

Regulated information



JENSEN-GROUP

HALF-YEAR RESULTS 2023

The Condensed Interim Financial Information in the Dutch language is the official version. The English language version is provided as a courtesy to shareholders. The JENSEN-GROUP has verified, and assumes full responsibility for matching, both language versions.

In this report, the terms “JENSEN-GROUP” and “Group” refer to JENSEN-GROUP NV and its consolidated companies in general, whereas 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 overview first semester 2023.....	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	155
Notes to the Condensed Consolidated Financial Statements	17

Consolidated, non-audited key figures

Income Statement

Consolidated, non-audited key figures

	June 30, 2023	June 30, 2022	Change
(million euro)	6M	6M	
Revenue	206.7	171.2	20.7%
Operating profit (EBIT)	20.6	12.2	68.6%
EBITDA ¹	24.7	12.8	92.4%
Financial result	-0.5	-1.3	-64.9%
Share in result of associates and companies consolidated under the equity method	1.8	0.9	88.5%
Profit before taxes	21.9	11.9	84.7%
Income tax expense	-4.9	-3.1	55.3%
Profit for the period from the continuing operations	17.1	8.7	95.2%
Result from assets held for sale	-0.1	-0.1	-23.4%
Result attributable to non-controlling interest	0.3	-0.3	-196.4%
Consolidated result attributable owners of the parent	16.7	8.9	87.1%
Net cash flow ²	20.8	9.4	122.5%

Balance sheet

Consolidated, non-audited key figures

	June 30, 2023	Dec 31, 2022	Change
(million euro)	6M	12M	
Equity	247.0	170.6	44.8%
Net financial debt (+) / net cash (-) ³	-23.1	-11.5	100.2%
Assets held for sale	0.5	0.5	-1.9%
Total assets	422.8	340.9	24.0%

Consolidated, non-audited key figures per share

	June 30, 2023	June 30, 2022	Change
(euro)	6M	6M	
EBITDA ¹	2.85	1.64	73.8%
Profit before taxes	2.52	1.52	65.8%
Consolidated result attributable to owners of the parent (EPS)	1.93	1.15	67.8%
Net cash flow ²	2.40	1.20	100.0%
Equity (June 30, 2023; December 31, 2022)	25.65	21.98	17.0%
Number of shares (end of period)	9,631,408	7,776,954	23.8%
Number of shares (average)	8,684,551	7,807,185	11.2%

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 owners of the parent + 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 overview first semester 2023

- JENSEN-GROUP's revenue in the first semester increased from 171.2 million euro last year to 206.7 million euro this year. This growth of 20.7% resulted in a record high first half revenue. The higher order backlog at the end of 2022, following the highest order intake ever in 2022, contributed to this outstanding achievement.
The order intake in the first six months of this year represented an amount of 156 million euro, which represents a 17% decrease compared to the same period last year.
- The EBIT for the first 6 months of 2023 amounts to 20.6 million euro compared to 12.2 million euro in the same period last year, an increase of 68.6%:
 - The EBIT is positively impacted by higher revenues, including the positive effect of the 2022 price increases, leading to higher margins.
 - Production flows and labour productivity improved substantially as last year's production constraints due to critical component shortages were effectively dealt with.
- EBITDA for the first 6 months of 2023 amounts to 24.7 million euro, a 92% increase compared to last year.
- Higher interest income of 1.9 million euro lead to a reduction of the net financial charge to 0.5 million euro compared to net financial charge of 1.3 million euro last year.
- Share in the result of associates and companies accounted for using the equity method, Inax and Tolon, results in a 1.8 million euro income, an improvement of 0.8 million euro.
- Net income attributable to the shareholders of 16.7 million euro lead to an Earnings per Share of 1.93 euro, an increase of 67.8% compared to last year (Earnings per Share of 1.15 euro).

Report of the Board of Directors

Important developments of the first 6 months

JENSEN-GROUP's revenue in the first semester increased from 171.2 million euro last year to 206.7 million euro this year. This growth of 20.7% resulted in a record high first half revenue. The higher order backlog at the end of 2022, following the highest order intake ever in 2022, contributed to this outstanding achievement.

