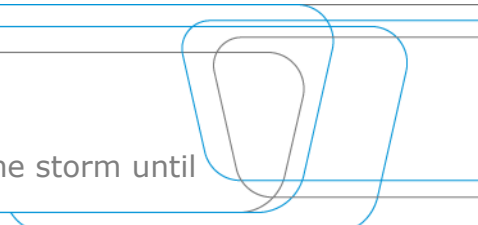

Press Release

Covid-19 impacts activities – focus on weathering the storm until markets recover

A decorative graphic consisting of several overlapping, light blue, rounded rectangular shapes that resemble a stylized 'J' or a series of loops, positioned on the right side of the page.

Highlights 2020

- Due to the impact of Covid-19, revenue decreased from 332.2 million euro in 2019 to 245.2 million euro in 2020, a decrease of 26.2%.
- Operating profit (EBIT) amounts to 12.8 million euro, which is 44.4% lower than last year.
 - The EBIT is positively affected by authorities' support received in several countries (1.7 million euro) and by a partial insurance payment for the impact of hurricane Michael (+2.9 million euro). A settlement has been reached with our insurance company.
 - The EBIT is negatively affected by 2.7 million euro one-off costs, especially restructuring costs related to the reduction of workforce.
- Cash flow from operations (EBITDA) amounts to 19.8 million euro, a 36.3% decrease compared to last year.
- Net income attributable to the shareholders amounts to 7.6 million euro (Earnings per Share of 0.97 euro), a decrease of 51.6% compared to last year.
- The Group reports net cash position of 28.3 million euro (including 10.2 million euro leasing debt) compared to a net debt of 4.4 million euro at year-end 2019.
- The Board proposes to members of the Annual Shareholders' meeting to approve a dividend of 0.25 euro per share.

Subject to approval at the Annual Shareholders' meeting of May 18, 2021, the share will trade ex-coupon as of May 26, 2021 and the dividend will be payable as from May 28, 2021 at the counters of KBC bank upon presentation of coupon n°15.



Impact of Covid-19 on JENSEN-GROUP activities

JENSEN-GROUP's revenues for the year amount to 245.2 million euro compared to 332.2 million euro in the previous year. As a consequence of the Covid-19 crisis, the Group experienced a significant slow-down in order intake as well as several project cancellations and postponements of confirmed orders. The cancellation of contracts has a negative impact on EBIT of 2.5 million euro. Several customers serving the hospitality industry temporarily closed their operations due to a stand-still in travel and tourism as well as authorities' decisions. We therefore expect that a number of hospitality projects in the quotation phase will be postponed for several months. The servicing, installation, and maintenance of our machines remain challenging for our technicians in the face of the Covid-related travel restrictions that many countries impose.

Occasionally, the JENSEN-GROUP grants buy-back guarantees to selected customers. Due to the closing of many laundries in Europe, a few extensions of buy-back guarantees of up to 12 months were granted.

Despite management's swift reaction to the drastic changes in market conditions, lower revenues resulted in an EBIT decrease of 44.4% compared to last year. Management took measures to adjust the capacity in several plants and to temporarily close others in response to individual workloads or government directives. The EBIT includes 2.7 million euro in one-off costs, particularly restructuring costs related to the reduction of workforce.

The Group took the following measures to decrease the structural cost base:

- Implementation of a simplified business structure that divides markets into 6 Business Regions
- The integration of factories and Business Regions in order to benefit from cost synergies
- Restructuring programs that enable a reduction of our workforce by 25% year-on-year
- Establishment of a new EMT (Executive Management Team) structure with the nomination of a Chief Information Officer driving the digitalization of our processes and solutions. The current EMT consists of Mr. Jesper M. Jensen (CEO), Mr. Fabian Lutz (CIO), Mr. Martin Rauch (CSO) and Mr. Markus Schalch (CFO)

The Group benefited from support from authorities mostly related to payroll compensation in several countries (1.7 million euro).

JENSEN USA received a Promissory Note from the state of Florida amounting to 1.9 million USD in May 2020. The Company applied for forgiveness while provisionally



recording this Promissory Note as liability. Any forgiven amount will eventually be recorded as other income once a final decision has been made.

