espen
Dato for fastsettelse av årsregnskapet:	28.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 25.07.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	1	4 454 000	4 071 000
Sum kostnader		4 454 000	4 071 000
Driftsresultat		-4 454 000	-4 071 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap	8	98 253 000	107 438 000
Annen renteinntekt	8	207 000	355 000
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	8	8 868 000	0
Sum finansinntekter		107 328 000	107 793 000
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi	8	0	12 185 000
Annen rentekostnad	8	88 396 000	98 689 000
Annen finanskostnad	8	356 000	1 099 000
Sum finanskostnader		88 752 000	111 973 000
Netto finans		18 576 000	-4 180 000
Ordinært resultat før skattekostnad		14 122 000	-8 251 000
Ordinært resultat etter skattekostnad		14 122 000	-8 251 000
Årsresultat		14 122 000	-8 251 000
Minoritetsinteresser		0	0
Årsresultat etter minoritetsinteresser		14 122 000	-8 251 000
Andre resultatkomponenter for IFRS-foretak		0	0
Totalresultat		14 122 000	-8 251 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		14 122 000	-8 251 000
Sum overføringer og disponeringer		14 122 000	-8 251 000



Resultatregnskap

Beløp i: NOK	Note	2021	2020
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Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	11	2 735 346 000	2 735 345 000
Sum finansielle anleggsmidler		2 735 346 000	2 735 345 000
Sum anleggsmidler		2 735 346 000	2 735 345 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	13	113 000	
Sum fordringer		113 000	
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	7	73 150 000	64 414 000
Sum bankinnskudd, kontanter og lignende		73 150 000	64 414 000
Sum omløpsmidler		73 263 000	64 414 000
SUM EIENDELER		2 808 609 000	2 799 759 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	6	1 000 000	1 000 000
Overkurs	6	1 599 346 000	1 599 346 000
Sum innskutt egenkapital		1 600 346 000	1 600 346 000
Opptjent egenkapital			
Annen egenkapital	6	-141 365 000	-155 487 000



Balanse

Beløp i: NOK	Note	2021	2020
Sum opptjent egenkapital		-141 365 000	-155 487 000
Sum egenkapital		1 458 981 000	1 444 859 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Obligasjonslån	3,4,5	1 342 840 000	1 339 184 000
Sum annen langsiktig gjeld		1 342 840 000	1 339 184 000
Sum langsiktig gjeld		1 342 840 000	1 339 184 000
Kortsiktig gjeld			
Annen kortsiktig gjeld	2,5	6 788 000	15 716 000
Sum kortsiktig gjeld		6 788 000	15 716 000
Sum gjeld		1 349 628 000	1 354 900 000
SUM EGENKAPITAL OG GJELD		2 808 609 000	2 799 759 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2.1,2.2	3 333 553 000	3 435 506 000
Annen driftsinntekt	2.2	43 831 000	54 042 000
Sum inntekter		3 377 384 000	3 489 548 000
Kostnader			
Varekostnad		1 643 215 000	1 673 305 000
Lønnskostnad	2.4	1 226 860 000	1 124 175 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	3.1,3.3 ,4.2	249 158 000	234 189 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	3.2	6 412 000	7 996 000
Annen driftskostnad	2.5	337 764 000	310 474 000
Sum kostnader		3 463 409 000	3 350 139 000
Driftsresultat	1.4	-86 025 000	139 409 000
Finansinntekter og finanskostnader			
Annen renteinntekt	5.11	3 766 000	9 275 000
Annen finansinntekt	5.11	65 356 000	87 125 000
Sum finansinntekter		69 122 000	96 400 000
Annen rentekostnad	5.11	125 163 000	140 063 000
Annen finanskostnad	5.11	87 373 000	107 095 000
Sum finanskostnader		212 536 000	247 158 000
Netto finans		-143 414 000	-150 758 000
Ordinært resultat før skattekostnad		-229 439 000	-11 349 000
Skattekostnad på ordinært resultat	6.1	16 830 000	21 608 000
Ordinært resultat etter skattekostnad		-246 269 000	-32 957 000
Årsresultat		-246 269 000	-32 957 000
Minoritetsinteresser		-38 645 000	19 719 000
Årsresultat etter minoritetsinteresser		-207 624 000	-52 676 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
Gain/loss from remeasurement on defined benefit plans	7.2	25 927 000	-3 509 000
Tax effect on remeasurement on defined benefit plans	7.2	-3 152 000	517 000
Currency translation differences		-34 957 000	50 459 000
Net gain/loss on hedge of foreign subsidiaries	5.5	38 776 000	-51 026 000
Tax effect from hedge of foreign subsidiaries	6.1	-8 531 000	11 226 000
Other comprehensive income attributable to non controlling interests		-4 305 000	-1 828 000
Sum resultatkomponenter for IFRS-foretak		13 758 000	5 839 000
Totalresultat		-193 866 000	-46 837 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling	3.3	95 827 000	104 072 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	3.3	1 192 949 000	1 150 073 000
Utsatt skattefordel	6.1	59 929 000	72 345 000
Goodwill	3.2	1 840 265 000	1 700 737 000
Sum immaterielle eiendeler		3 188 970 000	3 027 227 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	3.1	219 101 000	231 569 000
Maskiner og anlegg	3.1	85 790 000	89 595 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	3.1	68 644 000	67 225 000
Right-of-use assets	4.2	216 147 000	198 090 000
Sum varige driftsmidler		589 682 000	586 479 000
Finansielle anleggsmidler			
Andre fordringer		33 035 000	15 472 000
Sum finansielle anleggsmidler		33 035 000	15 472 000
Sum anleggsmidler		3 811 687 000	3 629 178 000
Omløpsmidler			
Varer			
Varer	2.3	663 217 000	611 045 000
Sum varer		663 217 000	611 045 000
Fordringer			
Kundefordringer	5.9	449 224 000	431 801 000
Andre fordringer	5.9	93 989 000	87 304 000
Sum fordringer		543 213 000	519 105 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	5.8	379 605 000	564 761 000
Sum bankinnskudd, kontanter og lignende		379 605 000	564 761 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
Sum omløpsmidler		1 586 035 000	1 694 911 000
SUM EIENDELER		5 397 722 000	5 324 089 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	5.7	1 000 000	1 000 000
Overkurs		1 599 346 000	1 599 346 000
Sum innskutt egenkapital		1 600 346 000	1 600 346 000
Opptjent egenkapital			
Udekket tap		234 004 000	40 138 000
Sum opptjent egenkapital		-234 004 000	-40 138 000
Minoritetsinteresser		324 023 000	389 108 000
Sum egenkapital		1 690 365 000	1 949 316 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	7.2	45 104 000	74 233 000
Utsatt skatt	6.1	332 293 000	330 068 000
Andre avsetninger for forpliktelser	4.1	44 963 000	47 788 000
Sum avsetninger for forpliktelser		422 360 000	452 089 000
Annen langsiktig gjeld			
Obligasjonslån	5.1,5.2	1 342 840 000	1 339 184 000
Gjeld til kredittinstitusjoner	5.1,5.2	948 392 000	744 878 000
Other long-term loans	5.1	0	287 000
Long-term lease liabilities	4.2	169 669 000	148 115 000
Sum annen langsiktig gjeld		2 460 901 000	2 232 464 000
Sum langsiktig gjeld		2 883 261 000	2 684 553 000
Kortsiktig gjeld			



Konsernets balanse

Beløp i: NOK	Note	2021	2020
Leverandørgjeld	5.10	306 917 000	264 719 000
Betalbar skatt	6.1	9 949 000	15 106 000
Skyldige offentlige avgifter	5.10	108 840 000	116 469 000
Provision and other liabilities	4.1,5.1 , 7.2	332 821 000	227 941 000
Short term lease liabilities	4.2	56 871 000	51 204 000
Short term interest bearing liability	5.1,5.2	8 698 000	14 781 000
Sum kortsiktig gjeld		824 096 000	690 220 000
Sum gjeld		3 707 357 000	3 374 773 000
SUM EGENKAPITAL OG GJELD		5 397 722 000	5 324 089 000
POSTER UTENOM BALANSEN			
Pantstillelser	5.2	469 342 000	406 018 000



General information GLX Holding AS (parent company)

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



Highlights

- Order intake ended at NOK 3,758m (NOK 3,484m), an increase of 7.9%. This has led to an all-time high order stock level by year-end.
- Revenue was NOK 3,377m (NOK 3,490m), a decrease of 3.2%
- EBITDA²/margin of NOK 170m/5.0% compared to NOK 382m/10.9% in 2020
- Adjusted EBITDA³/margin of NOK 445m/13.2% compared to NOK 493m/14.1% in 2020
- Profit for the year was NOK -246m (NOK -33m)
- The operating result in 2021 was charged with NOK 282m as net special items. The corresponding figure in 2020 included net special items of NOK 120m
- Positive operating cash flow of NOK 170m in 2021 compared to NOK 409m in 2020

Key figures

	2021	2020
Order intake ¹	3,758	3,484
Total revenue	3,377	3,490
EBITDA ²	170	382
<i>EBITDA margin (%)</i>	5.0%	10.9 %
EBIT ⁴	(86)	139
<i>EBIT margin (%)</i>	-2.5%	4.0 %
Adjusted EBITDA ³	445	493
<i>Adjusted EBITDA margin (%)</i>	13.2%	14.1 %
Adjusted EBIT ⁵	196	259
<i>Adjusted EBIT margin (%)</i>	5.8%	7.4 %
Profit for the period, after tax	(246)	(33)
Net cash from operations	170	409
Net interest-bearing debt ⁶	1,932	1,568

¹ Order intake: Orders received measured at gross value before deduction of commissions and other sales reductions

² EBITDA: Earnings before net financial items, tax, depreciation, amortization and impairment

³ Adjusted EBITDA: Earnings before net financial items, tax, depreciation, amortization, impairment and special items

⁴ EBIT: Earnings before net financial items and tax

⁵ Adjusted EBIT: Earnings before net financial items, tax and special items

⁶ Excluding restricted cash and IFRS 16 leasing liability



GLX HOLDING AS

org.nr. 919 505 281

Board of Directors Annual Report 2021

1. The company's business

The company was formed August 14, 2017 and registered in the Register of Business Enterprises, September 7, 2017.

The company's business is to own shares in Glamox AS. The company's operations are run from the Oslo municipality. At December 11, 2017, GLX Holding AS became parent company of Glamox AS with a 75.16% ownership. During the owner period GLX Holding AS increased its ownership in Glamox AS to 76.17%. Glamox AS registered address is in Molde, Norway. Headquarter is located in Oslo. Glamox AS has subsidiaries in 16 countries in Europe, Asia, North- and South-America.

Glamox is a Norwegian industrial group that develops, manufactures and distributes professional lighting solutions for the global market. Our mission is to provide sustainable lighting solutions that improve the performance and well-being of people. Glamox has approximately 2,200 employees and the Group's operations are divided between three operational divisions in 2021: Professional Building Solutions (PBS), Global Marine & Offshore (GMO) and Sourcing Production Logistics (SPL). Glamox operates production units in nine different locations in Europe, Canada and China, and an extensive network of sales offices and agents in Europe as well as in Asia, USA, Canada and Brazil to ensure access to attractive markets.

The PBS business area provides total lighting solutions to the professional building market. The most important markets

served by this division are Central- and Northern Europe. It is also operating in the other markets in collaboration with distributors. The level of activity in the new construction, restoration and modernisation within the professional building sectors drives developments in the individual markets. The GMO business area delivers professional lighting solutions to the global marine and offshore markets. The activity level within new-build, rebuilding and refurbishment of all types of maritime vessels and offshore installations controls market growth for this business.

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

The company does not own shares in any other companies.

2. Continued operation

In accordance with Section 3-3a of the Norwegian Accounting Act, cf. § 4-5, it is confirmed that the assumption of continuation of operations has been used in the preparation of the accounts.

3. Statement of the financial statements

The company reports a profit for the year of NOK 14m. The company's equity capital per December 31, 2021 was NOK 1,459m (51.9%) compared with NOK 1,445m (51.6%) per December 31, 2020.

The operating profit in 2021 for the consolidated accounts was NOK -86 million compared to NOK 139m in 2020. The accounts in 2021 were charged with NOK 282m

in net special items, compared to NOK 120m in net special items in 2020. The adjusted operating profit in 2021 was NOK 196m, down from NOK 259m in 2020. The decrease in adjusted operating result is mainly explained by lower volume, increased raw material and components prices, increase in logistic cost in addition to slightly higher operating cost due to ramp up of activities. Increased depreciations and amortisations also had a negative impact on adjusted operating profit compared to 2020. The loss for the year in the consolidated accounts was NOK 246m compared to NOK 33m in 2020.

The consolidated equity capital per December 31, 2021 was NOK 1,690m (31.3%) compared to NOK 1,949m (36.6%) per December 31, 2020.

The Group directly expensed NOK 32m related to research and development activities and capitalised NOK 6m related to development cost in 2021.

The consolidated cash flow of the Group in 2021 was negative by NOK 162m, a decrease from NOK 195m in 2020. Net cash flows from operating activities amounts to NOK 170m in 2021 compared to NOK 409m in 2020. Profit before tax adjusted for depreciation and amortisation and the profit from sale of assets was NOK 25m (NOK 231m), taxes paid was NOK -36m (NOK -62m) while the effect of working capital and other operating changes was NOK 181m (NOK 240). Net cash flow from investing activities was NOK -339m (NOK -81m) while net cash flow from



financing activities amounts to NOK 6m (NOK -134m).

The Board believes the company's equity and liquidity as of 31.12.2021 to be satisfactory.

In the opinion of the Board, the presented income statement and balance sheet and accompanying notes for the company and the consolidated accounts provide a satisfactory statement of earnings in 2021 and the financial position at year-end.

