

Regulated information



JENSEN-GROUP
HALF-YEAR RESULTS 2022

The Dutch language text of the Condensed Financial Statements is the official version. The English language version is provided as a courtesy to our shareholders. JENSEN-GROUP has verified the two language versions and assumes full responsibility for matching both language versions.

In this report, the terms “JENSEN-GROUP” or “Group” refer to JENSEN-GROUP NV and its consolidated companies in general. The terms “JENSEN-GROUP NV” and “the Company” refer to the holding company, registered in Belgium. Business activities are conducted by operating subsidiaries throughout the world. The terms “we”, “our”, and “us” are used to describe the Group.

Table of contents

Consolidated, non-audited key figures.....	4
Financial Review and highlights half-year results 2022.....	5
Report of the Board of Directors.....	6
Statement of responsible persons	9
Condensed consolidated statement of financial position – Assets.....	10
Condensed consolidated statement of financial position – Liabilities.....	11
Condensed consolidated statement of comprehensive income	12
Condensed consolidated statement of comprehensive income – Other comprehensive income	13
Condensed consolidated statement of changes in equity	14
Condensed consolidated cash flow statement	145
Notes to the Condensed Consolidated Financial Statements	16

Consolidated, non-audited key figures

Income Statement

Consolidated, non-audited key figures

	June 30, 2022	June 30, 2021	Change
(million euro)	6M	6M	
Revenue	171.2	124.3	37.8%
Operating result (EBIT)	12.2	10.2	19.9%
Cash flow from operations (EBITDA) ¹	12.8	14.1	-9.0%
Financial result	-1.3	-1.0	25.1%
Share in result of associates and joint ventures accounted for using the equity method	0.9	0.2	291.5%
Profit before taxes	11.9	9.4	26.2%
Income tax expense	-3.1	-2.6	21.4%
Profit for the period from the continuing operations	8.7	6.8	28.0%
Result from assets held for sale	-0.1	-0.1	28.3%
Result attributable to Non Controlling Interest	-0.3	-0.2	58.3%
Consolidated result attributable to equity holders (Group share in the profit)	8.9	6.9	28.8%
Net cash flow ²	9.6	10.8	-11.1%

Balance sheet

Consolidated, non-audited key figures

	June 30, 2022	Dec 31, 2021	Change
(million euro)	6M	12M	
Equity	162.8	155.4	4.8%
Net financial debt (+)/Net cash (-) ³	-21.1	-41.0	-48.5%
Assets held for sale	0.5	0.4	9.1%
Total assets	342.1	329.6	3.8%

Consolidated, non-audited key figures per share

	June 30, 2022	June 30, 2021	Change
(euro)	6M	6M	
Cash flow from operations (EBITDA) ¹	1.6	1.8	-8.9%
Profit before taxes	1.5	1.2	26.7%
Consolidated result attributable to equity holders (EPS)	1.2	0.9	29.2%
Net cash flow ²	1.2	1.4	-11.6%
Equity (June 30, 2022; December 31, 2021)	20.9	19.9	5.3%
Number of shares (end of period)	7,776,954	7,818,999	-0.5%
Number of shares (average)	7,807,185	7,818,999	-0.2%

Definitions

- EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) = Operating profit (EBIT) + Depreciation, amortization, write-downs on trade receivables, write-downs on contract assets, write-downs on inventory, changes in provisions
- Net cash flow = Consolidated result attributable to the equity holders + depreciation, amortization, write-downs on trade receivables, write-downs on contract assets, write-downs on inventory, changes in provisions
- Net financial debt (+)/Net cash (-) = Borrowings (non-current and current) + government grant - financial fixed assets at amortized cost - financial fixed assets at fair value through OCI - cash and cash equivalents