The order intake in the first six months of this year represented an amount of 156 million euro, which represents a 17% decrease compared to the same period last year.

The EBIT for the first 6 months of 2023 amounts to 20.6 million euro compared to 12.2 million euro in the same period last year, an increase of 68.6%. On the one hand, the EBIT is positively impacted by higher revenues, including the positive effect of the 2022 price increases, leading to higher margins. On the other hand, production flows and labour productivity improved substantially as last year's production constraints due to critical component shortages were effectively dealt with.

Net financial charges decreased from 1.3 million euro to 0.5 million euro because of higher interest income.

Taxes increased from 3.1 million euro to 4.8 million euro as profit before taxes increased.

The share in the result of companies accounted for using the equity method increased from 0.9 million euro to 1.8 million euro following the new participation in Inax Corporation since April 3, 2023.

The above-mentioned factors together resulted in an increase of the result attributable to owners of the parent from 8.9 million euro to 16.7 million euro.

On the balance sheet, the Group reports a net financial cash position of 23.1 million euro (including 2.9 million euro leasing debt) compared to 11.5 million euro at year-end 2022. The increase in net cash is a result of the capital increase in cash of 26.8 million euro and negatively impacted by the higher working capital.

As per June 30, 2023, the JENSEN-GROUP was in full compliance with its bank covenants.

Outlook

Revenue growth in the second half is expected to be more modest than in the first six months of the year. The first half slow-down in order intake seems to indicate that customers tend to delay investment decisions mainly due to the impact of long delivery times and the effect of higher interest rates on project financing.

The Group will continue its efforts to further improve manufacturing productivity, production output, and project delivery as well as overall efficiency and excellence in execution. Our aim for 2023 remains to further solidify the Group's profitability while strengthening our market position and increasing market share. Therefore, the Group keeps focusing on customer centricity and sustainable innovation through the development of new products and services in Inwatec, while further enhancing the optimization and digitalization of its business processes. The additional building investment in Odense (Denmark) will support the future market demand for AI and Robotics of Inwatec.

Furthermore, the post-merger activities related to the Inax joint-venture have entered the first phase of the implementation plan with the promotion of the JENSEN-GROUP products and services within the Inax organization.

Risk factors

The main risk factors to be considered include the impact of geopolitical and military threats, travel restrictions across the world in the event of new pandemic emerging, a slow-down in demand due to an economic recession in our key markets, the access to financing for our customers, fluctuating raw material, energy and transportation prices, the exchange rate volatility, uncertain overall political climate and competitive pressures. Despite a challenging business environment, the Group remains confident in its ability to stay the course.

Acquisition of own shares

The Bylaws of the Company allow the purchase of own shares. On March 10, 2022, JENSEN-GROUP announced a program to buy back a maximum of 781,900 or 10% of its own shares (the "Program"). In view of the transaction with MIURA, the Board of Directors at its meeting of March 9, 2023 suspended its Program until further notice. During the term of the Program, an investment bank on behalf of JENSEN-GROUP purchased 113,873 shares. The shareholders decided to cancel the shares during the extra-ordinary shareholders' meeting of May 16, 2023.

At its meeting of August 10, 2023, the Board of Directors decided to re-start the buy-back program for the remaining 668,027 shares. The buy-back mandate expires on May 16, 2028.

As per June 30, 2023, the Company did not own treasury shares.

Important transactions with related parties

Following the transaction on April 3, 2023, the shareholder structure of JENSEN-GROUP changed, see note 13.

Significant post-balance sheet events

There are no significant after balance sheet events.

Wetteren, August 10, 2023

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, 2023 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.