4. Financial risk management

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

5. Development by business areas

Professional Building Solutions (PBS) is a leading supplier of lighting solutions to the European non-residential building market. PBS develops and supplies complete lighting solutions for educational and healthcare institutions, commercial and industrial buildings. PBS achieved an order intake of NOK 2,944m in 2021, an increase of 7.8% from NOK 2,730m in 2020. In the same period, total revenue was NOK 2,638m, a decrease of 1.4% from NOK 2,676m in 2020. The business area achieved an adjusted EBITDA result in 2021 of NOK 340m (12.9%) compared to NOK 359m (13.4%) in 2020. The main explanation for the fall in adjusted EBITDA is lower total revenue partly offset by

slightly higher sales margins.

The GMO division is responsible for lighting solutions for the maritime and offshore-related markets, plus onshore petrochemical industry. GMO achieved an order intake of NOK 814m in 2021, an increase of 8.0% from NOK 754m in 2020. In the same period, total revenue was NOK 737m, a decrease of 9.3% from NOK 813m in 2020. The adjusted EBITDA result in 2021 was NOK 50m (6.7%) compared to NOK 78m (9.5%) in 2020. Lower revenue is the main explanation for the fall in EBITDA. Higher operating expense due to a ramp up activity levels also has a negative effect, while the product mix and a general increase in market prices has increased sales margins slightly.

6. Acquisitions

The Group has an ambitious growth strategy supported by both organic growth initiatives and acquisitions. The Group made three important value accretive acquisitions during 2021.

- LiteIP is located in the UK and designs, manufactures and supplies wireless lighting control systems. The acquisition of Lite IP will provide Glamox with a strong platform to strengthen its offering within the Lighting Control Systems market. The acquisition was closed on 2nd March 2021. LiteIP will operate as part of the PBS division.
- Luminell is a Norwegian company which has achieved a strong position as a high-quality developer and supplier of floodlights, searchlights, and lighting controls in the marine and offshore lighting market. Luminell is known for being user-focused and developing excellent lighting solutions

for demanding applications.

Glamox signed an agreement to acquire Luminell on 19th April 2021 and the transaction was closed on 29th April 2021. Luminell will be part of the GMO division.

- Wasco is located in Lower Saxony, Germany and specializes in continuous line luminaires. The acquisition of Wasco will provide the Group with a leading lighting solution range for logistics buildings and warehouses. Wasco has attractive and proven lighting solutions that are in particular suitable for such warehouses and highly valued by its customers. The innovative solutions significantly reduce product cost and installation cost compared to conventional continuous lighting system. The growth in eCommerce has led to an increased demand for warehouses. The acquisition of Wasco was closed on 1st September 2021. Wasco will operate as part of the PBS division.

7. Proposal for allocation of profit

The Board of directors proposes that the year's profit of GLX Holding AS of NOK 14.1m is allocated to other equity capital.

8. Corporate governance

The Board of directors considers corporate governance to be a prerequisite for long-term value creation and growth. The Board of Directors has decided that the GLX Holding AS will comply with the Norwegian Code of Practice for Corporate governance (which is available at www.nues.no).

Further information on GLX Holding AS' corporate governance can be found under "Investor Relations / GLX Holding AS" on the Glamox corporate website.



Glamox AS included subsidiaries carries Director & Officers Insurance provided by AIG. The Insurance covers any past, present or future members of the board of Directors and company Officers. The Insurance covers personal legal liability including defence costs.

9. Environment, Social and Governance

ESG is increasingly important among our stakeholders and the Group has further strengthened its focus on ESG during 2021. The ambition is to be in the forefront in our industry.

The Group has an established ESG program with a target to secure focus on compliance and risk management as part of the value protection of our business and align to ESG market expectations to allow further value creation. We have a compliance management system in place which we are continuously developing. This system incorporates, amongst other things, our existing Group's values, our policy for corporate social responsibility, code of conduct and a range of other policies including a responsible business partner policy, anti-corruption policy, privacy policy, whistleblowing policy, crisis management policy, sanctions and export control procedure and a health safety and environmental (HSE) policy.

10. Sustainability

The Group's sustainability strategy rests on four pillars to deliver on its own ambitions and stakeholder expectations; enabling sustainability for clients, environmental excellence in operations, responsible leadership, and light up people and society.

The Group's sustainability strategy is based upon a thorough materiality assessment and

created together with sustainability experts and in dialogue with our key stakeholders. The aim is to build on the existing programs and expand it to create value both for our business as well as for our customers and other stakeholders, via operational efficiencies, sustainable products and solutions, and other targeted actions.

Key highlights in 2021 include environmental and energy efficiency progress such as circular design criteria for new products, LED luminaires now making up more than 95% of the luminaires delivered, 35% of our energy is sourced from renewable energy sources, and our Kirkenær factory achieved net zero emissions.

11. Responsible business partner

The Group is committed to responsible business practices and conducting business with the highest ethical standards. The ethical guidelines for the Group and our suppliers are set out in the Glamox Code of Conduct with supporting policies and instructions, such as our Responsible Business Partner Policy and our Anti-corruption policy.

We communicate our expectations regarding respect for human rights, decent working conditions and ethical business conduct to our suppliers, and qualify and monitor our suppliers in an open and transparent way by using digital tools. Through this work we can be transparent, while at the same time contributing to change globally through our requirements and by sharing our knowledge with suppliers.

The Group wants all our business partners to view us as their preferred business partner. As such, we strive to achieve a positive reputation in all aspects of our business. We respect the

laws, cultures, dignity, and rights of individuals in all countries where we operate. Compliance with national, regional, and international rules, laws and conventions is compulsory and business ethics extend beyond simple compliance. We conduct our business with integrity which makes our employees and business partners proud to work for and with us.

12. Environment, health and safety

The Group's goal is to produce energy-efficient products, manufactured through energy-efficient and environmentally friendly processes. The company supports a precautionary approach to environmental challenges, undertakes initiatives to promote greater environmental responsibility, and encourages the development of environmentally friendly technologies.

The environmental aspects are an important part of our product development. Through energy-efficient products and solutions we contribute to the green shift. The Group continuously works towards creating more energy efficient solutions. By replacing conventional luminaires with high-quality LED luminaires, we can reduce energy consumption by 40 to 50 %. By also adding a smart light management system the total energy reduction can be up to 90 %. More than 95 % of the luminaires we deliver are now LED, and more than 35 % of our turnover comes from connected lighting. The Group's production unit in Poland (Wilkasy), Norway (Molde and Kirkenær), and the UK is certified in accordance with EN ISO 14001, while the production unit in Keila, Estonia is certified in accordance with EN ISO 50001.

The Group has a zero-accident ambition and focus on a safe working environment is a continuous process. The Group



has an established reporting routine for lost time accidents and require all lost time accidents to be reported, investigated and mitigated. Nineteen lost time accidents were reported in 2021. This gave an accident ratio in the Group (H-value) of 5.1 accidents per 1 million worked hours, which is an increase from 4.5 in 2020.

Absenteeism due to illness in the Group was 2.2% in 2021, compared to 2.7% in 2020.

13. Equal opportunities and working environment

The company has no employees. The board consists of three people, all men. The number of full-time employee equivalents (FTEs) in the Group was 2,212 at the end of 2021, an increase from 2,174 at the end of 2020.

The Group is committed to an inclusive work culture and shall provide equal opportunities and treat all employees fairly. Glamox recognize that every individual is unique and valuable and should be appreciated based on his or her individual skills and abilities. Glamox does not accept any form of harassment or discrimination on the basis of race, colour, religion, gender, sexual orientation, national origin, age, disability, or veteran status. This is clearly stated in our code of conduct and supported by our whistle-blower policy

Being an attractive workplace is a key part of our strategy. We truly believe that engaged employees deliver better results, and that being a great workplace for all who work for us is an important

contribution to a brighter tomorrow. Feeling welcome, safe and respected at work is the right of every employee. Our employees are proud of working for the Group and our global employee engagement survey in 2021 showed that; i) 80% state that Glamox is a great place to work, ii) 88% state they have interesting and challenging tasks, and iii) 86% state that working in Glamox makes them want to do the best work they can.

The Group received one report from employees, safety representative or union representatives concerning discrimination in the work place. The report was handled in accordance with local legal requirements, and adequate measures was implemented. We support the principles of freedom to association and protecting the right to organize, and we have a long and strong tradition for cooperation with representatives of our employees through formal forums. This will continue in 2021 with a specific focus on equality and discrimination.

The Group's policy is that the same skills and length of service are rewarded on an equal basis regardless of gender. Women and men in all job categories are given the same opportunities to qualify for all types of assignments and career prospects. Female employees made up 40.0% of the Group's workforce at the end of 2021.

14. Outlook

Glamox is the main asset of the

group.

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

Short term, we expect the instability and shortage in the components supply to continue affecting the product delivery times somewhat. However, as the pandemic recovery continues, we expect a gradual normalization. The positive market development is expected to continue in both business areas although the unfolding Ukraine crisis adds some uncertainty to the general market development. The Group expects to see increased positive effects in 2022 from actions to increase efficiencies in the value chain and the implementation of general market price increases. With an all-time high order book, good cost control and a positive market development in both our business areas the Group expects to see improved profitability in 2022.

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

Oslo, 28 April 2022

Gustaf Erik David Backemar
Chairman of the Board

Joachim Solbakken Espen
Board member

Torfinn Kildal
Board member



GLX Holding Group

Annual financial statements

2021



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GLX Holding AS - Group

Consolidated statement of profit and loss

For the years ended 31 December

NOK 1000	Notes	2021	2020
Revenue	2.1, 2.2	3 333 553	3 435 506
Other operating income	2.2	43 831	54 042
Total revenues	1.4	3 377 384	3 489 548
Raw materials and consumables used		1 643 215	1 673 305
Payroll and related costs	2.4	1 226 860	1 124 175
Depreciation and amortisation	3.1, 3.3	249 158	234 189
Impairment of non-current assets	3.2	6 412	7 996
Other operating expenses	2.5	337 764	310 476
Total operating expenses		3 463 409	3 350 139
Operating profit	1.4	-86 025	139 409
Financial income	5.11	69 122	96 400
Financial expenses	5.11	212 536	247 157
Net financial items		143 413	150 758
Profit before tax		-229 439	-11 349
Taxes	6.1	16 831	21 608
Profit for the year		-246 269	-32 957
Profit/loss attributable to equity holders of the parent		-207 624	-52 676
Profit/loss attributable to non controlling interests		-38 645	19 719
Other comprehensive income			
Profit for the year		-246 269	-32 957
<i>Items that subsequently will not be reclassified to profit or loss:</i>			
Gain/loss from remeasurement on defined benefit plans	7.2	25 927	-3 509
Tax effect on remeasurements on defined benefit plans	7.2	-3 152	517
Total items that subsequently will not be reclassified to profit or loss		22 775	-2 993
<i>Items that subsequently may be reclassified to profit or loss:</i>			
Currency translation differences		-34 957	50 459
Net gain/loss on hedge of foreign subsidiaries	5.5	38 776	-51 026
Tax effect from hedge of foreign subsidiaries	6.1	-8 531	11 226
Total items that subsequently may be reclassified to profit or loss		-4 712	10 658
Other comprehensive income for the period		18 063	7 665
Total comprehensive income for the period		-228 206	-25 291
Total comprehensive income attributable to equity holders of the parent		-193 866	-46 837
Total comprehensive income attributable to non controlling interests		-34 340	21 546
Earnings per share attributable to equity holders of the parent			
Weighted average number of ordinary shares outstanding (in thousands):			
Basic		1 000	1 000
Diluted		1 000	1 000
Per ordinary share in NOK:			
Basic		-207.62	-52.68
Diluted		-207.62	-52.68



GLX Holding AS - Group

Consolidated statement of financial position

NOK 1000	Notes	31.12.2021	31.12.2020
ASSETS			
Intangible non-current assets			
Goodwill	3.2	1 840 265	1 700 737
Intangible assets	3.3	1 288 776	1 254 144
Total intangible non-current assets		3 129 042	2 954 881
Tangible non-current assets			
Land, buildings and other property	3.1	219 101	231 569
Machinery and plant	3.1	85 790	89 595
Fixtures and fittings, tools, office equipment etc.	3.1	68 644	67 225
Right-of-use assets	4.2	216 147	198 091
Total tangible non-current assets		589 682	586 479
Deferred tax assets	6.1	59 929	72 345
Other non-current assets		33 034	15 472
Total non-current assets		3 811 687	3 629 178
Current assets			
Inventories	2.3	663 217	611 045
Trade receivables	5.9	449 224	431 801
Other receivables	5.9	93 989	87 304
Cash and cash equivalents	5.8	379 604	564 761
Total current assets		1 586 034	1 694 911
TOTAL ASSETS		5 397 722	5 324 089
EQUITY AND LIABILITIES			
Equity			
Share capital	5.7	1 000	1 000
Share premium reserve		1 599 346	1 599 346
Paid in capital		1 600 346	1 600 346
Retained earnings		-234 003	-40 137
Non-controlling interests		324 023	389 109
Total equity		1 690 365	1 949 316
Non-current liabilities			
Pension liabilities	7.2	45 104	74 233
Bond	5.1, 5.2	1 342 840	1 339 184
Interest bearing liabilities to financial institutions	5.1, 5.2	948 392	744 878
Long-term lease liabilities	4.2	169 669	148 115
Other long-term loans	5.1	-	288
Deferred tax liabilities	6.1	332 293	330 068
Provisions and other liabilities	4.1	44 964	47 788
Total non-current liabilities		2 883 261	2 684 553
Current liabilities			
Trade payables	5.10	306 917	264 719
Income tax payable	6.1	9 949	15 106
Other payables	5.10	108 840	116 469
Short-term interest bearing liabilities	5.1, 5.2	8 698	14 781
Short term lease liabilities	4.2	56 871	51 204
Provisions and other liabilities	4.1, 5.1, 7.2	332 821	227 940
Total current liabilities		824 095	690 220
Total liabilities		3 707 357	3 374 773
TOTAL EQUITY AND LIABILITIES		5 397 722	5 324 089