Financial Review and highlights half-year results 2022

- Revenue increased from 124.3 million euro in H01 2021 to 171.2 million euro in H01 2022 or an increase of 37.8%.
- Operating profit (EBIT) for the first 6 months of 2022 amounts to 12.2 million euro compared to 10.2 million euro in H01 2021, an increase of 19.9%, which is the result of:
 - The positive impact of higher revenues as well as lower organizational costs due to the measures taken by the Group last year to structurally decrease the cost base.
 - The negative impact of production constraints resulting from critical component shortages, higher material prices, lower manufacturing output and pressure on labor productivity.
- Cash flow from operations (EBITDA) for the first 6 months of 2022 amounts to 12.8 million euro, a 9.0% decrease compared to last year.
- Net income attributable to the shareholders amounts to 8.9 million euro (Earnings per Share of 1.2 euro) compared to 6.9 million euro last year (Earnings per Share of 0.9 euro).
- The Group reports a net financial cash of 21.1 million euro (including 3.7 million euro leasing debt) compared to 41.0 million euro at year-end 2021. The decrease in net cash is mainly caused by higher working capital, negatively affected by the industry-wide increase in material prices as well as higher work-in-progress due to components scarcity.

Report of the Board of Directors

Important developments of the first 6 months

JENSEN-GROUP's revenue increased from 124.3 million euro in H01 2021 to 171.2 million euro in H01 2022 or an increase of 37.8%, thanks to a higher order backlog at the end of 2021 and continuous strong order intake during the first semester of 2022.

The Group received 188 million euro of orders in H01 2022, a 34.1% increase compared to H01 2021.

The EBIT for the first 6 months of 2022 amounts to 12.2 million euro compared to 10.2 million euro in H01 2021, an increase of 19.9%. The EBIT is positively impacted by higher revenues as well as lower organizational costs due to the measures taken by the Group last year to structurally decrease the cost base. On the other hand, is the EBIT negatively impacted by production constraints resulting from critical component shortages, higher material prices, lower manufacturing output and pressure on labor productivity.

Net financial charges increased from 1.0 million euro to 1.3 million euro because of currency losses.

Taxes increased from 2.6 million euro to 3.1 million euro as profit before taxes increased.

The result from companies accounted for by the equity method (participation in TOLON) increased from 0.2 million euro to 0.9 million euro.

The above-mentioned factors together resulted in an increase in net Group share profit from 6.9 million euro to 8.9 million euro.

On the balance sheet, the Group reports a net financial cash position of 21.1 million euro (including 3.7 million euro leasing debt) compared to 41.0 million euro at year-end 2021. The decrease in net cash is mainly caused by higher working capital, negatively affected by the industry-wide increase in material prices as well as higher work-in-progress due to components scarcity.

The Group's borrowing agreements include financial covenants with one of the financial institutions on solvency as well as a positive EBITDA on an annual basis and a maximum debt/EBITDA ratio. As per June 30, 2022, the JENSEN-GROUP was in full compliance with its bank covenants.

Outlook

The Group received 188 million euro of orders in H01 2022, a 34.1% increase compared to H01 2021.

Despite a challenging business environment, the Group remains confident in its ability to stay the course. Our aim for 2022 is to maintain the Group's profitability level and to continue to focus on customer centricity and sustainable innovation through new product development in our factories and through our cooperation and participation in Inwatec ApS while stepping up the optimization and digitalization of our internal processes.

Risk factors

The Group expects manufacturing productivity, production output, and delivery schedules to continue to be negatively impacted in H02 2022 due to higher labor costs, increased raw material and component prices, as well as scarcity of component and supply chain inefficiencies. Management considers these challenges to be temporary although they could last into 2023.

Other risk factors to be considered include the impact of geo-political and military threats, potentially recurring lockdowns (e.g. China) and possible travel restrictions across the world due to Covid-19, a slow-down in demand due to an economic recession in our key markets, the access to financing for our customers, the fluctuating raw material, energy and transportation prices, the exchange rate volatility, the uncertain overall political climate and the competitive pressures.

Acquisition of own shares

The Bylaws of the Company allow the purchase of own shares. At its meeting held on March 10, 2022, the Board of Directors decided to implement a program to buy back a maximum of 781,900 or 10% of its own shares. The shares are bought at the stock exchange by an investment bank mandated by the Board. The buy-back mandate expires on May 18, 2026.

As per June 30, 2022, the Company holds 42,045 own treasury shares.

Important transactions with related parties

There were no important transactions with related parties.