In July, JENSEN GmbH was granted an amortizing KfW (Kreditanstalt für Wiederaufbau) loan amounting to 10 million euro for a period of six years. At year-end 5 million euro were drawn.

Other activities

- The Group reports a net cash position of 28.3 million euro (including 10.2 million euro leasing debt) compared to a net debt of 4.4 million euro at year-end 2019. Despite delays in the installation and payment of certain projects, the Group was able to increase its net cash by 32.7 MEUR compared to last year.
- Total net finance cost amounts to 2.9 million euro and relates to interest charges (1.2 million euro), net currency losses (0.7 million euro) and other charges (1.0 million euro).
- The recovery of the production facility in Panama City, hit by hurricane Michael the 10th of October 2018, progresses and a settlement was reached with the insurance company. Repairs to the building continued and have led to a capex of 0.3 million euro during 2020.
- The Group expects capital expenditure in 2021 to be significantly higher than in 2020. The Group will invest primarily in a 40% increase in the shareholding in Inwatec ApS, Denmark, after having purchased 30% in 2018. Inwatec ApS announced a net income of 2.7 MEUR in 2020. The JENSEN-GROUP does not expect a significant impact on the Group's consolidated revenues as most of the sales are already included in the JENSEN Sales and Services Centers. The impact on the financial position of the JENSEN-GROUP cannot be disclosed now as final discussions will be conducted in the near future.



Outlook

The JENSEN-GROUP received 223.4 million euro of orders in 2020, compared to 326.3 million euro orders last year - a drop of 31.5%. Considering the current investment climate caused by the continuation of lockdowns in major markets, we expect the ripples of market inactivity to continue well into 2021 with a potential for lower financial results in 2021 compared to 2020. With all the restructuring measures we have put in place this year we are confident that we will continue to weather the storm also considering the financial headroom that we have created. We are prudent in our outlook but remain optimistic in anticipation of a return to previous levels of order intake in 2022 as the hospitality industry and the market begin to recover.

The most patent risk factors include the duration and effect of the pandemic, rapid declines in demand, the availability of financing to our customers, fluctuating raw material, energy, and transportation prices, high exchange rate volatility, an uncertain political climate, and competitive pressures. The Group does not expect a significant impact from Brexit. The impact of potential protectionist movements in various parts of the world remain unpredictable.

Key figures

Income Statement

Consolidated, audited key figures

	Dec 31, 2020	Dec 31, 2019	Change
(million euro)	12M	12M	
Revenue	245.2	332.2	-26.2%
Operating result (EBIT)	12.8	23.0	-44.4%
Cash flow from operations (EBITDA) ¹	19.8	31.2	-36.6%
Financial result	-2.9	-2.5	14.9%
Profit before taxes	11.2	20.3	-44.9%
Income tax expense	-4.0	-5.1	-22.1%
Profit for the period from the continuing operations	7.2	15.2	-52.6%
Result from assets held for sale	-0.1	-0.1	-54.2%
Share in result of associates and joint ventures accounted for	1.3	-0.2	-645.3%
Result attributable to Non Controlling Interest	-0.5	-0.7	-29.1%
Consolidated result attributable to equity holders (Group)	7.6	15.7	-51.6%
Net cash flow ²	14.6	23.9	-39.0%

Balance sheet

Consolidated, audited key figures

	Dec 31, 2020	Dec 31, 2019	Change
(million euro)	12M	12M	
Equity	136.0	132.4	2.8%
Net financial debt (+)/Net cash (-) ³	-28.3	4.4	-749.7%
Assets held for sale	0.4	0.4	-8.5%
Total assets	278.4	276.7	0.6%

Consolidated, audited key figures per share

	Dec 31, 2020	Dec 31, 2019	Change
(euro)	12M	12M	
Cash flow from operations (EBITDA) ¹	2.5	4.0	-36.6%
Profit before taxes	1.4	2.6	-45.0%
Consolidated result attributable to equity holders (EPS)	1.0	2.0	-51.7%
Net cash flow ²	1.9	3.1	-38.9%
Equity	17.4	16.9	2.8%
Number of shares (end of period)	7,818,999.0	7,818,999.0	
Number of shares (average)	7,818,999.0	7,818,999.0	

Definitions

1. EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) = Operating profit (EBIT) + Depreciation, amortization, write-downs on trade receivables, write-downs on inventory, changes in provisions
2. Net cash flow = Consolidated result attributable to the equity holders + depreciation, amortization, write-downs on trade receivables, write-downs on inventory, changes in provisions
3. 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 equivalent



Consolidated statement of comprehensive income

(in thousands of euro)	December 31, 2020	December 31, 2019
Revenue	245,238	332,178
Trade goods	-118,007	-158,288
Services and other goods	-26,674	-41,606
Remuneration, social sec. costs and pensions	-83,170	-104,650
Depreciation, amortisation, write downs of assets, impairments	-6,998	-8,219
Total expenses	-234,848	-312,764
Other Income / (Expense)	2,406	3,602
Operating profit before tax and finance (cost)/ income	12,795	23,016
Interest income	738	998
Other financial income	1,549	1,309
Financial income	2,287	2,307
Interest charges	-1,939	-2,240
Other financial charges	-3,214	-2,560
Financial charges	-5,152	-4,800
Share in result of associates and companies accounted for using the equity method	1,251	-229
Profit before tax	11,181	20,294
Income tax expense	-4,004	-5,138
Profit for the period from continuing operations	7,178	15,155
Result from assets held for sale	-54	-118
Consolidated profit for the year	7,124	15,037
Result attributable to Non-Controlling Interest	-479	-675
Consolidated result attributable to equity holders	7,602	15,712



(in thousands of euro)	December 31, 2020	December 31, 2019
Other comprehensive income (OCI):		
<u>Items that may be subsequently reclassified to Profit and Loss</u>		
Financial instruments	-125	209
Currency translation differences	-2,297	621
Currency translation differences related to associates and companies accounted for using the equity method	-642	321
<u>Items that will not be reclassified to Profit and Loss</u>		
Actual gains/(losses) on Defined Benefit Plans	-561	-2,017
Tax on OCI	172	452
Other comprehensive income for the year	-3,454	-414
OCI attributable to Non-Controlling Interest	0	0
OCI attributable to the equity holders	-3,454	-414
Total comprehensive income for the year	3,670	14,624
<u>Profit attributable to:</u>		
Non-Controlling Interest	-479	-675
Equity holders of the company	7,602	15,712
<u>Total comprehensive income attributable to:</u>		
Non-Controlling Interest	-479	-675
Equity holders of the company	4,148	15,298
Basic and diluted earnings per share (in euro)	0.97	2.01
Weighted average number of shares	7,818,999	7,818,999

Shareholders' calendar

March 26, 2021: Publication Annual Report 2020 on the corporate website.

May 18, 2021: 10.00 am: Annual Shareholders' meeting at JENSEN-GROUP Headquarters, Ghent.

August 10, 2021 (evening): Half year results 2021 (Analyst Meeting August 11, 2021).

Audit

The Statutory Auditor has confirmed that the audit of the consolidated accounts of JENSEN-GROUP, which is substantially complete, has as of today not revealed any material misstatement in the draft consolidated accounts, and that the accounting data which are reported in the press release are consistent, in all material respects, with the draft consolidated accounts from which these data have been taken.



Profile

The JENSEN-GROUP assists heavy-duty laundries worldwide to provide quality textile services economically. We have become a preferred supplier in the laundry industry by leveraging our broad laundry expertise to design and supply sustainable single machines, systems and integrated solutions. We are continuously growing by extending our offer and by developing environmental friendly and innovative products and services that address specific customer needs. Our success results from combining our global skills with our local presence. The JENSEN-GROUP has operations in 23 countries and has distribution in more than 50 countries. As per December 31, 2020, the JENSEN-GROUP employs worldwide 1,239 employees.

This press release is available on the corporate website www.jensen-group.com.

(End of press release)

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