Oslo, 28 April 2022

Gustaf Erik David Backemar
Chairman of the Board

Joachim Solbakken Espen
Board member

Torfinn Kildal
Board member



GLX Holding AS - Group

Consolidated statement of cash flows

For the years ended 31 December (NOK 1000)

Cash flows from operating activities	Notes	2021	2020
Profit before tax		-229 439	-11 349
Taxes paid		-35 790	-61 580
Depreciation, amortisation and impairment	3.1, 3.3, 4.2	255 570	242 185
Profit from sale of assets	3.1	-854	423
Changes in working capital		14 772	49 505
Other operating changes		165 903	190 250
Net cash flows from operating activities		170 163	409 433
Cash flows from investing activities			
Interests received		3 766	9 275
Proceeds from sale of tangible fixed assets and intangible assets		-	1 282
Purchase of tangible fixed assets and intangible assets	3.1, 3.3	-99 448	-54 220
Acquisition of subsidiary, net of cash acquired*	8.2	-243 069	-37 865
Payment (-) / proceeds (+) on other investments		168	513
Net cash flow from investing activities		-338 582	-81 015
Cash flow from financing activities			
Proceeds from issuance of debt	5.2	238 260	350 000
Lease principal	4.2	-56 473	-54 895
Lease interest paid	4.2	-5 010	-5 492
Dividend paid		-30 747	-33 621
Interests paid		-117 276	-130 697
Repayment of long-term debt	5.2	-14 518	-250 547
Other cash flow from financing activities		-8 293	-8 531
Net cash flow from financing activities		5 944	-133 782
Net change in cash and cash equivalents		-162 475	194 635
Cash and cash equivalents, beginning of period		564 761	382 299
Effect of change in exchange rate		-22 682	-12 173
Cash and cash equivalents, end of period		379 604	564 761



GLX Holding AS - Group

Consolidated statement of changes in equity

NOK 1000	Share capital	Share premium	Other equity	Total shareholders equity	Non-controlling interests	Total equity
Balance as of 31 December 2019	1 000	1 599 346	6 700	1 607 046	401 184	2 008 228
Profit (loss) for the year			-52 676	-52 676	19 719	-32 957
Other comprehensive income			5 838	5 838	1 827	7 665
Total comprehensive income		-	-46 837	-46 837	21 546	-25 291
Dividends				-	-33 621	-33 621
Balance as of 31 December 2020	1 000	1 599 346	-40 137	1 560 209	389 109	1 949 316
Profit (loss) for the year			-207 624	-207 624	-38 645	-246 269
Other comprehensive income			13 758	13 758	4 305	18 063
Total comprehensive income		-	-193 866	-193 866	-34 340	-228 206
Dividends				-	-30 747	-30 747
Balance as of 31 December 2021	1 000	1 599 346	-234 003	1 366 342	324 023	1 690 365



1.1 Corporate information

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

At 11 of December 2017, GLX Holding AS became the parent company of Glamox AS, with a 75.16% ownership. End of 2021 the ownership is 76.17%. GLX Holding AS is a holding company and have no other activities or investments, than the ownership of Glamox AS. GLX Holding AS is a Norwegian company and the registered address is c/o Triton Advisors (Norway) AS, Kronprinsesse Märthas plass 1, 0161 OSLO. The ultimate parent of GLX Holding AS is Triton Fund IV, which is located at Jersey. Beneficial owner of GLX Holding AS is Triton fund IV, located at Jersey.

Glamox AS is a leading lighting supplier to the world's marine and offshore markets, and a significant supplier to the professional building market in Europe. The registered office is located in Molde, Norway. Glamox is organised with three divisions: Professional Building Solutions (PBS), Global Marine & Offshore (GMO) and Sourcing, Production and Logistics (SPL). ES-System operated as an independent division in 2020 and has been integrated in PBS- and SPL division from January 1st, 2021. The PBS division has the responsibility of developing, marketing and sale of lighting solutions for the land-based lighting segment, with focus on the European market. The GMO division has the responsibility of developing, marketing and sale of lighting solutions to the global marine and offshore market. The SPL division consist of the production units in the Group and has the responsibility of procurement, manufacturing, warehousing and distribution. The prime objective of the SPL division is to serve the sales units (within PBS and GMO division) and their customers. The sale from the SPL division is only internal to business units within PBS and GMO.

The two sales divisions, PBS and GMO, have to a large extent different products and solutions they provide to their markets. Further they operate in strategically different markets and therefore have different sales channels, marketing strategies and risk. To be able to monitor and follow up the profitability of the complete value chain of these two business areas, Glamox has an operating segment reporting where PBS and GMO each represents a complete value chain. See note 2.1 for more information.



1.2 Basis of preparation

The consolidated financial statements of GLX Holding AS comprise of consolidated statements of profit and loss, other comprehensive income, financial position, cash flows, changes in equity, and related notes. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by The European Union (EU).

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. Further, the financial statements are prepared based on the going concern assumption.

The consolidated financial statements are presented in Norwegian kroner (NOK), which is also the functional currency of the parent company. All figures are rounded to the nearest thousand (000), except when otherwise indicated. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, daily exchange rates are applied for significant transactions.

Basis of consolidation

The consolidated financial statements comprise the financial statements of GLX Holding AS its subsidiaries as at 31 December 2021. See note 8.1 for subsidiaries included in the consolidation. The subsidiaries are consolidated when control is achieved, that is, when the Group is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, GLX Holding' presumption is that a majority of voting rights results in control. The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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



1.3 Estimation uncertainty, judgments and assumptions

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

Sources of estimation uncertainty

Impairment of Goodwill

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

Warranties

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

Deferred tax assets

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

Capitalised product development

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

Economic life of property, plant and equipment and intangible assets

The useful life of each item, which is assessed at least annually, is determined as the period over which the asset is expected to be available for use.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The depreciation or amortisation expense on assets with finite lives is recognised in the statement of comprehensive income.

Inventory

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



1.4 Adjusted profit and special items

The table below gives an overview of special items included in profit and loss for 2021 and 2020.

	2021	2020
Total revenues	3 377 384	3 489 548
Total revenues - Adjusted	3 374 892	3 488 654
EBITDA ¹	169 545	381 593
EBITDA margin	5.0 %	10.9%
Adjusted EBITDA ²	445 411	493 219
Adjusted EBITDA margin	13.2 %	14.1%
Operating profit (EBIT)	-86 025	139 409
Operating profit (EBIT) margin	-2.5 %	4.0%
Adjusted Operating profit (EBIT)	196 253	259 030
Adjusted Operating profit (EBIT) margin	5.8 %	7.4%
EBITDA	169 545	381 593
Special items:		
Restructuring cost	189 745	48 489
Claim cost related to specific products	12 359	4 057
Acquisition and integration cost	18 521	29 708
ERP Integration	31 541	16 894
ESG Compliance	1 732	3 544
Other	21 968	8 933
Total Special items excluding impairment of non-current assets	275 866	111 625
Adjusted EBITDA	445 411	493 219
Impairment of non-current assets	6 412	7 996
Total Special items	282 279	119 621
Adjusted Operating profit (EBIT)	196 253	259 030

¹ Operating profit/loss before income taxes, net financial items, depreciation, amortisation and impairment charges.

² Operating profit/loss before income taxes, net financial items, depreciation, amortisation and impairment charges adjusted for special items.

Special items represents profit and loss items that are material and outside ordinary business of GLX Group. The table give an overview of the profit adjusted for the special items. In order to present the profit of the ordinary business of the Group.



2.1 Segment information

Operating segments within the Group

In 2021, GLX Group has the following operating segments (business areas);

- Professional Building Solutions (PBS)
- Global Marine & Offshore (GMO)

Each of these segments represents a complete value chain. For the two segment PBS and GMO all cost of goods sold (COGS) and administration cost of the SPL division is distributed between the two operating segments, based on the products sold. Group functions are also distributed between the two operating segments, based on allocation keys. ES-System operated as an independent segment in 2020 and has been integrated in the PBS segment from January 1st, 2021.

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

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

The internal management reporting of operating segments does not include any balance sheet items. Consequently, the overview of financial information per operating segment does not include assets and liabilities. None of the operating segments had sales to a single customer that exceeded 10 % of revenues in 2021.

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

Year ended 31 December 2020	Professional		ES-System	Other	Total
	Building Solutions (PBS)	Global Marine & Offshore (GMO)			
Revenues	2 245 137	812 697	432 607	-894	3 489 548
EBITDA	321 000	77 509	38 395	-55 310	381 593
in %	14.3%	9.5%	8.9%		10.9%

EBITDA for PBS, GMO and ES-System, presented in the table above is adjusted for special items.

Other item refers to operating expenses in GLX Holding AS, special items and IFRS 16 effects.

See note 1.4, 2.2, 2.4, 2.5, and 4.2 for further information.

Reconciliation of profit	2021	2020
EBITDA	169 545	381 593
Depreciation, amortisation and impairment	255 570	242 185
Operating profit	-86 025	139 409

Geographic information	2021	2020
Nordics	1 547 489	1 563 165
Europe, excl. Nordics	1 525 184	1 616 682
North America	127 030	131 055
Asia	154 844	148 812
Other	22 837	29 834
Total revenues from external customers	3 377 384	3 489 548

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

The Group's definition of EBITDA may differ from other definitions of EBITDA in certain other jurisdictions.



2.2 Revenues from contracts with customers

The group derives revenue from sale of goods at a point in time, see note 2.1 for disaggregation of revenues by segments and geographical regions.

The group is a global provider of lighting solutions for a wide variety of applications, on land and offshore. All significant revenue streams relates to production and sales of goods. The Group's main performance obligation is related to sale of goods where the performance obligations are the delivery of an agreed volume of products within the agreed specification. The accounting policies for the group's revenue from contracts with customers are explained in note 10.1.

Revenues from sales	2021	2020
Sale of goods	3 333 553	3 435 506
Total revenues from sales	3 333 553	3 435 506

Other operating income	2021	2020
Other operating income	43 831	54 042
Total other operating income	43 831	54 042

Other operating income mainly consist of freight invoiced to customers.



2.3 Inventories

Inventories	31.12.2021	31.12.2020
Raw materials	383 126	335 512
Work in progress	53 954	44 133
Finished goods	226 137	231 400
Total inventories	663 217	611 045

Provision for obsolete inventories	2021	2020
At January 1	106 688	98 561
Currency effect	-3 151	2 879
Provision used	-14 470	-23 128
Provision reversed	-6 630	-2 634
Addition through acquisition of subsidiary	663	-
Additional provision	22 493	31 010
At December 31	105 593	106 688

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

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



2.4 Employee benefit expenses

Payroll and related costs	2021	2020
Salaries	1 005 638	893 869
National insurance	146 108	148 224
Pension costs	41 273	45 209
Other remuneration	33 841	36 873
Total payroll and related costs	1 226 860	1 124 175
Average number of Full Time Employee (FTE)	2 221	2 208

In 2021, salaries and national insurance include special items of NOK 143.8 million. Of this, NOK 127.7 million is related to restructuring, NOK 3.8 million is related to business integration, NOK 12.3 million is related to ERP integration.

In 2020, salaries and national insurance include special items of NOK 43 million. Of this, NOK 23.0 million is related to restructuring, NOK 7.8 million is related to business integration, NOK 8.5 million is related to ERP integration and NOK 3.7 million related to other items.

See note 7.1 for management remuneration.



2.5 Other operating expenses

Other operating expenses	2021	2020
Sales and marketing expenses	17 584	18 807
Energy and housing	76 067	74 199
Repair and maintenance	25 290	23 135
Travel and transport	40 139	36 210
Claim	14 623	18 340
Special items	94 453	63 430
Other	69 898	70 509
Bad debts	-291	5 845
Total other operating expenses	337 764	310 476

Auditor	2021	2020
Fee for statutory audit	6 394	5 430
Audit-related fees	1 385	1 694
Tax compliance services	358	578
Other fees	1 428	429
Total	9 564	8 130

Special items

Total operating expenses for 2021 includes special items of total NOK 94.4 million. Of this, NOK 37.5 million is related to restructuring, NOK 14.6 million is related to business integration, NOK 19.4 million is related to ERP integration, NOK 4.3 million relates to claim for a specific product, NOK 1.6 million relates to ESG implementation and NOK 17.0 million related to other items.

Total operating expenses for 2020 includes special items of total NOK 63.4 million. Of this, NOK 20.0 million is related to restructuring, NOK 22.6 million is related to business integration, NOK 6.4 million is related to ERP integration, NOK 4.0 million relates to claim towards specific products and NOK 10.4 million related to other items.

Some of the transactions included in Other operating expenses are towards related parties, see note 9.2.