Wetteren, August 10, 2023

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 2023	December 31 2022
Total Non-Current Assets		155,374	111,576
Goodwill		22,765	22,879
Intangible assets		4,066	4,300
Land and buildings		18,624	16,479
Machinery and equipment		4,174	4,349
Furniture and vehicles		2,942	2,507
Right of use assets		9,245	10,195
Other tangible fixed assets		0	23
Assets under construction and advance payments		1,183	794
Property, plant and equipment		36,169	34,346
Companies accounted for under equity method	12	47,090	5,573
Financial assets at amortized cost		5,277	5,425
Financial assets at fair value through OCI		26,125	26,520
Trade receivables		5,806	4,949
Other amounts receivable		4,160	3,544
Trade and other long-term receivables		9,966	8,493
Derivative financial instruments			418
Deferred tax assets		3,916	3,622
Total Current Assets		267,435	229,300
Raw materials and consumables		37,640	40,725
Goods purchased for resale		16,407	14,100
Inventory		54,047	54,825
Advance payments		4,057	5,200
Trade receivables		72,197	72,882
Other amounts receivable		6,754	7,078
Contract assets	4	82,503	52,920
Derivative financial instruments		751	499
Trade and other receivables		162,205	133,379
Cash and cash equivalents	9	46,667	35,427
Assets held for sale		460	469
TOTAL ASSETS		422,809	340,876

The notes on pages 17-28 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 2023	December 31 2022
Equity	6	247,044	170,567
Share capital		38,280	30,710
Share premium		67,590	5,814
Treasury shares	5	0	-1,850
Other reserves		-6,671	-2,346
Retained earnings		145,953	136,496
Non-controlling interests	13	1,892	1,743
Non-Current Liabilities		48,369	50,391
Borrowings		33,453	34,958
Deferred tax liabilities		2,812	3,259
Employee benefit obligations		9,384	9,538
Other payables		2,720	2,636
Current Liabilities		127,395	119,919
Borrowings		21,539	20,890
Provisions for other liabilities and charges		9,959	9,719
Trade payables		26,796	22,261
Contract liabilities	4	33,895	35,672
Remuneration and social security		14,146	11,964
Accrued expenses and other payables		13,003	12,384
Derivative financial instruments		25	34
Current income tax liabilities		8,032	6,995
TOTAL EQUITY AND LIABILITIES		422,809	340,876

The notes on pages 17-28 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated statement of comprehensive income

(in thousands of euro)	Notes	June 30 2023	June 30 2022
Revenue	3	206,697	171,186
Trade goods		-98,518	-86,809
Services and other goods		-23,320	-18,565
Remuneration, social sec. costs and pensions		-60,608	-51,928
Depreciation, amortisation, write downs of assets, impairments		-4,133	-3,515
Total expenses		-186,579	-160,817
Other Income / (Expense)	7	492	1,857
Operating profit (EBIT)		20,610	12,226
Interest income		1,885	199
Other financial income		1,208	1,152
Financial income		3,093	1,351
Interest charges		-1,886	-990
Other financial charges		-1,660	-1,652
Financial charges		-3,546	-2,642
Share in result of associates and companies accounted for using the equity method	12	1,756	931
Profit before tax		21,913	11,866
Income tax expense		-4,854	-3,127
Profit for the period from continuing operations		17,059	8,740
Result from assets held for sale		-59	-77
Consolidated profit for the year		17,000	8,663
Result attributable to non-controlling interests	13	271	-281
Consolidated result attributable to owners of the parent		16,729	8,943

The notes on pages 17-28 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 2023	June 30 2022
<u>Items that may be subsequently reclassified to profit or loss</u>			
Financial instruments		82	-408
Currency translation differences related to associates and companies accounted for using the equity method		-2,668	-219
Currency translation differences - other		-1,857	2,928
<u>Items that will not be subsequently reclassified to profit or loss</u>			
Remeasurements gains/(losses) on defined benefit plans		188	0
Tax on OCI		-69	103
Other comprehensive income for the year		-4,323	2,404
OCI attributable to non-controlling interests		-2	-4
OCI attributable to owners of the parent		-4,321	2,408
Total comprehensive income for the year		12,677	11,067
<u>Profit attributable to:</u>			
Non-controlling interests		271	-281
Owners of the parent		16,729	8,943
<u>Total comprehensive income attributable to:</u>			
Non-controlling interests		271	-281
Owners of the parent		12,406	11,348
Basic and diluted earnings per share (in euro)	8	1.93	1.15
Weighted average number of shares		8,684,551	7,807,185

