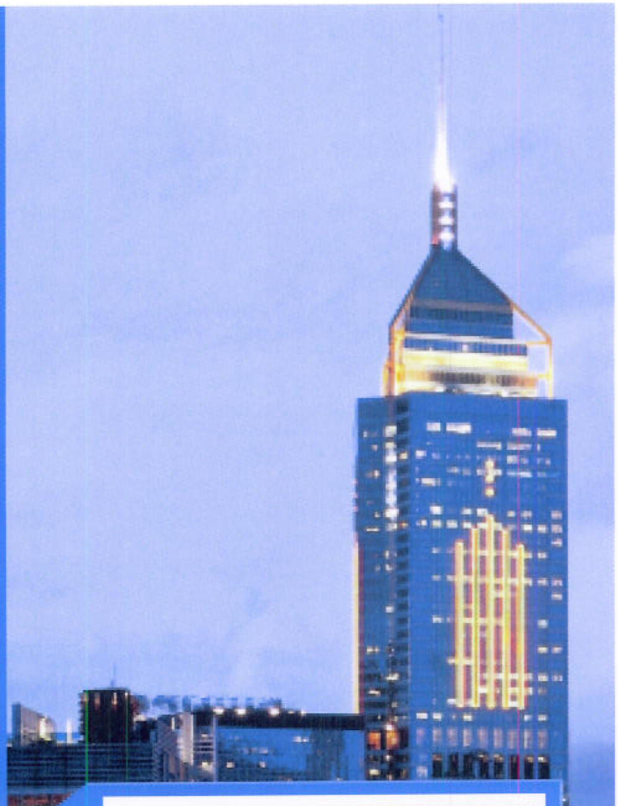
GLUNZ & JENSEN



2020/21 annual report

The annual report has been presented ~~and~~ approved at the company's annual general meeting ~~on June~~ 30th, 2021.

Chairman of the meeting: ______________________

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

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

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

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

	OFFSET	FLEXO
Products	CtP and iCtP processors that prepare Offset plates for Offset printing as well as after sales service	Flexographic (Thermal and Solvent) machines that process and handle plates for Flexo printing as well as after sales service
Primary applications	Media industry – production and newspapers, magazines, books, etc.	Packaging industry
Share of revenue	Approx. 52% of Prepress	Approx. 48% of Prepress
Sales channels	Through large customers as Agfa, Fuji, Heidelberg, Kodak and Cron as well as larger dealers	Through large customers as Asahi, DuPont, Flint, Kodak and MacDermid as well as larger dealers
Markets	Global	Global
Main market drivers	Develop and supply new, innovative products and solutions in close cooperation with customers as well as ongoing consolidation to maintain critical mass. There has been and will be migration to digital platform-based solutions	Improve technological solutions and automation of prepress production processes in close cooperation with customers. There will be focus on developing environmentally friendly solutions that reduces resource consumption and wastewater

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

CONSOLIDATED AND PARENT COMPANY FISCAL STATEMENTS

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

HEADLINES FOR 2020/21

The financial year in 2020/21 is from April 1st, 2020 to March 31st, 2021.

- Revenue in Glunz & Jensen Holding A/S came to DKK 136,9 million in 2020/21 vs. DKK 195,6 million in 2019/20, equal to a 30,0% decline in revenue. Offset revenue declined 37,5% (2019/20: declined 18,2%), while Flexo revenue declined 26,2% (2019/20: declined 9,7%). The revenue in 2020/21 was adversely impacted by Covid-19. This is in line with the latest announced expectations to revenue at DKK 130-140 million.

- Gross profit totaled DKK 28,4 million (2019/20: DKK 35,3 million), equal to an improved gross profit margin of 20,7% (2019/20: 18,0%).

- Profit before financial income and expenses, tax, depreciation, amortization, and impairment of assets, before non-recurring items – and excluding the fair adjustment of investment property – the EBITDA, was DKK 19,0 million (2019/20: DKK 14,9 million). As announced on May 4th, 2021 this is better than expected as EBITDA before non-recurring items and fair value adjustment was expected in the range of DKK 12-14 million.

- Profit before financial income and expenses, tax, depreciation, amortization, and impairment of assets and after non-recurring items – and excluding the fair value adjustment of investment property – the EBITDA was DKK 19,6 million (2019/20: DKK 1,7 million). The difference in 2020/21 between the "before" and "after" EBITDA of approx. DKK 0,6 million mainly relates to reversals of liabilities in the amount of 2,7 million relating to the bankruptcy of Glunz & Jensen S.r.l. reduced by settlement of moulding problems in Selandia Park A/S and severance cost for dismissed employees.

- The operations were affected by Covid-19. Amongst other, both the Slovakian and Danish manufacturing sites were affected negatively due to partly close down. During 2021/22 Glunz & Jensen received DKK 1,8 million Covid-19 compensation from the government.

- During 2020/21 Glunz & Jensen transferred manufacturing activities from Nyborg, Denmark to Presov, Slovakia in order to consolidate the activities and thereby get higher productivity and improved on-time deliveries. Due to the transfer to Presov, Slovakia part of the leased properties in Nyborg was vacated which resulted in an impairment of leased properties of DKK 2,8 million and impairment of leasehold improvements of DKK 0,6 million.

- Profit for the year totaled DKK 0,9 million (2019/20: Loss of DKK 18,4 million), equal to a profit in earnings per share (EPS) of DKK 0,5 in 2020/21 (2019/20: Loss of DKK 10,1 per share).

- Net cash flows from operating activities came at DKK 15,6 million (2019/20: DKK -2,1 million), net investments were DKK 0,3 million (2019/20: DKK 7,4 million), and cash flow from financing activities were DKK -16,4 million due to repayment of mortgages to Nordea and repayment of lease liabilities - and an increase of credit lines at Nordea (2019/20: DKK -9,3 million). The free cash flow was DKK 15,8 million (2019/20: DKK -9,5 million).

- The Board of Directors recommends that no dividend be distributed for 2020/21.

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

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

April 1st - March 31st (DKK '000)	Group 2020/21 Before non-recurring	Non-recurring	Total	Group 2019/20 Before non-recurring	Non-recurring	Total
Revenue	136.946	-	136.946	195.629	-	195.629
Production costs	(106.360)	(2.183)	(108.543)	(151.297)	(9.035)	(160.332)
Gross profit	30.586	(2.183)	28.403	44.332	(9.035)	35.297
Other operating income	1.927	2.695	4.622	186	-	186
Sales and distribution costs	(10.442)	(462)	(10.904)	(25.053)	(5.114)	(30.167)
Development costs	(6.641)	-	(6.641)	(6.789)	(585)	(7.374)
Administrative expenses	(7.849)	(2.897)	(10.746)	(12.527)	(725)	(13.252)
Other operating expenses	-	-	-	(147)	-	(147)
Fair value adjustments on investment properties	-	-	-	-	(2.301)	(2.301)
Operating profit/(loss)	7.581	(2.847)	4.734	2	(17.760)	(17.758)
Profit/(loss) after tax in associates	26	-	26	50	-	50
Financial income	585	-	585	87	-	87
Financial expenses	(4.481)	-	(4.481)	(3.184)	-	(3.184)
Profit/(loss) before tax	3.711	(2.847)	864	(3.045)	(17.760)	(20.805)
Income taxes	(1.228)	1.219	(9)	660	1.745	2.405
Profit/(loss) for the year	2.483	(1.628)	855	(2.385)	(16.015)	(18.400)
Operating profit/(loss)	7.581	(2.847)	4.734	2	(17.760)	(17.758)
Fair value adjustments on investment properties	-	-	-	-	2.301	2.301
Depreciation, amortization, and impairment losses	11.441	3.439	14.880	14.852	2.310	17.162
Earnings before interest, taxes, depreciation, and amortisation (EBITDA)	19.022	592	19.614	14.854	(13.149)	1.705

GLUNZ & JENSEN HOLDING A/S LOCATIONS

Glunz & Jensen Prepress currently has 3 main locations:

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

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

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

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

FINANCIAL HIGHLIGHTS

In millions, except per share data	DKK 12 months 2016/17	DKK 10 months 2017/18	DKK 12 months 2018/19	DKK 12 months 2019/20	DKK 12 months 2020/21	EUR 12 months 2020/21[1]
Key figures						
Income statement						
Revenue	263,8	220,0	227,5	195,6	136,9	18,4
Gross profit	31,6	62,8	43,8	35,3	28,4	3,8
Operating profit/(loss)	(59,1)	18,2	(3,4)	(17,8)	4,7	0,6
Net financials	(7,9)	(4,5)	(4,4)	(3,1)	(3,9)	(0,5)
Profit/(loss) for the year	(61,0)	9,9	(6,9)	(18,4)	0,9	0,1
Profit/(loss) before non-recurring items, financial income and expenses, tax, depreciation, amortization, and impairment of assets (EBITDA before non-recurring items)	15,3	26,0	16,4	14,9	19,0	2,6
Profit/(loss) before financial income and expenses, tax, depreciation, amortization, and impairment of assets (EBITDA)	(11,6)	26,8	9,0	1,7	19,6	2,6
Balance sheet						
Assets						
Completed development projects	16,8	17,2	11,4	5,6	0,2	0,0
Other intangible assets	3,7	-	-	-	-	-
Other non-current assets	155,0	155,0	146,6	166,3	154,7	20,8
Current assets	93,0	106,7	81,6	75,3	57,4	7,7
Total assets	268,5	278,9	239,6	247,2	212,3	28,5
Liabilities						
Share capital	75,5	92,2	86,8	73,6	73,9	9,9
Non-current liabilities	81,4	81,1	80,2	88,9	76,5	10,3
Current liabilities	111,6	105,6	72,6	84,7	61,9	8,3
Total Equity and liabilities	268,5	278,9	239,6	247,2	212,3	28,5
Cash flows						
Cash flows from operating activities	7,5	16,7	10,6	(2,1)	15,6	2,1
Cash flows from investing activities[2]	(5,3)	(2,5)	(3,6)	(7,4)	0,2	0,0
Cash flows from financing activities	(2,3)	(12,4)	(10,3)	9,3	(16,4)	(2,2)
Change in cash and cash equivalents for the year	(0,1)	1,8	(3,3)	(0,2)	(0,6)	(0,1)
[2] including investments in property, plant and equipment and investment properties	(1,5)	(2,2)	(3,9)	(7,4)	(0,3)	0,0
Financial ratios in %						
Operating margin	(22,4)	8,3	(1,5)	(9,1)	3,5	3,5
EBITDA margin	(4,4)	12,2	4,0	0,9	14,3	14,3
Return on assets (ROIC)	(19,6)	6,8	(1,3)	(7,3)	2,1	2,1
Return on equity (ROE)	(63,1)	11,8	(7,7)	(22,9)	1,2	1,2
Equity ratio	28,1	33,1	36,2	29,8	34,8	34,8
Other information						
Credit institutions net interest-bearing debt	111,2	90,2	84,1	97,5	86,5	11,6
Interest coverage	(17,7)	7,3	(1,6)	(12,4)	1,7	1,7
Earnings per share (EPS)	(37,8)	6,0	(3,8)	(10,1)	0,5	0,1
Diluted earnings per share (EPS-D)	(37,6)	5,4	(3,8)	(10,1)	0,5	0,1
Cash flow per share (CFPS)	4,6	9,9	5,8	(1,1)	8,6	1,2
Book value per share (BVPS)	45,6	50,6	47,7	40,4	40,6	5,5
Share price (KI)	52	73	44	55	65	9
Average number of shares outstanding (in thousands)	1.615	1.664	1.821	1.821	1.821	1.821
Dividend per share	0,0	0,0	0,0	0,0	0,0	0,0
Average number of employees	225	195	171	158	119	119

For definitions of financial ratios, see page 65. 1) The DKK/EUR exchange rate applied is 744.
Numbers for 2016/17 - 2017/18 have not been adjusted to reflect new accounting policies, IFRS 9 and IFRS 15, adopted April 1st, 2018. IFRS 16 is adopted April 1st, 2019 and the previous years have not been restated.

BUSINESS AND FINANCIAL REVIEW

Strategy/Turnaround

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

2020/21 was impacted by three main events:

- Covid-19 related difficulties impacted revenue negatively in 2020/21 as equipment deliveries, travelling and other logistics were restricted and thus, challenged sales and operational efforts.

- Consolidation of activities in Presov, Slovakia, during 2020/21 has contributed to a higher productivity and improved on-time deliveries, which impacted the financial results positively. The transfer was completed by year end 2020/21.

  Right-sizing of the company meant termination of 37 employees. Most of the severance cost were included in the 2019/20 accounts and paid in 2020/21.

It is estimated that Strategy 2020/22 from January 2020 will improve the annual EBITDA in total for the group with approximately DKK 10 million during the next 2 years including 2021/22.

Glunz & Jensen S.r.l.,Italy

Based on the difficulties related to the business environment related to Covid-19, which makes normal business operations challenging and following the past years efforts to turn Glunz & Jensen S.r.l. around and into a profitable organization, including injecting significant amounts of cash over the past years, the Board of Directors in the parent company (Glunz & Jensen A/S) decided to prioritize the operations in the parent company Glunz & Jensen A/S (Denmark) and the subsidiary Glunz & Jensen s.r.o. (Slovakia). The decision was made on May 15th, 2020, as the parent company Glunz & Jensen A/S concluded that it was expected to be unable to provide further support to Glunz & Jensen S.r.l. and it was possible that this decision would affect the going concern of Glunz & Jensen S.r.l. Following the bankruptcy act in 2020 a former employee has filed a court case against Glunz & Jensen S.r.l. and Glunz & Jensen A/S. The court proceedings will continue in the autumn of 2021. Glunz & Jensen A/S has – based on legal advice from the lawyer team – assessed the risk and made provisions in the event of a negative outcome of the court case. The net composition of the balance sheet provisions in Glunz & Jensen A/S has led to reversals of accruals (liabilities) during 2020/21, hence adjusting the EBITDA positively in 2020/21 by net DKK 2,7 million by March 31st, 2021.

Offset market

Glunz & Jensen's sales to the Offset market decreased by 37,5% in 2020/21 compared to 2019/20. However this number expresses an increased market share, since the prepress equipment market is estimated to have shrunk by more than 40% . The revenue decline in 2020/21 is also impacted by Covid-19 related difficulties.

Flexo market

Competition in the Flexo market remained fierce in 2020/21 and we saw sales decreasing by 26,2% compared to 2019/20 which is below our estimation of the overall market development. The revenue decline in 2020/21 is impacted by Covid-19 related difficulties. Our largest customer decided to close down operations temporarily, which led to a sharp reduction of deliveries from Glunz & Jensen. Management estimates that the global market volume continues to grow at 1-3% annually and remains confident that we will be able to regain the lost momentum in this segment supported by our improved competitiveness and delivery performance.

Focused development activity

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

After sales services

Previous investments to develop after sales services into a stand-alone profit center have proven not to be achievable. Therefore, the decision has been made to reduce this business area to only cater for installation and optimization of Glunz & Jensen products.

Focus on efficiency and consolidation of production

To enhance efficiency and optimize capacity utilization, Glunz & Jensen has consolidated at fewer locations. During 2020/21 the Thermal product line has been moved to Glunz & Jensen s.r.o. (Slovakia). As a result, we now have Flexo Thermal and Solvent development in Denmark, Offset development plus all manufacturing in Slovakia, thereby simplifying the operational setup and improving competitiveness.

Selandia Park A/S

Selandia Park A/S was established on June 1^{s}, 2016. Selandia Park A/S' business objective is to invest in and operate a property portfolio. The revenue increased in 2020/21. Approximately 10% of the property complex was not rented out during 2020/21. Selandia Park A/S is contributing with DKK 8,6 million to the earnings before tax. The fair value of the investment properties amounts to DKK 137 million by March 31st, 2021. The value is unchanged compared to March 31st, 2020 as the updated discounted cash flow model used as valuation method was positively impacted by increased rental income however at the same time the model was negatively impacted as the property is not fully rented out.

OPTIMISATION OF THE VALUE CHAIN

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

1. Leading the market for Offset prepress equipment

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

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

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

Glunz & Jensen is one of the largest providers of Flexo equipment globally. In addition, we act as a valued development partner for some of the largest plate manufacturers globally. The Flexo market – which mainly serves the packaging industry - develops at an estimated annual growth rate of 1-3%, driven by underlying growth in packaging, changing demographics, and shares gained from other printing technologies. With the changes driven by the global outbreak of COVID-19, driving a higher demand for packaging, we anticipate an increased market growth (plate volume) in 2021/22 and expect this will convert into an increased demand for equipment as well.

3. Growing the after-market

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

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

4. Improving profitability

During the last 18 months a significant number of steps have been taken to further improve the profitability of Glunz & Jensen. These include: reduction of product range (overlapping products), transfer of functions from Denmark to our facility in Slovakia and discontinuation of loss-making parts of our business and product portfolio.

The significant steps are expected to improve the profitability by approx. DKK 10 million by 2021/22 - compared to the 2020/21 profit before tax at DKK 0,9 million.

OUTLOOK

For fiscal 2021/22, the Group revenue is expected to be at the DKK 135-145 million level, while operating profit (EBITDA) is expected at the DKK 23 million level as a result of the continued turnaround plan. The profit before tax is expected at the DKK 12 million level.

Management underlines that the guidance for the fiscal year 2021/22 is associated with a greater deal of uncertainty than usual, due to the unpredictable impact of the COVID-19 outbreak.

It is the Group's intention to use the free cash flow to the greatest possible benefit to its shareholders. This includes investment in business development and, possibly, acquisition of attractive companies and/or technology as well as reduction of debt.

FINANCIAL STATEMENTS

The Group

Income statement

Group revenue decline

The Group's revenue totaled DKK 136,9 million in 2020/21 (2019/20: DKK 195,6 million), corresponding to a decrease in revenue of 30,0%. However, revenue is in line with the latest announced expectations to revenue at DKK 130-140 million.

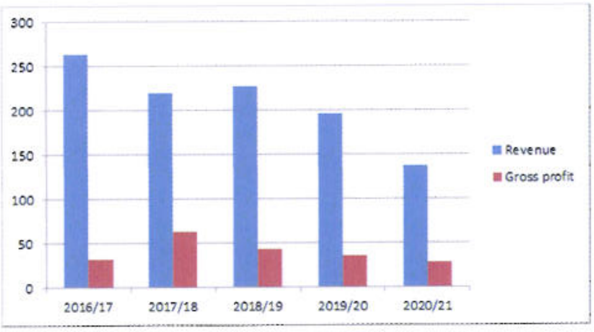


Figure #1: Revenue (DKKm), fiscal years, note 2017/18 at only 10 months

Revenue in Offset decreased by 37,5%, Flexo revenue decreased by 26,2% while rental income increased by 7,4%. See figure #2.

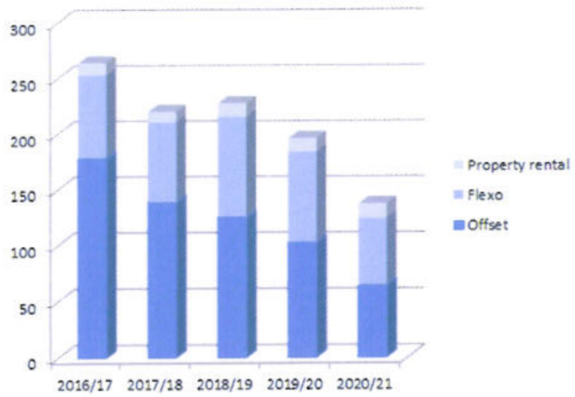


Figure #2: Revenue (million DKK) by product, fiscal years, note 2017/18 at only 10 months

New product range in Offset segment

Glunz & Jensen have launched the next generation of iCtP equipment, the PlateWriter Infuse. The system will be a replacement for the PlateWriter 2000. The system is also available as an Infuse kit, to upgrade existing equipment in the field.

Further we are ready with a new InterPlater MD85T Offset processor, this will be followed by a InterPlater 125T in 2021/22. The InterPlater MD platform is a cost efficient model of the well-established InterPlater HDX, targeting emerging markets.

Selandia Park

Rental income in Selandia Park A/S increased to DKK 13,0 million (2019/20: DKK 12,1 million), excluding rental income from Glunz & Jensen A/S. The year 2019/20 was impacted by a short-term lease reduction caused by building renovation. Approximately 90% of the premises are fully leased out at year end. . The fair value of the investment properties amounts to DKK 137 million by March 31st, 2021. The value is unchanged compared to March 31st, 2020 as the updated discounted cash flow model used as valuation method was positively impacted by increased rental income due to rent adjustment however at the same time the model was negatively impacted as the property is not fully rented out.

Gross profit change

Gross profit for 2020/21 totaled DKK 28,4 million (2019/20: DKK 35,3 million), corresponding to an improved gross margin of 20,7% against 2019/20 of 18,0%. Gross margin before non-recurring items was 22,3% in 2020/21 and 22,7% in 2019/20. See figure #3.

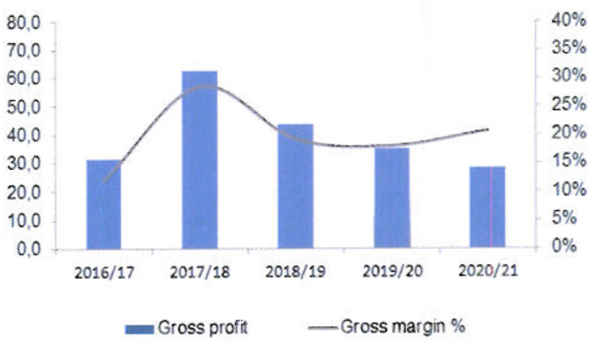


Figure #3: Gross profit and gross profit margin for the fiscal years after non-recurring cost

EBITDA impacted by a difficult year

Profit before interest, tax, and depreciation and amortization (EBITDA) totaled DKK 19,6 million, (2019/20: DKK 1,7 million) including non-recurring items and including fair value adjustments on investment properties, corresponding to an EBITDA margin of 14,3% (2019/20: 0,9%). See figure #4.

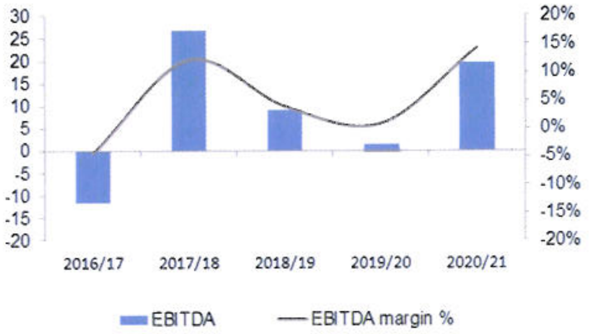


Figure #4: EBITDA/EBITDA margin after non-recurring items, all shown in fiscal years. Note 2017/18 is only 10 months.

Earnings before interest, tax, and depreciation and amortization (EBITDA) totaled DKK 19,0 million, (2019/20: DKK 14,9 million) excluding non-recurring items and excluding fair value adjustments on investment properties, corresponding to an EBITDA margin of 13,9% (2019/20: 7,6%). See figure #5.

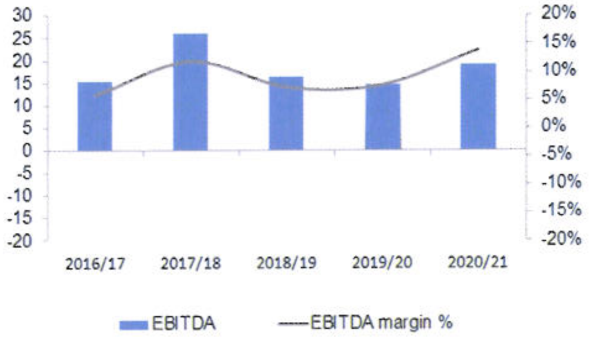


Figure #5: EBITDA/EBITDA margin before non-recurring items and before fair value adjustments on properties, all shown in fiscal years. Note 2017/18 at only 10 months

The EBITDA and the EBITDA margin before non-recurring items is a key KPI for the Board of Directors and management in assessing the progress being made in the turnaround plan. Management expects to maintain an EBITDA margin at minimum 10% in the fiscal year 2021/22 and onwards.

The difference in 2020/21 between the "before" and "after" EBITDA of approx. DKK 0,6 million mainly relates to reversals of liabilities in the amount of 2,7 million relating to the discontinued operation of Glunz & Jensen S.r.l. reduced by settlement of moulding problems in Selandia Park A/S and severance cost for dismissed employees

The operations were affected by Covid-19 during 2020/21. Installations were postponed due to travel restrictions and employees were required to work partly from home. Both the Slovakian and Danish manufacturing site was affected negatively. During 2021/22 Glunz & Jensen received DKK 1,8 million Covid-19 compensation from the government.

During 2020/21 Glunz & Jensen transferred activities from Nyborg, Denmark to Presov, Slovakia in order to consolidate the activities and thereby get higher productivity and improved on-time deliveries. Due to the transfer part of the leased properties in Nyborg was vacated which resulted in an impairment of leased properties of DKK 2,8 million and impairment of leasehold improvements of DKK 0,6 million.

Staff has been reduced by 24 in 2018/19 and by further 33 in 2019/20 to 136 by year end. The number of staff by the end of 2020/21 was 99.

Operating profit for the financial year 2020/21 represents a profit of DKK 4,7 million against a loss of DKK 17,8 million in 2019/20.

The Group's net financial expenses in 2020/21 totaled DKK 3,9 million (2019/20: DKK 3,1 million).

Financial income in 2020/21 amounted to DKK 0,6 million against DKK 0,1 million in 2019/20, while financial expenses amounted to DKK 4,5 million against DKK 3,2 million in 2019/20.

Satisfactory results of operations

The Group reported a profit before tax of DKK 0,9 million in 2020/21, against a loss of DKK 20,8 million in 2019/20.

The Group recognized tax of DKK 0,0 million in 2020/21 against at tax profit of DKK 2,4 million in 2019/20. Profit for the year after tax was DKK 0,9 million (2019/20: a loss of DKK 18,4 million), corresponding to earnings per share (EPS) of DKK 0,5 (2019/20: DKK -10,1). The financial performance is considered satisfactory by the Executive Management and the Board of Directors as a first step to regain profitability.

In 2020/21 other comprehensive income amounted to DKK 0,5 million of which all were related to exchange rate adjustments of investments in subsidiaries. In 2019/20 other comprehensive income amounted to DKK 5,1 million of which DKK 4,8 million relates to reclassification of the former Group headquarter from property to investment property (measured at fair value).

Balance sheet

Increase in tied-up capital on working capital

The Group's assets totaled DKK 212,3 million on March 31st, 2021 against DKK 247,2 million the year before.

Non-current assets decreased by DKK 16,9 million primarily as a result of DKK 7,3 million in leased assets, DKK 5,4 million in amortization of development projects and a DKK 3,8 million decrease from property, plant and equipment.

Inventories decreased from DKK 46,9 million last year to DKK 36,4 million mainly due to consolidation of warehouses and a decrease in finished goods.

Trade receivables decreased by DKK 5,6 million to DKK 17,4 million.

Equity came at DKK 73,9 million, corresponding to a solvency ratio of 34,8%, compared to 29,8% the year before. The Board of Directors recommends to the Annual General Meeting that no dividend payment be distributed for fiscal year 2020/21.

Long and short term Interest-bearing debt to credit institutions totaled DKK 87,3 million at the end of 2020/21 (2019/20: DKK 98,9 million), of which DKK 56,3 million (2019/20: DKK 61,7 million) are long-term liabilities and DKK 31,0 million (2019/20: DKK 37,2 million) are current liabilities. Net interest-bearing debt to banks was decreased by DKK 11,0 million during fiscal 2020/21 to DKK 86,5 million.

Investment properties totaled DKK 137,0 million end of 2020/21 compared to DKK 137,0 million end of 2019/20 due to the result of the updated discounted cash flow model used as valuation method. November 30th, 2019 the former headquarter in Ringsted was reclassified from Land and buildings to Investment properties as Glunz & Jensen utilized less than 10 % of the buildings. As a result DKK 35,3 million was transferred from Property, plant, and equipment to Investment properties and the calculated difference between the fair value of the former headquarter and the property measured at cost less accumulated depreciation and accumulated impairment losses November 30th, 2019 of DKK 6,2 million less income tax effect of DKK 1,4 million are recognized in other comprehensive income. From December 1st, 2019 all buildings in Selandia Park A/S, Denmark are measured at fair value.

Cash flow and liquidity

Positive cash flow

Cash flow from operating activities amounted to DKK 15,6 million in 2020/21 (2019/20: DKK -2,1 million), caused by the operating profit and also due to DKK 10,2 million positive change in inventories and 6,3 million positive change in receivables. However, reduction in trade payables and other payables contributed negatively by DKK 9,5 million in 2020/21.

Cash flow from investing activities was positive by DKK 0,2 million in 2020/21 (2019/20: negative by DKK 7,4 million). The income refers to sale of equipment in connection with transfer of spare part center from Nyborg to Presov reduced by smaller investments amounted to net DKK 0,2 million (2019/20: primarily investments in investment properties at a cost of DKK 7,4 million).

The positive free cash flow thus amounted to DKK 15,8 million in 2020/21 (2019/20: Negative by DKK 9,5 million).

Capital resources

At the end of fiscal 2020/21, the Group's total available credit facilities amounted to DKK 101,7 million compared to DKK 104,7 million at the end of 2019/20. DKK 87,3 million was utilized at the end of 2020/21 against DKK 98,9 million the year before.

Liquidity reserves totaled DKK 14,4 million by March 31st, 2021 (2019/20: DKK 5,8 million).

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

The Company's available credit lines for 2020/21 were extended by Nordea on May 20th, 2021 to continue to May, 2022 and the cooperation letter was signed by the Company on May 20th, 2021 as planned. The cooperation letter is subject to three covenants, which the Prepress division of Glunz & Jensen must observe in order to maintain the loan. The financial covenants are related to: the financial ratio "solvency", the agreed level of EBITDA, and loan to value. To strengthen the liquidity and capital of Glunz & Jensen, the Board of Directors decided to initiate a sales process for the investment properties in Selandia Park A/S (assets) or the entity holding the Selandia Park real estate (shares). The Board of Directors authorized the Executive management to engage in the selling process. In order to accelerate the sales process the executive management has recently engaged with a new real estate broker. Please refer to note 26 regarding covenants.

Covid-19

Management underlines that the operations and fiscal year 2020/21 was affected by Covid-19 and that 2021/22 is associated with uncertainty due to the unpredictable impact of the continued Covid-19 outbreak.

The Parent Company

Income statement

The Parent Company's revenue, which consists of management fees to subsidiaries, totaled DKK 7,8 million in fiscal year 2020/21 (2019/20: DKK 8,6 million).

Profit after tax in subsidiaries totaled a loss of DKK –0,4 million in fiscal 2020/21 (2019/20: a loss of DKK -19,5 million).

Regarding development in the subsidiaries please refer to the Group income statement information on page 11.

Financial income in 2020/21 amounted to DKK 2,4 million against DKK 1,2 million in 2019/20. The financial income relates to interest received from subsidiaries.

The Parent Company's profit after tax totaled a profit of DKK 0,9 million in 2020/21 against a loss of DKK -18,4 million in 2019/20.

Balance sheet

The Parent Company's total assets amounted to DKK 78,1 million on March 31st, 2021 (2019/20: DKK 76,1 million).

The majority of the assets in the Parent Company refer to the subsidiaries as investments in subsidiaries amount to DKK 39,1 million (2019/20 DKK 53,6 million) and receivables from subsidiaries came to DKK 37.8 million (2019/20: DKK 21,5 million) as of March 31st, 2021.

Equity came at DKK 73,9 million, corresponding to a solvency ratio of 34,8%, compared to 29,8% the year before. The Board of Directors recommends to the Annual General Meeting that no dividend payment be distributed for fiscal year 2020/21.

Cash flow and liquidity

Cash flow from operating activities amounted to DKK -19,9 million in 2020/21 (2019/20: DKK 20,1 million), primarily caused by a DKK 22,8 million negative change in receivables from subsidiaries.

Cash flow from investing activities was positive by DKK 20,0 million in 2020/21 due to dividend received from Selandia Park A/S. In 2019/20 cash flow from investing activities was negative by DKK 20,0 million due to capital increase given to Glunz & Jensen A/S.

The positive free cash flow thus amounted to DKK 0,1 million in 2020/21 (2019/20: DKK 0,1 million).

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

EVENTS AFTER THE BALANCE SHEET DATE

The Company's available credit lines for 2020/21 were extended by Nordea on May 20th, 2021 to continue to May, 2022 and the cooperation letter was signed by the Company on May 20th, 2021 as planned.

No other events have occurred since March 31st, 2021 which are considered to have a significant impact on the Group's or the Parent Company's financial position.

RISK FACTORS

Glunz & Jensen Holding's risk policies and procedures must efficiently and securely identify, control, and reduce the risks that may affect the Group's business base, development, and value creation.

A number of commercial and financial risk factors can have a significant impact on the Group's future financial position, activities and results of operations. The Group's most important risk factors are outlined below.

Commercial risk

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

Glunz & Jensen's order lead time is 4-18 weeks, which is market-conform. As revenue expectations beyond this period are based on non-binding estimates from the Group's largest customers or based on Glunz & Jensen's Management's expectations, deviations from the expected revenue may occur.

Glunz & Jensen markets a large part of its production to a number of major customers with whom the Company has a long-term customer relationship. The four largest customers represent approximately 53% of total revenue. One customer account for more than 20% of the Group's revenue.

New technologies and product development

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

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

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

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

Competition and market conditions

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

Production and supplier risks

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

Risk related to property market

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

Insurance risk

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

Other risks

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

Cyber risks

The continuously evolving threat of cyber security, data leakage and data security is a key area of focus. A major cyberattack could result in an extended period of down time resulting in delays to customers and additional costs for the organization. Glunz & Jensen is focused on IT Security and awareness. In 2021/22, increased cyber awareness training across the organization is helping to mitigate this risk.
For financial risks, please refer to note 26.

Covid-19

The year 2020/21 was significantly affected by the Covid-19 pandemic and introduced additional challenges and risks to Glunz & Jensen's operations.

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

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

To strengthen the liquidity and capital of Glunz & Jensen, the Board of Directors decided in 2020 to initiate a sales process for the investment properties in Selandia Park A/S (assets) or the entity holding the Selandia Park real estate (shares). Covid-19 might delay the sales process further.

In general, the future outlook remains uncertain. It is difficult to predict the length and impact of lock-downs and restrictions, as well as how client behavior might change.

REPORTING ON MANAGEMENT

This statement of reporting on management is part of the Management's review, see section 107b of the Danish Financial Statements Act, covering the fiscal year April 1st, 2020 – March 31st, 2021. The statement consists of three elements:

- Corporate Governance
- The composition of the governing bodies and their functions
- Main elements of the Company's internal control and risk management system

Corporate Governance

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

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

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

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

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

- The company publishes half year reports at NASDAQ OMX and on the company´s website. The company publishes Q1 and Q3 announcements commenting the development in the company.
- Glunz & Jensen has not yet adopted a policy on corporate social responsibility. A policy on corporate social responsibility will be adopted during 2021/22.
- Glunz & Jensen has no Board committees, as the size of the Company and the operation of the Board mean that it is deemed more efficient to not establish special Board committees. The Board of Directors as a whole assumes the responsibilities of the committees.

Interaction with shareholders and other stakeholders

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

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

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

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

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

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

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

Composition of the governing bodies and their function

Board of Directors

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

The current Board of Directors consisted of five members at the end of the fiscal year 2020/21, one of whom are employee representatives. The two new employee representatives were elected in May 2021 and will join the Board of Director's following the annual general meeting in 2021.

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

In connection with the identification of new Board members, a careful assessment of required knowledge and professional experience is made to ensure that the Board possesses the necessary competencies. Information about the individual Board members can be found on page 25.

The Board at work

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

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

At least five ordinary Board meetings must be held annually with a fixed plan for the contents of the meetings. In addition, the Board meets whenever necessary. In fiscal 2020/21, nine board meetings were held.

Due to the size of the Company and the composition of the Board of Directors, it is assessed that there is no need to set up committees.

The Board of Glunz & Jensen has thus collectively taken on the tasks of the audit committee and also decided not to establish other committees.

Risk management

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

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

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

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

Executive Management

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

Evaluation of the Board of Directors and the Executive Management

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

Remuneration to the Board of Directors and the Executive Management

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

Members of the Board of Directors receive a fixed, annual fee, and the total remuneration to the Board of Directors is approved by the Annual General Meeting in connection with the approval of the annual report. In fiscal 2020/21, directors' fees amounted to DKK 758.333, including DKK 250.000 to the Chairman, DKK 150.000 to the Vice-Chairman and DKK 100.000 to the other members except for one member (elected by the employees) who resigned from the Board of Directors in January 2021. Members of the Board of Directors are not subject to bonus schemes, but in accordance with section 198 of the Danish Companies Act, the Board of Directors is authorized to acquire treasury shares up to 60% of the Company's share capital at the market price prevailing at the date of acquisition with a deviation of up to 10% until June 28th, 2023.

The remuneration of the Executive Management is determined by the Board of Directors. In 2020/21, members of the Executive Management received a basic salary, including usual benefits such as company car and telephone, and are also eligible for a bonus scheme. The Executive Management consisted of CEO Martin Overgaard Hansen and CFO Henrik Blegvad Funk. Martin Overgaard Hansen was appointed as CEO and commenced on September 1st, 2019. The total remuneration paid to the Executive Management amounted to DKK 5,1 million in 2020/21.

The Remuneration report 2020-21 is available at:
https://www.glunz-jensen.com/investor/corporate-governance/incitamentspolitik

Incentive programs

Glunz & Jensen continually seeks to establish incentive programs that support its shareholders value creation.

The incentive programs for the Executive Management and employees include a bonus scheme. The results in 2020/21 did trigger provisions at DKK 0,7 million related to the bonus schemes.

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

Risk assessment in connection with the financial reporting process

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

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

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

Control environment

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

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

Risk assessment and risk management

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

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

Control activities

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

Control activities include the following essential elements:

- The Board of directors reviews and approves the budget presented by the Executive Management for the coming year. The budget includes operations, balance sheet, liquidity, and investments.
- The Board receives monthly income, balance and liquidity accounts with budget follow-up, key figures, and comments on significant developments and/or deviations. The reporting also includes an update from area managers regarding actual sales (customers and products), order status, expectations as to the future, product development, competitors etc. Subsidiaries submit monthly accounts with comments on developments. The reporting is used as a basis in the group reporting to the Board of Directors.

  In connection with the year-end, a reporting package is prepared for the subsidiaries with a view to meeting disclosure requirements, including disclosure requirements under IFRS.
- The Parent Company's finance department is responsible for managing the monitoring and controlling of financial reports from subsidiaries, with active participation of local financial controllers. Regular visits are made to subsidiaries. Management in subsidiaries liaises with the external auditor. The Executive Management is informed of matters identified during the audit of subsidiaries.
- Before the financial statements are presented, the Board of Directors and the Executive Management discuss critical accounting practices and estimates as well as other matters of major importance to the presentation of the financial statements.

Monitoring

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

Audit

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

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

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

STATEMENT ON CORPORATE SOCIAL RESPONSIBILTY AND GENDER DIVERSITY

Social responsibility (CSR)

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

In this section, the Glunz & Jensen Group provides a report on intended social responsibility, including risk assessments, our policies, actions taken as well as results achieved in 2020/21.

Environment

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

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

Actions & Results: In 2020/21, the Group focused on climate considerations concerning, for example, maintenance and renovation of its buildings. For instance, a part of Selandia Park has low energy consumption and is equipped with solar cells that cover part of the electricity consumption. As such, an increasingly larger share of the Group's energy consumption came from renewables in 2020/21

In addition; there is a continued focus on energy consumption. Within the Group as well as between customers and suppliers, telephone and video conferences were widely used in 2020/21, which reduced our need for air travel, which, in addition to the climate consequences, also offers financial benefits.