3.1 Property, plant and equipment

	Land/ Buildings	Machinery	Fixtures and Fittings	Total
Acquisition cost 31.12.2019	291 697	147 817	100 409	539 924
Additions	1 964	7 739	9 767	19 470
Disposals	19	-2 179	1 683	-477
Reclassifications	-423	-5 082	-4 133	-9 638
Currency translation effects	4 770	3 146	3 807	11 724
Acquisition cost 31.12.2020	298 027	151 441	111 534	561 003
Additions	20 378	20 020	16 773	57 171
Disposals	-11 364	4 070	-12 325	-19 619
Additions through acquisition of subsidiary	-	3 482	2 680	6 162
Reclassifications	-4 333	-307	2 073	-2 567
Currency translation effects	-3 797	-1 974	-1 857	-7 629
Acquisition cost 31.12.2021	298 912	176 731	118 877	594 520
Accumulated depreciation and impairment 31.12.2019	35 403	29 211	30 483	95 096
Depreciation for the year	21 426	33 459	19 507	74 392
Impairment for the year	7 996	-	-	7 996
Disposals	30	-2 097	-1 291	-3 359
Reclassifications	29	1 391	-4 956	-3 536
Currency translation effects	1 576	-117	567	2 026
Accumulated depreciation and impairment 31.12.2020	66 459	61 847	44 309	172 615
Depreciation for the year	22 835	27 396	18 871	69 102
Impairment for the year*	-	3 336	-	3 336
Disposals	-8 616	-1 685	-12 165	-22 465
Reclassifications	-	13	133	146
Currency translation effects	-868	33	-915	-1 749
Accumulated depreciation and impairment 31.12.2021	79 811	90 941	50 234	220 985
Carrying amount 31.12.2020	231 569	89 595	67 225	388 388
Carrying amount 31.12.2021	219 101	85 790	68 644	373 535
Economic life	Up to 20 yrs.	Up to 10 yrs.	Up to 10 yrs.	
Depreciation plan	Straight-line	Straight-line	Straight-line	

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

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

In 2020, the Group recorded an impairment of NOK 8.0 million related to the factory building at the Swedish site, Målilla. No other indicators were identified in 2020 for property, plant and equipment.



3.2 Goodwill

	Goodwill
Acquisition cost 31.12.2019	1 700 266
Acquisitions	-
Adjustment of purchase price allocation	-2 248
Currency translation effects	2 719
Acquisition cost 31.12.2020	1 700 738
Acquisitions	140 100
Adjustment of purchase price allocation	-
Currency translation effects	-572
Acquisition cost 31.12.2021	1 840 265
Accumulated Impairment 31.12.2019	-
Impairment for the year	-
Accumulated Impairment 31.12.2020	-
Impairment for the year	-
Accumulated Impairment 31.12.2021	-
Carrying amount 31.12.2020	1 700 737
Carrying amount 31.12.2021	1 840 265
Carrying amount of goodwill allocated to the cash-generating units	Goodwill
Professional Building Solution (PBS) segment	1 260 855
Global Marine & Offshore (GMO) segment	346 533
O. Küttel AG	39 921
Luxonic	54 426
ES-System	7
LitelIP	17 500
Wasco	51 272
Luminell	69 751
Total goodwill - carrying amount 31.12.2021	1 840 265

Impairment of Goodwill

The Group tests goodwill for impairment annually or more frequently if there are indications that goodwill is impaired. Recognised goodwill in the Group as of 31st of December 2021 is NOK 1 840 million and is derived from acquiring of Glamox AS in 2017, Glamox's acquisition of Küttel in 2018, Luxonic and ES-System in 2019, LitelIP, Wasco and Luminell in 2021. The recoverable amounts of the CGUs have been determined based on value-in-use calculations.

The Group perform its annual impairment test at reporting date. There are no impairment loss in 2021 or 2020.

For the 2021 impairment testing, the cash flows in the calculations are based on budgets for 2022 and assumption used in the strategy plan for the period 2023 to 2025, both approved by the Board of Directors of Glamox AS. Cash flows after year 2025 have been extrapolated using a long-term growth rate. The calculations of terminal value are based on Gordon's formula.

Key assumptions used in value-in-use calculations

Based on an overall assessment, Glamox has identified the following assumptions as most sensitive to the value in use calculations:

Growth rate

The historical sales growth rate in Glamox differ between the two segments, PBS and GMO. And within these two segments the growth rate differ between the sectors. In the strategy plan the growth rates are based on published industry research with management adjustments. In prediction of cash flow, management has utilized a conservative approach. The growth rate applied in the impairment test is equal to the rate utilized in the strategy plan.

Operating profit

Future operating profit is dependent on a number of factors, but primarily volume growth, cost of production and operating expenses. In the impairing profit rate, Glamox has estimated operating profit using an operating profit rate that is based on management's experience.



Discount rates

The discount rates are based on the Weighted Average Cost of Capital (WACC) formula derived from the CAPM model. The discount rate is set individually for each CGU and is post-tax between 8.5% and 9.8%.

Cash generating units and assessments made by management

Goodwill related to the acquisition of Glamox AS is allocated to the two operating segments;

- Professional building solutions ("PBS")
- Global Marine and Offshore ("GMO")

PBS

In the impairment test calculation, the terminal growth rate is assumed to be 2.0% and a WACC of 8.5% has been utilized. The sensitivity analysis shows that an increase in WACC of 5.0 % would lead to an impairment loss. A decrease in EBITDA margin of 7.9 % in the 10 years of the analysis period would lead to an impairment loss.

GMO

In the impairment test calculation, the terminal growth rate is assumed to be 2.0% and a WACC of 8.5% has been utilized. The sensitivity analysis shows that an increase in WACC of 5.8 % would lead to an impairment loss. A decrease in revenues of 10.3 % in the 10 years of the analysis period would lead to an impairment loss.

O. Küttel AG

O. Küttel AG was acquired in April 2018. The company is a leading Swiss provider of lighting for the professional building market in Switzerland. In the impairment test calculation, the terminal growth rate is assumed to be 2.0% and a WACC of 9.8% has been utilized. The sensitivity analysis shows that an increase in WACC of 9.3 %-p would lead to an impairment loss. A decrease in revenues for the whole period of 25% combined with a decrease in profit margin of 4.0%-p would lead to an impairment loss.

Glamox Luxonic

Luxonic was acquired by Glamox in April 2019. The company was established in 1986 and is a UK based lighting company with a strong brand and its own manufacturing plant located in Basingstoke, UK. In the impairment test calculation, the terminal growth rate is assumed to be 2.0 % and a WACC of 8.5 % has been utilized. The sensitivity analysis shows that an increase in WACC of 1.7 %-p would lead to an impairment loss. A decrease in revenues for the whole period of 21.5 % would lead to an impairment loss, or a decrease in revenue of 3% combined with a decrease of profit margin of 1.2 %-p would lead to an impairment loss.



3.3 Product development and other intangible assets

	Product Development	Other intangible assets	Total
Acquisition cost 31.12.2019	168 734	1 329 488	1 498 223
Additions	2 896	31 854	34 751
Adjustment of purchase price allocation	-1 694	-9 068	-10 762
Disposals	-	-	-
Reclassifications	-	6 263	6 263
Currency translation effects	106	5 302	5 408
Acquisition cost 31.12.2020	170 043	1 363 839	1 533 883
Additions	5 836	36 442	42 278
Additions through acquisition of subsidiary	15 818	100 324	116 142
Disposals	-	-69	-69
Reclassifications	160	1 638	1 799
Currency translation effects	-1 172	-4 707	-5 879
Acquisition cost 31.12.2021	190 684	1 497 468	1 688 154
Accumulated amortisation and impairment 31.12.2019	41 823	132 320	174 143
Amortisation for the year	24 172	79 742	103 913
Disposals	-	-	-
Reclassifications	-	-	-
Currency translation effects	-22	1 706	1 684
Accumulated amortisation and impairment 31.12.2020	65 972	213 768	279 740
Amortisation for the year	29 031	92 785	121 816
Impairment for the year*	484	-	484
Disposals	-484	-68	-551
Reclassifications	-	-	-
Currency translation effects	-146	-1 965	-2 111
Accumulated amortisation and impairment 31.12.2021	94 858	304 519	399 377
Carrying amount 31.12.2020	104 071	1 150 072	1 254 144
Carrying amount 31.12.2021	95 827	1 192 949	1 288 776

Net Capitalised development costs as of the year ended December 31, 2021 were NOK 95 827 thousand. Of this amount, NOK 49 403 thousand relates to acquired product portfolio through the acquisition of Glamox AS, NOK 10 006 thousand relates to acquired product development through the acquisition of Glamox Luxonic, NOK 10 657 thousand relates to acquired product development through the acquisition of ES-System, NOK 15 337 thousand relates to acquired product development through the acquisition of Luminell Group. The economic life of the product development is estimated to 3-7 years, and the amortisation plan is straight-line. The rest is capitalised product development related to internal projects. Internal projects that results in products with a new application or new technology is capitalised given that the criteria in IAS 38 is fulfilled.

The Group directly expensed NOK 31 540 thousand related to research and development activities in 2021 (2020: NOK 31 842 thousand).

Carrying amount of other intangible assets per 31.12.2021 is NOK 1 193 million and consists of the brand name "Glamox" amounting to NOK 800 million, customer relations from the acquisition of Glamox AS in 2017 amounting to NOK 148 million, as well as other customer relations, brand names and IT-systems and rights.

The economic life of the brand name "Glamox" and "Küttel" are assumed to be indefinite. These trademarks are well incorporated in their respective markets and there are no plans of rebranding. Based on this, the trademark is assessed to be indefinite and therefore not amortised. The trademarks is tested for impairment annually, see note 3.2. Except for this, other intangible assets are amortised over 5-10 years based on the useful economic life.

*In 2021, the Group recorded an impairment of NOK 0.5 million related to one product in Luminell Norway that was not commercialised. No other indicators were identified in 2021 for intangible assets.



4.1 Provisions and other liabilities

Provisions and other liabilities	Note	31.12.2021	31.12.2020
Non-current provisions and other liabilities			
Warranties		37 231	38 470
Other liabilities		7 732	9 318
Total non-current provisions and other liabilities		44 964	47 788
Provision for warranties			
		2021	2020
At January 1		38 470	34 132
Currency effect		-674	1 025
Addition through acquisition of subsidiary		764	-
Provision used		-8 879	-4 665
Provision reversed		-2 095	-2 721
Additional provision		9 645	10 699
At December 31		37 231	38 470
Current provisions and other liabilities			
Derivatives (currency forward contracts - note 5.1)		3 379	1 960
Derivatives (interest rate swap - note 5.1)		-	8 868
Prepayments from customers		9 438	20 246
Restructuring/Severance payment		92 006	5 276
Accruals for employee benefits		104 218	110 279
Product claim		10 625	25 659
Contingent liabilities		55 011	1 312
Pension liabilities	7.2	388	1 202
Accrued interest cost		5 192	5 971
Other liabilities		52 563	47 167
Total current provisions and other liabilities		332 821	227 940

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

Product claim relates to two product families sold to the energy area (GMO segment) over several years. The provision is expected to cover cost involved in rectifying received and potential claims.

The contingent liabilities relates to acquisition of LiteIP Ltd. and Wasco GmbH. The contingent consideration relates to future financial key figures, integration and development of technology during 2021-2024 for LiteIP and 2021-2023 for Wasco GmbH.

Other liabilities contains accrued fee and general accrued expenses.



4.2 Leases

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

Right-of-use assets	Fixtures and			Total
	Buildings	Machinery	Fittings	
Carrying amount 31.12.2019	146 153	28 351	5 147	179 652
Additions	50 265	15 478	72	65 815
Additions through acquisition of subsidiaries	-	-	-	-
Remeasurement	7 879	-369	9	7 519
Depreciations	-38 732	-15 543	-1 611	55 886
Termination	-1 707	-1 377	-35	3 120
Currency translation effects	2 963	915	233	4 111
Carrying amount 31.12.2020	166 821	27 455	3 815	198 091
Additions	33 201	16 272	263	49 736
Additions through acquisition of subsidiaries	7 359	635	1 061	9 055
Impairments*	2 593	-	-	2 593
Remeasurement	29 553	-372	340	29 521
Depreciations	-41 120	-15 467	-1 652	58 240
Termination	-1 905	-1 704	-5	3 614
Currency translation effects	-5 050	-749	-11	5 809
Carrying amount 31.12.2021	186 265	26 070	3 811	216 147

*In 2021, the Group recorded an impairment of NOK 2.6 million related to lease of two office facilities in Germany due to the ongoing restructuring.

Amounts recognised in profit and loss	2021	2020
Depreciation from right-of-use assets ¹⁾	58 240	55 886
Interest expense from lease liabilities ²⁾	5 010	5 492
Expenses relating to short term leases and leases of low-value assets ³⁾	3 535	4 992
Variable lease payments not included in the measurement of lease liabilities	-	-
Total	66 785	66 369

1) Presented as Depreciations and amortisations

2) Presented as Interest expenses

3) Presented as Other operating expenses

Amounts recognised in the statement of cash flow	2021	2020
Principal portion of lease payments on lease liabilities ¹⁾	56 473	54 895
Interest portion of lease payments on lease liabilities ¹⁾	5 010	5 492
Payments relating to short term leases and leases of low-value assets ²⁾	3 535	4 992
Total payments on lease liabilities	65 018	65 378

1) Presented as cash flow from financing activities.

2) Presented as cash flow from operating activities.

Lease liabilities	2021	2020
Lease liabilities, non-current	169 669	148 115
Lease liabilities, current	56 871	51 204

Maturity schedule lease liabilities - contractual undiscounted cash flows	2021	2020
0-1 years	58 828	52 923
1-5 years	149 077	112 237
5 years and later	35 237	49 124
Total undiscounted lease liabilities as of 31.12	243 142	214 284

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



5.1 Financial instruments

The Group has the following financial instruments:

Financial assets/liabilities at amortised cost:

Financial assets: Trade receivables, other current receivables (notes: 5.9) and cash and cash equivalents (note 5.8)

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

Financial assets/liabilities at fair value through profit and loss (FVTPL):

Derivative instruments – Currency forward contracts and interest rate swap (see below)

Derivates and hedging

The Group applies hedge accounting related to its hedges of net investments in foreign subsidiaries. Loans and bank overdrafts in the same currency as the underlying investments are designated as hedging instruments. As of 31 December 2021 NOK 646.0 million of the interest bearing liabilities have been designated as hedging instrument (2020: NOK 575.0 million). In the Group accounts, the underlying currency effects related to the hedging instruments are presented in the statement of OCI, to the extent that the hedging relationship is effective. At the end of the period, the hedging relationship is effective.