The notes on pages 17-28 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated statement of changes in equity

Prior year

(In thousands of euro)	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	TRANSLATION DIFFERENCES	HEDGING RESERVES	FINANCIAL INSTRUMENTS	REMEASUREMENT GAINS/(LOSSES) ON DEFINED BENEFIT PLANS	TOTAL OTHER RESERVES	RETAINED EARNINGS	TOTAL ATTRIBUTABLE TO OWNERS OF THE PARENT	NON-CONTROLLING INTEREST	TOTAL EQUITY
December 31, 2021	30,710	5,814	0	1,018	-68	-164	-7,284	-6,498	123,741	153,767	1,654	155,421
Result of the period	0	0	0	0	0	0	0	0	8,943	8,943	-281	8,662
Other comprehensive income												
Currency translation difference related to associates and companies accounted for using the equity method	0	0	0	-219	0	0	0	-219	0	-219	-4	-223
Currency translation difference - Other	0	0	0	2,928	0	0	0	2,928	0	2,928	0	2,928
Financial instruments	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
Tax on OCI	0	0	0	0	-79	181	0	103	0	103	0	103
Total other comprehensive income/(loss) for the year, net of tax	0	0	0	2,709	239	-545	0	2,403	0	2,403	-4	2,399
Total comprehensive income of the year	0	0	0	2,709	239	-545	0	2,403	8,943	11,346	-285	11,061
Acquisition of treasury shares	0	0	-1,328	0	0	0	0	0	0	-1,328	0	-1,328
Dividend paid out	0	0	0	0	0	0	0	0	-3,909	-3,909	-8	-3,917
Hyperinflation	0	0	0	0	0	0	0	0	1,563	1,563	0	1,563
June 30, 2022	30,710	5,814	-1,328	3,727	171	-709	-7,284	-4,094	130,338	161,440	1,361	162,801

The notes on pages 17-28 are an integral part of these condensed consolidated interim financial information.

Current year

(In thousands of euro)	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	TRANSLATION DIFFERENCES	HEDGING RESERVES	FINANCIAL INSTRUMENTS	REMEASUREMENT GAINS/(LOSSES) ON DEFINED BENEFIT PLANS	TOTAL OTHER RESERVES	RETAINED EARNINGS	TOTAL ATTRIBUTABLE TO OWNERS OF THE PARENT	NON-CONTROLLING INTEREST	TOTAL EQUITY
December 31, 2022	30,710	5,814	-1,850	1,955	523	-933	-3,891	-2,346	136,496	168,824	1,743	170,567
Result of the period	0	0	0	0	0	0	0	0	16,729	16,729	271	17,000
Other comprehensive income												
Currency translation difference related to associates and companies accounted for using the equity method	0	0	0	-2,668	0	0	0	-2,668	0	-2,668	0	-2,668
Currency translation difference - Other	0	0	0	-1,859	0	0	0	-1,859	4	-1,855	-2	-1,857
Financial instruments	0	0	0	0	-121	203	0	82	0	82	0	82
Defined benefit plans	0	0	0	0	0	0	188	188	0	188	0	188
Tax on OCI	0	0	0	0	30	-51	-47	-69	0	-69	0	-69
									0	0		
Total other comprehensive income/(loss) for the year, net of tax	0	0	0	-4,527	-91	153	141	-4,325	4	-4,321	-2	-4,323
Total comprehensive income of the year	0	0	0	-4,527	-91	153	141	-4,325	16,733	12,408	269	12,677
Capital increase	7,570	61,776	0	0	0	0	0	0	0	69,346	0	69,346
Acquisition / (cancellations) of treasury shares	0	0	1,850	0	0	0	0	0	-3,424	-1,574	0	-1,574
Dividend paid out	0	0	0	0	0	0	0	0	-3,852	-3,852	-120	-3,972
									0	0		
June 30, 2023	38,280	67,590	0	-2,572	432	-780	-3,750	-6,671	145,953	245,152	1,892	247,044

The notes on pages 17-28 are an integral part of these condensed consolidated interim financial information.

Condensed consolidated cash flow statement

(in thousands of euro)	Notes	June 30, 2023	June 30, 2022
CASH FLOW FROM OPERATING ACTIVITIES			
Consolidated result attributable to owners of the parent		16,729	8,943
Result attributable to non-controlling interest		271	-281
Adjusted for			
- Current and deferred tax		4,854	3,126
- Interest and other financial income and expenses		453	1,291
- Depreciation, amortization and impairments		3,409	3,030
- Write downs of trade receivables		317	22
- Write downs of inventory		96	199
- Changes in provisions		276	-2,567
- Gain (-) / loss (+) on sale of tangible fixed as		11	-8
- Companies accounted for using equity method		-1,728	-931
Interest received		1,885	199
Changes in working capital Increase (-), decrease (+)		-26,414	-23,430
Changes in advance payments		1,037	1,037
Changes in inventory		-43,109	-41,342
Changes in long- and short-term amounts receivable		-2,171	-496
Changes in trade and other payables		17,829	17,371
Corporate income tax paid		-2,387	-2,216
Net cash generated / (used) by operating activities - total		-2,255	-12,623
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of intangible fixed assets		-527	-360
Purchases of tangible fixed assets		-4,834	-2,544
Sales of intangible and tangible fixed assets		2	108
Net cash generated / (used) by investing activities		-5,359	-2,796
Net cash flow before financing activities		-7,614	-15,418
CASH FLOW FROM FINANCING ACTIVITIES			
Capital increase	6	26,820	0
Other financial charges		-460	-901
Other financial income		62	437
Dividend		-3,972	-3,917
Proceeds / (purchase) of financial instruments		692	841
(Acquisition) / sale of treasury shares	5	-1,574	-1,328
Proceeds/ (repayments) of borrowings		-817	-2,169
Interest paid		-1,886	-990
Net cash generated / (used) by financing activities		18,864	-8,028
Net increase / (decrease) in cash and cash equivalents		11,250	-23,446
Cash, cash equivalent and bank overdrafts at the beginning of the year		29,913	60,682
Exchange gains/(losses) on cash and bank overdrafts		158	2,898
Cash, cash equivalent and bank overdrafts at the end of the year	9	41,322	40,134

The notes on pages 17-28 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, 2023, the JENSEN-GROUP employs worldwide 1,686 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 10, 2023.

This condensed consolidated interim financial information is for the first half-year ended June 30, 2023. 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, 2022.

This condensed consolidated interim financial information should be read in conjunction with the 2022 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 2023 which have been adopted by the European Union, as follows:

Standards and interpretations applicable for the annual period beginning on or after 1 January 2023:

- IFRS 17 Insurance Contracts
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (effective immediately but not yet endorsed in the EU – disclosures are required for annual periods beginning on or after 1 January 2023)

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2023:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU)

None of these IFRS standards have an impact on the Group's financials.

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 methodology of the estimates used compared to the December 31, 2022 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, 2022.

Note 2: Scope of consolidation

The parent Company, JENSEN-GROUP NV, and all the subsidiaries that it controls are included in the consolidation. On April 3, 2023, JENSEN-GROUP acquired 49% of the shareholder rights in Inax Corporation, the participation is accounted for 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:

(in thousands of euro)	Europe		America		Asia and Australia		TOTAL		Attributable to Belgium	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Revenue from external customers	122,731	104,026	49,153	38,691	34,814	28,469	206,698	171,186	9,860	4,686
Non-current assets	135,378	92,067	6,278	5,440	9,776	11,132	151,432	108,639		
Non allocated assets							271,377	233,423		
Total assets							422,809	342,062		
Capital expenditure	-3,948	-1,216	-590	-1,096	-276	-45	-4,814	-2,356		

The difference between non-current assets in the table above (151.4 million euro) and the non-current assets as per the consolidated statement of financial position (155.3 million euro) relates to the deferred tax assets (3.9 million euro).

Note 4: Contract assets and contract liabilities

(in thousands of euro)	June 30, 2023	December 31, 2022
Contract revenue (6 months period, end of June 2023 and end of June 2022)	206,698	171,186
Contract assets	82,503	52,920
Contract liabilities	33,895	35,672

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, 2023 the contract assets included 18.6 million euro of accrued profit (18.2 million euro at December 31, 2022).

The contract assets are higher due to higher activities, driven by the high order backlog in December 2022.

In the first six months of 2023, no write-offs on contract assets were performed.

Note 5: Acquisition of own shares

The Bylaws of the Company allow the purchase of own shares. On March 10, 2022, JENSEN-GROUP announced a program to buy back a maximum of 781,900 or 10% of its own shares (the "Program"). In view of the transaction with MIURA, the Board of Directors at its meeting of March 9, 2023 suspended its Program until further notice. During the term of the Program, an investment bank on behalf of JENSEN-GROUP purchased 113,873 shares. The shareholders decided to cancel the shares during the extra-ordinary shareholders' meeting of May 16, 2023, for a total amount of 3.4 million euro.

During the first three months JENSEN-GROUP bought back shares for a total amount of 1.6 million euro.

At its meeting of August 10, 2023, the Board of Directors decided to re-start the buy-back program for the remaining 668,027 shares. The buy-back mandate expires on May 16, 2028

As per June 30, 2023, the Company did not own treasury shares.

Note 6: Equity

On April 3, 2023, 1,181,279 new shares of JENSEN-GROUP NV were issued following a contribution of 49% of the shares in Inax Corporation (“Inax”), and 745,003 shares were issued following a contribution of cash of 26.8 million euro. Reference is made to the Prospectus in relation to the admission to listing and trading on the regulated market of Euronext Brussels of 1,926,282 shares, approved by the FSMA on June 29, 2023.

Issued capital

As at June 30, 2023, the issued share capital was 38.3 million euro, represented by 9,631,408 ordinary shares without nominal value. There were no preference shares. All shares are fully paid.

Detailed information on the capital statement as per June 30, 2023 is set out below.

Capital statement (position as at June 30, 2023)	Amounts (in thousands of euro)	Number of shares
A. Capital		
1. Issued capital		
At the end of the previous year	30,710	
Changes during the year	7,570	
At the end of June 2023	38,280	
2. Capital representation		
2.1 Shares without nominal value	38,280	9,631,408
2.2 Registered or bearer shares		
Registered		6,240,339
Dematerialized		3,391,069
B. Own shares held by		
the company or one of its subsidiaries	0	0
C. Commitments to issue shares		
1. As a result of the exercise of conversion rights	0	0
2. As a result of the exercise of subscription right	0	0
D. Authorized capital not issued	38,280	

The following notifications have been received of holdings in the company's share capital during H01 2023:

[JENSEN Invest A/S, JF Tenura ApS, SWID AG, Mr. Jesper M. Jensen, The Jørn M. Jensen and Lise M. Jensen Family Trust, Mrs. Anne M. Jensen and Mrs. Karine Munk Finser](#)

JENSEN INVEST A/S, Ejnar Jensen Vej 1, 3700 Rønne, Denmark

	Number of shares	Total shares	%
- Number of shares	4,253,781	9,631,408	44.17%
- Voting rights	4,253,781	9,631,408	44.17%

The chain of control is as follows: 44% of the shares in JENSEN-GROUP NV are held by JENSEN Invest A/S. JF Tenura Aps holds 100% of the shares in Jensen Invest A/S. SWID AG, represented by Mr. Jesper M. Jensen holds and controls 51% of the shares in JF Tenura Aps. The other 49% of the shares in JF Tenura Aps are held by Mrs Anne Munch Jensen and Mrs Karine Munk Finser as the ultimate beneficial owners of the Jørn Munch Jensen and Lise Munch Jensen Family Trust.

[Miura Co Ltd](#)

7 Horie, Matsuyama, Ehime, 799-2696 Japan

	Number of shares	Total shares	%
- Number of shares	1,926,282	9,631,408	20.00%
- Voting rights	1,926,282	9,631,408	20.00%

Miura Co. Ltd. holds 20% of the shares in JENSEN-GROUP NV.

Note 7: Other operating result

(in thousands of euro)	June 30, 2023	June 30, 2022
Other Income / (Expense)	492	1,856

Per end of June 2023, the other operating result mainly includes sales commissions received.

Last year, the other operating result mainly included:

- 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.

Note 8: Earnings per share

Basic earnings per share are calculated by dividing the result attributable to the owners of the parent for the half-year of 16.7 million euro (8.9 million euro for the same period in 2022) by the weighted average number of ordinary shares outstanding during the years ended June 30, 2023 and 2022.

	June 30, 2023	June 30, 2022
Basic earnings per share (in euro)	1.93	1.15
Weighted averages of shares outstanding	8,684,551	7,807,185

Note 9: 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, 2023	December 31, 2022
Cash and cash equivalents	46,667	35,427
Overdraft	-5,345	-5,514
Net cash and cash equivalents	41,322	29,913

The increase in cash is a result of the capital increase in cash of 26.8 million euro and negatively impacted by the higher working capital.

Note 10: Commitments and contingencies

There are no major changes compared to December 31, 2022.

Note 11: 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, 2023		December 31, 2022	
	Carrying amount	Fair value amount	Carrying amount	Fair value amount
FINANCIAL ASSETS				
Financial Assets at amortized cost	5,277	4,537	5,425	4,695
Financial Assets at fair value through OCI	26,125	26,125	26,520	26,520
Other LT Receivables	1,966	1,966	2,371	2,169
Trade receivables	78,003	78,003	77,831	77,831
Derivative Financial Instruments - FX contracts	361	361	499	499
Derivative Financial Instruments - IRS	389	389	0	0
Cash and cash equivalent	46,667	46,667	35,427	35,427
Total	158,788	158,049	148,073	147,140
FINANCIAL LIABILITIES				
Financial debts	48,097	47,143	48,897	47,926
Financial debts - factoring	3,984	3,984	3,655	3,655
Trade Payables	26,796	26,796	22,261	22,261
Derivative Financial Instruments - FX contracts	25	25	452	452
Derivative Financial Instruments -IRS	0	0	-418	-418
Total	78,902	77,948	74,846	73,876

The increase in cash is a result of the capital increase in cash of 26.8 million euro and negatively impacted by the higher working capital.

Note 12: Companies accounted under equity method

(in thousands of euro)	June 30, 2023	December 31, 2022
Companies accounted for under equity method	47,090	5,573

The companies accounted for under the equity method include the valuation of the participations in Tolon and Inax Corporation (from April 3, 2023 onwards). The increase of 41.5 million euro is due to:

- Share in the result of associates accounted for using equity method: + 1.8 million euro.
- New participation in Inax Corporation (see below): +42.4 million euro.
- Currency translation adjustments: - 2.7 million euro.

TOLON

As the JENSEN-GROUP holds less than 50% of Tolon, this participation is consolidated by the equity method.

- Net income per end of June 2023 (excluding hyperinflation) amounts to 1.6 million euro, compared to 1.5 million euro per end of June 2022 (excluding hyperinflation).

Hyperinflation

The Group applies IAS29 for the consolidation of its Turkish subsidiaries.

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 30.06.2022 is 1,652.75.
- PPI as per 30.06.2023 is 2,320.72.

The impact on the share in the result for the first semester of 2023 of the revaluation was an income of 0.3 million euro.

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.

INAX

On April 3, 2023, JENSEN-GROUP acquired 49% of the shares of Inax Corporation ("Inax"), a Japanese wholly owned subsidiary of MIURA via the issuance of shares of JENSEN-GROUP NV (see note 14). As the JENSEN-GROUP holds less than 50%, this participation is consolidated by the equity method.

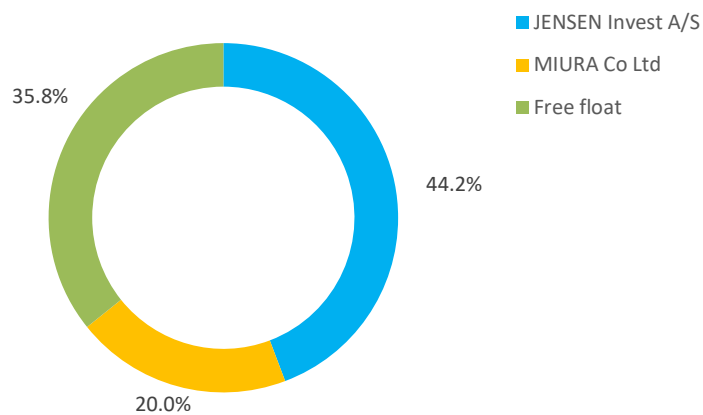
- Valuation per end of March 2023^(*) amounts to 42.4 million euro,
- Net income for the first three months (including depreciations on the initial purchase price allocation on a provisional basis) amounts to 1.3 million euro.

For more information about the acquisition-date fair value of the total consideration transferred, see note 14.

() Note the valuation is still subject to final contribution value (see note 14).*

Note 13: Related party transactions

The [shareholders](#) of the Company as per June 30, 2023 are:



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

[Non-controlling interest](#) deducted from the total Group result of Gotli and Inwatec are listed below.

(in thousands of euro)	June 30, 2023	December 31, 2022
Result attributable to non-controlling interest	271	100
Equity part of NCI	1,892	1,743

Note 14: Acquisitions

On April 3, 2023, JENSEN-GROUP acquired 49% of the shares of Inax Corporation (“Inax”), a Japanese wholly owned subsidiary of MIURA via the issuance of shares of JENSEN-GROUP NV (see note 6). Inax is serving heavy-duty laundries as well as large on-premises laundries mainly in Japan. The partnership will make the JENSEN-GROUP a key partner for Inax, one of the main manufacturing and distribution companies for heavy-duty laundry equipment in Japan. Inax announced a net income of 4.6 million euro for their financial year ending March 2022.

The table below gives an overview of the acquisition-date provisional fair value of the total consideration transferred and the remaining amount of goodwill recognized as part of the investment:

	March 31, 2023 <i>(in thousands of JPY)</i>	March 31, 2023 <i>(in thousands of EUR)</i>
Order backlog	113,000	780
Brand name	972,000	6,711
Customer relationships	4,192,000	28,944
Fair value real estate	166,203	1,148
Other non-current assets	2,668,223	18,423
Current assets	7,418,657	51,223
Non-current liabilities	-2,228,336	-15,386
Current liabilities	-6,445,445	-44,504
NET ASSETS REQUIRED	6,712,012	46,344
Goodwill (100%)	5,665,508	39,118
Contribution value (100%)	12,521,810	86,459
Contribution value via issuance of new shares (49%)	6,135,687	42,365

Consideration / contribution value

The consideration transferred for the investment in Inax Corporation is the contribution value based upon enterprise value of 75 million euro (for 100% of the shares) on a cash-free/debt-free basis. The value of the contribution in kind and the number of shares issued in consideration was determined four business days prior to the closing of the transaction. The final contribution value will be settled post-closing in cash by the end of September 2023, based upon the actual amounts of cash, debt and net working capital as at March 31, 2023.

The fair value of the assets and liabilities acquired in the above transaction is determined on a provisional basis. Any adjustment to the provisional amounts will be recorded within twelve months of acquisition date.

Note 15: 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