Significant post-balance sheet events

There are no significant after balance sheet events.

Ghent, August 11, 2022

YquitY bvba
Represented by Mr. R. Provoost
Chairman

SWID AG
Represented by Mr. J. Jensen
Director

Statement of responsible persons

We hereby certify that, to the best of our knowledge, the condensed consolidated financial statements for the six months period ended June 30, 2022 which has been prepared in accordance with the IAS 34 "Interim Financial Reporting" as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the entities included in the consolidation as a whole, and that the interim management report includes a fair review of the important events that have occurred during the first six months of the financial year and of the major transactions with the related parties, and their impact on the condensed consolidated financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year.

Ghent, August 11, 2022

Jesper M. Jensen
Chief Executive Officer

Markus Schalch
Chief Financial Officer

Condensed consolidated statement of financial position – Assets

(in thousands of euro)	Notes	June 30 2022	December 31 2021
Total Non-Current Assets		112,367	110,968
Goodwill	12	22,906	22,960
Intangible assets		4,360	4,379
Property, plant and equipment		34,753	35,045
Companies accounted for under equity method	10	6,912	4,829
Financial Assets at amortized cost	9	5,586	5,745
Financial Assets at fair value through OCI	9	27,451	28,857
Trade and other long-term receivables	9	6,325	4,663
Derivative Financial Instruments	9	346	
Deferred taxes		3,728	4,491
Total Current Assets		229,694	218,628
Inventory		54,152	48,116
Advance payments		1,913	2,902
Trade receivables	9	60,778	61,226
Other amounts receivable		6,604	6,508
Contract assets	4	59,806	33,805
Derivative Financial Instruments	9	5	12
Cash and cash equivalents	7	45,956	65,618
Assets held for sale		481	441
TOTAL ASSETS		342,062	329,596

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated statement of financial position – Liabilities

(in thousands of euro)	Notes	June 30, 2022	December 31, 2021
Equity		162,805	155,417
Share Capital		30,710	30,710
Share premium		5,814	5,814
Treasury shares		-1,328	
Other reserves		-4,090	-6,500
Retained earnings		130,339	123,742
Non-Controlling Interest		1,361	1,651
Non-Current Liabilities		65,035	65,249
Borrowings	9	48,017	48,461
Deferred income tax liabilities		2,630	2,491
Provisions for employee benefit obligations		14,388	14,309
Derivative financial instruments	9		-12
Current Liabilities		114,222	108,931
Borrowings	9	9,877	10,800
Provisions for other liabilities and charges		10,325	12,806
Trade payables	9	26,637	20,080
Contract liabilities	4	38,376	35,282
Remuneration and social security		15,082	13,115
Accrued expenses and other payables		9,802	11,680
Derivative financial instruments	9	312	269
Current income tax liabilities		3,810	4,898
TOTAL EQUITY AND LIABILITIES		342,062	329,596

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated statement of comprehensive income

(in thousands of euro)	Notes	June 30, 2022	June 30, 2021
Revenue	3	171,186	124,255
Total expenses		-160,817	-115,567
Other Income / (Expense)	6	1,856	1,508
Operating profit before tax and finance (cost)/ income		12,225	10,196
Financial income		1,352	1,005
Financial charges		-2,643	-2,037
Share in result of associates and companies accounted for using the equity method		931	238
Profit before tax		11,865	9,402
Income tax expense		-3,126	-2,575
Profit for the period from continuing operations		8,739	6,828
Result from assets held for sale		-77	-60
Consolidated profit for the year		8,662	6,768
Result attributable to Non-Controlling Interest		-281	-178
Consolidated result attributable to equity holders		8,943	6,945

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated statement of comprehensive income – Other comprehensive income

(in thousands of euro)	Notes	June 30, 2022	June 30, 2021
Other comprehensive income (OCI):			
<u>Items that may be subsequently reclassified to Profit and Loss</u>			
Financial instruments		-408	3
Currency translation differences		2,928	1,283
Currency translation differences related to associates and companies accounted for using the equity method		-219	-223
<u>Items that will not be reclassified to Profit and Loss</u>			
Actual gains/(losses) on Defined Benefit Plans		0	1
Tax on OCI		102	-1
Other comprehensive income for the year		2,403	1,063
OCI attributable to Non-Controlling Interest		-4	74
OCI attributable to the equity holders		2,407	989
Total comprehensive income for the year		11,066	7,831
<u>Profit attributable to:</u>			
Non-Controlling Interest		-281	-178
Equity holders of the company		8,943	6,945
<u>Total comprehensive income attributable to:</u>			
Non-Controlling Interest		-285	-104
Equity holders of the company		11,351	7,934
<u>Basic and diluted earnings per share (in euro)</u>		<u>1.15</u>	<u>0.89</u>
Weighted average number of shares		7,807,185	7,818,999

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated statement of changes in equity

Prior year

In thousands of euro	Capital	Share premium	Total Share Capital	Translation differences	Hedging Reserves	Actuarial gains and losses on FI	Actuarial gains and losses on Defined	Total other Reserves	Retained earnings	Total	Non-Controlling Interest	Total Equity
December 31, 2020	30.710	5.814	36.524	-1.569	-96	-8.557		-10.222	111.095	137.397	-1.354	136.044
Result of the period	0	0	0	0	0	0	0	0	6.945	6.945	-178	6.768
Capital increase											240	240
Acquisitions											1.946	1.946
Other comprehensive income												
Currency Translation Difference	0	0	0	949	0	0	0	949	37	986	74	1.060
Financial Instruments	0	0	0	0	136	-133	0	3	0	3	0	3
Defined Benefit Plans	0	0	0	0	0	1	0	1	0	1	0	1
Tax on OCI	0	0	0	0	-34	33	0	-1	0	-1	0	-1
Total other comprehensive income/(loss) for the year, net of tax	0	0	0	949	102	-99	0	952	37	989	74	1.063
Dividend paid out	0	0	0	0	0	0	0	0	-1.955	-1.955	0	-1.955
June 30, 2021	30.710	5.814	36.524	-620	6	-99	-8.557	-9.270	116.123	143.377	728	144.106

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Current year

In thousands of euro	Capital	Share premium	Total Share Capital	Treasury shares	Translation differences	Hedging Reserves	Actuarial gains and losses on FI	Actuarial gains and losses on Defined	Total other Reserves	Retained earnings	Total	Non-Controlling Interest	Total Equity
December 31, 2021	30,710	5,814	36,524	0	1,018	-68	-164	-7,284	-6,499	123,741	153,767	1,654	155,417
Result of the period	0	0	0	0	0	0	0	0	0	8,943	8,943	-281	8,662
Capital increase	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	0
Treasury Shares acquired	0	0	0	-1,328	0	0	0	0	0	0	-1,328	0	-1,328
Other comprehensive income													
Currency Translation Difference	0	0	0	0	2,713	0	0	0	2,713	0	2,713	-4	2,709
Financial Instruments	0	0	0	0	0	318	-726	0	-408	0	-408	0	-408
Defined Benefit Plans	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax on OCI	0	0	0	0	0	-79	181	0	102	0	102	0	102
Total other comprehensive income/(loss) for the year, net of tax	0	0	0	0	2,713	238	-544	0	2,408	0	2,408	-4	2,404
Dividend paid out	0	0	0	0	0	0	0	0	0	-3,909	-3,909	-8	-3,917
Hyperinflation monetary adjustments	0	0	0	0	0	0	0	0	0	1,563	1,563	0	1,563
June 30, 2022	30,710	5,814	36,524	-1,328	3,731	170	-708	-7,284	-4,090	130,338	161,445	1,361	162,805

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated cash flow statement

(in thousands of euro)	Notes	June 30, 2022	June 30, 2021
Cash flow from operating activities			
Consolidated result attributable to equity holders		8,943	6,945
Result attributable to non-controlling interest		-281	-178
Adjusted for			
- Current and deferred tax		3,126	2,575
- Interest and other financial income and expenses		1,291	1,032
- Depreciation, amortization and impairments		3,030	3,461
- Write downs of trade receivables		22	-224
- Write downs of inventory		199	374
- Write downs on contract assets			
- Changes in provisions		-2,567	390
- Companies accounted for using equity method		-931	-238
- Gain (-) / loss (+) on sale of tangible fixed as		-8	-10
- Income from government grants			-1,555
Interest received		199	232
Changes in working capital Increase (-), decrease (+)		-23,430	-371
Corporate income tax paid		-2,216	-2,331
Net cash generated from operating activities - continuing operations		-12,623	10,103
Net cash generated from operating activities - Result from assets held for sale			
Net cash generated from operating activities - total		-12,623	10,103
Net cash used in investing activities		-2,796	-12,973
Net cash used in financing activities		-8,028	-10,765
Net Change in cash and cash equivalents		-23,446	-13,635
Cash, cash equivalent and bank overdrafts at the beginning of the year		60,682	66,429
Exchange gains/(losses) on cash and bank overdrafts		2,898	544
Cash, cash equivalent and bank overdrafts at the end of the year	7	40,134	53,338

The notes on pages 16-22 are an integral part of these condensed consolidated interim financial information.

Notes to the Condensed Consolidated Financial Statements

Note 1: Summary of significant accounting policies

Basis of preparation

The JENSEN-GROUP (hereafter “the Group”) is with its products and services one of the major leading suppliers to the heavy-duty laundry industry. The innovative product range varies from transportation and handling systems, tunnel washers, separators, feeders, ironers and folders to complete project management for fully equipped and professionally managed industrial laundries. The JENSEN-GROUP has operations in 23 countries and distributes its products in more than 50 countries. As per June 30, 2022, the JENSEN-GROUP employs worldwide 1,490 people.

JENSEN-GROUP NV (hereafter “the Company”) is incorporated in Belgium. Its registered office is at Neerhonderd 33, 9230 Wetteren, Belgium.

The JENSEN-GROUP shares are quoted on the Euronext Stock Exchange.

The Board of Directors approved the present condensed financial statements for issue on August 11, 2022.

This condensed consolidated interim financial information is for the first half-year ended June 30, 2022. These interim financial statements are prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the EU. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2021.

This condensed consolidated interim financial information should be read in conjunction with the 2021 annual IFRS consolidated financial statements.

This condensed consolidated interim financial information has not been reviewed by the external auditor.

The policies have been consistently applied to all the periods presented.

Taxation is determined annually and, accordingly, the tax charge for the interim period involves making an estimate of the likely effective tax rate for the year. The calculation of the effective tax rate is based on an estimate of the tax charge or credit for the year expressed as a percentage of the expected accounting profit or loss. This percentage is then applied to the interim result, and the tax is recognized ratably over the year as a whole.

The preparation of the condensed interim financial information requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the accounting policies.

This condensed consolidated interim financial information has been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at 30 June 2022 which have been adopted by the European Union, as follows:

The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2022 and have been endorsed by the European Union:

- Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements (effective 1 January 2022).
- Amendment to IFRS 16 Leases Covid 19-Related Rent Concessions beyond 30 June 2021 (effective 01/04/2021, with early application permitted).

The following new standard and amendments have been issued, are not mandatory for the first time for the financial year beginning 1 January 2022 but have been endorsed by the European Union:

- IFRS 17 'Insurance contracts' (effective 1 January 2023).
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023).
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective 1 January 2023).

The following amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2022 and have not been endorsed by the European Union:

- Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective 01/01/2023).
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023).
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued on 9 December 2021, effective 1 January 2023).

The following standard is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

- IFRS 14, 'Regulatory deferral accounts' (effective 1 January 2016).

The Group is currently assessing the impact of these standards.

Use of estimates

The preparation of the financial statements involves the use of estimates and assumptions, which may have an impact on the reported values of assets and liabilities at the end of the period as well as on certain items of income and expense for the period. Estimates are based on economic data, which are likely to vary over time, and are subject to a degree of uncertainty. These mainly relate to non-current assets - right to use, contracts in progress (percentage of completion method), pension liabilities, provisions for other liabilities and charges and expected credit loss model. There are no changes in the estimates used compared to the December 31, 2021 financial statements.

Change in valuation rules and other changes and their impact on equity

There are no changes in the accounting policies compared with the accounting policies used in the preparation of the financial statements as per December 31, 2021.

In 2022, all the conditions for considering Turkey as a hyperinflationary economy within IFRS standards are now fulfilled and consequently, the IAS 29 standard on financial reporting in hyperinflationary economies became applicable.

Consequently, the Group applies hyperinflation accounting to its Turkish subsidiaries as from January 1st, 2022. The IAS 29 standard requires the restatement of the non-monetary elements of the assets and liabilities of the country in hyperinflation as well as its income statement to reflect the evolution of the general purchasing power of its functional currency, resulting in a profit or a loss on the net monetary position which is recorded in net income. In addition, the financial statements of this country are translated at the closing rate for the related period. The impact of the application of IAS 29 for Turkey are described in Note 10.

Note 2: Scope of consolidation

The parent Company, JENSEN-GROUP NV, and all the subsidiaries that it controls are included in the consolidation.

On March 26, 2021, the JENSEN-GROUP increased its shareholding in Inwatec ApS from 30% to 70%. As the JENSEN-GROUP holds 70% participation, the participation is consolidated under the full consolidation method as from March 26, 2021 onwards. Before that date, the participation was consolidated under the equity method.

Note 3: Segment reporting

The Board of Directors has examined the Group's performance and has identified a single business segment. The total laundry industry can be split up into Consumer, Commercial and Heavy-Duty laundry. The JENSEN-GROUP entities serve end-customers only in the Heavy-Duty laundry segment. Most of these laundries range from large on premises laundries to large international textile rental groups. Basically, all JENSEN-GROUP customers follow the same processes. The JENSEN-GROUP sells its products and services through own sales and service companies and independent distributors worldwide. In this way the JENSEN-GROUP operates only in a single segment.

The following table presents revenue and certain asset information based on the Group's geographical areas. The basis for attributing revenues is based on the location of the customer:

	Europe + CIS		America		Middle East, Far East and Australia		TOTAL		Attributable to Belgium	
(in thousands of euro)	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Revenue from external customers	104,026	75,728	38,691	23,038	28,469	25,489	171,186	124,255	4,686	8,772
Other segment information										
Non-current assets	92,067	80,922	11,132	3,837	5,440	7,787	108,639	92,546	98,289	97,843

The difference between non-current assets in the table above (108.6 million euro) and the non-current assets as per the consolidated statement of financial position (112.3 million euro) relates to the deferred tax assets (3.7 million euro).

Note 4: Contract assets and contract liabilities

(in thousands of euro)	June 30, 2022	December 31, 2021
Contract revenue (June 22 - June 21)	171,186	124,255
Contract assets	59,806	33,805
Contract liabilities	38,376	35,282

The above contract assets represent the Group's right to consideration in exchange for goods or services that it has transferred to a customer. Amounts could however not already be invoiced as the right to consideration is not yet unconditional because additional obligations remain to be delivered to the customer.

Construction contracts are valued based on the percentage of completion method. At June 30, 2022 the contract assets included 14.9 million euro of accrued profit (10.5 million euro at December 31, 2021).

The contract assets are higher due to higher activities and negatively effected by the consequences of missing components to finish machines and systems prior to invoicing.

In H01 2022, no major contracts have been cancelled.

Note 5: Acquisition of own shares

The Bylaws of the Company allow the purchase of own shares. At its meeting held on March 10, 2022, the Board of Directors decided to implement a program to buy back a maximum of 781,900 or 10% of its own shares. The shares are bought at the stock exchange by an investment bank mandated by the Board. The buy-back mandate expires on May 18, 2026.

As per June 30, 2022, the Company holds 42,045 own treasury shares.

Note 6: Other operating result

(in thousands of euro)	June 30, 2022	June 30, 2021
Other Income / (Expense)	1,856	1,508

In H01 2022, the other operating result mainly includes positive effects relating to the closing of activities of 0,7 million euro, reversal of provisions relating to a claim, sales commissions received and some minor government support relating to Covid-19.

Last year, the other operating result mainly included:

- JENSEN USA received a Promissory Note from the state of Florida amounting to 1.9 million USD in May 2020. On March 17, 2021, forgiveness was granted, and the amount is recorded as other income.
- Other support from the authorities, mostly related to the payroll compensation in several countries (0.2 million euro).
- One off restructuring costs of 0.7 million euro, especially related to the reduction of workforce.

Note 7: Statement of cash flows

Cash, cash equivalents and bank overdrafts include the following for the purpose of the cash flow statement:

(in thousands of euro)	June 30, 2022	December 31, 2021
Cash and cash equivalents	45,956	65,618
Overdraft	-5,823	-4,936
Net cash and cash equivalents	40,134	60,682

The decrease in net cash and cash equivalents is linked to our higher activities and higher working capital.

Note 8: Commitments and contingencies

There are no major changes compared to December 31, 2021.

Note 9: Financial instruments – Market and other risks

The table below gives an overview of the Group's financial instruments. The carrying amounts are assumed to be close to the fair value.

(in thousands of euro)	June 30, 2022		December 31, 2021	
	Carrying amount	Fair value amount	Carrying amount	Fair value amount
Financial assets				
Financial Assets at amortized cost	5,586	4,958	5,745	5,571
Financial Assets at fair value through OCI	27,451	27,451	28,857	28,857
Other Long Term Receivables	958	958	0	0
Trade receivables	64,282	64,282	64,977	64,977
Derivative Financial Instruments - FX contracts	22	22	12	12
Derivative Financial Instruments - IRS	329	329	0	0
Cash and cash equivalent	45,956	45,956	65,618	65,618
Total	144,584	143,957	165,210	165,037
Financial Liabilities				
Financial debts	50,430	50,476	50,621	50,674
Financial debts - factoring	3,749	3,749	4,084	4,084
Trade Payables	26,637	26,637	20,080	20,080
Derivative Financial Instruments - FX contracts	312	312	269	269
Derivative Financial Instruments -IRS	0	0	-12	-12
Total	81,128	81,174	75,043	75,096

The Other Long Term Receivables amounting to 1 million euro relate to the financing of a customer.

Note 10: Companies accounted under equity method

(in thousands of euro)	June 30, 2022	June 30, 2021
Income statement		
Share in result of associates and companies accounted for using the equity method	931	238
Balance sheet		
Companies accounted for under equity method	6.912	4.829

The Group applies IAS 29 for the consolidation of its Turkish subsidiaries.

As JENSEN-GROUP has a shareholding of 49% in the Turkish subsidiaries, this participation is consolidated under the equity method.

For the application of this standard, and to restate the income statements and non-monetary assets and liabilities at June 30, 2022, we used the producer price index (PPI) "PPI.ITUR" as from January 2005, published by the Turkish Statistical Institute (Turkstat):

- PPI as per 31.12.2021 is 1,022.25
- PPI as per 30.06.2022 is 1,652.75.

The impact of the first-time application of IAS 29 in H01 2022 was:

- Income statement - Share of associates accounted for using equity method: +0,2 million euro
- Balance sheet - Companies accounted for under equity method (participations): +1,6 million euro.

Last year figures have not been restated.

Note 11: Related party transactions

The [shareholders](#) of the Company as per 30 June 2022 are:

JENSEN INVEST A/S:	54.4%
Lazard Frères Gestion SAS:	5.2%
Free float:	40.4%

There are no significant changes in [compensation of key management](#).

Note 12: Acquisitions

On March 26, 2021, the JENSEN-GROUP increased its shareholding in Inwatec from 30% to 70%. Inwatec ApS is a Danish company, part of Europe's robotic hub Odense Robotics, manufacturing modern high-end solutions for industrial laundries. The core competence of Inwatec is in the field of software and mechanical development for laundry automation and robotics.

For more information about the acquisition-date fair value of the total consideration transferred and the remaining amount of goodwill recognized for the acquisition, we refer to the Annual Report 2021.

Note 13: Events after the Balance Sheet date

There are no significant after balance sheet events.

www.jensen-group.com

JENSEN-GROUP N.V. | Neerhonderd 33 | 9230 Wetteren - Belgium
T +32 (0)9 333 83 30 | www.jensen-group.com