Furthermore, the Group holds currency forward contracts to secure its sales and purchases in foreign currency. Hedge accounting is not applied related to these arrangements, and the derivatives are measured at fair value through profit and loss (FVTPL).

In June 2018, GLX Holding AS entered into a 3-year floating-to-fixed interest rate swap with DNB and Danske Bank for the nominal amount of NOK 1,350 million. The floating-to-fixed interest rate swap expired in June 2021 and GLX Holding will from this point have a floating interest rate on the bond and be exposed to changes in NIBOR.

For further information, see note 5.5 and 10.1.

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

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

Liabilities			
Derivatives (currency forward contracts)		3 379	3 379
Derivatives (interest rate swap)		-	-
Bond	1 350 000		1 350 000
Interest bearing liabilities to financial institutions (note 5.2)	959 806		959 806
Lease liabilities (non-current and current, note 4.2)	226 540		226 540
Other long-term loans	-		-
Trade payables (note 5.10)	306 917		306 917
Total financial liabilities	2 843 263	3 379	2 846 642

31.12.2020	Amortised cost	Fair value through profit or loss (FVTPL)	Total
Assets			
Trade receivables (note 5.9)	431 801		431 801
Other receivables (note 5.9)	87 304		87 304
Cash and cash equivalents (note 5.8)	564 761		564 761
Total financial assets	1 083 866	-	1 083 866

Liabilities			
Derivatives (currency forward contracts)		1 960	1 960
Derivatives (interest rate swap)		8 868	8 868
Bond	1 350 000		1 350 000
Interest bearing liabilities to financial institutions (note 5.2)	762 453		762 453
Lease liabilities (non-current and current, note 4.2)	199 319		199 319
Other long-term loans	288		288
Trade payables (note 5.10)	264 719		264 719
Total financial liabilities	2 576 778	10 828	2 587 606



5.2 Interest bearing liabilities

Non-current interest bearing loans and borrowings	Company	Interest rate	Maturity	31.12.2021	31.12.2020
Callable Open Bond	GLX Holding AS	NIBOR + margin	2023	1 350 000	1 350 000
Revolving facility - utilised amount (NOK)	Glamox AS	NIBOR + margin	2023	300 500	165 500
Revolving facility - utilised amount (EUR)	Glamox AS	EURIBOR + margin	2023	319 642	230 347
Revolving facility - utilised amount (PLN)	Glamox AS	WIBOR + margin	2023	326 152	344 675
Other long term loans (GBP)	Glamox Luxonic Ltd.	LIBOR + margin	2023-2024	4 814	7 151
Total non-current interest bearing loans and borrowings				2 301 108	2 097 672

Change of non-current interest bearing loans and borrowings	2021	2020
Opening balance	2 097 672	1 987 958
Acquired debt due to acquisition of subsidiary	12 041	-
Increase of utilised amount	238 260	350 000
Repayment	-14 518	-250 547
Effect of changes in foreign exchange rates	-32 347	10 261
Closing balance	2 301 108	2 097 672

Current interest bearing loans and borrowings	31.12.2021	31.12.2020
Other long term loans (GBP) - current part	2 663	2 783
Bank overdraft*	6 036	11 998
Total current interest bearing loans and borrowings	8 698	14 781

* Some subsidiaries can withdraw cash based on outstanding accounts receivable.

Change of current interest bearing loans and borrowings	2021	2020
Opening balance	14 781	22 770
Acquired debt due to acquisition of subsidiary	1 952	-
Increase of utilised amount	4 084	-
Repayment	-12 176	-8 008
Effect of changes in foreign exchange rates	57	19
Closing balance	8 698	14 781

Bond

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

An arrangement fee of NOK 7.2 millions related to the refinancing, is booked against the bond. The arrangement fee is expensed over the availability period of the facility.

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

Callable Open Bond - Covenant requirement:

Financial covenants requirement for the bond is Net interest bearing debt (NIBD)/ EBITDA (Last Twelve Months) less than 4.0.

Bond - assets pledged as security

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

Revolving facility

Glamox holds a multi-currency revolving facility. The multi-currency revolving facility has a credit limit of NOK 1,400 million.

In Q2-2021 the utilized amount was increased by NOK 135 million and in Q3-2021 the utilized amount was increased by NOK 103 million.

An arrangement fee related to the financing, is booked against non-current interest bearing liabilities and will be expensed over the availability period of the facility.

An arrangement fee related to the financing is booked against non-current interest bearing liabilities and is expensed over the availability period of the facility.

Revolving facility - Covenant requirements:

Glamox' loan agreements includes the following financial covenants requirements:

- Equity ratio minimum 20%
- Net interest bearing debt (NIBD)/EBITDA (Last Twelve Months) less than 4,0

There have been no breaches of covenants in 2021 or 2020.

Revolving facility - assets pledged as security and guarantee liabilities

	31.12.2021	31.12.2020
Secured balance sheet liabilities:		
Interest bearing liabilities to financial institutions	2 296 294	2 090 522
Secured pension liability	13 820	13 820
Balance sheet value of assets pledged as security for secured liabilities:		
Land, buildings and other property	25 722	31 297
Machinery and plant	33 498	32 641
Fixtures and fittings, tools, office equipment etc.	12 770	15 776
Inventories	148 031	134 905
Account receivable	249 321	191 399
Total	469 342	406 018



5.3 Ageing of financial liabilities

	Less than 12			
31.12.2021	months	1 to 3 years	Over 3 years	Total
Derivatives	3 379	-	-	3 379
Callable Open Bond*	88 020	1 438 020	-	1 526 040
Interest bearing liabilities to financial institutions (note 5.2)*	35 710	978 105	-	1 013 815
Other long-term loans	-	-	-	-
Trade payables (note 5.10)	306 917	-	-	306 917
Totals	434 026	2 416 125	-	2 850 151

	Less than 12			
31.12.2020	months	1 to 3 years	Over 3 years	Total
Derivatives	10 828	-	-	10 828
Callable Open Bond*	93 420	1 510 110	-	1 603 530
Interest bearing liabilities to financial institutions (note 5.2)*	27 292	757 799	2 384	787 474
Other long-term loans	288	-	-	288
Trade payables (note 5.10)	264 719	-	-	264 719
Totals	396 546	2 267 909	2 384	2 666 839

* figures included estimated interest payable.



5.4 Fair value measurement

The table below disclose information about all financial instruments that are either measured at fair value or where information about fair value is disclosed. The Bond was listed at Oslo Stock Exchange during second quarter of 2018 and transferred to level 1 in the fair value hierarchy. There were no transfers between levels in the fair value hierarchy in 2021.

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

	Carrying amount at	Date of valuation	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities measured/disclosed at fair value							
Interest-bearing liability	31.12.2021	31.12.2021	959 806	959 806		x	
Interest-bearing liability	31.12.2020	31.12.2020	762 453	762 453		x	
Callable Open Bond	31.12.2021	31.12.2021	1 350 000	1 333 125	x		
Callable Open Bond	31.12.2020	31.12.2020	1 350 000	1 333 125	x		
Derivative financial liabilities	31.12.2021	31.12.2021	3 379	3 379		x	
Derivative financial liabilities	31.12.2020	31.12.2020	10 828	10 828		x	

An arrangement fee of NOK 7.2 millions related to the Callable Open Bond, is booked against the bond. Interest-bearing liabilities also includes arrangement fees of NOK 2.7 million related to the revolver credit facility, which is booked against the liabilities. The arrangement fees are expensed over the availability period of the facility.

Fair value of financial instruments

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

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

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models using present value calculations (hierarchy level 2). The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty risk and the Group's own non-performance risk. As at 31 December 2021, the marked-to-market value of derivative asset positions is net of a debit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on measurement of financial instruments recognised at fair value. The Group applies input from its respective bank relations in performing the fair value calculations.

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

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



5.5 Financial risk management

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

Interest rate risk

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

The floating-to-fixed interest rate swap expired in June 2021 and GLX Holding have a floating interest rate on the bond and be exposed to changes in NIBOR.

The main part of the deposit is organised in a Multi Currency Cash pool. The interest-bearing liability relates to a Callable Open Bond and a Revolving Credit Facility (RCF). As of 31.12.2021 it is utilised NOK 300.5 million, EUR 32.0 million and PLN 150.1 million of the RCF. The interest of the utilised amount of the RCF is payable at a rate of NIBOR/EURIBOR/WIBOR plus a margin, dependent on the Group's NIBD/EBITDA ratio.

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

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax
31.12.2021	+/- 100	- 19.9 mNOK / +13.9 mNOK
31.12.2020	+/- 100	- 2.4 mNOK / -0.1 mNOK

Foreign currency risk

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

The Group uses forward contracts as an economic instrument to hedge cash flow. As of 31.12.2021, the Group hold forward contracts for both sale and purchase of currencies. Forward contracts as of 31.12.2021 amounts to NOK 151 million in currency sales and NOK 183 million in currency purchase based on 31.12.2021 exchanges rates. The Group's forward contracts had a market value of NOK -2.0 million as of 01.01.2021 and NOK -3.4 million as of 31.12.2021. Glamox has not applied hedge accounting in accordance with IFRS 9 for cash flow hedging.

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

Currency (in currency million)	Equity in foreign subsidiaries		Net debt and overdraft in foreign currency	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
EUR/DKK	34.5	36.8	30.0	34.7
SEK	59.8	118.0	55.0	127.7
GBP	19.5	12.2	19.7	11.7
CHF	10.3	15.9	10.7	16.3
PLN	132.5	149.4	143.3	155.3
SGD	5.3	4.9	5.7	5.0
CAD	5.8	4.0	5.1	4.4
USD	4.7	6.7	4.2	6.2

Without the hedge of the net investment in foreign subsidiaries, a 10 percent weakening/strengthening in the value of NOK would have increased/decreased equity by NOK 113.8 million as of 31.12.2021, where equity in EUR represents NOK 33.8 million of this increase/decrease. Such changes in value would have limited impact on P/L, as they are mainly booked as translation differences against equity. Because of the hedge, the impact on equity is also limited.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group has a limited exposure to liquidity risk on the basis of a strong cash flow in addition to a solid balance sheet, as of 31.12.2021 the equity rate is 31.3 %. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

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

Credit risk

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

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



5.6 Capital management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants related to the interest-bearing financial liabilities in the Group. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings towards Glamox. There has been no breaches of the financial covenants of any interest bearing loans and borrowing in the current period. Covenants calculations are not affected by the implementation of IFRS 16, as the loan agreements only take into account existing IFRS standards at the time of entering the loan agreement. Reference is made to note 5.2 for disclosed information regarding interest bearing liabilities and financial covenants.

	31.12.2021	31.12.2020
Interest bearing liabilities	2 536 346	2 312 060
Less: interest bearing investment	-19 248	-
Less: cash and bank deposit excl. restricted cash	-362 765	-550 258
Net interest bearing debt	2 154 333	1 761 802
Net interest bearing debt excl. IFRS 16	1 932 009	1 567 979

Net interest bearing debt excludes arrangement fees of NOK 9.9 million in 2021 (2020: NOK 13.6 million).

Total Assets	5 397 722	5 324 089
Total Equity	1 690 365	1 949 316
Equity ratio	31 %	37 %
Equity ratio excl. IFRS 16	33 %	38 %



5.7 Equity and shareholders

Share capital in GLX Holding AS at 31.12.2021		Number	Nominal Value	Balance Sheet
Shares	NOK	1 000	1 000	1 000 000
Total	NOK	1 000	1 000	1 000 000

All shares have the same voting rights.

Holders of these shares are entitled to dividend and to one vote per share at general meetings of the Company. There have been no changes in the number of shares in 2021 or 2020. GLX Holding AS is a 100% owned subsidiary of Glace Holdco AS.

There has been no distribution of dividend during 2021 or 2020.

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



5.8 Cash and cash equivalents

Cash and cash equivalents	31.12.2021	31.12.2020
Bank deposits, unrestricted	362 765	550 258
Bank deposit, restricted, employee taxes in Glamox AS	16 840	14 503
Total cash and cash equivalents	379 604	564 761

Liquidity reserve	792 047	1 170 482
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The liquidity reserve is the total overdraft and revolving facilities of all Group companies, minus all utilised overdraft and revolving facilities, and added all cash on hand and deposits. The liquidity reserve for the Glamox Group is organised in a revolving facility and a Multi Currency Cash pool. In addition GLX Holding AS has bank deposit.

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

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

Restricted deposits in the Group amounted to NOK 16.8 million in 2021.



5.9 Trade and other receivables

Trade and other receivables	31.12.2021	31.12.2020
Trade receivables		
Trade receivables	449 224	431 801
Total trade receivables	449 224	431 801

Provision for impairment of receivables	2021	2020
At January 1	30 884	31 146
Currency effect	-32	-192
This years loss	-6 189	-5 154
Payments received against previous losses	-	-
Addition through acquisition	113	-
Provision this year	-3 579	5 084
At December 31	21 197	30 884

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

Ageing analysis of trade receivables	Total	Neither past due nor impaired	Past due but not impaired			
			< 30 days	31-60 days	61-90 days	> 90 days
2021	449 224	355 996	64 320	16 013	2 995	9 899
2020	431 801	348 368	58 765	10 713	4 664	9 291

Other receivables	31.12.2021	31.12.2020
Prepaid other expenses	33 872	19 581
Prepaid VAT	28 417	20 960
Other - Retention fees due	-	1 143
Withholding tax	-	9 320
Prepaid tax	5 989	13 767
Other	25 711	22 534
Total other receivables	93 989	87 304

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



5.10 Trade and other payables

Trade and other payables	31.12.2021	31.12.2020
Trade payables		
Trade payables	306 917	264 719
Trade payables to related parties	-	-
Total trade payables	306 917	264 719
Other payables		
Public duties payables	108 840	116 469
Total other payables	108 840	116 469

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



5.11 Financial income and expenses

Financial income and expenses	2021	2020
Financial income		
Currency gain	56 373	83 666
Interest income	3 766	9 275
Unrealised gain financial derivatives	-	-
Realised gain financial derivatives	8 868	-
Other financial income	116	3 458
Total financial income	69 122	96 400
Financial expenses		
Currency loss	52 317	86 698
Interest expenses*	125 163	140 063
Unrealised loss financial derivatives	1 419	13 379
Realised loss financial derivatives	2 770	3 476
Other financial expenses	30 865	3 541
Financial expenses	212 536	247 157

* Interest expenses include interest on lease liabilities.