As part of the prepress industry, Glunz & Jensen places an ongoing fundamental focus on reducing the use of chemical products and helping reduce the number of production processes that are environmentally harmful and energy intensive. Therefore, energy-saving features were also incorporated in new products from Glunz & Jensen in 2020/21, and, on demand, products are offered with water-saving solutions that provide positive environmental benefits.

Social and employee conditions

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

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

Actions and results: In 2020/21 the Group continued its efforts to focus on our employees in order to ensure continued personal development. We do this by hosting annual employee development interviews which all our employees attended in 2020/21.

The Group has established safety committees and will continue to offer first aid courses to staff members and ongoing maintenance of these. The number of serious employee accidents was 0 in 2020/21.

Education of young people

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

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

Economic support for charitable purposes

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

Anticorruption

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

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

Actions and results: In 2020/21 we continued our focus to create awareness of our whistleblower system. This system allows employees, external partners, citizens, and members of the executive management and Board of Directors to report matters that are in conflict with legislation or considered to be inappropriate. Reporting can be done completely anonymously by reporting to the whistleblower system via a link on our website. In 2020/21 we received no reports via our whistleblower system.

Human rights

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

Diversity

The gender diversity statement for fiscal 2020/21 has been prepared in accordance with section 99b of the Danish Financial Statements Act, Glunz & Jensen will set goals for the ratio of the underrepresented gender on the Company's Board of Directors and formulate a gender diversity policy to increase the proportion of the underrepresented gender at other management levels.

Objective of diversity

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

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

At other management levels, the Company wishes to have a gender composition that matches the overall gender composition of the company. The ratio of women at other management levels was 3 out of 9 on March 31st, 2021, corresponding to 33%. To increase the number of women in these functions, the Company will strive to have at least one woman among the last candidates for a vacant position.

SHAREHOLDER FACTS

Share information

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

At the end of the fiscal year, the share price was DKK 65,00 against DKK 55,00 at the beginning of the year. The market value of the share capital amounted to DKK 118 million on March 31st, 2021.

In 2020/21 a total of 313.928 (2019/20: 991.359) shares were traded at a total market value of DKK 17,3 million (2019/20: DKK 65,0 million).

Share capital and voting rights

The share capital in Glunz & Jensen amounted to nominally DKK 36,4 million on March 31st, 2021. Divided into 1.821.309 shares at a nominal value of DKK 20,00. The shares, which are negotiable instruments without restrictions on marketability, are issued to the holder and entitle the holder to cast one vote per share at general meetings.

A total of 82.409 warrants remain unallocated and remain available until March 8th, 2022.

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

Glunz & Jensen did not own treasury shares at the end of the fiscal year 2020/21 or 2019/20.

Ownership

At the end of the fiscal year, Glunz & Jensen had 636 (2019/20: 668) registered shareholders holding 95,4% (2019/20: 94,8%) of the share capital. Glunz & Jensen wishes to provide the best possible way of providing its shareholders with information about the Group so that all shareholders are encouraged to list their shares in the Company's register of shareholders.

Change of control

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

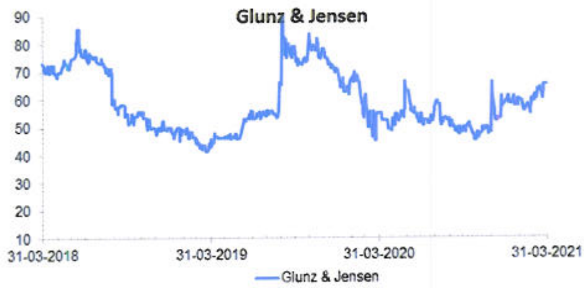
Decisions by the Board of Directors and proposals for the general meeting

Dividend

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

The Board of Directors proposes to the Annual General Meeting that no dividend be distributed for fiscal 2020/21, and the Company's profit for the year will be transferred to next year.

Share price development since March 31st, 2018



Investor relations

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

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

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

Glunz & Jensen Holding A/S

Address:	Selandia Park 1
	DK-4100 Ringsted
Phone:	+45 5768 8181
Fax:	+45 5768 8340
E-mail:	gj@glunz-jensen.com

Martin Overgaard Hansen, CEO

Phone:	+45 2260 8405
E-mail:	moh@glunz-jensen.com

Flemming Nyenstad Enevoldsen, Chairman of the Board of Directors

Phone:	+45 4043 1303
E-mail:	f.n.enevoldsen@gmail.com

Annual general meeting

The Company's Annual General Meeting will be held on Wednesday, June 30th, 2021 at 15:00 PM at the Company's registered address, Selandia Park 1, DK-4100 Ringsted.

Shareholders on June 8th, 2021

	Ownership interest (%)
Heliograph Holding GmbH, Konrad-Zuse-Bogen 18, 82152 Krailling, Germany	48,18
Strategic Investments A/S	16,07
Notified according to the section 38 of the Danish Securities Trading Act * & **))	64,25
All other shareholders	35,75
Total	100,00

Share-related key figures and financial ratios

	2016/17	2017/18	2018/19	2019/20	2020/21
Average number of shares outstanding (in thousands)	1.615	1.666	1.821	1.821	1.821
Earnings per share (EPS), %	(37,8)	6,0	(3,8)	(10,1)	0,5
Diluted earnings per share (EPS-D), %	(37,6)	5,4	(3,8)	(10,1)	0,5
Cash flow per share (CFPS), %	4,6	9,9	5,8	(1,1)	8,6
Book value per share (BVPS), %	45,6	50,6	47,7	40,4	40,6
Share price per share	52	73	44	55	65
Share price /book value	1,1	1,4	0,9	1,4	1,6
Market value of average number of shares (DKK million)	85	133	80	100	118
Dividend per share	-	-	-	-	-
Pay-out ratio, %	-	-	-	-	-

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Board of Directors

Flemming N. Enevoldsen (1961)

CEO & Non-Executive Director.
Chairman of the Board of Directors of Glunz & Jensen Holding A/S.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2017. Re-elected in 2020 and is up for re-election in 2021. Regarded as independent.
Chairman of the Board of Directors in: Insepa A/S, Espersen A/S, Port of Esbjerg, Head Energy Denmark A/S, Head Energy A/S (Norway), Business Esbjerg, ST Plast A/S, Skov Industri A/S, Suztain A/S and ABL Food A/S.
Member of the Board of Directors in Green Genius A/S and Jysk Display A/S.
Competences: Many years of international experience as CEO within production and energy with expertise in generating profit and leadership skills. 10 years of experience in sales management roles of equipment for the graphic arts industry – including Glunz & Jensen products.

Randi Toftlund Pedersen (1963)

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

Maximilian Rid (1961)

CEO & Non-Executive Director.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2020. Is up for re-election in 2021. Not regarded as independent.
CEO and shareholder in MRB Holding GmbH.
CEO in Heliograph Holding GmbH.
Board member in several daughter companies of Heliograph Holding GmbH: Daetwyler Graphics, Lüscher, Hell Technologies China/Hong Kong, Hell Gravure Technologies Bejing.
CEO and shareholder in M. Rid Grundbesitz- und Vermögensverwaltung GmbH & Co KG.
Member of the board and treasurer in European Rotogravure Association (E.R.A.) e.V.
Member of the board in Günther Rid Stiftung für den Bayerischen Einzelhandel.
Competences: Many years of CEO experience with strategy and management with particular emphasis on international BTB sales and marketing.

Rolf Pfiffner (1969)

CEO at Daetwyler Graphics AG.
Member of the Board of Directors of Glunz & Jensen Holding A/S since 2017. Re-elected in 2020 and is up for re-election in 2021. Not regarded as independent.
Board of Management in Heliograph Holding GmbH.
Competences: Many years of experience as CEO within process and prepress technology with formation of new companies, restructuring and acquisitions.

Stig Nedergaard (1988)*

Project manager
Member of the Board of Directors of Glunz & Jensen Holding A/S since August 2018, and the election period ends in 2021.

Member of the Board of Directors of Glunz & Jensen Holding A/S since May 2018, and the election period ends in 2021. New term employees to the Board of Directors have been elected prior to the annual general meeting on June 30th, 2021.

**Elected by the employees*

Executive Management

Martin Overgaard Hansen (1973)

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

Henrik Blegvad Funk (1964)

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

The Board of Directors participated in all the Board of Director meetings during 2020/21. Randi Toftlund Pedersen did not participate at the Board of Director meetings on June 30th, 2020.

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

No. of shares	2020/21	2019/20
Maximilian Rid	877.533	820.000
Rolf Pfiffner	0	0
Flemming N. Enevoldsen	4.170	3.807
Randi Toftlund Petersen	0	0
Stig Nedergaard	0	0
Martin Overgaard Hansen	0	0
Henrik Blegvad Funk	0	0

GROUP COMPANIES

Glunz & Jensen Holding A/S

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

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080 01 Presov
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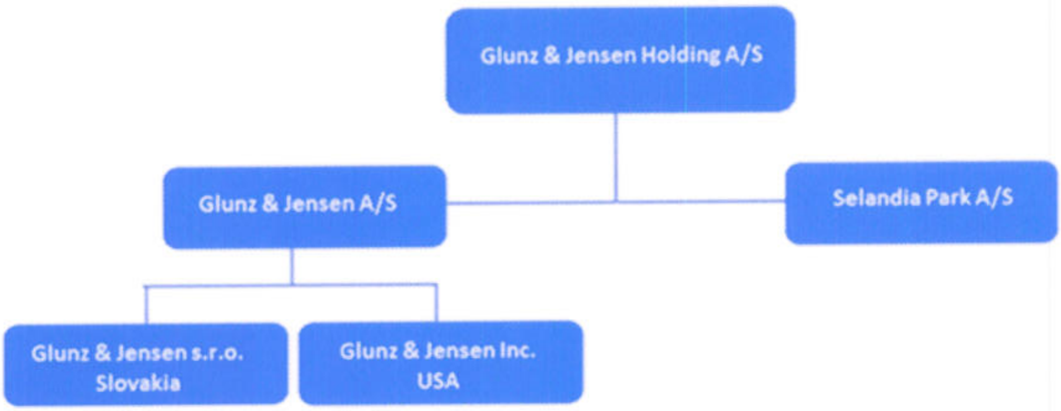
skpr@glunz-jensen.com

Glunz & Jensen, Inc.

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

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

Legal structure – all legal units owned 100%



MANAGEMENT'S REVIEW

The Board of Directors and the Executive Management have today's date considered and approved the annual report for 2020/21 for Glunz & Jensen A/S.

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

In our opinion, the consolidated financial statements and the financial statements give a true and fair view of the Group's and the Company's financial position at March 31st, 2021 and of the results of the Group's and the Company's activities and cash flows for the fiscal year April 1st, 2020 - March 31st, 2021.

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

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

Ringsted, June 8th, 2021

Executive Management

Martin Overgaard Hansen
CEO

Henrik Blegvad Funk
CFO

Board of Directors

Flemming Nyenstad. Enevoldsen
Chairman

Randi Toftlund Pedersen
Vice Chairman

Rolf Pfiffner

Maximilian Rid

Stig Nedergaard*

**Elected by the employees*

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Glunz & Jensen Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Glunz & Jensen Holding A/S for the financial year April 1st, 2020 – March 31st, 2021, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at March 31st, 2020 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year April 1st, 2019 – March 31st, 2020 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

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

Independence

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

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

We were initially appointed as auditor of Glunz & Jensen Holding A/S before 1995, and accordingly, we have to resign as auditor of the company at the general meeting in 2021. We have been re-appointed annually at the general meeting for a total consecutive period of more than 26 years up to and including the financial year 2020/21.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2020/21. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

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

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

In assessing the appropriateness of the capital structure and financing, we performed, among other things, an assessment of the key assumptions made by Management in the estimated cash flow forecasts for 2021/22 and whether available financing facilities for the year ahead are sufficient to meet the forecasts for 2021/22.

Further, we have read and discussed with Management the main terms of the letter of cooperation with Nordea for 2021/22 and any uncertainties and risks related to covenant compliance expected for 2021/22.

Valuation of investment property
Investment properties represents a significant part of the total assets (65%) of the Group and is valuated at fair value for an amount of DKK 137,000 thousand, refer to note 1 and 14 of the consolidated financial statements.

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

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

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

We also assessed the appropriateness of the disclosures and sensitivities made relating to investment properties compared to applicable financial reporting standards.

Valuation of inventory
The Group has gross inventories of DKK 36,446 thousand. Inventory is measured at cost price or net realizable value, if this value is lower than the cost price. The valuation of inventory is subject to significant judgement made by Management to assess the appropriate level of the provision for slow moving and/or obsolete inventory. As a result, we consider the provisioning for slow moving and obsolete inventories to be a key audit matter.

Our audit procedures included, amongst others, observing physical inventory counts at major locations to ascertain the condition of inventory and performing testing on a sample of items to assess the cost price and net realizable value of inventory and evaluating the adequacy of provision for slow moving and obsolete inventories as at 31 March 2021. We have furthermore inspected the calculation made by Management regarding the need for provision for slow moving and/or obsolete inventory.

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

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

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

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

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

Management's responsibilities for the financial statements
Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent company 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.

Copenhagen, June 8th, 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Brian Skovhus Jakobsen
State Authorized
Public Accountant
Mne27701

INCOME STATEMENT

Note	April 1st - March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
2	**Revenue**	136.946	195.629	7.800	8.570
3,4,6	Production costs	(108.543)	(160.332)	-	-
	Gross profit	28.403	35.297	7.800	8.570
7	Other operating income	4.622	186	-	-
4,6	Sales and distribution costs	(10.904)	(30.167)	-	-
4,6	Development costs	(6.641)	(7.374)	-	-
4,6	Administrative expenses	(10.746)	(13.252)	(8.475)	(8.263)
7	Other operating expenses	-	(147)	-	-
14	Fair value adjustments on investment properties	-	(2.301)	-	-
	Operating profit/(loss)	4.734	(17.758)	(675)	307
15	Profit/(loss) after tax in subsidiaries	-	-	(382)	(19.534)
	Profit/(loss) after tax in associates	26	50	-	-
8	Financial income	585	87	2.426	1.191
8	Financial expenses	(4.481)	(3.184)	(31)	(22)
	Profit/(loss) before tax	864	(20.805)	1.338	(18.058)
9	Income taxes	(9)	2.405	(483)	(342)
	Profit/(loss) for the year	855	(18.400)	855	(18.400)
	Attributable to:				
	Equity holders of Glunz & Jensen Holding A/S	855	(18.400)		
	Total	855	(18.400)		
	Proposed appropriation of the loss for the year:				
	Retained earnings			855	(18.400)
	Total			855	(18.400)
	Earnings per share				
10	Basic earnings per share (DKK)	0,5	(10,1)		
10	Diluted earnings per share (DKK)	0,5	(10,1)		

STATEMENT OF COMPREHENSIVE INCOME

Note	April 1st / June 1st - March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
	Profit/(loss) for the year	855	(18.400)	855	(18.400)
	Other comprehensive income:				
	Items that may be reclassified to the income statement:				
	Other comprehensive income after tax in associates	(6)	(6)	-	-
	Exchange rate adjustments of investments in subsidiaries	(522)	294	(528)	288
		(528)	288	(528)	288
	Items that may not be reclassified to the income statement:				
	Revaluation of properties:				
	Value adjustments property reclassified to investment properties	-	6.211	-	6.211
	Tax on property fair value adjustment	-	(1.367)	-	(1.367)
		-	4.844	-	4.844
	Total other comprehensive income	(528)	5.132	(528)	5.132
	Total comprehensive income	327	(13.268)	327	(13.268)
	Attributable to:				
	Equity holders of Glunz & Jensen Holding A/S	327	(13.268)		
	Total comprehensive income	327	(13.268)		

BALANCE SHEET

Note	March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
	ASSETS				
	Non-current assets				
	Intangible assets				
11	Completed development projects	232	5.619	-	-
		232	5.619	-	-
	Property, plant, and equipment				
12	Property, plant, and equipment	8.776	12.566	-	-
13	Leased assets	7.642	14.960	292	413
14	Investment properties	137.000	137.000	-	-
		153.418	164.526	292	413
	Other non-current assets				
15	Investments in subsidiaries	-	-	39.056	53.561
16	Investments in associates	259	227	-	-
17	Deferred tax	995	981	-	-
	Deposits	-	495	-	-
		1.254	1.703	39.056	53.561
	Total non-current assets	154.904	171.848	39.348	53.974
	Current assets				
18	Inventories	36.446	46.932	-	-
19	Trade receivables	17.422	23.066	-	-
	Receivables from subsidiaries	-	-	37.842	21.480
	Other receivables	1.244	2.296	-	-
	Income tax	-	69	-	-
	Prepayments	1.411	1.515	889	606
	Cash	846	1.439	25	40
	Total current assets	57.369	75.317	38.756	22.126
	TOTAL ASSETS	212.273	247.165	78.104	76.100

Note	March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
	LIABILITIES				
20	**Equity**				
	Share capital	36.426	36.426	36.426	36.426
	Translation reserve	4.511	5.039	4.511	5.039
	Revaluation reserve	4.844	4.844	4.844	4.844
	Retained earnings	28.096	27.241	28.096	27.241
	Total equity	73.877	73.550	73.877	73.550
	Non-current liabilities				
17	Deferred tax	4.388	4.720	196	133
21	Provisions	246	332	-	-
22	Credit institutions	56.317	61.683	-	-
23	Other payables	2.559	1.403	-	-
24	Prepayments from customers	6.176	8.018	-	-
13	Lease liabilities	6.805	12.768	169	284
	Total non-current liabilities	76.491	88.924	365	417
	Current liabilities				
22	Credit institutions	30.998	37.243	-	-
	Trade payables	11.147	19.930	118	78
13	Lease liabilities	2.999	4.065	121	121
	Income tax	126	41	323	211
21	Provisions	2.337	8.018	-	-
24	Prepayments from customers	4.938	4.149	-	-
23	Other payables	9.360	11.245	3.300	1.723
	Total current liabilities	61.905	84.691	3.862	2.133
	Total liabilities	138.396	173.615	4.227	2.550
	TOTAL EQUITY AND LIABILITIES	212.273	247.165	78.104	76.100

STATEMENT OF CHANGES IN EQUITY

Group (DKK '000)	Share capital	Retained earnings	Revaluation reserve	Translation reserve	Total
Equity March 31st, 2019	36.426	45.641	-	4.751	86.818
Changes in equity 2019/20					
Profit/(loss) for the year	-	(18.400)	-	-	(18.400)
Other comprehensive income					
Other comprehensive income after tax in associates	-	-	-	(6)	(6)
Exchange rate adjustments of investments in subsidiaries	-	-	-	294	294
Value adjustments property reclassified to investment properties	-	-	6.211	-	6.211
Tax on property fair value adjustment	-	-	(1.367)	-	(1.367)
Total other comprehensive income	-	-	4.844	288	5.132
Total comprehensive income for the year	-	(18.400)	4.844	288	(13.268)
Equity March 31st, 2020	36.426	27.241	4.844	5.039	73.550
Changes in equity 2020/21					
Profit/(loss) for the year	-	855	-	-	855
Other comprehensive income					
Other comprehensive income after tax in associates	-	-	-	(6)	(6)
Exchange rate adjustments of investments in subsidiaries	-	-	-	(522)	(522)
Total other comprehensive income	-	-	-	(528)	(528)
Total comprehensive income for the year	-	855	-	(528)	327
Equity March 31st, 2021	36.426	28.096	4.844	4.511	73.877

Parent Company (DKK '000)	Share capital	Retained earnings	Revaluation reserve	Translation reserve	Total
Equity March 31st, 2019	36.426	45.641	-	4.751	86.818
Changes in equity 2019/20					
Profit/(loss) for the year	-	(18.400)	-	-	(18.400)
Other comprehensive income:					
Value adjustment of hedging instruments: Exchange rate adjustments of investments in subsidiaries	-	-	-	288	288
Value adjustments property reclassified to investment properties	-	-	6.211	-	6.211
Tax on property fair value adjustment	-	-	(1.367)	-	(1.367)
Total other comprehensive income	-	-	4.844	288	5.132
Total comprehensive income for the year	-	(18.400)	4.844	288	(13.268)
Equity March 31st, 2020	36.426	27.241	4.844	5.039	73.550
Changes in equity 2020/21					
Profit/(loss) for the year	-	855	-	-	855
Other comprehensive income:					
Value adjustment of hedging instruments: Exchange rate adjustments of investments in subsidiaries	-	-	-	(528)	(528)
Total other comprehensive income	-	-	-	(528)	(528)
Total comprehensive income for the year	-	855	-	(528)	327
Equity March 31st, 2021	36.426	28.096	4.844	4.511	73.877

STATEMENT OF CASH FLOWS

Note	April 1st - March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/22	Parent Company 2019/20
	Operating activities				
	Profit/(loss) for the year	855	(18.400)	855	(18.400)
	Adjustment for non-cash items etc.:				
	Amortization, depreciation, and impairment losses	14.880	17.162	121	70
	Gain and loss on sale of non-current assets	(159)	143	-	-
	Fair value gain on investment properties	-	2.301	-	-
	Profit/(loss) after tax in subsidiaries	-	-	382	19.534
	Profit/(loss) after tax in associates	(26)	(50)	-	-
	Other non-cash items, net	(5.255)	(3)	2	-
	Provisions	(1.740)	6.236	-	-
	Financial income	(585)	(87)	(2.426)	(1.191)
	Financial expenses	4.481	3.184	31	22
	Tax on operating profit	9	(2.405)	483	342
	Cash flows from operating activities before changes in working capital	12.460	8.081	(552)	377
	Changes in working capital:				
	Changes in inventories	10.153	(7.937)	-	-
	Changes in payable and receivables from subsidiaries	-	-	(22.768)	18.982
	Changes in receivables	6.306	14.418	(283)	(15)
	Changes in trade and other payables	(9.527)	(13.451)	1.617	(492)
	Changes in working capital	6.932	(6.970)	(21.434)	18.475
	Financial income paid	585	74	2.426	1.191
	Financial expenses paid	(4.158)	(3.184)	(13)	(22)
	Income taxes paid	(221)	(73)	(308)	64
	Net cash flows from operating activities	15.598	(2.072)	(19.881)	20.085
2, 12	Acquisition of items of property, plant, and equipment	(277)	(353)	-	-
14	Acquisition of investment properties	-	(7.041)	-	-
15	Capital increase in subsidiary	-	-	-	(20.000)
12	Sale of items of property, plant, and equipment	477	-	-	-
	Dividends from subsidiary	-	-	20.000	-
	Net cash flows from investing activities	200	(7.394)	20.000	(20.000)
	Free cash flow	15.798	(9.466)	119	85
13	Repayment lease liabilities	(4.779)	(3.950)	(133)	(78)
22	Change in net interest-bearing debt	(11.588)	13.250	-	-
	Net cash flows from financing activities	(16.367)	9.300	(133)	(78)
	Net cash flows generated during the year	(569)	(166)	(14)	7
	Cash and cash equivalents at the beginning of the year	1.439	1.594	40	33
	Exchange gains/(losses) rate on cash and cash equivalents	(24)	11	-	-
	Cash and cash equivalents at the end of the year	846	1.439	26	40

NOTES

1. **Significant accounting estimates and judgements**

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

Capital structure and financing:
The Group's primary loan agreement with Nordea is subject to certain conditions and three covenants, which Glunz & Jensen must observe in order to maintain the loan, including financial covenants concerning the financial ratio "solvency" and the agreed level of EBITDA and loan to value covenants. During 2020/21 Glunz & Jensen did not breach any covenant. The budget for 2021/22 was presented to and accepted by the Group's main banker in May 2021 and a letter of cooperation for 2021/22 was received by Glunz & Jensen on May 20th, 2021. On this basis, Management considers the Group's funding for 2021/22 sufficient to be able to continue meeting its payment obligations and its obligations under the financing covenants during 2021/22.

Investment properties:
For investment properties, a valuation methodology based on a discounted cash flow (DCF) model are used every year. In 2020/21 the discount rate used was 7,5 %, the yearly average rent adjustment was 2,0%, the maintenance per m^2 in DKK was 42 and the occupancy rate was 87 % (2019/20: discount rate was 7,5%, rent adjustment was 2,0%, the maintenance per m^2 in DKK was 42 and the occupancy rate was 98 %).

The most significant factor in the fair value calculation is the discount rate. Sensitivity analysis of the fair value calculation indicates that a change in the discount rate +/- 0,5% will lead to a fair value adjustment of approximately DKK 10,6 million.

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

Leased Property asset:
The leased Property asset consists of a property in Nyborg, Denmark which the Group has partly vacated during 2020/21. The Group utilizes approx. 7,0 % of the Property and the Group has subleased 15,0 % of the Property as of March 31st, 2021. The lease period ends in July 2025.
The property has been tested for impairment as of March 31st, 2021. The impairment is based on a valuation methodology based on a discounted cash flow (DCF). The conditions of the calculation are utilization of and/or sublease of all of the Property including leasehold improvements as of July 1st, 2021. Interest rate used is 4,5 %.

The most significant factor in the impairment calculation is if the Group is able to sublease the remaining part of Property and the date of this additional sublease. Sensitivity analysis of the impairment calculation indicates that a change in the date from e.g. July 1st, 2021 to March 31st, 2022 will lead to a depreciation impairment cost of approximately DKK 1,2 million.
Please see note 13 concerning Leased assets.

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

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

1. Significant accounting estimates and judgements (continued)

Deferred tax assets:
When measuring deferred tax assets, Management considers if future earnings, based on budget and operating plans, will make it possible to utilize the temporary differences between the carrying amount and the tax base of assets and liabilities or tax loss-carry forwards. See note 17, which states that tax loss-carry forward are expected to be utilized by 2023/24 at the latest.

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

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

Management has made such judgments concerning:

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

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

Glunz & Jensen presents additional segment information regarding geographical distribution. However, Glunz & Jensen's financial reporting does not disclose information regarding geographical markets beyond those reflected in note 2. As a result, Glunz & Jensen continues to conclude that the prepress market is the main segment of the Group

Properties in Selandia Park:
The segment Selandia Park consisted of investment properties, land, and buildings during part of 2019/20. November 30th, 2019 the former headquarter was reclassified from Land and buildings to investment properties as Glunz & Jensen utilized less than 10 % of the buildings.

2. Segment information

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

April 1st, 2019 – March 31st, 2020 (DKK '000)	Prepress market	Selandia Park	Total segments	Elimi-nations	Consoli-dated
External revenue	183.536	12.093	195.629	-	195.629
Inter-segment	-	612	612	(612)	-
Total revenue	183.536	12.705	196.241	(612)	195.629
Fair value loss on investment properties	-	(2.301)	(2.301)	-	(2.301)
Depreciation and impairment of property, plant, and equipment	4.061	1.622	5.683	-	5.683
Depreciation and impairment of leased assets	5.694	-	5.694	-	5.694
Amortization and impairment of intangible assets	5.785	-	5.785	-	5.785
Operating profit/(loss)	(24.293)	6.535	(17.758)	-	(17.758)
Profit/(loss) after tax in associates	50	-	50	-	50
Financial income and expenses, net	(2.781)	(316)	(3.097)	-	(3.097)
Segment profit/(loss) before tax	(27.024)	6.219	(20.805)	-	(20.805)
Segment assets	104.311	142.854	247.165	-	247.165
Capital expenditure	353	7.041	7.394	-	7.394
Segment liabilities	83.144	90.471	173.615	-	173.615

April 1st, 2020 – March 31st, 2021 (DKK '000)	Prepress market	Selandia Park	Total segments	Elimi-nations	Consoli-dated
External revenue	123.947	12.999	136.946	-	136.946
Inter-segment	-	142	142	(142)	-
Total revenue	123.947	13.141	137.088	(142)	136.946
Fair value gains on investment properties	-	-	-	-	-
Depreciation and impairment of property, plant, and equipment	9.493	-	9.493	-	9.493
Amortization and impairment of intangible assets	5.387	-	5.387	-	5.387
Operating profit/(loss)	(5.835)	10.569	4.734	-	4.734
Profit/(loss) after tax in associates	26	-	26	-	26
Financial income and expenses, net	(1.883)	(2.013)	(3.896)	-	(3.896)
Segment profit/(loss) before tax	(7.692)	8.556	864	-	864
Segment assets	74.992	137.281	212.273	-	212.273
Capital expenditure	277	-	277	-	277
Segment liabilities	39.602	98.225	137.827	-	137.827

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

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

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

2. Segment information (continued)

Geographical distribution

(DKK '000)	Revenue 2020/21	Revenue 2019/20	Non-current assets 2020/21 March 31st	Non-current assets 2019/20 March 31st
Group				
EMEA (Europe, Middle East, Africa) *	92.142	109.021	153.067	170.105
Americas	29.609	57.199	14	40
Asia and the Pacific	15.195	29.409	-	-
Total	136.946	195.629	153.081	170.145

* Selandia Park is included in EMEA.

10% of the Group's revenue relates to Denmark (2019/20: 7%).

Major customers:
Customers with a revenue of more than 10% of total revenue accounted for DKK 59,8 million in 2020/21 (2019/20: DKK 98,3 million).

Revenue:

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20
Type of Revenue		
Sale of goods	119.707	173.340
Sale of services	4.240	10.196
Rental income from investment properties	12.999	12.093
	136.946	195.629
Timing of revenue recognition		
Revenue recognized at a point in time	119.707	173.860
Revenue recognized over time	17.239	21.769
	136.946	195.629

3. Production costs

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20
Cost of goods sold	65.499	94.328
Inventory write-downs	2.135	1.364
Reversed inventory write-downs	(1.140)	(411)

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

4. Staff costs

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Wages and salaries	33.525	61.146	5.406	4.127
Defined contribution plans	1.903	3.406	308	248
Other social security costs	4.152	3.471	11	8
	39.580	68.023	5.725	4.383
Staff costs are recognized as follows:				
Production costs	18.225	31.270	-	-
Labor transferred to inventory	5.080	12.021	-	-
Sales and distribution costs	8.551	16.134	-	-
Product development costs	-	-	-	-
Administrative expenses	7.724	8.598	5.725	4.383
	39.580	68.023	5.725	4.383

Right-sizing of the company carried severance costs for 29 employees in 2020/21 (2019/20: 33 employees)

Average number of full-time employees	119	158	2	2
Remuneration of the Executive Management:				
Salaries	4.077	3.457	4.077	3.457
Bonus	689	0	689	0
Remuneration of the Executive Management total	4.766	3.457	4.766	3.457
Remuneration of the Board of Directors:				
Directors' fees	759	700	759	700
Total remuneration of the Board of Directors	759	700	759	700

Executive Management:
Martin Overgaard Hansen CEO of Glunz & Jensen Holding A/S since September 1st, 2019. Henrik Blegvad Funk interim CEO of Glunz & Jensen Holdings A/S since March 1st, 2019 to August 31st, 2019 and CFO of Glunz & Jensen Holding A/S since April 1st, 2016.

There are no defined benefit plans within the Group.

During 2020/21 the Group received DKK 1.761 thousand in Covid-19 compensation relating to staff costs. The compensation is recognized as other operating income.

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

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

5. **Auditors fee**

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Total fees to the auditors:				
EY	721	575	269	204
	721	575	269	204
Statutory audit	458	418	115	85
Tax and VAT assistance	73	97	-	78
Other services	190	60	154	41
	721	575	269	204

Group:
Non-audit services provided by EY amounts to DKK 263 thousand in 2020/21 relating to sundry tax advisory services and other advisory services (2019/20: DKK 157 thousand).

Parent company:
Non-audit services provided by EY amounts to DKK 154 thousand in 2020/21 relating to sundry tax advisory services and other advisory services (2019/20: DKK 119 thousand).

6. **Depreciation, amortization, and impairment losses**

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Amortization, intangible assets	5.387	5.785	-	-
Depreciation, property, plant, and equipment	3.110	5.257	-	-
Impairment losses, property, plant, and equipment	601	426	-	-
Depreciation, leased assets	2.944	3.810	121	70
Impairment losses, leased assets	2.838	1.884	-	-
	14.880	17.162	121	70
Amortization, depreciation, and impairment losses are included in the following items:				
Production costs	6.699	7.769	-	-
Sales and distribution costs	379	701	-	-
Development costs	5.731	5.785	-	-
Administrative expenses	2.071	2.907	121	70
	14.880	17.162	121	70

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

7. **Other operating income and expenses**

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20
Other operating income		
Gain on sale of non-current assets	159	5
Glunz & Jensen S.r.l., Italy reversals of accruals (liabilities)	2.696	-
Covid-19 compensation from government	1.761	-
Other income	6	181
	4.622	186
Other operating expenses		
Loss on sale of non-current assets	-	147
	-	147

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

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

During 2020/21 the Group received DKK 1.761 thousand in Covid-19 compensation relating to staff costs. The compensation relates to productions costs (DKK 1.275 thousand), sales and distribution costs (DKK 280 thousand) and administrative expenses (DKK 206 thousand).

8. **Financial income and expenses**

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Financial income				
Interest income, cash, and cash equivalents etc.	8	8	-	-
Interest income from subsidiaries	-	-	2.426	1.191
Foreign exchange gains	577	79	-	-
Other financial income	-	-	-	-
	585	87	2.426	1.191
Interest on financial assets measured at amortized cost represents	8	8	2.426	1.191
Financial expenses				
Interest expenses, credit institutions	2.545	1.233	4	-
Interest expenses, leasing liabilities	306	201	18	1
Foreign exchange losses	984	681	-	12
Other financial expenses	646	1.069	9	9
	4.481	3.184	31	22
Interest on financial liabilities measured at amortized cost represents	2.851	1.434	22	1

9. **Tax on loss for the year**

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Tax on profit/(loss) for the year:				
Current tax	22	404	323	270
Adjustment of tax regarding previous years	355	-	97	11
Adjustment of deferred tax	(368)	(2.809)	63	61
Total tax on profit/(loss) for the year	9	(2.405)	483	342
Analysis of tax on profit/(loss) for the year:				
Tax charged at 22%	189	(4.578)	294	(3.973)
Tax effect of:				
Non-deductible Profit/(loss) after tax in subsidiaries	-	-	84	4.297
Non-taxable income and non-deductible expenses	(376)	(47)	8	7
Non-recognized deferred tax asset in foreign subsidiaries	3	2.403	-	-
Adjustment of tax calculated for foreign subsidiaries against 22%	(162)	(183)	-	-
Tax relating to previous years	355	-	97	11
	9	(2.405)	483	342
Effective tax rate	1,0%	11,6%	36,1%	(1,9)%

10. Earnings per share

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20
Profit/(loss) for the year	855	(18.400)
Average number of shares	1.821	1.821
Average number of outstanding shares	1.821	1.821
Average dilutive effect of outstanding warrant program shares	-	-
Average number of outstanding shares, diluted	1.821	1.821
Earnings per share (EPS) (DKK)	0,5	(10,1)
Diluted earnings per share (EPS-D) (DKK)	0,5	(10,1)

11. Intangible assets

(DKK '000)	Completed development projects	Total
Group		
Total cost on April 1st, 2019	49.090	49.090
Total cost on March 31st, 2020	49.090	49.090
Amortization and impairment losses on April 1st, 2019	37.686	37.686
Amortization for the year	5.785	5.785
Amortization and impairment losses on March 31st, 2020	43.471	43.471
Carrying amount on March 31st, 2020	5.619	5.619
Total cost on April 1st, 2020	49.090	49.090
Disposals	(42.263)	(42.263)
Total cost on March 31st, 2021	6.827	6.827
Amortization and impairment losses on April 1st, 2020	43.471	43.471
Amortization for the year	5.387	5.785
Depreciation of disposals	(42.263)	(42.263)
Amortization and impairment losses on March 31st, 2021	6.595	6.595
Carrying amount on March 31st, 2021	232	232

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

Development costs of DKK 6.641 thousand (2019/20: DKK 7.374 thousand) were incurred in 2020/21. Hereof, DKK 0 (2019/20: DKK 0) are recognized in the balance sheet and DKK 6.641 thousand (2019/20: DKK 7.374 thousand) are recognized in the income statement as development costs.

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

On March 31st, 2021, Management tested the carrying amount of development projects. Project development plans and revenue budget approved by Management were compared to the project development processes, which included a follow-up on expenses incurred, time schedules and project completion. In fiscal 2019/20, similar impairment testing of development projects showed no need to recognize an impairment loss.

12. Property, plant, and equipment

(DKK '000)	Land and buildings	Other fixtures and fittings, tools, and equipment	Leasehold improve-ments	Total
Group				
Total cost on April 1st, 2019	95.852	32.666	4.305	132.823
Foreign exchange adjustments	10	41	-	51
Additions	47	306	-	353
Disposals	-	(2.380)	-	(2.380)
Property cost reclassified to investment properties	(62.372)	-	-	(62.372)
Total cost on March 31st, 2020	33.537	30.633	4.305	68.475
Depreciation and impairment losses on April 1st, 2019	47.911	30.974	729	79.614
Foreign exchange adjustments	8	32	-	40
Depreciation for the year	3.731	777	749	5.257
Impairment for the year	-	426	-	426
Depreciation of disposals	-	(2.380)	-	(2.380)
Property depreciation reclassified to investment properties	(27.048)	-	-	(27.048)
Depreciation and impairment losses on March 31st, 2020	24.602	29.829	1.478	55.909
Carrying amount on March 31st, 2020	8.935	804	2.827	12.566
Total cost on April 1st, 2020	33.537	30.633	4.305	68.475
Foreign exchange adjustments	(152)	(88)	-	(240)
Additions	186	91	-	277
Disposals	-	(10.547)	(561)	(11.108)
Total cost on March 31st, 2021	33.571	20.089	3.744	57.404
Depreciation and impairment losses on April 1st, 2020	24.602	29.829	1.478	55.909
Foreign exchange adjustments	(118)	(84)	-	(202)
Depreciation for the year	2.110	251	749	3.110
Impairment for the year	-	-	601	601
Depreciation of disposals	-	(10.229)	(561)	(10.790)
Depreciation and impairment losses on March 31st, 2021	26.594	19.767	2.267	48.628
Carrying amount on March 31st, 2021	6.977	322	1.477	8.776

Group:
As Glunz & Jensen have vacated more than 90 % of the former headquarter November 30th, 2019 the former headquarter properties have been reclassified to investment properties. Please refer to note 14 Investment properties.

The carrying amount of land and buildings amounting to DKK 6.977 thousand (March 31st, 2020: DKK 8.935 thousand) had a registered mortgage on March 31st, 2021. The value of the relating collateral was DKK 6.297 thousand on March 31st, 2021 (March 31st, 2020: DKK 6.597 thousand).

On March 31st, 2021, Management tested the carrying amount of Property, plant, and equipment. The impairment test was prepared in accordance with the expectations as to the ongoing turn-around plan of the Glunz & Jensen business. In fiscal 2020/21, impairment testing showed a need to recognize an impairment loss of DKK 601 thousand. In fiscal 2019/20, impairment testing of Property, plant, and equipment showed a need to recognize an impairment loss of DKK 426 thousand.

13. Leased assets

(DKK '000)	Property	Other fixtures and fittings, tools, and equipment	Total
Group			
Adjusted balance on April 1st, 2019	15.601	4.165	19.766
Additions	-	1.017	1.017
Disposals	-	(129)	(129)
Depreciation for the year	(2.539)	(1.271)	(3.810)
Impairment for the year	(784)	(1.100)	(1.884)
Carrying amount on March 31st, 2020	12.278	2.682	14.960
Balance on April 1st, 2020	12.278	2.682	14.960
Foreign exchange adjustments	(2)	0	(2)
Additions	-	602	602
Disposals	-	(523)	(523)
Depreciation for the year	(3.873)	(684)	(4.557)
Impairment for the year	(2.451)	(387)	(2.838)
Carrying amount on March 31st, 2021	5.952	1.690	7.642
Parent			
Adjusted balance on April 1st, 2019	-	-	-
Additions	-	483	483
Depreciation for the year	-	(70)	(70)
Carrying amount on March 31st, 2020	-	413	413
Balance on April 1st, 2020	-	413	413
Depreciation for the year	-	(121)	(121)
Carrying amount on March 31st, 2021	-	292	292

March 31st (DKK '000)	Group 2021	Group 2020	Parent Company 2021	Parent Company 2020
Expected maturity:				
Due within 1 year or less	3.537	4.166	133	133
Due within 1-5 years	7.586	14.453	187	320
Due after 5 years	-	942	-	-
Total non-discounted leasing liabilities March 31st 2020	11.123	19.561	320	453
Leasing liabilities recognized in the balance sheet:				
Long-term liabilities	6.805	12.768	169	284
Short-term liabilities	2.999	4.065	121	121
Total liabilities	9.804	16.833	290	405
Leasing liabilities recognized in income statement:				
Interest	324	201	18	1
Cost relating to leasing agreements with a term of less than 12 months or low value	117	389	-	-

Group:
In fiscal 2020/21, payments related to leases amounted to DKK 5.103 thousand (2019/20: DKK 4.151 thousand) of which interest payments relating to recognized lease liabilities accounted for DKK 324 thousand (2019/20: DKK 201 thousand) and repayment of recognized lease liabilities account for DKK 4.779 thousand (2019/20: DKK 3.950 thousand).

The weighted average discount rate applied is 5%.

On March 31st, 2021, Management tested the carrying amount of leased assets. The impairment test was prepared in accordance with the expectations as to the ongoing turn-around plan of the Glunz & Jensen business. In fiscal 2020/21, impairment testing showed a need to recognize an impairment loss of DKK 2.838 thousand. (2019/20: DKK 1.884 thousand).

13. **Leased assets (continued)**

Parent Company:
In fiscal 2020/21, payments related to leases amounted to DKK 151 thousand (2019/20: DKK 79 thousand), of which interest payments relating to recognized lease liabilities accounted for DKK 18 thousand (2019/20: DKK 1 thousand) and repayment of recognized lease liabilities account for DKK 133 thousand (2019/20: DKK 78 thousand).

The weighted average discount rate applied is 5%.

On March 31st, 2020 and 2021, Management tested the carrying amount of leased assets. The impairment test was prepared in accordance with the expectations as to the ongoing turn-around plan of the Glunz & Jensen business. In fiscal 2020/21 and 2019/20, impairment testing showed no need to recognize an impairment loss.

14. **Investment properties**

(DKK '000)	Group 2020/21	Group 2019/20
Opening balance on April 1st	137.000	90.724
Additions (subsequent expenditure)	-	7.041
Property reclassified from Land and buildings measured at cost less accumulated depreciation and accumulated impairment losses	-	35.325
Reevaluation reclassified property measured at fair value	-	6.211
Net gain/(loss) from fair value adjustment	-	(2.301)
Closing balance on March 31st	137.000	137.000
Direct operating expenses (including repairs and maintenance) generating rental income (included in Production costs)	-	2.564
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in Administrative expenses)	2.572	1.306

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

November 30th, 2019 the former headquarter was reclassified from Land and buildings to investment properties as Glunz & Jensen utilize less than 10 % of the buildings. The difference between the fair value of the former headquarter and the property measured at cost less accumulated depreciation and accumulated impairment losses November 30th, 2019 of DKK 6.211 thousand are recognized in other comprehensive income. From December 1st, 2019 all buildings in Selandia Park A/S, Denmark are measured at fair value.

87% of the investment properties were leased to tenants on March 31st, 2021. All investment properties were leased to tenants on March 31st, 2019.

The carrying amount of investment properties amounting to DKK 137.000 thousand had a registered mortgage on March 31st, 2021 (March 31st, 2020: DKK 137.000 thousand). The value of the relating collateral was DKK 61.736 thousand at March 2021 (March 31st, 2020: DKK 67.163 thousand).

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

15. Investment in subsidiaries

Parent Company (DKK '000)	Ownership interest 2020/21	Profit/(loss) for the year after tax 2020/21	Equity 2020/21
Glunz & Jensen A/S, Ringsted, Denmark	100,0%	(7.056)	(6.405)
Selandia Park A/S, Ringsted, Denmark	100,0%	6.674	39.056
Total		(382)	32.651

	Parent company 2020/21	Parent company 2019/20
Total cost on April 1st	120.000	100.000
Increase capital	-	20.000
Total cost on March 31st	120.000	120.000
Adjustments on April 1st	(66.439)	(52.037)
Profit/(loss) for the year	(382)	(19.534)
Dividend from subsidiaries	(20.000)	-
Value adjustments property reclassified to investment properties	-	6.211
Tax on property fair value adjustment	-	(1.367)
Foreign exchange adjustments	(528)	288
Adjustments on March 31st	(87.349)	(66.439)
Carrying value on March 31st	32.651	53.561
Net deficit on equity against receivables from subsidiaries	6.405	-
Carrying value on March 31st	39.056	53.561

As of March 31st, 2021, the difference on initial recognition of the subsidiaries totaled DKK 0 thousand.

No tax liability will be incurred on realization of the Parent Company's investments in subsidiaries at carrying amount (2019/20: DKK 0 thousand).

During fiscal 2019/20 Glunz & Jensen A/S were granted a tax-free group contribution of DKK 20.000 thousand. Selandia Park A/S distributed dividend amounting to DKK 20.000 in official fiscal statutory account 2019/20.

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

16. Investments in associates

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

March 31st (DKK '000)	Group 2021	Group 2020
GKS International Ltd, UK (40% ownership interest)	259	227
	259	227

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

17. Deferred tax

(DKK '000)	Group 2021	Group 2020	Parent Company 2021	Parent Company 2020
Deferred tax on April 1st	(3.739)	(5.197)	(133)	(72)
Foreign exchange adjustments	(22)	16	-	-
Tax income/(expense) during the period recognized in profit or loss	368	2.809	(63)	(61)
Tax income/(expense) during the period recognized in other comprehensive income	-	(1.367)	-	-
Deferred tax on March 31st	(3.393)	(3.739)	(196)	(133)
Breakdown of deferred tax and recognition in the balance sheet:				
Deferred tax asset	995	981	-	-
Deferred tax liability	(4.388)	(4.720)	(196)	(133)
Total on March 31st	(3.393)	(3.739)	(196)	(133)

The value of tax loss carry-forwards has been recognized as a deferred tax asset in the companies where, based on the budget, it is considered very likely that they can be set off against future earnings and where a history of profit before tax in the last three years has been verified. The value of tax loss carry-forwards, DKK 5.592 thousand at March 31st, 2021 (March 31st, 2020: DKK 6.145 thousand), has not been recognized as a deferred tax asset, as it is not considered likely that they will be utilized.

(DKK '000)	Intangible assets	Property, plant, and equipment	Current assets	Liabilities	Tax loss carry-forwards etc.	Total
Group						
Deferred tax on April 1st, 2019	(2.918)	(5.342)	771	57	2.235	(5.197)
Foreign exchange adjustments	-	2	14	-	-	16
Recognized in profit/(loss) for the year, net	1.482	(645)	(1.107)	643	2.436	2.809
Recognized through other comprehensive income, net	-	(1.367)	-	-	-	(1.367)
Deferred tax on March 31st, 2020	(1.436)	(7.352)	(322)	700	4.671	(3.739)
Deferred tax on April 1st, 2020	(1.436)	(7.352)	(322)	700	4.671	(3.739)
Foreign exchange adjustments	-	(3)	(19)	-	-	(22)
Recognized in profit/(loss) for the year, net	1.385	1.619	508	(393)	(2.751)	368
Deferred tax on March 31st, 2021	(51)	(5.736)	167	307	1.920	(3.393)
Parent Company						
Deferred tax on April 1st, 2019	-	-	-	(72)	-	(72)
Recognized in profit/(loss) for the year, net	-	-	-	(61)	-	(61)
Deferred tax on March 31st, 2020	-	-	-	(133)	-	(133)
Deferred tax on April 1st, 2020	-	-	-	(133)	-	(133)
Recognized in profit/(loss) for the year, net	-	-	-	(63)	-	(63)
Deferred tax on March 31st, 2021	-	-	-	(196)	-	(196)

18. Inventories

March 31st (DKK '000)	Group 2021	Group 2020
Raw materials and consumables	31.151	32.681
Finished goods and semi-manufacture goods	5.295	14.251
Total	36.446	46.932
Inventories recognized at net realizable value	97	123

19. Trade receivables

(DKK '000)	Group 2021	Group 2020
Trade receivables, gross	18.503	25.939
Changes in credit loss allowance:		
Allowance on April 1st	(2.873)	(1.731)
Additions in the year	(77)	(1.142)
Reversal in the year	1.869	-
Allowance on March 31st	(1.081)	(2.873)
Trade receivables, net	17.422	23.066

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

March 31st (DKK '000)	Group 2021	Group 2020
Western Europe	9.607	10.083
Eastern Europe	977	889
North America	3.052	8.054
Asia and Pacific	1.421	2.647
Rest of the world	2.365	1.393
Trade receivables, net	17.422	23.066

The write down in 2020/21 is based on historical observed default rates adjusted for estimates of uncertainties in project related activities and market conditions.

As of March 31st, 2021 17,5% of the trade receivables are due (March 31st, 2020 29,6%).

In the expected default rate is included effect of Covid-19.

(DKK '000)	Expected default rate	Trade receivables gross	Expected loss	Trade receivables net
Maturity of trade receivables on March 31st, 2020:				
Not due	2,2%	15.732	339	15.393
Due 0-30 days	17,1%	7.621	1.303	6.318
Due 30-60 days	23,1%	900	208	692
Due more than 60 days	60,7%	1.686	1.023	663
		25.939	2.873	23.066
Maturity of trade receivables on March 31st, 2021:				
Not due	1,5%	14.403	220	14.182
Due 0-30 days	9,4%	2.692	255	2.438
Due 30-60 days	20,9%	63	13	50
Due more than 60 days	44,1%	1.345	593	752
		18.503	1.081	17.422

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

See to note 26, section debtor risks

20. Share capital and treasury shares

The share capital in Glunz & Jensen Holding A/S consists of 1.821.309 shares as of March 2021 and likewise in March 2020, representing a nominal value of DKK 20 each. The total nominal value is DKK 36.426 thousand. No shares carry any special rights.

As of March 31st, 2021, and on March 31st, 2020 Glunz & Jensen Holding A/S hold no treasury shares.

Movements in the share capital during the last 5 years:	Number of shares	Nominal value
Capital increase in 2017/18	161.309	3.226.180
Disposal of treasury shares in 2017/18	6.617	132.340
Disposal of treasury shares in 2016/17	40.616	812.320

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

Please see to note 26 under the "Capital management" section.

21. Provisions

(DKK '000)	Group 2021	Group 2020	Parent Company 2021	Parent Company 2020
Warranty commitments on April 1st	1.329	1.630	-	-
Additions	52	517	-	-
Disposals	(396)	(818)	-	-
Warranty commitments on March 31st	985	1.329	-	-
Restructuring on April 1st	7.021	482	-	-
Foreign exchange adjustments	(23)	-	-	-
Additions	443	7.021	-	-
Reversals	(4.004)	-	-	-
Paid	(1.839)	(482)	-	-
Restructuring on March 31st	1.598	7.021	-	-
Provisions on March 31st	2.583	8.350	-	-
Breakdown of provisions by non-current and current liabilities:				
Non-current liabilities	246	332	-	-
Current liabilities	2.337	8.018	-	-
Provisions on March 31st	2.583	8.350	-	-

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

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

Restructuring
Provisions for restructuring costs comprise restructuring measures decided in connection with a restructuring of the entire Group as well as expenses related to the closure of various sites in Glunz & Jensen A/S. The restructuring cost in 2020/21 relates to severance cost. The main restructuring cost in 2019/20 related to severance cost for 33 employees. The restructuring provisions will be paid during 2021/22.

Reversals of restructuring costs refer to Glunz & Jensen S.r.l., Italy due to bankruptcy.

22. Credit institutions

(DKK '000)	Due within 1-5 years	Due after 5 years	Due after 1 year, total	Due within 1 year	Total
Group					
Credit institutions on March 31st, 2020:					
Credit institutions (DKK), floating rate 3%	21.698	39.985	61.683	23.016	84.699
Credit institutions (USD), floating rate 3%	-	-	-	512	512
Credit institutions (GBP), floating rate 3%	-	-	-	673	673
Credit institutions (EUR), floating rate 3%	-	-	-	13.042	13.042
	21.698	39.985	61.683	37.243	98.926
Credit institutions on March 31st, 2021:					
Credit institutions (DKK), floating rate 3%	21.580	34.737	56.317	21.592	77.909
Credit institutions (USD), floating rate 7%	-	-	-	64	64
Credit institutions (GBP), floating rate 7%	-	-	-	2.828	2.828
Credit institutions (EUR), floating rate 2%	-	-	-	6.514	6.514
	21.580	34.737	56.317	30.998	87.315

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

	March 31st, 2019	Cash flows	Non-cash items	March 31st, 2020
Group				
Non-current credit institutions	67.183	(5.500)	-	61.683
Current credit institutions	18.492	18.751	-	37.243
	85.675	13.251	-	98.926

The Parent Company has no credit facilities.

23. Other payables

March 31st (DKK '000)	Group 2021	Group 2020	Parent Company 2021	Parent Company 2020
Non-current other payables:				
Holiday pay	2.396	1.267	-	-
Other payables	163	136	-	-
	2.559	1.403	-	-
Current other payables:				
Wages, salaries, holiday pay etc.	5.153	8.112	2.061	1.125
Employee commitments	-	756	-	-
Accrued employee taxes	907	709	155	-
VAT and other taxes	1.234	595	858	404
Other payables	2.066	1.073	226	194
	9.360	11.245	3.300	1.723

Employees in Glunz & Jensen S.r.l., Italy, were entitled by law to receive compensation when they retired from the Company. The obligation earned a floating rate, which was fixed by the local authorities. Consequently, employee commitments are measured at fair value at March 31st, 2020.

24. Prepayments from customers

March 31st (DKK '000)	Group 2021	Group 2020
Non-current prepayments from customers:		
Prepayment from tenants in Selandia Park	6.176	8.018
	6.176	8.018
Current prepayments from customers:		
Prepayments from customers in connection with the sale of goods and services	2.896	2.262
Prepayment from tenants in Selandia Park	2.042	1.887
	4.938	4.149

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

25. Contingent liabilities and collateral

Group:
The shares in Glunz & Jensen A/S and Selandia Park A/S are pledged as security towards the main bank, Nordea. The Group has provided a company charge of DKK 35,0 million secured upon the Company's inventories, goodwill, domain names and rights, fixtures and operating equipment as well as unsecured claims relating to the sale of goods and services at a carrying amount of DKK 11,7 million. The company charge of DKK 35,0 million has been provided as security for credit facility of which 19,3 million has been drawn.

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

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

Parent Company:
The Parent Company acts as guarantor for the subsidiaries' credit facilities. The financial guarantee on March 31st, 2021 amounted to DKK 32,5 million of which 19,3 million has been drawn (March 31st, 2020: DKK 30,0 million of which DKK 25,2 million has been drawn).

The Parent Company acts as management company for the jointly taxed Danish companies. Pursuant to the provisions of the Danish Corporate Income Tax Act, the Parent Company is thus liable to withhold tax at source on interest, royalties, and dividend for the jointly taxed companies for contingent liabilities and to withhold income taxes. The Parent Company recognized jointly tax receivables in the balance sheet amounting to DKK 0 on March 31st, 2021 (March 31st, 2020: DKK 0,0 million). The Parent Company's liability regarding joint tax may be impacted by future corrections of the taxable income. The companies in the joint taxation arrangement are not subject to withholding tax on dividend, interest, or royalties.

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

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

26. Financial risks and financial instruments

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

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

The main part of the Group's sales is invoiced in EUR and USD. In 2020/21, approx. 79% of sales were invoiced in EUR and approx. 11% in USD (2019/20: 78% in EUR and 14% in USD).

The main part of the Group's expenses is paid in DKK (58%), EUR (35%) and USD (5%). In 2020/21, expenses paid in DKK, USD and EUR amounted to 98% of total expenses (2019/20: 98%). As Management considers the EUR/DKK exchange rate to be fixed, the Group's exposure to currency risks is limited.

26. Financial risks and financial instruments (continued)

As part of the Group's currency policy, Glunz & Jensen seeks only to reduce the impact of exchange rate fluctuations (EUR exempted) on its profits and financial position via financial instruments when the risk is assesses as unacceptable. As in 2020/21, future currency transactions are currently not hedged. Due to the foreign subsidiaries, Glunz & Jensen is exposed to currency translation risks insofar as part of the Group's earnings and net assets derive from these foreign subsidiaries and, therefore, are translated and included in the consolidated financial statements, which are presented in DKK.

An increase in the USD rate of 10% is estimated, all else being equal, to affect the Group's operating profit by approx. DKK 0,5 million (2019/20: DKK 1,1 million). The estimate is based on the level of USD Profit/(loss) transactions in 2020/21.

Based on the Group's USD exposure at the balance sheet date, the impact of a hypothetical fluctuation of 10% of the USD/DKK exchange rate on the profit/(loss) for the year and consolidated equity amounts to DKK 0,1 million regarding cash and receivables (2019/20: DKK 0,2 million) and DKK 0,0 million regarding financial liabilities (2019/20: DKK 0,6 million), respectively.

Interest rate risk:
As a result of its investing and financing activities, the Group is exposed to interest rate fluctuations. Net interest-bearing debt on March 31st, 2021 amounted to DKK 86,5 million (March 31st, 2020: DKK 97,5 million).

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

A 1 percentage point change in the general interest rate level relative to the balance sheet date is estimated to affect the Group's profit/(loss) for the year by DKK 0,8 million and consolidated equity by DKK 0,8 million based on financial commitments at March 31st, 2021 (March 31st, 2020: an effect on the profit/(loss) for the year of DKK 0,8 million and consolidated equity of DKK 0,8 million). The estimate does not include adjustments concerning repayment and borrowing.

Credit risk:
The Group may realize losses if trade and other receivables are not settled. The majority of the Group's goods and services are sold to large companies with which Glunz & Jensen has long-term relationships. The four largest customers account for approx. 53% of total revenue. The Group normally requires prepayment from new customers.

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

Please refer to note 19 regarding the credit quality of trade receivables.

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

The Group's interest-bearing liabilities amounted to DKK 87,3 million on March 31st, 2021 (March 31st, 2020: DKK 98,9 million).

On March 31st, 2021, the Group's credit facilities amounted to DKK 101,7 million (March 31st, 2020: DKK 104,7 million) of which DKK 87,3 million has been drawn (March 31st, 2020: DKK 98,9 million). The liquidity reserve amounted to DKK 14,4 million on March 31st, 2021 (March 31st, 2020: DKK 5,8 million).

The liabilities fall due as follows:

Group

(DKK '000)	Carrying amount	Payment obligation	In 1 year or less	1-5 years	Over 5 years
On March 31st, 2020					
Non-derivative financial instruments:					
Credit institutions and banks	98.926	100.300	38.617	21.698	39.985
Lease liabilities	16.833	19.561	4.167	14.452	942
Trade payables	19.930	19.930	19.930	-	-
Total	135.689	139.791	62.714	36.150	40.927
On March 31st, 2021					
Non-derivative financial instruments:					
Credit institutions and banks	87.315	88.773	32.459	21.577	34.737
Lease liabilities	9.804	11.123	3.537	7.586	-
Trade payables	11.147	11.147	11.147	-	-
Total	108.266	111.043	47.143	29.163	34.737

26. Financial risks and financial instruments (continued)

Parent Company

(DKK '000)	Carrying amount	Payment obligation	In 1 year or less	1-5 years	Over 5 years
On March 31st, 2020					
Non-derivative financial instruments:					
Lease liabilities	405	453	133	320	
Trade payables	78	78	78	-	-
Total	483	531	211	320	-
On March 31st, 2021					
Non-derivative financial instruments:					
Lease liabilities	290	320	133	187	
Trade payables	118	118	118	-	-
Total	408	438	251	187	-

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

The Group did not enter into any new long-term debt agreements in 2020/21.

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

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

On March 31st, 2021, the equity ratio was 34,8% (2019/20: 29,8%). Based on the performance during 2020/21 and the outlook for 2021/22, the Board of Directors proposes to the Annual General Meeting that no dividend be distributed for fiscal 2020/21.

Fair values:
There was no difference between the fair values and the carrying amounts of financial assets and liabilities on March 31st, 2021 or on March 31st, 2020. Short-term, floating-rate bank loans are measured at price of 100. The methods used are unchanged compared with last year.

27. Related parties

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

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

On March 31st, 2021, the following shareholders owned more than 5% of Glunz & Jensen Holding A/S' share capital and voting rights:

Heliograph Holding GmbH 48,18% and Strategic Investments A/S 15,92%. The Glunz & Jensen company announcement no. 438 of April 4th, 2019 stated that Uniwill Invest 1 ApS and Ralf Villumsen combined represented a part of the voting shares equivalent to more than 5% of the votes and less than 10% of the votes in Glunz & Jensen Holding A/S and the company announcement no. 469 of September 8th, 2019 stated that Klaus Zwisler represented a part of the voting shares equivalent to 6,65% of the votes.

Related party transactions are carried through on arm's length and are eliminated through consolidation.

Transactions with associates

April 1st – March 31st (DKK '000)	Group 2020/21	Group 2019/20
Sale of parts and services	23	35

27. Related parties (continued)

Parent Company:
The Parent Company's related parties are the members of the Board of Directors and the Executive Management and their family members.

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

Other related parties of the Parent Company include subsidiaries as mentioned in note 14 and associates. The Danish group companies are jointly taxed. On March 31st, 2020, tax of DKK 0 was transferred between the Parent Company and the Danish subsidiaries (March 31st, 2019: DKK 0,0 million).

On March 31st, 2021, the following shareholders owned more than 5% of Glunz & Jensen Holding A/S' share capital and voting rights:

Heliograph Holding GmbH 48,18% and Strategic Investments A/S 15,92%. The Glunz & Jensen company announcement no. 438 of April 4th, 2019 stated that Uniwill Invest 1 ApS and Ralf Villumsen combined represented a part of the voting shares equivalent to more than 5% of the votes and less than 10% of the votes in Glunz & Jensen Holding A/S and the company announcement no. 469 of September 8th, 2019 stated that Klaus Zwisler represented a part of the voting shares equivalent to 6,65% of the votes.

There were no transactions with associates during 2020/21.

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

April 1st – March 31st (DKK '000)	Parent Company 2020/21	Parent Company 2019/20
Sale of services to subsidiaries	7.800	8.570
Interest income from subsidiaries	2.426	1.191
Increase capital to subsidiaries	-	20.000
Dividend received from subsidiaries	20.000	-

28. Events after the balance sheet date

The Company's available credit lines for 2020/21 were extended by Nordea on May 20th, 2021 to continue to May, 2022 and the cooperation letter was signed by the Company on May 20th, 2021 as planned.

No other events have occurred since March 31st, 2021 which is deemed to have a significant impact on the Group's or the Parent Company's financial position.

29. New accounting standards

The IASB has issued a number of new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the 2020/21 consolidated financial statements. Glunz & Jensen Holding A/S expects to implement these standards when they take effect. None of the new standards issued are currently expected to have any significant impact on the consolidated financial statements when implemented.

30. Accounting policies

Glunz & Jensen Holding A/S is a limited company domiciled in Denmark. The annual report for the period April 1st, 2020 - March 31st, 2021 includes both consolidated financial statements of Glunz & Jensen Holding A/S and its subsidiaries (the Group) and the separate financial statements of the Parent Company.

The annual report of Glunz & Jensen Holding A/S for 2020/21 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

The Board of Directors discussed and approved the annual report of Glunz & Jensen Holding A/S for 2020/21 on June 8th, 2021. The annual report will be submitted to the shareholders of Glunz & Jensen Holding A/S for adoption at the Annual General Meeting on June 30th, 2021.

Basis of preparation

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

Adoption of new and revised IFRSs

Glunz & Jensen Holding A/S has implemented all the relevant new or amended financial reporting standards and interpretations as adopted by the EU that are effective as of April 1st, 2020 including:

- IAS 1 Presentation of financial statements - amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as current or Non-current.
- IFRS 3 Business combinations – amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework.
- IAS 16 Property, Plant and Equipment: Proceeds before intended use.
- Amendments to IFRS9, IAS 39, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Annual Improvements to IFRSs 2018-2020 Cycle.

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

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

Description of accounting policies

Consolidated financial statements

The consolidated financial statements include the Parent Company Glunz & Jensen Holding A/S and subsidiaries in which Glunz & Jensen Holding A/S holds or can exercise, directly or indirectly, more than 50% of the voting rights or otherwise has control of the subsidiary in question.

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

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

Business combinations

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

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

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

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

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

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

Foreign currency translation

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

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

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

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

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

Derivative financial instruments

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

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

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

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

Statement of comprehensive income

Revenue

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

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

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

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

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

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

Customers are not entitled to return purchased goods.

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

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

Costs

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

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

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

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

Other operating income and expenses

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

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

Financial income and expenses

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

Income tax expense

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

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

Balance sheet

Development projects, patents, and trademarks

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

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

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

Other development costs are expensed as incurred.

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

The amortization periods mentioned above also apply to acquired assets.

Property, plant, and equipment

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

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

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

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

Land is not depreciated.

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

Leased assets

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

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

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

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

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

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

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

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

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

Investment property

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

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

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

Investments in subsidiaries and associates

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

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

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

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

Impairment of non-current assets

Development projects are tested annually for evidence impairment.

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

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

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

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

Inventories

Inventories are measured at cost using the FIFO method.

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

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

Receivables

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

Prepayments

Prepayments include expenses paid in respect of subsequent fiscal years.

Equity

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

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

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

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

Share-based payment

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

Income tax and deferred tax

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

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

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

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

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

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

Provisions

Provisions comprise estimated commitments regarding warranty obligations and restructuring etc.

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

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

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

Pension obligations

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

There are no defined benefit plans within the Group.

Financial liabilities

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

Other liabilities are measured at net realizable value.

Prepayments from customers

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

Cash flow statement

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

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

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

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

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

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

Segment information

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

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

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

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

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

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

DEFINITIONS OF RATIOS

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

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

The ratios in the annual report are calculated as follows:

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

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