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

In 2021, other financial expenses include earn-out of NOK 25.5 million related to the acquisition of Wasco, see note 8.2 for more information.

In 2020, other financial income includes reversal of earn-out of NOK 2.8 million related to the acquisition of Luxonic Ltd, due to key financial assumption related to the contingent consideration were not achieved.



6.1 Taxes

	2021	2020
Current income tax expense:		
Tax payable	47 817	45 055
Change deferred tax/deferred tax assets	-8 738	-39 164
Currency effects	-3 641	2 642
Deferred tax charged to OCI	-11 683	11 743
Tax related to previous years	-6 925	1 332
Total income tax expense	16 831	21 608

Deferred tax related to items recognised in OCI during the year:

Net gain/loss on hedge of foreign subsidiaries	8 531	-11 226
Tax effect on remeasurements on defined benefit plans	3 152	-517
Deferred tax charged to OCI	11 683	-11 743

Total tax for the year on group level:

Norwegian companies	-11 611	-22 423
Foreign companies	28 442	44 031
Total tax for the year	16 831	21 608

Current tax liabilities consist of:

Income tax payable for the year as above	47 817	45 055
- of which paid in fiscal year	-37 351	-46 853
- tax on group contribution to subsidiaries	-725	-
- payment of withholding tax	-1 501	-777
- tax provision related to previous years	-5 837	2 057
Current tax liabilities 31.12	2 402	-517

Deferred tax liabilities (assets):

	31.12.2021	31.12.2020
Property, plant and equipment	24 781	45 700
Intangible assets	1 155 763	1 181 416
Other current assets	-3 815	-25 522
Liabilities	-50 108	-67 170
Net pension reserves/commitments	-42 250	-69 123
Derivatives	-	-8 868
Losses carried forward (including tax credit)	-453 571	-273 983
Untaxed profit ²⁾	319 758	276 186
Restricted interest deduction carried forward	-211 443	-213 282
Basis for deferred tax liabilities (assets):	739 115	845 353
Calculated deferred tax assets	188 957	156 946
- Deferred tax assets not recognised	-129 028	-84 601
Net deferred tax assets recognised in balance sheet	59 929	72 345

Deferred tax liabilities recognised in balance sheet

332 293 330 068

²⁾ Untaxed profit relates to profit in Estonia, that is taxed when dividend is distributed.

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 15% to 31%, which results in a difference between the statutory income tax rate in Norway and the average tax rate applicable to the group. A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is as follows:

Reconciliation of income tax expense	2021	2020
Profit before taxes	-229 439	-11 349
Tax expense (Norway tax rate)	-50 476	-2 497
Permanent differences	35 132	3 719
Effect of deferred tax asset not recognised	45 325	24 960
Reversal of tax liability provision	-	-
Tax related to previous years	-6 925	1 332
Effects of changes in tax rate	-	-
Effects of foreign tax rates	-9 744	-5 906
Other taxes	3 519	-
Recognised income tax expense	16 831	21 608
Effective tax rate	-7.3 %	-190.4 %



7.1 Management remuneration

GLX Holding AS

GLX Holding AS has no employees.

The Board of GLX Holding AS has proposed a remuneration of NOK 50 thousand to board member, Torfinn Kildal, for the twelve month period ending in June 2022 at the General meeting.

Glamox

The CEO is a member of a defined contribution pension scheme for salaries up to 12G (approx NOK 1.2 million). In addition, the CEO is entitled to a salary compensation of 23.95% of fixed salary for amounts exceeding 12G. The CEO also has a performance based bonus agreement.

For 2021, the CEO has a performance related bonus agreement, which can give up to seven months' additional salary. The financial statements of 2021 have been charged with NOK 542 thousands related to the performance related bonus agreement. For 2022, the CEO has a performance related bonus agreement, which can give up to ten and a half months' additional salary.

As announced 29 October 2021, CEO Rune Marthinussen will retire from the role as CEO of Glamox simultaneously with Astrid Simonsen Joos starting as CEO 1 August 2022. Rune Marthinussen will continue as special advisor for the new CEO until 31 December 2022 and further be available during his notice period until 30 June 2023. In accordance with his employment contract, he will receive an 18 months' severance pay from 1 July 2023 until 31 December 2024.

Remuneration to CEO		Salary	Performance-related bonus	Pension	Other remuneration
Rune Marthinussen - CEO	2021	3 716	542	54	127
Rune Marthinussen - CEO	2020	3 601	1 764	52	126

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



7.2 Post-employment benefits

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

Defined contribution plan

The majority of the Group's employees are covered by defined contribution pension schemes. Contributions to these schemes are recognised as pension expense as they occur. Total costs related to the Groups contribution plans were NOK 38.1 million in 2021 (2020: NOK 37.2 million).

Defined benefit pension plan

The Group also has defined benefit pension plans in Glamox AS and in four subsidiaries of Glamox AS. The defined benefit plans in O. Küttel AG accounts for approximately 40% of the net liability in the Group, Glamox AS accounts for approximately 34% of the net liability in the Group and ES-System accounts for approximately 17% of the net liability in the Group. The remaining 9 % of the net liability consist of several minor defined benefit pension plans in other subsidiaries.

On Group level, total net pension liabilities were NOK 45.5 million (net of the pension liability of NOK 145.3 million and reserve of NOK 99.8 million) as at 31 December 2021. As of 31.12.2020 total net pension liabilities were NOK 75.4 million (net of the pension liability of NOK 162.8 million and reserve of NOK 87.4 million). Actuarial gains/losses recognised in the net pension liabilities amounted to NOK -25.9 million in 2021 (2020: NOK 3.5 million).

Risks related to defined benefit plans

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

Components of defined benefit cost in profit and loss	2021	2020
Net Service Cost	6 586	6 998
Prior Service Cost	-4 272	-
Interest cost including tax	603	820
Interest income	-146	-217
Administration expenses	388	399
Total recognized in profit and loss	3 159	8 000

Changes in pension plan assets during the year

Pension plan assets (fair value) 1 January	87 409	73 723
Contributions and benefits paid during the year	400	10 442
Interest income	197	291
Administration expenses	-388	-399
Return on assets excl. interest income	12 712	-842
Currency translation	-510	4 194
Pension plan assets (fair value) 31 December	99 821	87 409

Changes in the present value of pension obligations during the year

Pension obligations 1 January	162 843	140 282
Additions through acquisitions of subsidiaries	-	-
Net service cost	6 586	6 998
Contributions and benefits paid during the year	-5 787	5 109
Past Service Cost	-4 272	-
Interest cost including tax	654	894
Actuarial gains and losses	-13 216	2 668
Currency translation	-1 497	6 893
Pension obligations 31 December	145 313	162 843

Net pension obligations 31 December	45 492	75 434
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Reconciliation of net defined benefit liability/(asset)

Net defined liability/(asset), 1 January	75 434	66 559
Additions through acquisitions of subsidiaries	-	-
Defined benefit cost recognized in P&L	3 159	8 000
Defined benefit cost recognized in OCI	-25 927	3 509
Contributions and benefits paid during the year	-6 187	-5 333
Currency translation	-987	2 699
Net defined liability/(asset), 31 December	45 492	75 434



O. Küttel AG

The net pension liabilities consists of a defined benefit plan for 53 employees. The pension plan are organized as "contribution-based" schemes as per Art. 15 of the Swiss Federal Law on Vesting in Pension Plans. Under these plan arrangements, retirement benefits of active participants accrue over a notional account as the sum of retirement credits (retirement credit rate multiplied with pensionable salary) and interests. Average age of the participants in the pension plan was 43.81 as of 31 December, 2021.

Financial conditions:	2021	2020
Mortality table	BVG 2020 GT	BVG 2015 GT
Discount rate	0.40%	0.20%
Expected return on plan assets	1.00%	1.00%
Salary increase	0.60%	0.70%
Pension increase	0.00%	0.00%

Sensitivity analysis of pension obligations	Change (NOK 1000)	Change %
DBO end of period discount rate + 0.25%	-3 860	-4 %
DBO end of period discount rate - 0.25%	4 159	4 %
DBO end of period salary increase + 0.25%	893	1 %
DBO end of period salary increase - 0.25%	-867	-1 %

Currency rate (CHF/NOK) as of 31 December 2021 have been used in the sensitivity analysis.

Expected future contributions	NOK 1000
Expected employer contributions next year	2 978
Expected employee contributions next year	2 978
Expected benefits payments next year	-7 414

Currency rate (CHF/NOK) as of 31 December 2021 have been used to calculate expected future contributions and benefit payments.

ES-System

The pension liability in ES-System consists of retirements benefits, disability benefits and death severance pay. Disability benefits and death severance pay make up approximately 20 % of the pension liability, while 80 % relates to retirement benefits. On the basis of IAS 19 the profitability of 10-year treasury bonds amounting to 3.6% was used to determine the discount rate. The long-term annual salary growth rate was assumed to be from 3.5% to 5.5% depending on site location in nominal terms. When determining the pension liability, the probability of obtaining additional benefit entitlements was taken into account. The probability of achieving rights to severance pay and death severance pay is understood as the probability of invalidity and death of an employee before reaching retirement age, provided that they remain in an employment relationship with their current employer. Retirement age means the age of 60 for women and 65 for men.

Financial conditions:	2021	2020
Mortality table	PTTZ 2020 wg GUS	PTTZ 2019 wg GUS
Discount rate	3.6%	1.50%
Expected return on plan assets	n/a	n.a
Salary increase	3.50 - 5.50%	2.00 - 3.50%
Pension increase	n/a	n.a

Sensitivity analysis of pension obligations	Change (NOK 1000)	Change %
DBO end of period discount rate + 0.25%	-275	-3 %
DBO end of period discount rate - 0.25%	294	4 %
DBO end of period salary increase + 0.25%	158	2 %
DBO end of period salary increase - 0.25%	-93	-1 %

Currency rate (PLN/NOK) as of 31 December 2021 have been used in the sensitivity analysis.

Glamox AS

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

Financial conditions:	2021	2020
Mortality table	K2013	K2013
Discount rate	1.90%	1.70%
Expected return on plan assets	1.90%	1.70%
Salary increase	2.50%	2.25%
Pension increase	2.50%	2.00%



8.1 Interests in subsidiaries

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

Glamox AS has following subsidiaries as of December 31, 2021:

Name of company	Office	CUR	Share Capital	Shareholding in	Carrying amount	Glamox Group's
				Glamox AS	in Glamox AS	voting ownership share
Glamox A/S	Denmark	DKK	4 900	100.0%	8 045	100.0%
Glamox AB	Sweden	SEK	600	100.0%	1 681	100.0%
Glamox Oy	Finland	EUR	100	100.0%	6 082	100.0%
GSU (Borehamwood) Ltd.	England	GBP	4	100.0%	680	100.0%
Glamox Ireland Ltd.	Ireland	EUR	169	100.0%	1 787	100.0%
Glamox GmbH	Germany	EUR	683	100.0%	129 409	100.0%
Wasco GmbH	Germany	EUR	25	100.0%	-	100.0% 2)
Wasco Verwaltungs GmbH	Germany	EUR	25	100.0%	-	100.0% 2)
Wasco International GmbH & CO. KG	Germany	EUR	50	100.0%	-	100.0% 2)
AS Glamox	Estonia	EUR	166	100.0%	6 345	100.0%
Glamox Marine and Offshore GmbH	Germany	EUR	5 626	35.3%	64 602	100.0%
Glamox B.V.	The Netherlands	EUR	18	100.0%	20 346	100.0%
Glamox Aqua Signal Corporation	USA	USD	100	100.0%	443	100.0%
Glamox Inc.	Canada	CAD	2 208	100.0%	-	100.0%
Glamox Pte Ltd.	Singapore	SGD	6 100	100.0%	23 666	100.0%
Glamox (Suzhou) Lighting Co. Ltd	China	CNY	20 388	100.0%	4 050	100.0%
Suzhou Glamox Trade Co. Ltd	China	CNY	500	0.0%	-	100.0%
Glamox Co. Ltd.	South Korea	KRW	775 020	100.0%	4 483	100.0%
Luxo Corporation	USA	USD	0	100.0%	-	100.0%
Glamox Brasil Iluminacao LTDA	Brazil	BRL	50	100.0%	130	100.0% 1)
Birger Hatlebakks veg 15 AS	Norway	NOK	100	100.0%	1 373	100.0%
O. Küttel AG	Switzerland	CHF	200	100.0%	122 142	100.0%
Glamox Luxonic Ltd.	England	GBP	246	100.0%	128 238	100.0%
LitelP Ltd.	England	GBP	0	100.0%	-	100.0% 2)
ES-System sp. z o.o.	Poland	PLN	14 145	100.0%	365 130	100.0%
ES-SYSTEM Wilkasy sp. z o.o.	Poland	PLN	45 000	0.0%	-	100.0%
ES-SYSTEM NT sp. z o.o.	Poland	PLN	24 050	0.0%	-	100.0%
ES-SYSTEM Lighting UK Ltd.	England	GBP	50	0.0%	-	100.0%
Luminell Group AS	Norway	NOK	48	100.0%	144 878	100.0% 2)
Luminell Norway AS	Norway	NOK	200	0.0%	-	100.0% 2)
Luminell Drone Light AS	Norway	NOK	60	0.0%	-	100.0% 2)
Luminell Sweden AB	Sweden	SEK	114	0.0%	-	100.0% 2)
Luminell US Inc.	USA	USD	0	0.0%	-	100.0% 2)
Total carrying amount in Glamox AS of shares in subsidiaries					1 033 510	

1) Glamox Brasil Iluminacao LTDA owns 1 share of totally 50 000 shares, corresponding to non-controlling interest of 0.002%.

2) Acquired companies in 2021, see note 8.2. Wasco GmbH, Wasco Verwaltungs GmbH and Wasco International GmbH & CO. KG are 100% owned subsidiaries of Glamox GmbH. LitelP Ltd. is a 100% owned subsidiary of Glamox Luxonic Ltd.

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



8.2 Business combinations

LitELP Ltd.

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

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

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

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

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

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



Luminell Group AS

On 29th of April 2021, Glamox AS acquired 100% of the shares in the Norwegian company Luminell Group AS. The company was established in 2010 and is a high-quality developer and supplier of floodlights, searchlights and lighting controls in the marine and offshore lighting market. Luminell reported total revenue of NOK 108.5 million and EBITDA of NOK 16.5 million in 2020. Luminell Group AS is the parent company of Luminell Norway AS, Luminell Drone Light AS, Luminell Sweden AB and Luminell US Inc.

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

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

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

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

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



Wasco GmbH

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

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

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

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

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

Glamox Group profit and loss for 2021 includes a loss of NOK 25.5million related to the contingent consideration for Wasco. In preparing the purchase price allocation, best estimate is used to calculate the potential liability of the contingent consideration. At year end the estimate has changed as a higher share of the key financial assumption related to the contingent consideration seems to be achieved.



9.1 Earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

As GLX Holding AS does not have any share options or convertible preference shares as of 31 December 2021 there are no differences between basic and diluted EPS.

The following table reflects the income and share data used in the basic and diluted EPS computations:

	2021	2020
Attribution of profit for the year		
Total profit for the year attributable to equity holders of the parent	-207 624	-52 676
Total profit for the year attributable to equity holders of the parent for basic earnings	-207 624	-52 676
Earnings per ordinary share attributable to shareholders:		
Weighted average number of ordinary shares outstanding used for calculation:	1 000	1 000
Earnings per share in NOK (basic)	-207.62	-52.68

9.2 Related party transactions

Related parties are Group companies, major shareholders, board and senior management in the parent company and the group subsidiaries. Note 8.1 provides information about the Group's structure, including details of the subsidiaries and the holding company. The agreements on remuneration for CEO appear in note 7.1

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

The company has agreements with Triton Advisers Limited and Triton Investment Management Limited for counseling and success fee related to the acquisition of businesses respectively. Expenses during 2021 were NOK 3.5 million (2020: 3.6 million).

9.3 Covid-19

The Covid-19 pandemic has also in 2021 affected the demand in most of the Group's markets negatively. However, we have seen a gradual improvement of the market conditions following the easing of implemented infection-reducing measures by governments. Still the market conditions are not back to pre-Covid levels in most segments and geographies. In the PBS business area, the negative market impact has been largest in the geographies with the strictest government measures like the UK, Ireland, the Netherlands, and Poland. In the GMO business area, the cruise and ferry segment has particularly been hit hard. However, in second half of the year, the Group experienced a significant increase in order intake and an all-time high order book, due to an increase in activity levels and higher economic growth.

During 2021, the Group has taken action to offset the negative impact of reduced demand by further adjusting capacity and related cost both on a permanent and temporary basis. Travel restrictions in 2021 have led to reduced travel, sales and marketing cost compared to a normal year.

The Covid-19 pandemic situation has been challenging for GlamoX's operations and employees. In this environment, the organization has performed well and safety and health of our employees and partners has been first priority. A high delivery capability from all our production facilities has been maintained, and the Group has managed to increase its market share in most of its target markets. However, indirect consequences such as supply chain disruptions due to shortage of and longer lead times related to components and raw materials have had an impact on the Group's operations and revenues. This has been the case in particular in the second half of the year. Further, we have experienced increased logistical, raw material and component costs and the impacts of these have been, and will further be, mitigated by higher sales prices.

Although we see an improved market situation in most geographies, there is still a high degree of uncertainty related to the effects of the development of the pandemic. Supply chain shortages for key components and materials continue to be a concern in 2022. We monitor the situation closely and will take further actions as needed. It is not expected that the pandemic will have a significant effect on the Group's operations or financial statements in the long term.



9.4 Events after the reporting period

The Ukraine war and the possible effects on the global economy, adds some uncertainty to the general market development. The Group has currently no business activities towards Russia and very limited business towards Ukraine. The Group is closely monitoring the situation and have currently seen limited impact on the demand of our products.

Proposed dividend

After the reporting date, the board of Glamox AS has proposed a dividend distribution amounting to NOK 110.0 million. GLX Holding AS will receive NOK 83.8 million of this distribution.

Other than this there have been no significant events subsequent to the reporting date.



10.1 Significant accounting policies

Revenue recognition

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

A five-step process must be applied before revenue can be recognised:

- identify contracts with customers
- identify the separate performance obligation
- determine the transaction price of the contract
- allocate the transaction price to each of the separate performance obligations, and
- recognise the revenue as each performance obligation is satisfied.

The group is a global provider of lighting solutions for a wide variety of applications, on land and offshore. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

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

Sale of goods

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

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

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

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

Inventories

In conjunction with implementation of a new ERP system in the group, the accounting principle for inventory was changed from standard cost to moving average unit cost (MAUC), except for the the Polish units that use FIFO as accounting principle for inventory.

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

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

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

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



Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

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

Property, plant and equipment

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

The group considers equipment used in operations to be a tangible fixed asset if it has an economic life of more than three years.

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

Business combinations and goodwill

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

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

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

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

Intangible assets

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

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

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



Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project, which represents new applications/technology, are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

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

Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Property, plant and equipment - Note 3.1
- Goodwill - Note 3.2
- Other Intangible assets - Note 3.3

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

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

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

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

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

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

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

Provisions

General

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

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



Warranty provisions

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

Restructuring provisions

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

Leases

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The Group applies its incremental borrowing rate at the time of initial application. The group have used interest rates from the cash pool facility and intercompany loans for determining the incremental borrowing rate (IBR) for each subsidiary. The length of the agreement is an additional element that has been taken into consideration when calculating the IBR for a specific lease.

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

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

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

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

Dividend distribution to shareholders

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

Financial instruments

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

Classification of financial instruments

The Groups' financial instruments are grouped in the following categories:

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

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

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

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

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

The Group has the following financial instruments:

FVTPL: Derivative instruments – Forward contracts and interest rate swap (note: 5.1)

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

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



Initial recognition and subsequent measurement

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

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

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

Impairment of financial assets

Under IFRS 9, financial assets valued at amortised cost are impaired based on the "Expected credit losses (ECL)" model. Expected credit losses are calculated by (a) identifying scenarios in which a loan or receivable defaults; (b) estimating the cash shortfall that would be incurred in each scenario if a default were to happen; (c) multiplying that loss by the probability of the default happening; and (d) summing the results of all such possible default events.

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

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write off

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

Derecognition of financial instruments

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

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

Offsetting of financial instruments

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



Derivative financial instruments and hedge accounting

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

Hedge of net investment in foreign operations

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

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

Cash and short-term deposits

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

Fair value measurement

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

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

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

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

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

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

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

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

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



Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

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

Deferred tax

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

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

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

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

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

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

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

Government Grants

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

Pensions and other post-employment benefits

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

Consolidated statements of cash flow

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



10.2 Changes in accounting policies

The amendments listed below did not have any impact on the amounts in current period and are not expected to significantly affect future periods.

Effective for annual period beginning on or after 1 January 2021:

Interest Rate Benchmark Reform—Phase 2 —amendments to IFRS 4, IFRS 7 Financial Instruments:

The Phase 2 amendments address issues that might affect financial reporting during the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The Interest Rate Benchmark Reform - Phase 2 have not affected the Group in 2021.

10.3 Standards issued but not yet effective

Standards and interpretations that are issued up to the date of issuance of the consolidated financial statements, but not yet effective, are disclosed below. The Group's intention is to adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued.

No standards, interpretations or amendments published at the balance sheet date are expected to have significant effect on the group.



GLX Holding AS

Annual financial statements

2021



GLX Holding AS

Statement of profit and loss

For the years ended 31 December

NOK 1000	Notes	2021	2020
Revenue			
Other operating income			
Total revenues		-	-
Raw materials and consumables used			
Payroll and related costs			
Depreciation and amortisation			
Other operating expenses	1	4 454	4 071
Total operating expenses		4 454	4 071
Operating profit		-4 454	-4 071
Net Financial income	8	18 576	-4 180
Profit before tax		14 122	-8 251
Taxes	9	-	-
Profit for the year		14 122	-8 251

Other comprehensive income

Profit for the year		14 122	-8 251
Other comprehensive income for the period		-	-
Total comprehensive income for the period		14 122	-8 251



GLX Holding AS

Statement of financial position

NOK 1000	Notes	31.12.2021	31.12.2020
ASSETS			
Shares in Subsidiary	11	2 735 346	2 735 345
Total non-current assets		2 735 346	2 735 345
Current assets			
Other receivables	13	113	-
Cash and cash equivalents	7	73 150	64 415
Total current assets		73 263	64 415
TOTAL ASSETS		2 808 609	2 799 759
EQUITY AND LIABILITIES			
Equity			
Share capital	6	1 000	1 000
Share premium	6	1 599 346	1 599 346
Retained earnings	6	-141 365	-155 487
Total equity		1 458 981	1 444 859
Non-current liabilities			
Interest bearing liabilities	3/4/5	1 342 840	1 339 184
Total non-current liabilities		1 342 840	1 339 184
Current liabilities			
Other short term liabilities	2/5	6 789	15 717
Total current liabilities		6 789	15 717
Total liabilities		1 349 628	1 354 900
TOTAL EQUITY AND LIABILITIES		2 808 609	2 799 759

Oslo, 28 April 2022

Gustaf Erik David Backemar
Chairman of the Board

Joachim Solbakken Espen
Board member

Torfinn Kildal
Board member



GLX Holding AS

Statement of cash flows

For the years ended 31 December

Cash flows from operating activities	Notes	31.12.2021	31.12.2020
Profit before tax		14 122	-8 251
Net financial items		-21 810	-835
Changes in other balance sheet items		3 483	2 769
Net cash flows from operating activities		-4 205	-6 317
Cash flows from investing activities			
Interests received		207	355
Purchase/sales of shares in subsidiaries	11	-1	-16
Dividend received		98 253	107 438
Net cash flow from investing activities		98 459	107 777
Cash flow from financing activities			
Proceeds from issuance of debt		-	-
Interests paid	8	-85 519	-94 774
Net cash flow from financing activities		-85 519	-94 774
Net change in cash and cash equivalents		8 736	6 687
Cash and cash equivalents, beginning of period		64 415	57 728
Cash and cash equivalents, end of period		73 150	64 415

Statement of changes in equity

NOK 1000	Share capital	Share premium	Retained earnings	Total equity
Balance as of 31 December 2019	1 000	1 599 346	-147 238	1 453 108
Profit (loss) for the year			-8 251	-8 251
Other comprehensive income				
Total comprehensive income			-8 251	-8 251
Issue of equity				-
Dividends				
Balance as of 31 December 2020	1 000	1 599 346	-155 487	1 444 859
Profit (loss) for the year			14 122	14 122
Other comprehensive income				
Total comprehensive income			14 122	14 122
Issue of equity				-
Dividends				
Balance as of 31 December 2021	1 000	1 599 346	-141 365	1 458 981



Note 1 - Other operating expenses

Other operating expenses	2021	2020
Consultancy	3 344	3 140
Legal	71	64
Audit	525	606
Travel	93	212
Other	421	49
Total other operating expenses	4 454	4 071

Auditor	2021	2020
Fee for statutory audit	448	487
Audit-related fees	-	18
Tax compliance services	77	101
Other fees	-	-
Total	525	606

Note 2 - Other short term liabilities

	Balance 31.12.2021	Balance 31.12.2020
Accrued interest cost	5 192	5 971
Other accrued cost	1 596	878
Interest rate swap*	-	8 868
Total other short term liabilities	6 789	15 717

*The floating-to-fixed interest rate swap expired in June 2021 and GLX Holding will from this point have a floating interest rate on the bond and be exposed to changes in NIBOR.

Note 3 - Interest bearing liabilities

Non-current Interest bearing loans and borrowings	Interest rate	Maturity	Balance 31.12.2021	Balance 31.12.2020
Callable Open Bond	NIBOR + margin	2023	1 350 000	1 350 000
Bank fee related to the bond issue			-7 160	-10 816
Total non-current interest bearing loans and borrowings			1 342 840	1 339 184

Bond

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

An arrangement fee of NOK 7.2 millions related to the refinancing, is booked against the bond. Carrying amount of the bond is NOK 1 350 million, while the carrying amount adjusted for arrangement fee is 1 342.8 million. The arrangement fee is expensed over the availability period of the facility.

Callable Open Bond - Covenant requirement:

Financial covenants requirement for the bond is Net interest bearing debt (NIBD)/ EBITDA (Last Twelve Months) less than 4.0. There has been no breaches of financial covenants in 2021 or 2020.

Bond - assets pledged as security

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

Note 4 - Aging of financial liabilities

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

31.12.2020	Less than 12 months	1 to 3 years	Over 3 years	Total
Callable Open Bond*	93 420	1 510 110	0	1 603 530
Totals	93 420	1 510 110	0	1 603 530

* figures include estimated interest payable.



Note 5 - Fair value measurement

The table below disclose information about all financial instruments that are either measured at fair value or where information about fair value is disclosed. The Bond was listed at Oslo Stock Exchange in second quarter of 2018 and transferred to level 1 in the fair value hierarchy. There were no transfers between levels in 2021.

The floating-to-fixed interest rate swap expired in June 2021 and GLX Holding have a floating interest rate on the bond and is exposed to changes in NIBOR.

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

	Carrying amount at	Date of valuation	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities measured/disclosed at fair value							
Callable Open Bond	31.12.2021	31.12.2021	1 350 000	1 333 125	x		
Callable Open Bond	31.12.2020	31.12.2020	1 350 000	1 333 125	x		
Derivative financial liabilities	31.12.2020	31.12.2020	8 868	8 868		x	

Fair value of financial instruments

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

Note 6 - Equity and shareholders

Share capital in GLX Holding AS at 31.12.2021	Number	Nominal Value	Balance Sheet
Shares	1 000	1 000	1 000 000
Total	1 000	1 000	1 000 000

Holders of these shares are entitled to dividend and to one vote per share at general meetings of the Company. There have been no changes in the number of shares in 2021 or 2020. GLX Holding AS is a 100% owned subsidiary of Glace Holdco AS.

There has been no distribution of dividend in 2021.

Note 7 - Cash and cash equivalents

Cash and cash equivalents amounts to NOK 73.2 million as of 31.12.2021. GLX Holding AS has no restricted bank deposit. The liquidity reserve equals the cash and cash equivalent amount. The bond may be extended by additional NOK 650 million. This is not included in the liquidity reserve.

Note 8 - Financial income and expenses

Financial income and expenses	2021	2020
Interest income	207	355
Dividend from subsidiary	98 253	107 438
Realised gain financial derivatives	8 868	-
Unrealised loss financial derivatives	-	-12 185
Interest expenses	-88 396	-98 689
Other financial expenses	-357	-1 099
Net Financial Income	18 576	-4 180

Note 9 - Tax

	2021	2020
Tax payable		
Ordinary profit before tax	14 122	-8 251
Permanent differences	5 267	-100 151
Change in temporary differences not recognised	-19 389	108 402
Bases for tax payable	0	0
Tax base	22 %	22 %
Tax payable this years profit	0	0
Current tax liabilities 31.12	0	0
Deferred tax liabilities (assets):		
Derivatives	0	-8 868
Losses carried forward (including tax credit)	-104 531	-115 068
Restricted interest deduction carried forward	-195 726	-195 726
Basis for deferred tax liabilities (assets):	-300 256	-319 662
Net deferred tax assets recognised in balance sheet	0	0



Note 10 - Management remuneration

GLX Holding AS has no employees.

The Board of GLX Holding AS has proposed a remuneration of NOK 50 thousand to board member, Torfinn Kildal, for the twelve month period ending in June 2022 at the General meeting.

Note 11 - Interest in subsidiaries

As of 31.12.2021 GLX Holding AS owns 76.17% of the shares in Glamox AS, which also represents the voting share.

Glamox AS is a leading lighting supplier to the world's marine and offshore markets, and a significant supplier to the professional building market in Europe. Glamox AS is the parent company of Glamox Group. Glamox AS registered address is Birger Hatlebaks veg 15 in Molde, Norway. Glamox AS has 33 subsidiaries located in Europe, Asia and America. Total revenue of Glamox Group in 2021 is NOK 3 377.4 million (2020: NOK 3 489.6 million). Operating profit in 2021 is NOK -7.0 million (2020: NOK 218.1 million). Average number of full time employees in Glamox Group was 2 221 in 2021 (2020: 2 208).

The book value of the Glamox shares is NOK 2 735.3 million as of 31.12.2021.

The total Share capital in Glamox AS is NOK 66.0 million as of 31.12.2021.

Note 12 - Events after the reporting period

Dividends

After the reporting date, the board of Glamox AS has proposed a dividend distribution amounting to NOK 110.0 million. GLX Holding AS will receive NOK 83.8 million of this distribution.

Other than this there have been no significant events subsequent to the reporting date.

13 Related party transactions

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

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

The company has agreements with Triton Advisers Limited and Triton Investment Management Limited for counseling and success fee related to the acquisition of businesses respectively. Expenses during 2021 were NOK 3.5 million (2020: 3.6 million).



Note 14 - Significant accounting policies

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

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

Subsidiaries in parent company

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

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

Provisions

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

Dividend distribution to shareholders

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

Financial instruments

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

Classification of financial instruments

The Company's financial instruments are grouped in the following categories:

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

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

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

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

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

The company has the following financial instruments:

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

Initial recognition and subsequent measurement

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



Derecognition of financial instruments

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

Cash and short-term deposits

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

Fair value measurement

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

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

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

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

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

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

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

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

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

Taxes

Current income tax

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

Deferred tax

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

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

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

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

Statements of cash flow

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



Note 15 - Changes in accounting policies

The amendments listed below did not have any impact on the amounts in current period and are not expected to significantly affect future periods.

Effective for annual period beginning on or after 1 January 2021:

Interest Rate Benchmark Reform—Phase 2—amendments to IFRS 4, IFRS 7 Financial Instruments:

The Phase 2 amendments address issues that might affect financial reporting during the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The Interest Rate Benchmark Reform - Phase 2 have not affected the company in 2021.



Directors` Responsibility Statement

The Board of Directors reviewed and approved the Board of Directors` Report and the consolidated and annual financial statements for GLX Holding AS as of 31 December 2021 (annual report 2021).

To the best of our knowledge;

- the consolidated financial statements and financial statement are prepared in accordance with IFRS and IFRIC as adopted by the EU and additional Norwegian disclosure requirements in the Norwegian Accounting act that were effective as of 31 December 2021.

- the consolidated and annual financial statements give a true and fair view of the assets, liabilities, financial position and profit as a whole as of 31 December 2021 for the Group and the Parent Company.

- the Board of Directors` Report for the Group and the Parent Company includes a true and fair view of;

- the development and performance of the business and the position of the Group and the Parent Company.

- the principal risks and uncertainties the Group and the Parent Company face.

Oslo, 28 April 2022

Gustaf Erik David Backemar
Chairman of the Board

Joachim Solbakken Espen
Board member

Torfinn Kildal
Board member



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To the General Meeting of GLX Holding AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

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

- The financial statements of the parent company GLX Holding AS (the Company), which comprise the statement of financial position as at 31 December 2021, the statement of profit and loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of GLX Holding AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit and loss, statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 5 years from the election by the general meeting of the shareholders on 17 October 2017 for the accounting year 2017.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Alta	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bode	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund



Key Audit Matters

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

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

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

The Key Audit Matter	How the matter was addressed in our audit
<p>There is an inherent uncertainty related to the assessment of whether future cash flows will be sufficient to support the carrying value of goodwill, product development and other intangible assets.</p> <p>As of 31 December 2021, the Group carries NOK 1.840 million of goodwill and NOK 1.289 million of product development and other intangible assets on the balance sheet. The total amount mainly relates to the acquisition of Glamox AS in 2017. The remaining elements of goodwill relates to Glamox AS' acquisitions in 2018, 2019 and 2021</p> <p>Due to the significance of the carrying value and risk of non-recoverability related to goodwill, product development and other intangible assets, impairment assessment is considered a key audit matter. The recoverable amount is based on value in use calculations. The key judgments applied by management in the impairment testing were:</p> <ul style="list-style-type: none"> • determination of cash generating units • future financial performance; • market development; • growth rate; • profitability; and • discount rate. <p>No significant impairment charges are recognized in respect of goodwill and other intangible assets in 2021.</p>	<p>Our audit procedures in this area included:</p> <ul style="list-style-type: none"> • assessing management's process and results for identification and classification of cash generating units (CGUs) to evaluate if they were appropriate and in accordance with IAS 36; • evaluating the historical accuracy of management's 2021 budgets and forecasts and challenging management on the current year cash flow forecasts as well as the timing of future cash flows; • challenging management on the growth assumptions and management's future business plan assumptions with reference to current market conditions; • engaging KPMG valuation specialists to assess the discounts rates applied with reference to market data; • obtaining and evaluating management's sensitivity analysis to determine the impact of reasonably possible changes. Performing our own independent sensitivity calculations to quantify the downside changes to management's models required to result in impairment.; and • assessing whether the disclosures regarding key assumptions and sensitivities adequately reflected the underlying assets' impairment assessments. <p>From the audit evidence obtained, we consider management's assessment of the carrying value of goodwill and intangible assets to be in accordance with the requirements under the relevant accounting standards.</p>



2. Acquisitions and relating purchase price allocations in 2021: i. LitelP Ltd. ii. Luminell Group AS iii. Wasco GmbH

Reference is made to Board of Directors Annual Report under 6. Acquisitions, further to section 10.1 Significant accounting policies under *Business combinations and goodwill*, section 3.2 Goodwill, section 3.3 Product development and other intangible assets and section 8.2 Business Combinations.

The Key Audit Matter	How the matter was addressed in our audit
<p>In 2021 the Group acquired all shares in the following companies:</p> <p>i. Acquisition of LitelP Ltd.</p> <p>On 1 March 2021, the subsidiary of Glamox AS, Glamox Luxonic Ltd. entered into an agreement to acquire 100% of the shares in LitelP Ltd. Management determined the acquisition date to be 1 March 2021 in accordance with IFRS 3 'Business Combinations', and LitelP Ltd. was consolidated in the Group accounts from that date.</p> <p>As a result of the transaction, the Group recognised NOK 17,3 million of goodwill and NOK 18,5 million of other intangible assets. In addition, a contingent liability of NOK 12,6 million was recognised.</p> <p>ii. Acquisition of Luminell Group AS.</p> <p>On 19 April 2021, Glamox AS entered into an agreement to acquire 100% of the shares in Luminell Group AS.</p> <p>Management determined the acquisition date to be 29 April 2021 in accordance with IFRS 3 'Business Combinations', and Luminell Group AS was consolidated in the Group accounts from that date.</p> <p>Following the transaction, the Group recognised goodwill of NOK 69,8 million and other intangible assets of NOK 64,4 million at the date of acquisition.</p> <p>iii. Acquisition of Wasco GmbH</p> <p>On 1 September the subsidiary of Glamox AS, Glamox GmbH, acquired 100% of the shares in Wasco GmbH. Management determined the acquisition date to be 1 September 2021 in accordance with IFRS 3 'Business Combinations', and Wasco GmbH was consolidated in the Group accounts from that date.</p> <p>Following the transaction, the Group recognised goodwill of NOK 53 million and other intangible assets of NOK 31,8 million at the date of acquisition.</p> <p>Acquisition accounting is considered a key audit matter due to the significant amount of goodwill and other intangible assets recognised in the transactions and the high degree of management judgement involved in identifying and estimating the fair value of assets acquired and liabilities assumed.</p>	<p>Our audit procedures in this area included:</p> <ul style="list-style-type: none"> • Reading and understanding the share purchase agreement and other relevant documents to assess the appropriateness of the accounting method applied, and to identify other factors which may have impact the financial statements; • Agreeing consideration transferred to the share purchase agreement and the cash disbursements; • Assessing the date of control for accounting purposes; • Understanding and assessing the identification process and the completeness of the acquired assets and liabilities; • Evaluating and challenging management's valuation methods and assumptions in the allocation of the purchase price; and • Engaging KPMG valuation specialists to assess the discounts rates applied with reference to market data; • Assessing the appropriateness of the disclosures in the consolidated financial statements with reference to the purchase agreement and purchase price allocation. <p>From the audit evidence obtained, we consider management's assessment of allocation of the purchase price to be in accordance with the requirements under the relevant accounting standards.</p>



Other Information

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

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

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group'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, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name "549300UWOX4MGFK75Y54-2021-12-31-EN" have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.



Auditor's Responsibilities

Our responsibility is to express an opinion on whether the financial statements have been prepared in accordance with ESEF. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements have been prepared in accordance with the European Single Electronic Format.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its financial statements in the European Single Electronic Format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the financial statements tagged under the European Single Electronic Format with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 28 April 2022
KPMG AS

Lone Brith Frogner
State Authorised Public Accountant



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Norway

ir_glx@glamox.com



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Jeanette Munkvold Skovholt	07.03.2018	16.04.2018
Telefon	Deres referanse	Vår referanse
90076012	G. Backemar/ J. Espen	2018/525059

GLX HOLDING AS
c/o Triton Advisers (Norway) AS Olav Vs gate 1
0161 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for GLX Holding AS, org.nr. 919 505 281

Vi viser til deres brev av 7. mars 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for GLX Holding AS.

Skattedirektoratet gir på bakgrunn av en konkret vurdering GLX Holding AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

GLX Holding AS er heleid av Glace Holdco AS, og inngår i et internasjonalt investeringsfond (Triton fond IV). Selskapets virksomhet er å eie 75% av aksjene i Glamox AS. Glamox er et norsk industrikonsern som utvikler, produserer og leverer belysningsløsninger globalt til profesjonelle aktører. Selskapet har ingen ansatte, og har utstedt et obligasjonslån. Arbeidsspråket er engelsk.

Det er vurdert slik at det ikke finnes andre regnskapsbrukere som negativt vil påvirkes av at årsregnskap og årsberetning utarbeides på engelsk språk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som

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tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er heleid av et aksjeselskap, hvor konsernet inngår i porteføljen til et utenlandsk investeringsfond. Konsernet opererer internasjonalt mot profesjonelle aktører, og arbeidsspråket er engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jeanette Munkvold Skovholt

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer