JENSEN-GROUP

ANNUAL REPORT 2023

The Dutch-language Annual Report is the official report. The English-language version is provided as a courtesy to the shareholders. The JENSEN-GROUP has verified, and assumes full responsibility for, the matching of both language versions.

In this report, the terms 'JENSEN-GROUP' and 'Group' refer to the 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.

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Consolidated key figures

Financial year ended (in thousands of euro)	December 31 2023	December 31 2022	Variance %
Revenue	400,121	341,639	17%
Operating profit (EBIT)	40,743	22,411	82%
EBITDA	48,376	26,211	85%
Net interest charges	-341	1,092	-131%
Share in result of associates and companies consolidated under equity method	2,141	986	117%
Profit before taxes	41,926	21,532	95%
Profit for the period from continuing operations	31,432	16,564	90%
Result from assets held for sale	-124	-139	-11%
Result attributable to non-controlling interest	277	100	177%
Consolidated result attributable to equity holders	31,031	16,325	90%
Added value	166,862	126,092	32%
Net cash flow	38,664	20,125	92%
Equity	262,142	170,567	54%
Net financial debt (+) / net cash (-)	-35,873	-11,524	211%
Working capital	151,962	127,894	19%
Non-current assets (NCA)	69,877	61,526	14%
Capital employed (CE)	221,840	189,420	17%
Market capitalization (high)	322,092	263,966	22%
Market capitalization (low)	244,314	189,215	29%
Market capitalization (average)	289,425	230,328	26%
Market capitalization (December 31)	319,261	205,612	55%
Enterprise value (December 31) (EV)	283,388	194,088	46%

RATIOS			
EBIT / Revenue	10.18%	6.56%	55%
EBITDA / Revenue	12.09%	7.67%	58%
ROCE (EBIT / CE)	19.81%	13.09%	51%
ROE (Net profit / equity)	14.34%	10.02%	43%
Gearing (Net debt (+) net cash (-)/ equity)			
EBITDA interest coverage	-141.87	24.00	-
Net financial debt (+) or net cash (-)/ EBITDA	-0.49	-1.00	-51%
Working capital / revenue	34.97%	31.99%	9%
EV/EBITDA (December 31)	4.94	7.40	-33%

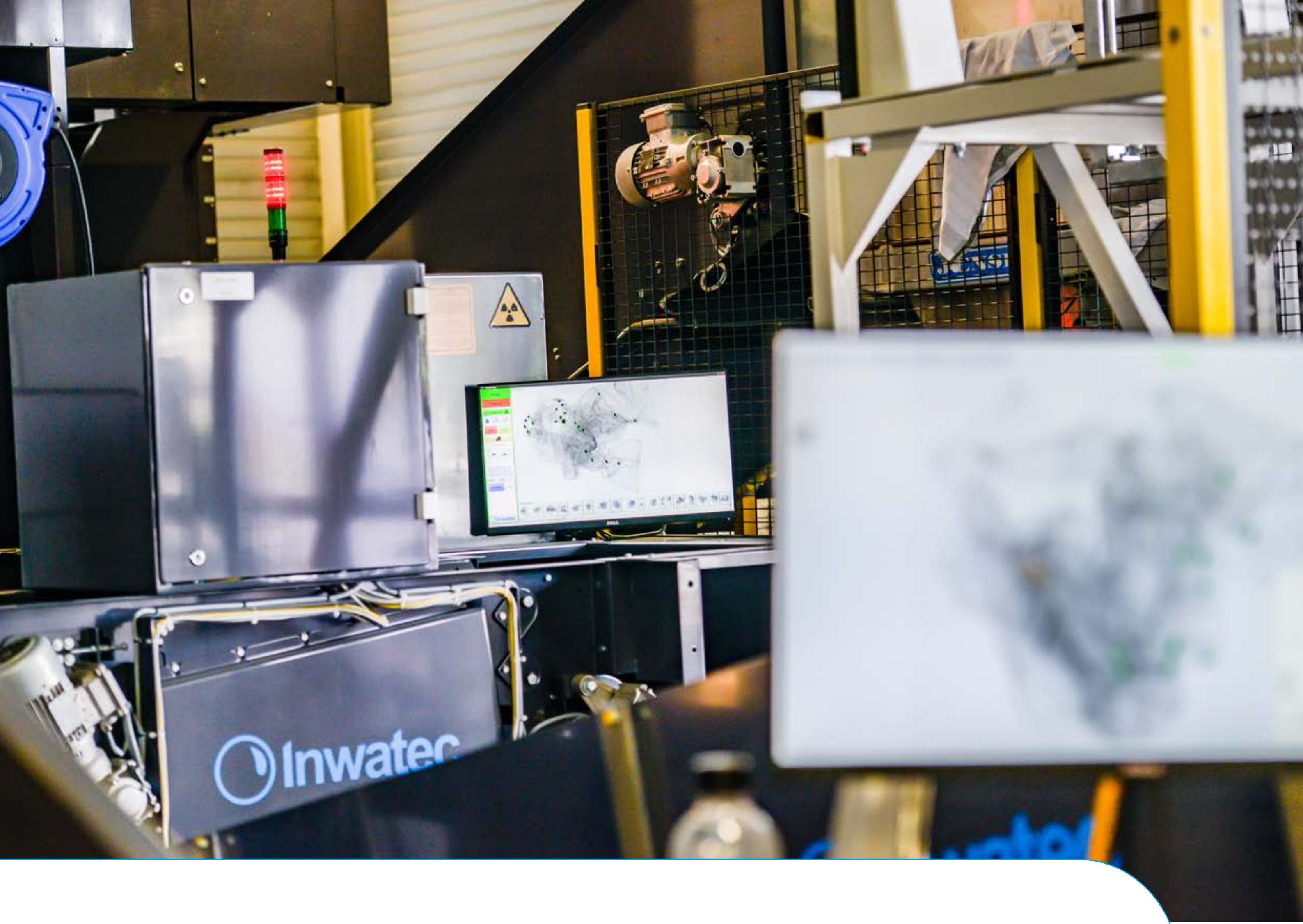
Key figures per share Financial year ended (in euro)	December 31 2023	December 31 2022	Variance %
EBITDA	5.29	3.37	57%
Consolidated result attributable to equity holders (= earnings per share)	3.39	2.10	61%
Net cash flow	4.23	2.58	64%
Equity (= book value)	27.26	21.98	24%
Gross dividend	0.50	0.50	
Number of shares outstanding (average)	9,150,330	7,786,615	18%
Number of shares outstanding (year-end)	9,616,286	7,758,946	24%
Share price (high)	35.20	33.90	4%
Share price (low)	26.70	24.30	10%
Share price (average)	31.63	29.58	7%
Share price (December 31)	33.20	26.50	25%
Price/earnings (high)	10.40	16.10	-35%
Price/earnings (low)	7.90	11.60	-32%
Price/earnings (average)	9.30	14.10	-34%
Price/earnings (December 31)	9.80	12.60	-22%

Definitions

- EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) = operating profit (EBIT) + depreciation, amortization, write-downs on trade receivables and contract assets, write-downs on inventory, changes in provisions (refer to Note 13)
- Net interest charges = interest charges – interest income
- Added value = EBIT + remuneration, social security costs and pensions + depreciation, amortization, write-downs on trade receivables and contract assets, write-downs on inventory, changes in provisions (refer to Note 13)
- Net cash flow = consolidated result attributable to the equity holders + depreciation, amortization, write-downs on trade receivables and contract assets, write-downs on inventory, changes in provisions (refer to Note 13)
- 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
- Working capital = inventory + advance payments + current trade receivables + contract assets – trade payables – contract liabilities
- Non-current assets = intangible assets + goodwill + property plant and equipment
- Capital employed = working capital + non-current assets (see definitions above)
- Market capitalization = share price x number of shares outstanding
- Enterprise value = market capitalization (December 31) + net financial debt (+)/net cash (-) (see definitions above)
- EBITDA interest coverage = EBITDA/net interest charges (see definitions above)

For ratios comparing figures from the consolidated statement of comprehensive income with figures from the consolidated statement of financial position, the average figure from the consolidated statement of financial position is used. The average is the opening balance + closing balance divided by two.

- ROCE (return on capital employed) = EBIT/average capital employed
- ROE (return on equity) = consolidated result attributable to equity holders / average equity
- Average net financial debt (+) or net cash (-)/EBITDA.



Ensuring the safety of employees in laundries is our top priority. We use **advanced robotic technology** in our sorting process to minimize the risk of exposure to potentially infectious items. Robots handle individual pieces of laundry, identifying and registering each garment using RFID chips. An X-ray scanner then automatically checks for any unwanted objects in pockets, rejecting contaminated items. This innovative method **enhances safety and extends the lifespan of the equipment and textiles**.

Message to our Shareholders

On solid grounds with a large order backlog, JENSEN-GROUP was off to a good start in 2023. Fuelled by favourable market conditions and the fruition of outstanding execution, the year resulted in a series of remarkable accomplishments.

Thanks to strong demand across all areas, improving supply chain conditions, carefully implemented price increases, and a compelling product and service offer, JENSEN-GROUP achieved its highest revenues in its history with record operating profit and earnings per share.

Powered by the relentless drive and dedication of our people, the JENSEN-GROUP business model is uniquely tailored to the customer. Proximity-based market presence and in-person point of sale and service are crucial to our success. The operating model has been further reinforced by the ongoing digitalization of core business processes and the use of a single unifying digital platform, leading to more efficient and streamlined operations and resulting in better resource utilization and alignment of ways of working across the globe. Supported by initiatives such as a new educational platform for internal training, enhanced leadership development and training exchange programs for technicians and engineers, the JENSEN- GROUP is setting new standards of excellence.

Forging a path forward towards long-term value creation, the JENSEN-GROUP kept raising the bar in product innovation and service excellence as well as commercial and industrial effectiveness along the lines of its strategic plan.

In 2023, the JENSEN-GROUP also stepped up its ESG efforts by appointing a corporate sustainability leader and assigning dedicated resources to drive progress. Leveraging a sixty-year-old legacy of creativity and invention, the Group's Cleantech solutions exemplify its commitment to sustainable innovation. With groundbreaking use of IoT, AI and robotics, Cleantech applications significantly reduce the ecological impact of the laundry operations by ensuring low energy, water, and chemical consumption and extending the life of textiles, while improving productivity and quality as well as employee safety and hygiene. The Group's ESG roadmap encompasses all areas of the business, ranging from initiatives to reduce Green House Gas Emission, energy use and waste in manufacturing to measures to improve health and safety and solidify our supplier code of conduct and ethical business policy.

2023 was also a pivotal year in terms of M&A. Through the creation of a heavy-duty laundry Joint-Venture with Miura, JENSEN-GROUP became a major player in Japan. JENSEN-GROUP acquired forty-nine percent of the shares of Inax, a Japanese wholly owned subsidiary of Miura, while Miura got 20% of the voting rights in the JENSEN-GROUP through a contribution of forty-nine percent of the shares of Inax and an add-on capital increase in cash.

Planning ahead to ensure higher production capacity and further optimizing our manufacturing footprint, JENSEN-GROUP acquired Ole Almeborg, a manufacturing facility, and invested in larger production premises for Inwatec, the Group's robotics and automation subsidiary, in Denmark.

Our gratitude goes to our customers and suppliers for their continued trust and loyalty.
We thank every JENSEN-GROUP employee around the world for their contribution to making company history in 2023. Exemplified by the pride, passion and persistence, which was evident among the attendees of the Group's 2023 Leadership Conference, JENSEN-GROUP employees truly embody the Group's relentless focus on customer excellence.

We thank our shareholders for their continued confidence and support in our pursuit of sustainable value creation and industry leadership. In that respect, we are honoured to have been awarded the Euronext BEL award for best performing 2023 Small Cap company and remain confident and committed to staying the course.

Rudy Provoost
Chairman of the Board of Directors

Jesper Munch Jensen
Chief Executive Officer

Profile of the JENSEN-GROUP

Mission Statement

The mission of the JENSEN-GROUP is to offer the best solutions to customers worldwide in the heavy-duty laundry industry. The JENSEN-GROUP works for and with its customers to supply innovative and sustainable products and services, ranging from single machines, systems, turnkey solutions, and laundry process automation. Laundries supplied by the JENSEN-GROUP aim to reach the highest level of labour and energy efficiency in the industry.

The JENSEN-GROUP continuously invests in the development of its people and their talents.

By combining its global capabilities and local presence to customers, the JENSEN-GROUP is able to create profitable growth and responsible industry leadership.

Making a difference

Through technical excellence, significant investments in product development and specialized industry knowledge, the JENSEN-GROUP can plan, develop, manufacture, install and service anything from single machines and processing lines to complete turnkey solutions. Partners include textile rental suppliers, industrial laundries, and central laundries as well as on-premises laundries in hospitals, hotels, and cruise ships. The Group believes that its customers know their laundry business better than anyone and that with the help of the JENSEN-GROUP's comprehensive laundry competence and experience, the right solution for their specific requirements can be found.

Organization

The Executive Management Team (EMT) of the JENSEN-GROUP is composed of a Chief Executive Officer, a Chief Financial Officer, a Chief Operating Officer, a Chief Digital Officer and a Chief Innovation Officer (since January 2024).

The JENSEN-GROUP's factories (PECs) develop, produce, and deliver a full and competitive range of products to customers through a worldwide network of Sales and Service Centers (SSCs) and authorized local distributors. This worldwide distribution network together with its laundry design capabilities, project management expertise and after-sales service capability, put the JENSEN-GROUP in a unique position to act locally while meeting customer expectations fast and reliably, whether the requirement is a single machine or a complete turnkey solution anywhere in the world.

Manufacturing

The JENSEN-GROUP's manufacturing platform is composed of seven factories (PECs) in five countries on three continents:

- Denmark: JENSEN Denmark in Rønne, Ole Almeborg in Hasle and Inwatec ApS in Odense
- Sweden: JENSEN Sweden in Borås
- Germany: JENSEN GmbH in Harsum (JENSEN Components in Pattensen closed in June 2022)
- USA: JENSEN USA in Panama City, FL
- China: JENSEN China in Xuzhou.

Distribution

The JENSEN-GROUP sells its products and services under the JENSEN and Inwatec names through wholly owned sales and service centers (SSCs) and through independent authorized distributors worldwide. In recent years, the relative share of sales through the group's own SSCs has increased. These SSCs operate in the most important heavy-duty markets: Australia, Austria, the Benelux, Brazil, China, Denmark, France, Germany, Italy, the Middle East, New Zealand, North America, Norway, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. Sales and service centers play a critical role in coordinating the increasing number of complex installation projects involving several production companies simultaneously. Local presence enables the Group to deliver after-sales services on demand to its customers. Furthermore, an experienced distributor network base exists in more than 50 countries. As from October 2023, the Japanese market is served through Inax ltd, the JENSEN-GROUP's Joint Venture partner in Japan and one distributor.

Product development

The JENSEN-GROUP's key technologies encompass the entire laundry process, including the washroom itself, the logistics of moving linen and textiles inside the laundry, finishing with feeders, ironers, and folders, as well as software technology to control the overall process. In short, a large number of different technologies are used in the process of turning soiled linen and textiles into clean linen with a perfect finish.

Given the wide range of technologies needed to cater for the needs of its customer base, the JENSEN-GROUP does not focus on fundamental research and development. It seeks to make use of existing technologies and incorporate them into its industry's processes with a focus on energy and labour efficiency.

In recent years, the JENSEN-GROUP has invested particularly in further upgrading and expanding its product range in laundry robotics, AI, automation, new software applications for its industry, and environmentally friendly products. Many developments that target natural resources and energy savings for its customers are grouped under the CleanTech concept. Together with Veins Holding, the JENSEN-GROUP has created Gotli Labs AG, offering state-of-the-art software solutions for the heavy-duty laundry industry. The integration of technology and software allows customers to monitor and track production in real time and use the acquired information to improve productivity based on relevant data.

The integration of new products from Gotli Labs under the GLOBE label and the investments in Inwatec ApS for automation and AI, bring the industry up to a new level and prepare the JENSEN-GROUP for Industry 4.0 and the Internet of Things. Process control and production monitoring software have become crucial in offering the customer an all-in laundry operating solution.

The Group has numerous patents and patent applications on particular features of its machinery, while product development teams in the various JENSEN-GROUP competence centers continuously examine the possibility of protecting its innovative developments. The Group's ambition is to automate heavy-duty laundries as much as possible.

Patents and notarial depositions are used primarily to prove prior art. The JENSEN-GROUP protects its patents on a case-by-case basis, primarily in larger markets.

Generally, the JENSEN-GROUP annually invests around 2% to 3% of its turnover in product development.

The JENSEN-GROUP in the world

Plus, a worldwide network of distributors.

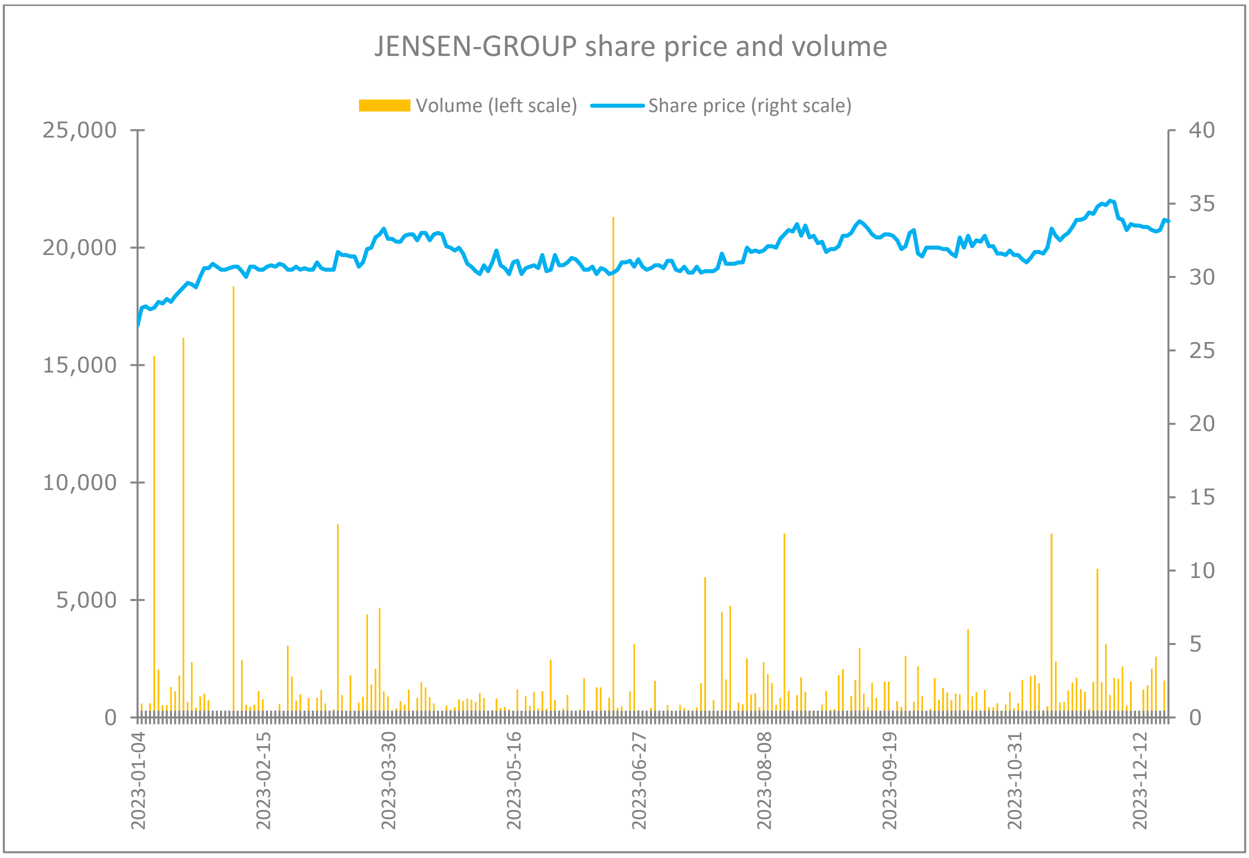
Information for shareholders and investors

The JENSEN-GROUP NV shares have been quoted on the Euronext Stock Exchange under the ticker JEN (Reuters: JEN.BR Bloomberg JEN.BB) since June 1997. The ISIN code is BE0003858751. The quote of the JENSEN-GROUP NV shares can be found online on the following websites:

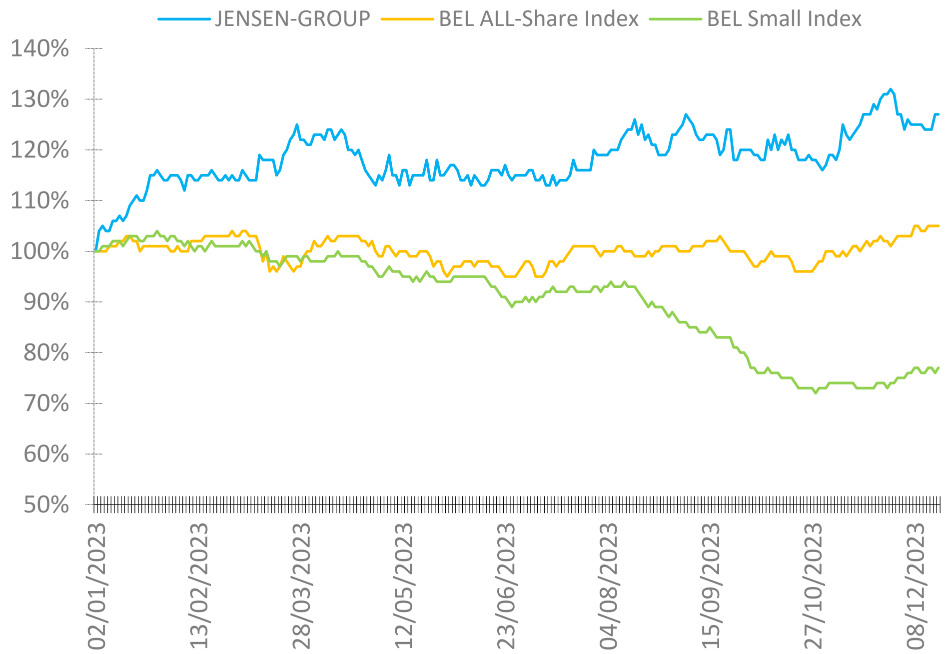
- Euronext: https://live.euronext.com/en/product/equities/BE0003858751-XBRU

Share price evolution

The JENSEN-GROUP NV share price increased from 26.5 euros at the end of 2022 to 33.2 euros at the end of 2023, with an average daily trading volume of 1,312 shares compared to 2,374 in 2022.



JENSEN-GROUP share relative price performance



Investor relations

The JENSEN-GROUP NV ensures direct communication with its shareholders and investors through the following channels:

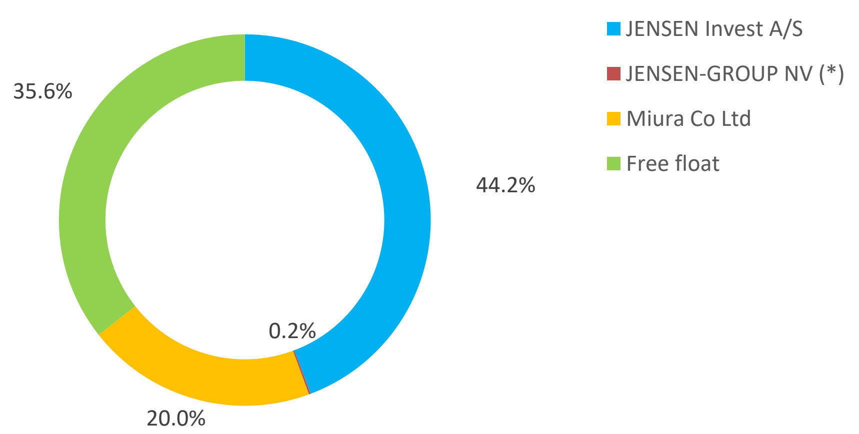
- organizing two analysts' conference calls per year, following publication of the half-year and the full-year results;
- communicating quarterly trading updates;
- communicating any major changes in the financial position and earnings of the Company;
- distributing press releases to professional and private investors and posting them on the Company website;
- posting the votes and minutes of the Shareholders' Meetings on the Company website;
- providing all communication, including the Company website, in both English and Dutch;
- making information on shareholdings and the financial calendar available on the Company website
- attending small cap investor events upon request;
- holding telephone conferences with analysts and existing or potential shareholders upon request.

Changes in ownership structure

Throughout the course of 2023, the JENSEN-GROUP NV received the following notifications:

- a notification from JENSEN Invest A/S informing about the passive crossing of a threshold. As the JENSEN-GROUP NV issued 1,926,282 new shares on April 3, 2023, the percentage of voting rights owned directly or indirectly by JENSEN Invest A/S decreased from 54.4% to 44.8% of the voting rights in the Company and, thus, crossed the 45% threshold downwards;
- two notifications from Miura Co. Ltd informing about (i) the crossing of a threshold because of the acquisition of voting securities of the JENSEN-GROUP NV on April 3, 2023, Miura Co. Ltd holds 1,926,282 shares in the JENSEN-GROUP NV. The share ownership of Miura Co. Ltd amounted to 19.77% of the voting rights in the Company and, thus, crossed the 15% threshold, and (ii) the passive crossing of a threshold. Due to the cancellation of treasury shares on May 16, 2023, by the JENSEN-GROUP NV, the share ownership of Miura Co. Ltd amounts to 20% of the voting rights in the Company and, thus, crossed the 20% threshold;
- and a notification from Lazard Frères Gestion SAS informing about a passive crossing of a threshold. As the JENSEN-GROUP NV issued 1,926,282 new shares on April 3, 2023, the percentage of voting rights owned by Lazard Frères Gestion SAS decreased to 4.71% of the voting rights in the Company and, thus, crossed the minimum 5% threshold downwards.

The ownership structure of JENSEN-GROUP NV as per December 31, 2023, stands as set out below:



(*) Share buy back program

Shareholders’ calendar

- May 17, 2024: Trading update Q1 2024.
- May 21, 2024: 10 a.m. Annual Shareholders’ Meeting;
- August 8, 2024: Half-year results 2024 (Analysts’ Meeting);
- November 7, 2024: Trading update Q3; and
- March 2025: Full-year results 2024 (Analysts’ Meeting).

The Investor Relations Manager is also available to meet individual shareholders, analysts, specialized journalists, and institutional investors to share with them the JENSEN-GROUP’s short and long-term potential, with respect to both the business as a whole and/or specific activities. Presentations, meetings, and site visits are organized upon request.

The JENSEN-GROUP's Annual Report, press releases and other information are available on the Company website: www.jensen-group.com.

Shareholders wishing to convert registered shares into dematerialized shares can contact the Investor Relations Manager.

Shareholders and investors who want to receive the JENSEN-GROUP's Annual Report, the financial statements of the JENSEN-GROUP NV, press releases or other information with respect to the JENSEN-GROUP can also contact the Investor Relations Manager:

JENSEN-GROUP NV
Mrs. Stefanie Roscam
Neerhonderd 33,
BE 9230 Wetteren, Belgium.
E-mail: investor@jensen-group.com

The Jenway conveyor belts, situated behind the finishing lines, offer an ideal solution **to conserve two precious resources** in finishing sections – space and working hours. Simultaneously, they optimize the flow of stacked linen all the way to the packaging unit. The hands-free handling ensures **a consistent quality and hygiene level**, providing a customer-oriented, flexible approach to supplying linen stacks.

Financial report 2023

Report of the Board of Directors

State of the business in 2023

In 2023, the JENSEN-GROUP reached a new milestone of 400.1 million euro, representing a 17.1% growth compared to 341.6 million euro in 2022. This increase is attributable to an exceptionally high order backlog at the end of 2022, a modest order intake in the first semester and a notably stronger order intake in the second semester of 2023. With orders accumulated throughout 2023 totalling 363.1 million euros, nearly matching the record set in the previous year, this achievement confirms our strong market position.

The EBIT of the Group amounted to 40.7 million euro in 2023, compared to 22.4 million euro in 2022, marking a substantial growth of 81.8%. This remarkable increase can be attributed to enhanced revenues fueled by robust global demand and carefully implemented price increases as well as improved operational efficiency stemming from ameliorated supply chain conditions and reduced freight costs in specific global regions.

To pave the way for the next phase of growth, the Group executed the following investments during 2023:

- the acquisition of 49% of the shares of Inax Corporation, a leading Japanese manufacturer and distributor of commercial laundry equipment,
- the acquisition of Ole Almeborg, a manufacturing facility that will supplement production space and committed for additional capital expenditures of 6 million euro for 2024,
- the investment in larger production premises for Inwatec, the Group's AI and robotics subsidiary in Denmark.

Consequently, starting from April 2023, Inax has positively contributed of 1.8 million euro to the earnings from companies accounted for by the equity method. The combined earnings from Tolon and Inax, increased from 1 million euro to 2.1 million euro. However, this was adversely impacted by the hyperinflation effects on the Turkish entities of Tolon, leading to a negative impact of 0,9 million euro.

The tax charges of the Group increased from 5.0 million euro last year to 10.5 million euro because of a higher profit before taxes and a higher effective tax rate (26.38% compared to 24.18% last year).

The factors previously mentioned culminated in an increase of net profit from 16.3 million euro to 31.0 million euro per December 31, 2023.

On the balance sheet, working capital increased from 127.9 million euro to 152.0 million euro at the end of 2023, due to the higher operating activities, and predominantly due to the economic environment wherein customers have sought extended payment terms to finance their projects.

The Group reports a net financial cash position of 35.9 million euro, including 4 million euro of leasing debt, compared to 11.5 million euro at end 2022. The increase in net cash is mainly caused by the capital increase of 26.8 million euro in April 2023, related to our strategic acquisition of 49% interest in Inax Corporation. This positive impact on our cash has been somewhat mitigated by an increase in working capital demands. Consequently, net financial charges decreased from 1.9 million euro to 1.0 million euro, indicative of reduced net interest charges due to this higher net cash position and the loan repayments with the funds received from the capital increase.

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 at December 31, 2023, the JENSEN-GROUP was in full compliance with its bank covenants.

Share buy-back

As per March 9, 2023, we bought back 113,873 shares at an average price of 30.07 euro for a total amount of 3.4 million euro. In view of the transaction with Miura, the JENSEN-GROUP suspended its buy-back program. During the extra-ordinary shareholders' meeting of May 16, 2023, the shareholders voted on the cancellation of the treasury shares. On August 10, 2023, the program was re-launched to buy back the remaining 668,027 shares. As at December 31, 2023, 15,122 shares have been bought back at an average price of 33.02 euro for a total amount of 0.5 million euro.

Outlook 2024

The JENSEN-GROUP received orders totaling EUR 363.1 million in 2023, close to the record level of orders received in the previous year. Whereas the incoming order volume was slightly lower than previous year's level in the first semester of 2023, the volume of orders received in the second half of 2023 showed an increase.

The Group's aim for 2024 is to keep the momentum and solidify its market position and profitability level by relentlessly focusing on commercial excellence and manufacturing productivity. The Group will continue to drive customer centricity and sustainable innovation through the development of new products and services and by means of its participating interest in Inwatec ApS. while further enhancing the optimization and digitalization of business processes and applications.

Risk factors to be taken into account for 2024 include the uncertainty regarding the overall political climate, the impact of geopolitical and military threats, travel restrictions across the world in the event of a new pandemic emerging, a slowing-down of demand due to an economic recession in our key markets, our customers' ability to access financing when confronted with higher interest rates, the fluctuating availability of raw materials, energy and transportation costs, exchange rate volatility, and competitive pressures.

Risk factors

Risks related to the JENSEN-GROUP's financial situation.

Net profit depends on reaching a certain level of sales to absorb overhead costs

Any major drop of activity has an immediate effect on operating profits. The JENSEN-GROUP fully owns seven production sites, in the following countries:

- one production site in China;
- three production sites in Denmark;
- one production site in Germany;
- one production site in Sweden;
- one production site in the USA.

Each production and engineering center (PEC) is specialized in a specific area of the laundry operation (washroom, finishing technology, material handling) or in a specific type of linen (flatwork, garment, or special applications such as mats, continuous roller towels or wipers).

The JENSEN-GROUP has its own distribution channels (SSC Sales and Service Centers or Sales Support) in the most important markets:

- Australia
- Austria
- Benelux
- Brazil
- China
- Denmark
- France
- Germany
- Italy
- Sweden
- Middle East
- New Zealand
- Norway
- Singapore
- Spain
- Switzerland
- UK
- USA

As from October 2023, the Japanese market is served through Inax ltd, the JENSEN-GROUP's Joint Venture partner in Japan and one distributor.

Alongside the SSCs, the JENSEN-GROUP has sales representatives in:

- Czech Republic
- Poland

Furthermore, the JENSEN-GROUP has an experienced distributor network in more than 50 countries.

Each SSC is staffed to handle turnkey projects and systems, single machine sales and after-sales services.

The heavy-duty laundry market requires a strong reliance on technical knowledge. In each PEC and SSC, the JENSEN-GROUP has the supporting functions needed to administer the legal entity. To absorb these overheads, sufficient volume is required. The activity level determines production volume and can be influenced by factors beyond the Group's control. Since the products are investment goods, the international investment climate in healthcare, hospitality (hotels and restaurants), and industrial textile care can significantly influence the overall market demand and sales opportunities. The impact of a sudden decrease in turnover cannot be fully offset by a decrease in overheads and infrastructure costs, and as such can have a negative impact on the Group's activity level, operating result, and financial condition. Due to the strong reliance on technical knowledge from supporting functions, it is difficult to restructure these supporting functions short-term in case of a major drop of activity and moreover, in the case of restructuring the Group is limited by local regulation which might generate important costs, as experienced after the financial crisis and the Covid-19 pandemic.

<u>The economic,political and currency risks of selling products in foreign countries</u>

Sales of equipment and projects to international customers represent a major part of the net revenues. Demand for the JENSEN-GROUP products may be affected by economic and political conditions in each of the countries in which the products are sold, and by certain other risks of doing business abroad, including fluctuations in the value of currencies. Exchange rate fluctuations between the major currencies used in the Group's operations are hedged as much as possible, these being the AUD, CHF, CNY, DKK, EUR, GBP, JPY, NOK, NZD, SEK, SGD, and USD.

<u>Interest rate fluctuations could have an adverse effect on revenues and financial results</u>

The JENSEN-GROUP is exposed to market risk associated with adverse movements in interest rates. A general increase in interest rates might have a negative impact on the overall investment climate and on the investment capacity of the customers and as a result, the Group's business revenues, profits and financial conditions could be adversely affected.

With a view to the direct financial impact of interest rate fluctuations on the Group's borrowings, the Group maintains long-term interest rate hedges and loans with fixed interest rates to limit this risk.

The use of debt could adversely affect the Group's financial health if covenants are not met

Because of the strength of its balance sheet, the JENSEN-GROUP prefers to avoid as much as possible borrowing agreements holding firm commitments on covenants. The Group's major financial institution partners are Nordea, KBC and Nykredit. The Group's borrowing agreements include three financial covenants with one of the financial institutions covering solvency, a positive EBITDA on an annual basis and a maximum debt/EBITDA ratio. Not meeting these covenants could entail an extra cost and have a restricting effect on the Group's borrowing capacity.

The bankruptcy of any bank could have a negative effect on the JENSEN-GROUP's cash position

The bankruptcy of one of its financial institution partners, could have a significant impact on the cash position of the JENSEN-GROUP. The Group spreads its cash position across different banks and different investments to mitigate the bankruptcy risk of any bank.

To service its debt, the JENSEN-GROUP will require a certain amount of cash flow, which depends on many factors beyond the Group's control

The ability to make scheduled payments of principal and interest on debt, to fund the JENSEN-GROUP's planned capital expenditures and research and development efforts, as well as expansion capacity, will depend on the Group's ability to generate cash, on future operational and financial results and on the development of the major financial institutions it works with. These institutions, to a certain extent, are subject to the risk factors mentioned above.

Risks related to the JENSEN-GROUP's business activities and industry

The JENSEN-GROUP's main customers are getting larger as they consolidate and become increasingly international

An important part of the business is to deliver solutions and machines to the textile rental industry. The ongoing consolidation and internationalization in this industry is making a significantly greater part of the business dependent on relations with these larger groups.

Price fluctuations or shortages of raw materials, supply chain disruption and the possible loss of suppliers could adversely affect operations

The JENSEN-GROUP purchases a large number of different components as well as raw materials such as black iron, stainless steel, aluminium, and electronic components. The price and availability of these raw materials and components are subject to changes in duties, market conditions affecting supply and demand, fluctuations, and shortages. In the competitive market of heavy-duty laundry machinery, there is no assurance that increases or decreases in raw material and other costs will be translated quickly into higher sales or lower purchase prices. Nor can there be any assurance that the loss of suppliers or components would not have a material adverse effect on business, results of operations and financial condition. Currently, the Group does not undertake commodity hedging.

The JENSEN-GROUP operates in a competitive market

Within the worldwide heavy-duty laundry machinery market, the JENSEN-GROUP encounters several competitors, both small and large. There can be no assurance that significant new competitors or increased competition from existing competitors will not have an adverse effect on business, results of operations and financial condition. The heavy-duty laundry machinery market is a technical investment goods market where technical support is very important to the customer, and thus where local presence is an important factor.

In addition, the Group may face competition from companies outside of the United States or Europe who have lower costs of production (including labour or raw materials). Such companies may pass on these lower production costs as price decreases to customers and as a result, the Group's revenues and profits could be adversely affected.

Vendor financing

In certain cases, customers experience difficulties in obtaining financing to invest in expansion or equipment renewal. Under certain specific conditions, and in order to facilitate matters, the JENSEN-GROUP offers financing solutions to customers. This creates exposure for the Group in terms of having to recover machinery over the lifetime of the financing contract. The exposure is managed by aligning the take-back price to the fair second-hand market values as much as possible.

Geopolitical risks

The JENSEN-GROUP has worldwide activities, with important production sites in, *inter alia*, China, the USA, Europe, and Japan. Considering recent geopolitical developments around the world, changes of import duties-regimes and trade restrictions are possible. Moreover, recent wars or conflicts carried out by force of arms, between nations, states and between parties occur. Such conflicts can have an impact on the people affected, and lead to travel stops and economic down turns, heavily impacting the hospitality sector, ongoing projects, or insurance coverage. The Group mitigates the risk by having back-up plans for its producing activities.

Policy choices can affect the healthcare sector

The JENSEN-GROUP sells to industrial laundries which handle, amongst other things, linen for the healthcare sector. Policy choices at country level can affect the standards of hygiene or the financial capability of hospitals, such as regulation that would change the standard of circular re-used linen as well as disposable linen. This may influence sales at specific points in time and increase costs of product development to find solutions for the most stringent hygiene requirements.

The JENSEN-GROUP may incur product liability expenses

The JENSEN-GROUP is exposed to potential product liability risks that arise from the sale of its products, particularly in the washroom and the finishing areas, and work accidents linked to them. In addition to direct expenditures for damages, settlements and defense costs, there is a possibility of adverse publicity because of product liability claims. The Group's insurance coverage may not fully cover its potential liabilities, and this may materially and adversely affect its business, results of operations and financial condition.

The JENSEN-GROUP is subject to risks of future legal proceedings

At any given time, the JENSEN-GROUP is a defendant in various legal proceedings and litigations arising in the ordinary course of business. The costs and potential economic consequences of any legal proceedings are difficult to quantify and may be high, particularly in the case of product liability. Although insurance coverage is maintained, there is no guarantee that this insurance coverage will be adequate to protect against all material expenses related to potential future claims for personal and property damage or that these levels of insurance coverage will be available in the future at economical prices or for that matter, available at all.

A significant unfavorable judgment, the loss of a significant permit or other approval, or the imposition of a significant fine or penalty could have an adverse effect on the Group’s business, financial condition and prospects/reputation.

Environmental, social and governance risks

The JENSEN-GROUP is dependent on personnel

The JENSEN-GROUP is dependent on the continued services and performance of the senior management team and employees in all areas. The employment agreements with senior management and key employees are for indefinite periods of time. The Group is confronted with challenges to recruit sufficient qualified employees and to replace key employees. This could have a material adverse effect on the Group’s business, results of operations and financial condition because of the employees' experience and knowledge of business and customer relationships.

The nature of the business exposes the JENSEN-GROUP to potential liability for environmental claims and to the adverse effects of new and more stringent environmental, health and safety requirements

The JENSEN-GROUP is subject to comprehensive and frequently changing federal, state, and local, environmental, health and safety laws and regulations, including laws and regulations governing emissions of air pollutants, discharges of waste and storm water and the disposal of hazardous wastes. The environmental liabilities that may result from future legislation or regulations, the effect of which could be retroactive, cannot be predicted. The enactment of more stringent laws or stricter interpretation of existing laws could require additional expenditures, some of which could have an adverse effect on the Group’s business, results of operations and financial condition.

The JENSEN-GROUP, although applying best practices on all its sites, can be subject to liability for environmental contamination (including historical contamination caused by other parties) at the sites that it owns or operates. As a result, the Group may be involved in administrative and judicial inquiries and proceedings related to environmental matters. There can be no assurance that the Group will not be involved in such proceedings in the future, while it cannot be ascertained that the existing insurance or additional insurance will provide adequate coverage against potential liability resulting from any such administrative and judicial inquiries and proceedings. The aggregate amount of future clean-up costs and other environmental liabilities could have a material adverse effect on the Group's business, results of operations and financial condition.

For the past several years, the JENSEN-GROUP has strictly followed an environmental remediation plan relating to its former Cissell manufacturing facility in the United States. A third-party indemnity for the remediation plan exists, with Cissell as the legal beneficiary. The most recent sampling tests, performed by a third-party environmental engineering company each year, together with an exhaustive review every five years, are in line with expectations. Considering the data collected in the 2023 exhaustive review, an endpoint of 2028 appears likely at which time the next exhaustive review is scheduled. There is no guarantee that no significant additional civil liability or other costs will be incurred in the future with respect to the Cissell facility or other facilities.

The JENSEN-GROUP's operations are also subject to various hazards incidental to the manufacturing, transportation and functioning of heavy-duty laundry equipment. These hazards can cause personal injury and damage to, and destruction of property and equipment. There is no guarantee that, due to past or future operations, there will not be injury claims by employees or third parties. Furthermore, the Group is also exposed to present and future claims relating to workers safety, workers' compensation and other matters. There is no guarantee as to the actual amount of these liabilities or the timing of them. Regulatory developments requiring changes in operating practices or influencing demand for, and the cost of providing, its products and services or the occurrence of material operational problems, including but not limited to the above events, may also have an adverse effect on business, results of operations and financial condition.

The JENSEN-GROUP operates in several locations and is subject to natural hazards

The JENSEN-GROUP operates in 22 countries and is therefore exposed to natural hazards such as earthquakes, windstorms, or floods. For example, the production site in Panama City, Florida, USA, is exposed to a hurricane risk, a risk which has materialized in 2018 with Hurricane Michael. Insurance coverage is taken when possible and affordable, while compliance with specific building codes is strictly taken into account. A decrease of available insurance coverage in certain areas in the past years has been observed. All entities exposed to natural hazards have disaster recovery plans. Any severe natural disaster could affect business, operational results and financial condition.

Pandemic or terrorist attack

A pandemic or terrorist attack has a direct impact on the JENSEN-GROUP's customers serving the hospitality sector (travel and tourism including cruise ships), as experienced during the Covid-19 pandemic, and the healthcare sector, as authorities can make decisions affecting both sectors that result in reduced business and thus influencing investment possibilities and outlook. Any severe pandemic or terrorist attack could affect the Group's business, operational results and financial condition.

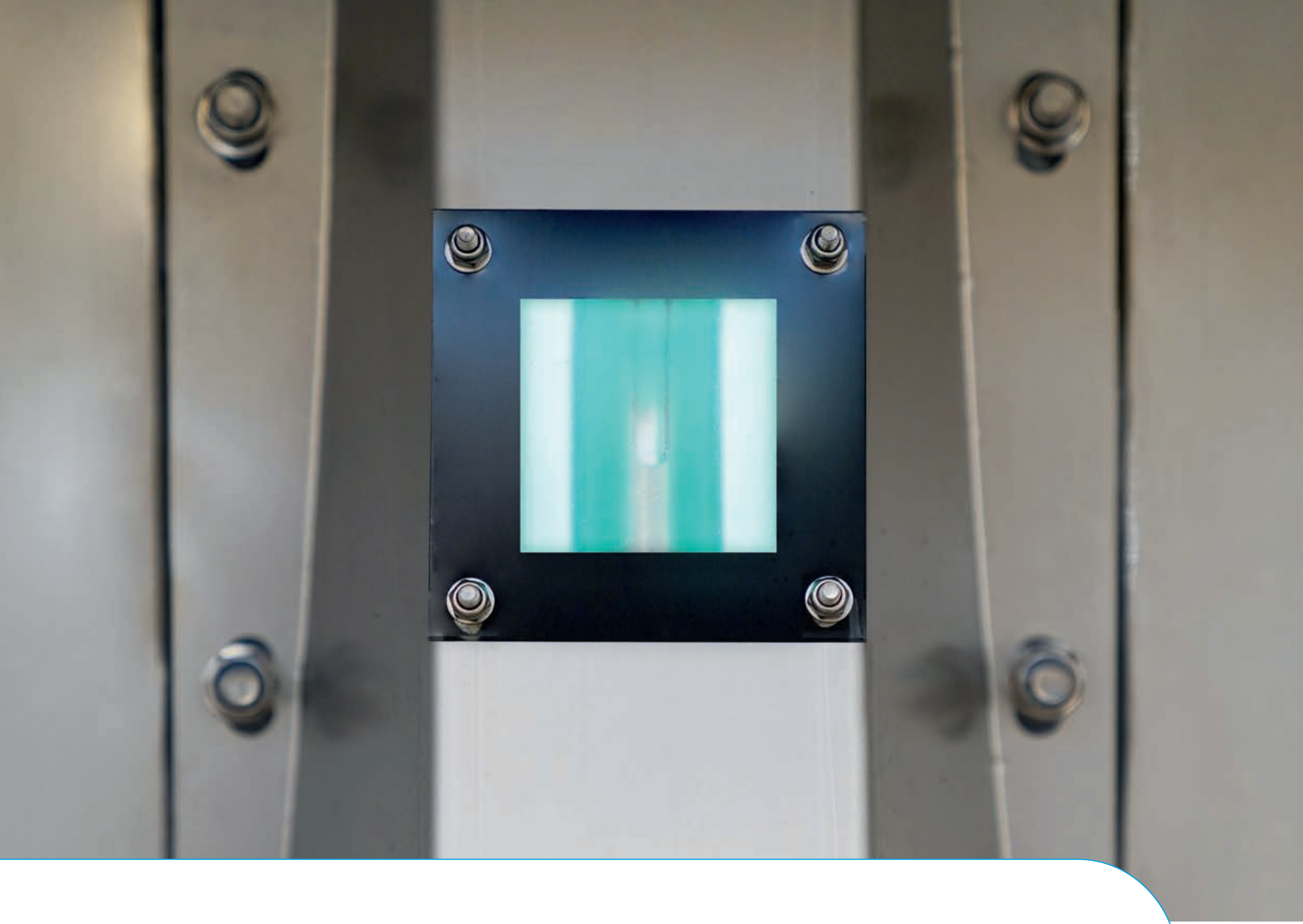
Violation of the Ethical Business Statement and Supplier Code of Conduct

Any violation of the JENSEN-GROUP Ethical Business Statement or Supplier Code of Conduct might cause operational disruption, damage to reputation, and financial losses. The Group's Ethical Business Policy and Supplier Code of Conduct are available on the Company website Corporate Governance (https://www.jensen-group.com) and include provisions on how bribery and corruption are prevented as well as policies on proper conduct. To mitigate the risk, all employees have been requested to sign the Ethical Business Statement.

Internal control risk

ICT risk

The JENSEN-GROUP operates with several information and communication technologies (ICT). Furthermore, the Group has employees spread around the world, working on, and connecting to different networks. The Group uses several tools, devices and software in its ICT and machine operating environment for its worldwide operation. Digital technologies, devices and media bear manifest risks and opportunities. Machinery is increasingly interconnected and prepared for IoT (Internet of Things). As a result, the Group faces cyber risks. Any ICT failure in the area of security and systems access or in machine operating environments might cause operational disruption, damage to reputation, and financial losses. The Group manages these risks by closely following the latest technological developments. Next to this, the Group selects the best suited suppliers for software and ICT. Cybersecurity, GDPR, … are strict criteria that are applied when selecting these suppliers.



JENSEN tunnel washers feature the UVClean system, a chemical-free solution that automatically prevents bacterial growth in double drum sections. Using Ultraviolet C radiation, this **natural approach** effectively treats localized biofilms. This method, also employed in the pharmaceutical industry for curing multidrug-resistant micro-organisms, is a **reliable alternative to chemical methods**. Unlike chemical approaches, bacteria cannot develop resistance to UV radiation, making it the most natural, ecological, and efficient way to eliminate germs and bacteria.

Non-financial information

In accordance with the Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 as regards disclosure of non-financial and diversity information by certain large undertakings and groups (the Non-Financial Reporting Directive or NFRD), and as required by the Belgian Companies and Associations Code Art. 3:6 § 4 and Art. 3:34, the JENSEN-GROUP has added this separate section containing non-financial information which is considered to be relevant for stakeholders and by which a difference is made. Sustainability information is disclosed in line with the EU taxonomy, while ESG-related activities identified as relevant to stakeholders and business are disseminated through a first impact materiality assessment conducted in 2022. The Group is continuously working on the implementation of the new Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards corporate sustainability reporting (the Corporate Sustainability Reporting Directive or CSRD).

In providing this information, the JENSEN-GROUP has considered the requirements defined by the NFRD and the Companies and Associations Code, while also drawing inspiration from the GRI Sustainability Reporting Standards: Core option.

A significant push to report on non-financial activities was given by the Board of Directors during 2022. ESG was added as a strategic driver, substantiating the common aim of the Board of Directors and Executive Management Team (EMT) to progress on sustainable activities and reporting. ESG has become a permanent point on the agenda of the monthly EMT meetings.

Since 2023, the newly appointed Head of Corporate Sustainability has been focusing on developing and implementing processes, procedures, and systems to be compliant with the CSRD and reporting responsibilities.

Taxonomy

The EU Taxonomy is a classification system that helps companies and investors identify environmentally sustainable economic activities. It also provides a methodology for companies on how to calculate the 'greenness' of their activities. It differentiates between eligible activities and aligned activities. An economic activity is eligible when it is covered in the Taxonomy. It becomes aligned or, in other words, sustainable when certain conditions and environmental objectives are fulfilled. The reporting on taxonomy must be based on three Key Performance Indicators (KPI) which are Revenue, Capex, and Opex. The disclosures below relate to the financial year 2023.

1. Revenue

After carefully mapping the company's activities against the Taxonomy and a thorough comparison of NACE codes, the JENSEN-GROUP did not identify any revenue-generating activities covered in the Taxonomy. It therefore concluded that it was neither an eligible, nor an aligned, economic activity with respect to Revenue. Indeed, none of the activities listed in the Taxonomy relate to the business of a manufacturer and assembler of industrial laundry equipment such as the JENSEN-GROUP, as revealed by a close assessment of the activities identified as hypothetically close to the business of the JENSEN-GROUP in the manufacturing sector (Climate Delegated Act, Annex I: climate change mitigation activities 3.1-3.17; Environmental Delegated Act, Annex II: circular economy activities 1.1-1.2) and service sector (Environmental Delegated Act, Annex II: circular economy activities 5.1-5.6).

Activities that may seem relevant to external stakeholders at first sight, such as the manufacturing of steel or electrical and electronic equipment (i.e., activity 3.4 of the Climate Delegated Act, Annex I, and activity 1.2 of the Environmental Delegated Act, Annex II), are not revenue-generating activities, because the JENSEN-GROUP does not manufacture these materials and goods, it purchases them from third-party suppliers and assembles them into a final product. The industrial laundry machines built by the JENSEN-GROUP only contain purchased and standard electrical and electronic components. They therefore do not qualify as electrical or electronic equipment according to the description of said activity and listed NACE Codes under Annex II of the Environmental Delegated Act.

Furthermore, while the JENSEN-GROUP is considered the leader in the industry when it comes to energy and resource savings, its main activity is not aimed at the reduction of GHG emissions (i.e., activity 3.6 of the Climate Delegated Act, Annex I: manufacture of other low carbon technologies). Economic activities in the manufacturing sector that substantially contribute to the sustainable use and protection of water and marine resources have been disregarded, as it does not apply to the business of the JENSEN-GROUP (Environmental Delegated Act, Annex I: sustainable use and protection of water and marine resources activity 1.1).

As for the services provided by the JENSEN-GROUP, such as the sale of spare parts and repair, refurbishment, and remanufacturing activities (i.e., activities 5.1 and 5.2 of the Environmental Delegated Act, Annex II), they do not relate to products that are manufactured by economic activities classified under the NACE codes mentioned in the descriptions of said activities under Annex II of the Environmental Delegated Act. Although no revenue-generating activities listed in the Taxonomy can be associated to the activities of the JENSEN-GROUP so far, considerable efforts to improve its sustainability are being undertaken, and the Group reports on a significant number of KPIs as shown below.

2. Capex

With respect to Capex, the JENSEN-GROUP has identified some expenses linked to wider eligible activities included in the Taxonomy. These expenses are mainly the outcome of individual measures enabling the target activities to become low-carbon or to lead to GHG reductions as stipulated under literal (c) of section 1.1.2.2 of Annex I of the Disclosure Delegated Act. Following an ESG Readiness Assurance check on Taxonomy KPIs performed in 2023, the data collection, verification, and reporting process was improved, which led to a corrected allocation of expenses to the activities listed in the Taxonomy and the identification of eligible and aligned activities that had been overseen in 2022.

The Capex KPI is calculated in line with section 1.1.2 of Annex I to the Disclosure Delegated Act. The Taxonomy-eligible and aligned capital expenditures (numerator) are divided by the total FY2023 Capex as defined in section 1.1.2.1 of Annex I of the Disclosure Delegated Act (denominator).

The expenditures included in the numerator are eligible, but not aligned because the “Do Not Substantially Harm” (DNHS) criteria and minimum safeguards are not met. The activities identified as eligible are:

- Transport by motorbikes, passenger cars and light commercial vehicles (Climate Delegated Act, Annex I: climate change mitigation and adaptation activity 6.5),
- Renovation of existing buildings (Climate Delegated Act, Annex I: climate change mitigation and adaptation activity 7.2; Environmental Delegated Act, Annex II: circular economy activity 3.2),
- Installation, maintenance, and repair of energy efficiency equipment (Climate Delegated Act, Annex I: climate change mitigation and adaptation activity 7.3),
- Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) ((Climate Delegated Act, Annex I: climate change mitigation and adaptation activity 7.4),
- Acquisition and ownership of buildings (Climate Delegated Act, Annex I: climate change mitigation and adaptation activity 7.7).

The denominator equals the total Capex of the JENSEN-GROUP as disclosed on p.111 of the present report.

3. Opex

With respect to Opex and according to the definition under Annex I, 1.1.3 of the Disclosure Delegated Act, the proportion of Opex shall be calculated as the numerator divided by the denominator.

As defined under Annex I, 1.1.3.1 of the Disclosure Delegated Act, the denominator covers direct non-capitalized costs that relate to research and development, building renovation measures, short-term leases, as well as maintenance and repair, and any other direct expenditures relating to day-to-day servicing of assets of property, plant & equipment (PPE) by the company or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. For the JENSEN-GROUP, the total value of the denominator equals 7,363 thousand euro and includes costs related to research and development not accounted for in CAPEX, short-term leases, as well as maintenance and repair costs not included in overheads.

As for the numerator and in accordance with Annex I, 1.1.3.2 of the Disclosure Delegated Act, it is equal to zero because the operational expenditure is not material for the JENSEN-GROUP. Indeed, the Opex included in the denominator and related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions amounts to 0% of the operating expenditure. Furthermore, the Opex as defined in the Taxonomy represents less than 1% of the Groups' total revenue.

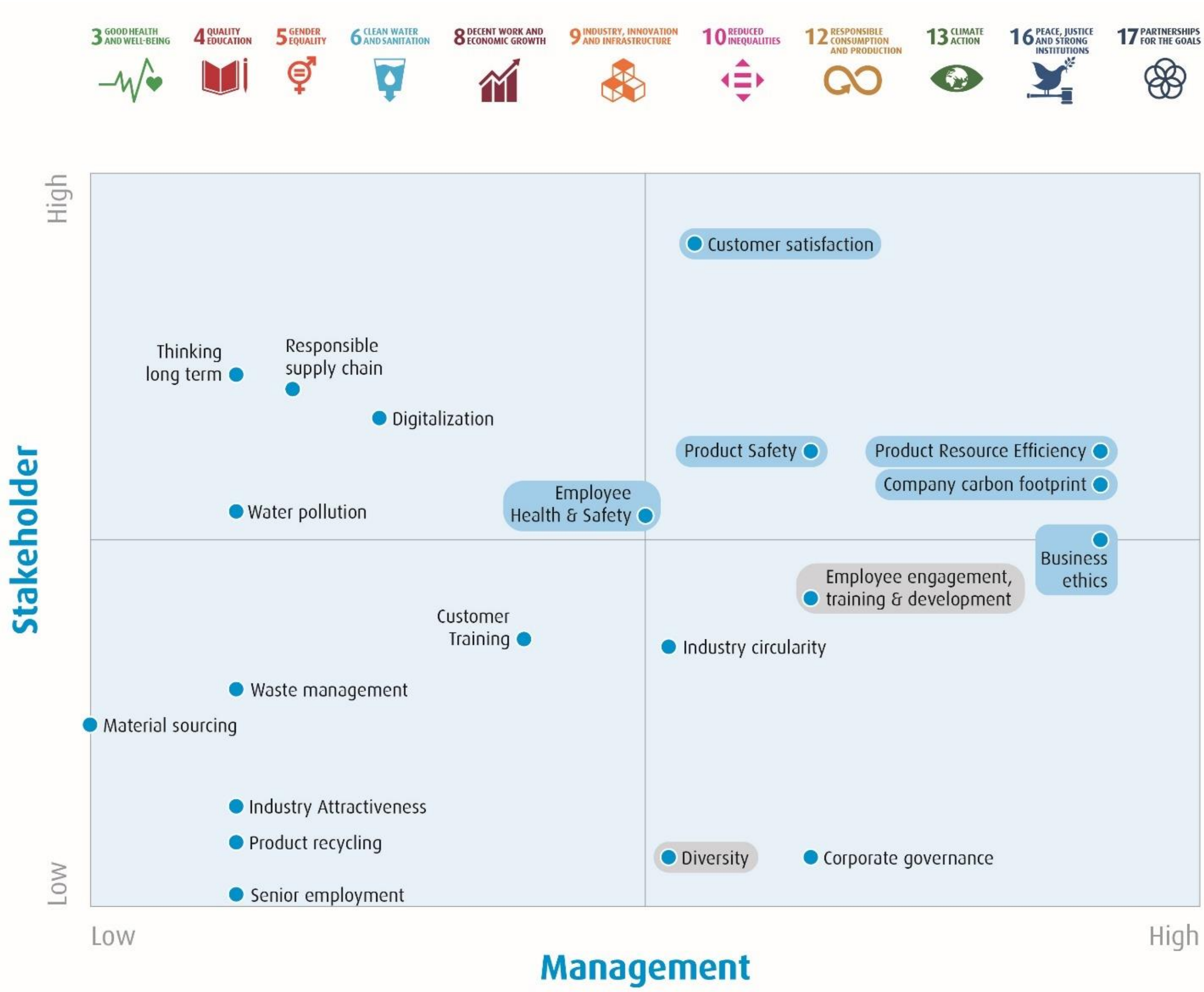
JENSEN-GROUP (In thousands of euros)	December 31 2023	Eligible economic activities (%)	Non-eligible economic activities (%)
Revenue	400,121	0	100
Capex	9,092	64	36
Opex	7,363	0	100

The official templates of the taxonomy KPIs, as well as the additional disclosures on gas and nuclear can be found at the end of this report on page 171.

Materiality analysis

The materiality analysis identifies the sustainability topics that are most material to business and stakeholders, in order for the JENSEN-GROUP to further strengthen sustainability and corporate responsibility policy and reporting, by prioritizing topics that matter most. The impact materiality assessment done in 2022 is the result of an EMT workshop (inside-out perspective) and a stakeholder survey of customers, employees, and suppliers (outside-in perspective). The questions addressed were related to important material topics reflecting the Group's economic, environmental, and social impact and influencing the decisions of the JENSEN-GROUP business and stakeholders.

During this analysis, both external and internal factors were taken into consideration, including the JENSEN-GROUP vision, mission, brand, and long-term strategy, as well as the Sustainable Development Goals (SDG) and GRI Sustainability Reporting Standards. The result is illustrated in the materiality matrix below.



The upper right quadrant represents priority topics that are relevant for society, the JENSEN-GROUP stakeholders, and the business. The Group's sustainability approach focuses mainly on these areas, including the topics 'Diversity' and 'Employee engagement', 'Training and development' as integral parts of the JENSEN-GROUP culture. These topics have been matched with the related United Nations Sustainable Development Goals (SDG), where these are relevant to the operations of the JENSEN-GROUP (see icons above the matrix). The upper left quadrant represents strategically significant topics that are considered relevant from a stakeholders' point of view. The areas defined in the lower quadrants are topics to be monitored closely and to be managed internally.

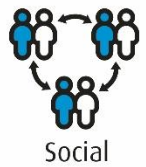
Based on this materiality assessment, a set of KPIs related to some of the most important topics was defined and a detailed monitoring protocol installed. Reference is made to the different dimensions of the sustainability approach mentioned below for the results of this monitoring process in 2023. Non-consolidated joint ventures have not been included. The latest acquisition of the JENSEN-GROUP, Ole Almeborg A/S, is also excluded, considering that it was acquired at the end of the year. This monitoring process will be maintained over the coming years and the reporting on key figures expanded in order to obtain a better understanding of performance in terms of sustainability and to implement necessary measures to improve said performance over the years.

After a first disclosure of these KPIs in 2022, the JENSEN-GROUP had an ESG Assurance Readiness Check performed by its auditors in 2023. The results triggered some actions aimed at improving the quality of these figures. Thanks to a complete revision of the ESG reporting procedure that included, among other things, the elaboration of an ESG reporting manual and employee training, the JENSEN-GROUP has achieved this goal and significantly improved the quality of the ESG KPIs reported this year.

Sustainable business framework

The JENSEN-GROUP has a strong reputation for always going above and beyond, to meet its customers' expectations. Additionally, the goal of creating sustainable innovation for a better world is deeply embedded in the Group's DNA. The textile care service is the oldest circular economy in the world, with its roots going back to the late 19th century. Extending the life of textiles is key but extending the lifetime of laundry equipment is equally important.

The aim is to honor this legacy, by developing a sustainability approach around the three ESG aspects:



In order to provide a broader sustainability context, a brief elaboration of the JENSEN-GROUP business model is illustrated below. For more information, reference is made to other sections of the Annual Report.

Business model

The aim of the JENSEN-GROUP is to lead by providing the best solutions to its worldwide customers in the heavy-duty laundry industry. Technical excellence, significant investment in product development and specialized industry knowledge enable the JENSEN-GROUP to plan, develop, manufacture, install and service everything from single machines to complete systems, turnkey solutions, and process automation.

Product development and automation are deemed a key part of the business model, as scarcity of resources and a greater focus on ecology increase the need for sustainable laundry solutions. Sustainability goes beyond purely environmental aspects. The new bottom-line looks at the eco-social costs and benefits of having clean linen available. The well-being of the people using and processing the linen is key.

As part of its total sustainability concept CleanTech, the JENSEN-GROUP develops machines and solutions that positively impact the financial success of laundries as well as the working stations for their employees.

All products designed and manufactured by the JENSEN-GROUP fall under the responsibility of its factories, called Production and Engineering Centers (PECs). The PECs develop, manufacture, and deliver a full range of innovative and competitive JENSEN and Inwatec products to customers through a worldwide network of Sales and Service Centers (SSCs) and authorized local distributors. This worldwide distribution network together with its laundry manufacturing capability, project management expertise and after-sales service make the JENSEN-GROUP a credible one-stop supplier uniquely positioned to act locally, meeting customers' requirements and expectations fast and reliably, whether for a single machine or a complete turnkey solution, anywhere in the world.

The relative share of sales through the JENSEN-GROUP's own SSCs has increased in recent years. These SSCs operate in the most important heavy-duty markets: Australia, Austria, the Benelux, Brazil, China, Denmark, France, Germany, Italy, the Middle East, New Zealand, North America, Norway, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The JENSEN-GROUP mission is "Creating the future in laundry automation", a one-liner which is also used in marketing communication. The JENSEN-GROUP is committed to offering the best solutions to heavy-duty laundries worldwide. For this reason, the Group is in constant dialogue with its customers through local presence, to identify the best solutions for them. Based on global experience, these solutions consider the total cost of ownership and are aimed at continuously raising productivity while reducing the ecological impact of equipment and processes. In recent years, the JENSEN-GROUP has particularly invested in further upgrading and expanding its product range in laundry robotics, AI, automation, new software applications for industry and environmentally friendlier products. The Group is committed, engaged, dedicated and responsible every time it interacts with its customers.

Customers provide a broad range of textile care services in a variety of application areas.

- **Healthcare laundries**: a typical healthcare institution delivers a range of items to its laundry, including surgical gowns and textiles, patient drapes, patient clothing, gowns for doctors and nurses, bed linen, towels, and more. Healthcare linen demands exceptionally high standards and flexibility in the choice of washing programs to ensure textiles are clean and uncontaminated.
- **Hospitality laundries**: clean and perfectly folded linen is part of the overall experience of any visit to a restaurant or a hotel. Hospitality laundries process a wide variety of textiles including bedsheets, fitted sheets, duvet and pillow covers, mattress covers, tablecloths, napkins, placemats, aprons, and fluffy items such as bathrobes and towels.

- **Industrial laundries:** both large corporations and small enterprises rely on textile care services for their workwear. Professional workwear includes shirts, uniform jackets and trousers of every kind, overalls, military uniforms, reflective striping jackets and trousers, safety vests, police and firefighter uniforms, as well as flame-resistant jackets or trousers. Professional garments ensure that their wearers are recognized, respected, and ultimately also protected.
- **Mat laundries**: dirt control mats are a calling card for every business and guarantee an excellent first impression. Shop owners and managers rely on them in all weather conditions, without which buildings would require constant cleaning.
- **Large on-premises laundries**: such as in the case of cruise ships, where thousands of passengers and crew members live in a limited space for days or weeks. Both for consumption and emissions reasons, the standards for hygiene and energy efficiency are unique in the cruise ship industry. Cruise companies are very concerned about the health and well-being of all people aboard the ship.

The JENSEN-GROUP's solutions cover all stages of sorting, washing, drying and finishing of linen, garments and mats.

The JENSEN-GROUP's equipment combines automation and high quality, while ensuring low energy, water, and chemicals consumption, saving both money and the planet.

Finally, the business model is highly scalable and serves as a platform to expand geographically. The Group aims to be present throughout the world so as to keep communication lines with its end-customers as short as possible, in order to guarantee a high-quality customer service and reduce the company's carbon footprint. Local presence was already a key competitive advantage before the Covid-19 pandemic and continues to be a critical success factor. With 18 SSCs and seven PECs spread across five continents, the JENSEN-GROUP thinks globally and acts locally.

Designed for optimal performance and **quick returns on investment**: JENSEN tunnel washers. Featuring a unique open drum design without scoops, they boast the **shortest transfer times in the industry**. The proven Archimedean helix ensures the entire batch is swiftly transported to the next compartment in just four seconds, significantly impacting annual production figures. Additionally, our patented rinse process and efficient water recovery concept allow for **water consumption as low as 1.6 liters of fresh water per kilogram of linen**.

ENVIRONMENTAL PERSPECTIVE

All the Group's stakeholders and, above all, customers, face a rapidly changing environment. The JENSEN-GROUP takes sustainability seriously and is pursuing a continuous energy reduction and environmental protection strategy. In particular, the need to decrease Greenhouse Gas emissions and the use of fossil fuels to limit global warming, as well as the growing scarcity of water call for an increased focus on ecology.

Appropriate internal policies have been implemented to identify both internal (i.e., arising during the manufacturing process) and external (i.e., created by the use of equipment) environmental risks to the business. Such risks are identified and evaluated as part of the yearly risk mapping exercise. Three main environmental risks are included in the risk map, based on the probability of the risk occurring and on its impact:

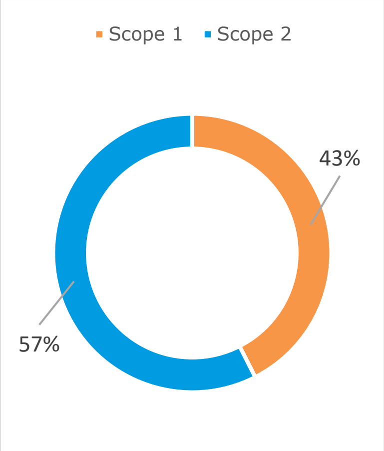
- risk of damage due to a natural disaster;
- risk of non-compliance with new local laws and regulations regarding environmental protection;
- risk of being held responsible for environmental contamination the Group is unaware of.

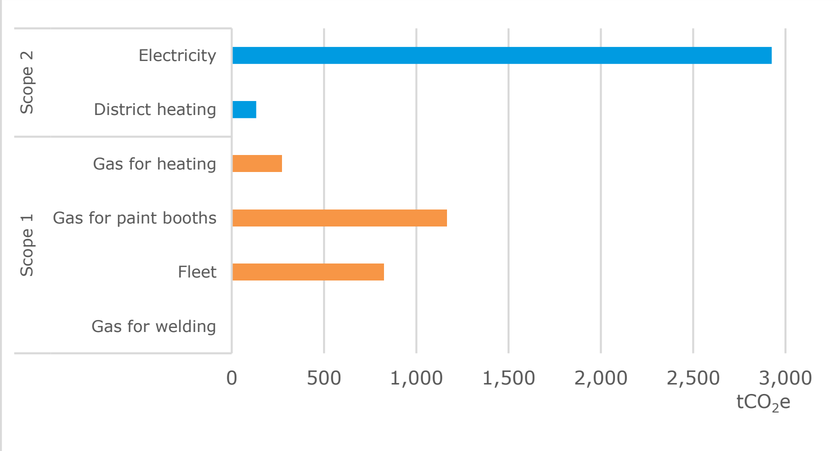
Risk mitigating measures are defined, implemented, and evaluated on a yearly basis by the Executive Management Team. A dedicated project has been introduced to ensure that the JENSEN-GROUP is fully compliant with local laws and regulations. For further information on environmental risks, please refer to the ‘Risk Factors’ and ‘Risk Management and Internal Control’ sections in this Annual Report.

1. Emissions

For the first time in its history, the JENSEN-GROUP is presenting the Greenhouse Gas (GHG) emissions associated to its activities, as part of its ongoing commitment to transparency and environmental responsibility. For this initial carbon footprint disclosure, the Group has limited the calculation to Scope 1 and Scope 2 emissions. Scope 1 encompasses direct emissions from operational activities and consists mostly of fuels associated to the vehicle fleet and gas used for heating purposes. Scope 2 represents indirect emissions from purchased electricity and heating.

In 2023 the total GHG emissions Scope 1 and 2 of the JENSEN-GROUP were 5.313 tCO_2e. The biggest GHG emissions come from electricity, the gas used in the paint booths in Denmark and China, and the company fleet.





Calculations are done according to the Greenhouse Gas Protocol standards and an equity share approach. Under the equity share approach, a company accounts for GHG emissions from operations according to its share of equity in the operation. Activity data related to electricity or heating may, in some cases and in the absence of updated information from suppliers, be based on assumptions of the previous year's consumption figures. Scope 1 and 2 emissions of the non-consolidated joint ventures Tolon and Inax are excluded, due to the Group's limited influence and margin of action and will be considered under Scope 3 as emissions related with investments. Scope 1 and 2 of the latest acquisition of the JENSEN-GROUP, Ole Almeborg A/S, is also excluded, since it was acquired at the end of the year.

The JENSEN-GROUP has chosen 2023 as the starting point and base year, which its future GHG emissions will reflect. These disclosures illustrate the Group's dedication to sustainability and its efforts to quantify and mitigate its environmental impact. It will set reduction targets once the emissions of its whole value chain including Scope 3 are known. Said full carbon footprint and reduction targets will be disclosed in the next annual report.

As indicated in its Mission Statement, the aim of the JENSEN-GROUP is to supply customers with sustainable single machines, systems, turnkey solutions, and laundry process automation. Sustainable solutions also imply that the negative impacts on the climate are limited as much as possible, through appropriate measuring and appropriate action.

2. Energy consumption

1.1. Solutions

The JENSEN-GROUP takes sustainability and environmental protection seriously and is pursuing a continuous energy-saving strategy to meet the challenges of the future, such as climate change and the finiteness of fossil fuels. Continuous investment in product development, alignment of its core processes and in-depth market presence enable the JENSEN-GROUP to better meet its customers’ needs. Many of these developments are targeted at reducing energy and water consumption, as well as increasing the lifetime of equipment. This includes continuously monitoring the performance of equipment during the development phase.

JENSEN's latest generation of dryers establishes **new benchmarks** in energy efficiency, productivity, and reliability. The advanced design allows for a 10% increase in evaporative capacity, coupled with a remarkable 10–15% reduction in energy consumption compared to conventional dryers. Shorter drying times boost productivity and contribute to significant improvements in energy efficiency. JENSEN's **world-record-setting**, gas-heated dryers consume only 0.95 kWh per liter, showcasing our commitment to **cutting-edge energy efficiency**.

Many product developments targeting natural resource and energy savings for customers are grouped under the CleanTech concept. In general, the JENSEN-GROUP invests around 2% to 3% of its turnover in product development each year.

CleanTech solutions consist of knowledge-based products and services that improve operational performance, productivity and efficiency while reducing CO_2 emissions, energy and water consumption, waste, and pollution. The objective of the JENSEN-GROUP CleanTech concept is to increase the efficient use of primary energy and to ensure that such energy is consumed more economically. This also involves integrating water and energy recovery systems into machines.

CleanTech technology has produced some remarkable savings in natural resources and energy for customers in recent years as shown in the table below. The figures are representative indicators of the average energy consumption of the most efficient versions of JENSEN-GROUP's energy-intensive machines, namely dryers, ironers, and tunnel finishers processing a heterogeneous mix of textiles. They were recorded under ideal circumstances and may vary depending on the context of exploitation and the different requirements of each laundry business. The JENSEN-GROUP is working on aligning its reporting regarding energy data to be compliant with official calculation standards. Considering that about 40% of the JENSEN-GROUP's business takes place outside of Europe, future tests will be based on the internationally recognized ISO standards. While the 2023 figure for the most performant dryer is the result of a test according to ISO standard 9398-2, the other values are not ISO compliant. They have been disclosed as further proof of the Group's commitment to transparency and for the information of its different stakeholders. In absence of any new tests since last year, the figures have not changed since the last annual report.

Energy consumption (In kWh*/liter H_2O)	**< 2005**	**> 2008**	**December 31 2023** *(unchanged from previous year)*
Dryer	1.35	1.08	0.95
Gas ironer	N/A	1.20	1.10

(*) excluding consumption of electricity

After the introduction of the CleanTech concept, further technological developments in recent years have led to considerable reduction of the energy consumption of JENSEN equipment.

Average water consumption of under three liters per kg linen processed, and energy consumption of under one KW/h per kg linen processed can be reached today with JENSEN products and solutions. The continuous development of innovative technologies that can be easily integrated into new or existing equipment, such as heat exchangers, heat control (InfraCare), product enhancements or software, are important steps towards the reduction of energy consumption.

The JENSEN-GROUP is working to take the energy reduction program a step further through continuous product development and automation, to ensure that the machines are operated efficiently without idling, and automatically stopped if not operated. The integration of robotics into the product line, thanks to partner Inwatec, is another major contributor towards automation and efficient energy and resource management. Technology and automation are key not only to productivity, but also to sustainability.

The JENSEN-GROUP is aware of the environmental impact and finiteness of fossil fuels such as gas used for CleanTech technology. Hence, the Group is working on product solutions powered by alternative energy sources such as hydrogen and electricity. It is important however, to underline that heavy-duty laundry equipment is fundamentally different and much more complex in terms of energy requirements than household washing machines.

Consequently, the solutions to power these industrial laundry installations cannot be compared to what the electro-domestic sector can offer.

1.2. Operations

Each manufacturing site of the JENSEN-GROUP focuses on specific technologies for the heavy-duty laundry industry. Environmentally friendly equipment is developed and manufactured in the most ecologically responsible way. The JENSEN-GROUP does not limit itself to reducing Greenhouse Gas emissions and energy and water consumption of its machines at customers, but also handles valuable resources and energy sources carefully at the production stage. The reduction of energy consumption in all factories is an important goal, and the necessary steps to improve that performance are being taken. While the importance of harmonized measures is acknowledged, some external factors may vary from one geographical site to the other and require adaptations to these harmonized measures, e.g. different climates, quality of building constructions or local regulations, need to be taken into account. Measures like temperature reduction in factories, replacement of lighting with LED lighting, as well as the integration of alternative energy sources to generate electricity and heat for the production of machinery are being studied or have already been implemented in certain cases like e.g.in China with the installation of solar panels. Furthermore, factories apply concentrated production planning with annual closings to keep the output at a constant high level. All transportation paths within the factory and from suppliers are kept as short as possible. As part of the lean management principles, these movements are constantly optimized.
While emissions related to purchased electricity are accounted for in the Scope 2 calculation above, the JENSEN-GROUP is separately reporting its electricity consumption and the related financial indicator due to the important environmental impact of this emission category.

Energy consumption	**December 31 2023**	**December 31 2022**
Electric consumption (in kWh)	7,975,742	6,967,456
Revenues (in thousands of euros)	400,121	341,639
kWh per euro revenue	0.020	0.020

3. Optimization of manufacturing process

3.1 Waste reduction

The production of steel, which is the main material purchased by the JENSEN-GROUP, is extremely carbon intensive. Thanks to a computer program for the laser cutting system in the JENSEN-GROUP's largest factories, the use of metal sheets is optimized, reducing the annual volume of scrap steel by 30% every year. While the 2022 figure relies on data from only one factory, the 2023 figure combines data from both our largest factories.

(In %/total tons of steel)	December 31 2023	December 31 2022
Steel scrap	21.66	22.35

Other initiatives towards waste reduction, such as the recycling of material or reduction of plastic packaging, have been implemented locally. The Group expects to get a better overview and more concrete data on waste when analyzing Scope 3 emissions.

3.2 Pollution

The two factories with their own paint booths, Xuzhou/China and Rønne/Denmark, both meet high standards for emissions. They are constantly monitored, and each plant employs a dedicated person in charge of environmental issues and hazardous waste.

The pollutant discharge from the paint booths consists of hazardous solid waste, liquid waste, and waste acid from the pickling station. The hazardous solid waste is stored in a separate warehouse for collection by the supplier. Its correct disposal is supervised by the Chinese and the Danish governments. The wastewater is sent to official sewage plants. The waste acid is stored in separate warehouses, supervised by government installed cameras (in China) or locked (in Denmark), and collected by a government-appointed company. This ensures that the waste acid does not pollute the environment. None of the plants have had any spills into the environment. Both paint booths are thoroughly cleaned on a regular basis, depending on the activity.

Paint booth emissions	December 31 2023	December 31 2022
Powder consumption (in kg)	61,866	60,690
Paint booth spills	0	0

Furthermore, air pollution due to exhaust gas is tightly monitored in the Chinese factory with monthly air quality tests conducted by a third-party, in accordance with governmental requirements.

An environmentally friendly manufacturing process starts with selecting the most appropriate suppliers. The JENSEN-GROUP is therefore constantly looking for partnerships with suppliers who can contribute opportunities of any kind, to reduce resources and energy.

4. Mobility

Significant potential in the reduction of GHG emissions lies in employee mobility. The Covid-19 pandemic highlighted the possibilities of remote working, leading to a considerable increase in virtual meetings, customer support, and e-learnings. The Group aims to keep business travel to a minimum and allow home-working arrangements to positively contribute to the reduction of the company's carbon footprint. Furthermore, it encourages the purchase of electrically powered vehicles when possible and has reviewed its car policy accordingly.

While emissions related to company vehicles are accounted for in the Scope 1 calculation above, the JENSEN-GROUP is separately reporting the average fuel consumption of active company cars and the number of electric/hybrid vehicles utilized due to the important environmental impact of this emission category. The aim is a 60% rate of cars powered by a renewable energy source by 2030, considering that for certain business activities such as customer service or certain regions, cars must constantly be ready for use, and employees are dependent on the availability of charging stations. Following the ESG Assurance Readiness Check, a thorough data verification was conducted, leading to an updated average consumption value for 2022 and even more precise figures in 2023.

The quality increase of the collected data also allowed to identify vehicles that had not been reported in 2022. Coupled with a certain amount of new fuel-powered car purchases destined for customer service, it explains the slow decline in the average consumption figure between 2022 and 2023.

Active fleet	TARGET 2030	December 31 2023	December 31 2022
Average fuel consumption (l/100 km)	N/A	5.7	6.0
Electric/hybrid cars on total fleet	60%	15%	12%

5. Climate-related risks, dependencies, and opportunities

As mentioned in the Risks Factor section of this Annual Report the JENSEN-GROUP operates in 22 countries and is therefore exposed to natural hazards such as earthquakes, windstorms, or floods. It is reasonably accepted that in the medium to long-term, climate change will result in an increase of the average worldwide temperature, which will cause more frequent natural hazards. Because of this increased risk, insurance coverage is taken when possible and compliance with specific building codes is strictly respected, to reduce the impact on the Group's performance and operational results.
Like many companies, the JENSEN-GROUP is dependent on natural, human, and social capital for its operations. Water scarcity, energy-related costs, and the transition from fossil fuels towards renewables plays an influential role in the development of new sustainable machines and solutions. By creating sustainable innovation and contributing to a better world, the Group provides a motivating work environment for its employees and improves the brand image throughout the value chain.

An ergonomic sorting platform at the laundry entrance enhances **productivity** and ensures **operators' well-being**. This platform increases sorting efficiency, reduces fatigue, and improves operator performance. JENSEN has prioritized **ergonomic design** by optimizing body posture, and the use of foam covers on the platform ensures added protection for operators working in front of the bins. All touch points are made more comfortable compared to traditional stainless steel surfaces.

SOCIAL PERSPECTIVE

The social dimension of the ESG agenda is determined by the JENSEN-GROUP's interaction with its stakeholders. Employees, customers, and partners are at the source of its success, which is why the Group promotes a collaborative, healthy, and educationally friendly work environment. Furthermore, its intelligent solutions create safe and healthy work conditions in laundries, increasing the attractiveness of an industry facing important labour shortages.

1. People

1.1 Employee Health and Safety

The JENSEN-GROUP considers the wellbeing of its employees to be critical to its mission. By marking the difference in serving customers, its employees are the basis of the Group's success. The JENSEN-GROUP wants its employees around the globe to work in safe and ergonomically sound environments. All employees are encouraged to help build safe work environments by applying safety measures in their day-to-day activities. Health and safety are a priority at each JENSEN-GROUP location. At all production sites, plant managers' performance evaluations include the prevention of work accidents and remedial initiatives taken.

Each of the JENSEN-GROUP's factories has an appointed Health and Safety Manager, who is responsible for implementing health and safety measures in their respective factory, starting from local regulations and requirements. At JENSEN China, an equipment operation safety management system analyses the key safety points in the production process. Quarterly work environment committees, consisting of local management and employee representatives, are organized at different factories to discuss health and safety procedures and to review work accidents. Compliance with local health and safety laws and regulations is also part of the annual risk mapping exercise by the Executive Management Team.

As a health-measuring indicator, reports are produced on occupational accidents and sick leave. Occupational accidents are defined as accidents leading to work incapacity and reported to a work-related insurance or officially declared under local legislations. These figures serve to monitor the levels of employee health and develop corresponding solutions for maintaining healthy and safe work environments. The Group almost achieved its 2023 target of less than 30 accidents in its production sites and renewed its commitment to bring down these health-related indicators in 2024.

Accidents and sick days	TARGET 2024	December 31 2023 (TARGET)	December 31 2022
# Accidents in PEC	< 25	31 (< 30)	36
# Accidents in SSC	0	7 (0)	9
# Sick days/employee*	< 5	5 (< 5)	5

(*) excluding long-term/maternity/pandemic leave

1.2 Product safety

Responsibility for safety continues after the equipment is manufactured and has left the JENSEN-GROUP premises. The safety of customers' operators, and of anyone using the equipment is deemed as important as that of JENSEN's own employees. All equipment complies, to the best of the Group's knowledge, with all European safety regulations (European Standards, ENs) and other applicable local requirements. At the same time, machine safety must go beyond regulations. Already during the product development phase, the JENSEN-GROUP focuses on the ergonomics and overall safety of equipment. Ergonomic solutions have been integrated in all sorting, handling, and finishing processes, e.g., optimized sorting belt height to reduce stress and strain caused by bending and individually adjustable height loading stations.

The JENSEN-GROUP development teams also pay attention to the noise emissions of equipment, given the stress that noise pollution causes to general health and well-being. Next to that, the JENSEN-GROUP is the only supplier of cornerless remote stations and systems. This is achieved through the installation of a conveyor belt which brings the linen right in front of the operator, who is only required to pick it up with one grip and feed the piece, without having to look for corners. This solution facilitates the operator’s task by making it easier and more comfortable to feed large and heavy flatwork pieces into remote stations.

The JENSEN-GROUP aims to automate all manual or semi-automated processes. With a hands-free operation, laundries also ensure top hygiene conditions. The product offering includes robotics from Inwatec, which expands on this approach. When soiled linen is sorted automatically by a robot, operators do not risk getting hurt or even infected by forgotten objects in the textiles (tweezers, scalpels, scissors, pens, and even larger objects). The lifetime of textiles and equipment is also extended, as chances of damage by such forgotten objects is minimized.

The automation of dirty linen sorting is a recent innovation. Inwatec's automated soil-sorting system, consisting of an X-ray machine and a machine learning system, minimizes the need for human interaction in quality control and surveillance. Robots pick up the laundry pieces from conveyor belts and transport them to the X-ray scanner, which detects unwanted objects. At the same time, an RFID chip reader registers the garment and determines further sorting in the system. All these tasks can now be performed by a few operators who are only required to empty the pockets of the refused garments. The constant challenge is to make robots intelligent enough to replace human labour.

With this mindset, customers' work accidents have been reduced to an absolute minimum; even so, each occupational accident is considered as one too many. Product safety is and will therefore remain, a cornerstone of the JENSEN-GROUP strategy.

1.3 Employee satisfaction

The JENSEN-GROUP is fully aware of its responsibility towards its employees and cares about their wellbeing. Driven by the JENSEN Spirit, its culture is open and international. The JENSEN-GROUP offers opportunities for achievement, recognizes people’s contributions, gives each team member adequate responsibilities, and offers training and development opportunities. This open culture results in job satisfaction for each employee and in long-term employment at the JENSEN-GROUP, as shown by the high average career length of eight years.

Employee retention	December 31 2023	December 31 2022
Average career length in years	8	9

Especially for engineering companies that aim at building long-term relationships with their customers (often over generations), employee tenure is an important success factor. Senior staff are valuable employees who become knowledge leaders in the organization. They pass their experience and knowledge on to junior staff members, both in a structured way, as in the corporate JENSEN Academy trainings, as well as on the job.

Opportunities for promotion are not preferentially offered to senior employees. The JENSEN-GROUP leadership team promotes colleagues based on their achievements, talents, and ambitions, regardless of their length of service.

The number of resignations, also called churn rate, is another key indicator of employee satisfaction. The intention is to ensure that the JENSEN-GROUP continues to be an attractive employer for new talents and current employees. While the increase between 2022 and 2023 is taken seriously and will be investigated, it can be partially explained as the result of improved data quality following a more thorough and structured approach to the collection and verification of KPIs in 2023.

Churn rate	December 31 2023	December 31 2022
Churn rate in %	9	5

1.4 Employee engagement, training and development

To fulfil the Group's mission and to sustain the JENSEN Spirit, great effort is made to attract and retain talented people, while developing the skills of current and future leaders. In recent years, the JENSEN-GROUP has invested heavily in the development of its employees, through corporate training, local training, and individual initiatives. Training is given through the JENSEN Academy at all organizational levels, with webinars and onboarding training for new employees, new managers, and new project managers. Training programs include technical and function-specific training, as well as leadership modules that help employees develop and cooperate in a global business environment. Developing teamwork and collaboration is critical to success.

Given the international character of the JENSEN-GROUP, digital training for office employees (sales, marketing, management, and back-office) has been offered since 2010. When the Covid-19 pandemic hit, similar approaches for staff that was previously trained on site at the factories were quickly developed.

While digital meetings cannot fully replace live training sessions either at customer sites or in factories, the Group can now offer hybrid training solutions for most employees as well as remote customer support. This means more comfort and personal time for people, lower GHG emissions and considerable savings on travel expenses. Furthermore, the Group is proud to function as a training center for the younger generation by offering apprenticeships in factories in a range of professions.

For the second year in a row, key people development figures are being reported, as the Group looks forward to providing more data for comparison next year. The 2023 targets were well exceeded and reflect the Group's commitment to invest in its people and in new talents.

People development	**TARGET 2024**	**December 31 2023 (TARGET)**	**December 31 2022**
Average hours of training/employee	40	32 (30)	21
# Apprentices/trainees	80	78 (70)	60

The JENSEN-GROUP aims to further strengthen its open culture and to embed it throughout the Group. For this, a variety of communication channels and platforms to inform employees about corporate targets, strategies and current developments is used. Jennet, the intranet of the JENSEN-GROUP, offers information on a wide range of subjects, including product information, HR information, and the Group's Principles and Guidelines.

While Jennet is a valuable tool for disseminating information within the Group, the use of internal social media, such as an app on employees' smartphones, is also encouraged, as a modern way of sharing news and interacting. The various departments then determine their own priorities using these general communication tools and implement action plans to achieve them. These collaborative tools support the exchange of new ideas and insights, and ultimately, personnel and organizational development.

1.5 Human rights

The JENSEN-GROUP has built and continues to build its success and growth on key values best summarized as the JENSEN Spirit: respect for others, exemplary behavior, integrity, and responsibility. Those key values are part of a larger framework that is also recognized and applied by the JENSEN-GROUP, and which consists of the United Nations (UN) Universal Declaration on Human Rights, the UN Convention on the Rights of the Child, the European Convention on Human Rights, and the International Labor Organization (ILO) Fundamental Conventions.

In view of the above, the JENSEN-GROUP is committed to being an ethical and responsible company, to limit environmental impacts, and to promote the highest standards of integrity. This approach is fully reflected in the JENSEN-GROUP Ethical Business Policy Statement which is the Group's Code of Conduct. It condemns, amongst other things, any form of child labour or discrimination and promotes decent working conditions and freedom of association. Any violation of the Ethical Business Policy Statement might cause operational disruption, damage to reputation, and financial losses and appropriate disciplinary actions will be imposed against any JENSEN stakeholder that fails to respect the Ethical Business Policy Statement. In 2022, the JENSEN-GROUP committed to having all its current and future employees sign the Ethical Business Policy Statement. At the end of 2023, this goal has nearly been reached.

Rate of employee adherence to Ethical Business Statement	TARGET 2024	December 31 2023
Signed Ethical Business Statements	100%	95%

The JENSEN-GROUP intends to fully associate all of its suppliers, manufacturers, subcontractors, licensees and distributors, regardless of the product or service provided with this approach and these values. Accordingly, it elaborated a new Suppliers' Code of Conduct in 2022 and committed to only working with partners who adhere to the latter or have a Code of Conduct. Suppliers are categorized as A-, B-, or C- Suppliers based on their level of integration and importance, A-Suppliers being the most integrated strategic partners. 98% of A-Suppliers fulfil the Code of Conduct criterion. China leads the way, having 100% of the Group's strategic suppliers subjected to a Suppliers' Code of Conduct.

Rate of suppliers with Codes of Conduct	December 31 2023	December 31 2022
A suppliers	98%	78%
A/B/C suppliers	66%	50%

1.6 Diversity

In accordance with its open-minded culture and ethical business approach, the JENSEN-GROUP makes no distinction in terms of age, gender, culture, religion, origin, or other form of diversity. The Group is committed to providing equal opportunity in employment and to respecting the rights and dignity of each employee. All forms of discrimination in recruitment and promotion are prohibited. The JENSEN-GROUP is driven by culture. Living the JENSEN Spirit leads to everyone doing the right things naturally.

This approach is underlined in the Ethical Business Policy Statement to be followed and respected by all employees. It can be found on the Company website and a summary is available in the introductory manual handed out to all new employees (JENSEN Blue Book) and available on the Intranet. It clearly states, "*we provide equal opportunity in employment to all employees and applicants for employment and do not discriminate based on race, religion, political belief, color, sex, age, national origin, disability or any other illegal classification*". Reference is also made to Goals five and ten of the Sustainable Development Goals to which the Group adheres fully.

Nationalities	**December 31 2023**	**December 31 2022**
Number of nationalities	52	49

Gender diversity	**December 31 2023**	**December 31 2022**
Female employment rate	12%	12%
Male employment rate	88%	88%
Non-binary employment rate	0%	N/A
Proportion of women in managerial positions	14%	14%
Proportion of men in managerial positions	86%	86%
Proportion of non-binary people in managerial positions	0%	N/A

As a direct consequence of the type of business, the percentage of women is rather low, though a slightly higher percentage in management is noted. It is worth mentioning that 27% of new management members appointed or promoted this year were women. Furthermore, the Belgian Law of 28 July 2011 on gender diversification requires at least one-third of the Board of Directors to be female. The JENSEN-GROUP NV is in full compliance with this law.

The Group plans to review its Human Resources Guidelines to make sure that diversity and gender are factors taken into consideration in the recruitment process. The JENSEN-GROUP believes that talent can come in any form or shape and the JENSEN Spirit is universal.

1.7 Customers

The culture of the JENSEN-GROUP is characterized by shared values built on past and present experiences, as well as future prospects. The Group is keen to deepen its corporate culture throughout the organization, in the belief that it is a dynamic process that directly incorporates the needs of its customers. As customers know the laundry business better than anybody else, the JENSEN-GROUP seeks to create partnerships with them.
Constant dialogue with customers, through local presence, results in long-term relationships. In this way, their needs are known, creating a focus on efficiencies to provide sustainable laundry solutions and systems. The CleanTech solutions help the Group gain new customers that require ecological processes to meet Corporate Social Responsibility guidelines or to obtain quality certificates.

With the JENSEN-GROUP, customers have a strong partner that they can rely on from the moment of the initial consultation, on to the planning stage, correct installation, and start-up of the equipment and through to after-sales service. This includes regular technical inspections of the JENSEN equipment and customer training, both of which increase productivity and profitability by reducing maintenance costs for customers and helping avoid equipment downtime. This strong business partnership between the JENSEN-GROUP and its customers creates a win-win situation.

2. Society

2.1 When global meets local

The JENSEN-GROUP is truly committed to serving customers to the best of its abilities, joining forces with business partners to develop mutually rewarding relationships and to supporting the communities where employment is provided.

The Group's strategy is to fully leverage its global capabilities while reinforcing its local presence in every significant market. The JENSEN-GROUP brand portfolio represents tailor-made and high-quality solutions for its customers wherever they are. In this respect, the aim is to truly make a difference by entering local level partnerships and respecting local habits and needs, as well as respecting the needs and requirements of the wider local community by living up to the highest professional standards and complying with all legal requirements.

Geopolitical instabilities, an energy crisis, and climate change are real challenges calling for immense agility and resilience. Management, staff, and customers will have to stay alert and flexible. In the meantime, the Group seeks to do what it does best, which is to keep up the JENSEN spirit, nurture its relationships with customers and colleagues, and support local communities by providing decent employment and engaging in socially responsible initiatives. A tight solidarity is the key to success in demanding times.

The JENSEN-GROUP has created an environment in which personal initiatives are highly appreciated, as it is strongly convinced that its employees are best placed to identify local needs in which the JENSEN-GROUP can make a difference. It is believed that JENSEN-GROUP's people live its value statement *'we think globally and act locally',* and this has resulted in many different initiatives and activities on company-wide and local levels. Inspired by the high level of social engagement across its entities, the JENSEN-GROUP launched the 'Good deeds by JENSEN' initiative aimed at giving more visibility to these charitable actions and encouraging volunteering activities even further. Pictures of the different initiatives can be found on the next page.

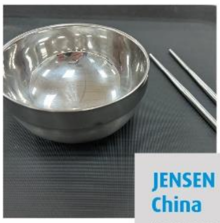
Regardless of the current challenges, the world is becoming increasingly connected, where people will continue to travel, both for business and for leisure, to traditional and new destinations (emerging markets). This offers opportunities for growth, with an increased need to process hotel and catering linen, and for increasing the JENSEN-GROUP's sustainable and social contribution by providing environmentally friendly equipment.

JENSEN Teams joining forces for a good cause

Some examples from our global offices

JENSEN USA
"Making Strides Against Breast Cancer" charity run

JENSEN Switzerland
Volunteering in support of local biodiversity



JENSEN China
Less waste with reusable tableware

JENSEN France
« La Parisienne » women's run

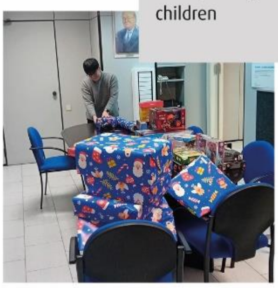
JENSEN Singapore
Volunteering and donation for the Red Cross Home for the Disabled

JENSEN Italy
Sponsoring local initiative for the employment of people with disa-bilities

JENSEN UK
Run for Bone Cancer Research

JENSEN Sweden
Promoting biodiversity

JENSEN Denmark
Collaboration with a social organization for the employment of people with disabilities



JENSEN Spain
Christmas gifts for underprivileged children

GOVERNANCE

1. Corporate governance

As the JENSEN-GROUP NV share is quoted on the Euronext Stock Exchange, the Company has adopted the 2020 Belgian Corporate Governance Code (the "2020 Code"), as well as a risk management and internal control process. For more information on these, please refer to the separate Corporate Governance chapter in this Annual Report and to the Corporate Governance Charter on the Company website Corporate Governance: www.jensen-group.com.

It is acknowledged that adopting the 2020 Code, positively contributes to a better society by inspiring greater trust among investors and other stakeholders. As maintaining trust in the brand and organization is a crucial part of the JENSEN-GROUP strategy, a strict ‘Policy to Prevent Insider Trading’ and a Whistleblowing Hotline procedure have been implemented, both of which significantly reduce the risk of improper conduct or any appearance thereof. Please refer to page 67 of this Annual Report for more information on the insider trading policy and to the below chapter on 'Business Ethics' for more information on tools to prevent unethical behaviour.

The JENSEN-GROUP considers integrity, honest business practices, and lawful conduct amongst its topmost priorities. No business requirement can justify an illegal, unethical, or unprofessional behaviour. Success in business depends upon maintaining the trust of employees, company directors, shareholders, customers, suppliers, and other business partners, as well as government authorities, and the public at large.

Within this context, the JENSEN-GROUP has developed an Ethical Business Policy Statement that reflects its values and the moral, legal, and business expectations that it has towards its employees and stakeholders (see the above chapter on 'Human Rights' and the below chapter on 'Business Ethics'). Any violation of the Ethical Business Policy Statement might cause operational disruption, damage to reputation, and financial losses and appropriate disciplinary actions will be imposed against any officer, employee, supplier, customer, or other business partners who fails to respect the Ethical Business Policy Statement.

It is the Group's aim to be compliant with all local tax rules. The JENSEN-GROUP maintains a transparent, honest, and co-operative approach with all tax authorities. The Group does not engage in aggressive tax planning practices.

Finally, the JENSEN-GROUP has developed an Internal Control Process. For more information about this process, please refer to the chapter on 'Risk Management and Internal Control' in the below Corporate Governance Statement.

2. Business ethics

The JENSEN-GROUP strives to maintain an open culture throughout the organization. The Group's Code of Conduct outlines the responsibilities for proper practices of both individuals and the organization. These contribute to the welfare of and respect for all stakeholders.

With the *'we think globally, and act locally'* approach, considerable authority is shifted towards local management. This requires ensuring that several rules are respected. At the JENSEN-GROUP, these are summarized in the 'Principles and Guidelines' which can be found on the JENSEN intranet. In addition, the JENSEN-GROUP has developed several control mechanisms to prevent unethical behaviour at all levels, namely:

- an Ethical Business Policy Statement signed by all employees and a Suppliers Code of Conduct condemning, among other things, any form of corruption or bribery that undermines fair trade (available on the Company website);
- a Corporate Governance Charter defining the role and responsibilities of the Board of Directors (available on the Company website);
- a Policy to Prevent Insider Trading signed by all employees with access to sensitive Information (internal document);
- a Whistleblowing Hotline open for all employees and other stakeholders of the JENSEN-GROUP and operated by an independent trusted third party (accessible through the Company website);
- an ICT Policy to prevent violation of personal data and cyber-related risks signed by all employees (internal document).

These rules and procedures give all employees and anyone acting on behalf of the JENSEN-GROUP the possibility to report any suspected or actual violation of rightful business practices. There were no reports of unethical behaviour in 2023, and the Group looks forward to an equally positive outcome for 2024.

Further reference can be made to the below Corporate Governance Statement in this present report for additional details about governance structure and the Board of Directors' commitment to sustainable and responsible leadership.

Conflict of interest

Under the 2019 Companies and Associations Code, the members of the Board of Directors are required to give the Chairman prior notice of any agenda items in respect of which they have, either directly or indirectly and whether of a financial or other nature, a conflict of interest with the Company, and to refrain from participating in the discussions of, and voting on, items. Conflict of interest is therefore a standard item on the agenda of each Board of Directors meeting. In the course of 2023, potential conflicts of interest were notified by SWID AG, represented by Mr. Jesper Munch Jensen, by Cross Culture Research LLC, represented by Mrs. Anne Munch Jensen, and by Messrs. Jobst Wagner and Daisuke Miyauchi at the meetings of the Board of Directors with regard to the (i) re-appointment of a Board member, (ii) the dividend proposal, (iii) capital increase, and (iv) re-launch of the share buy-back program. The relevant excerpts from the minutes of said meetings of the Board of Directors which were held on, respectively, March 9, and March 29, 2023, on April 3, 2023, and on August 10, 2023, are set forth in Annex II and enclosed as an exhibit to this Annual Report.

Human resources

The number of employees at year-end has developed as follows:

	December 31 2023	**December 31 2022**
Number of employees	1,830	1,555

Investments and capital expenditures

Capital expenditures in 2023 amounted to 7.4 million euro (5 million euro in 2022), consisting primarily of the additional building investment in Odense (Denmark) to support the future market demand for AI and Robotics of Inwatec, and in machinery and vehicles.
Because of the renewal of several rental agreements the right-of-use assets increase by 1.8 million euro. (Note 4)

In 2022, investments and capital expenditures primarily consisted of investments in the office building in Panama City (JENSEN USA) destroyed by Hurricane Michael, and in machinery, and vehicles.

Research and Development

The JENSEN-GROUP does not perform fundamental research but undertakes continuous product development. These expenses in respect of the continued operations amounted to 6.7 million euros in 2023 (6.3 million euros in 2022). Until the end of 2020, the Group did not capitalize development expenses but expensed them as incurred. For further information, refer to the below Note 4 on Non-Current Assets (p.109 of this Annual Report). The depreciation period is evaluated continually, and the asset is reviewed annually for impairment.

Use of financial instruments

The JENSEN-GROUP uses **derivative financial instruments** to reduce its exposure to adverse fluctuations in interest rates and foreign exchange rates. It is the Group's policy not to hold derivative instruments for speculative and trading purposes.

As of December 31, 2023, currency brought forward hedges existed in an amount of 1.5 million euros and currency sold forward hedges existed in an amount of 16.6 million euros. The Group also had an Interest Rate Swap (IRS) outstanding in amounts of 14.1 million DKK with maturity 2039 and a fixed rate of 0.4350%.

Litigations

Provisions have been set up in respect of all claims that, based on prudent judgment, are reasonably accounted for. The JENSEN-GROUP keeps track of all potential litigations and pending legal cases at the Group level. In this chapter, cases against the Company or one of its subsidiaries are covered. Pending issues per major category are:

- public and product liability claims:
  3 claims in the USA,
  1 claim in Australia,
  2 claims in the UK,
  2 claims in the EU,

- claims from employees:
  1 claim in the USA,

- commercial claims:
  2 claims in the EU,
  1 claim in the USA,

- environmental risk:
  1 ongoing case in the USA.

Most of these claims are covered by insurance. Based on the legal advice taken, management does not expect these claims to significantly impact the Group's financial position or profitability. Where management considers a probable liability arising, the potential effect of the claim has been estimated and a provision has been made.

Statement of Corporate Governance

The JENSEN-GROUP NV has adopted the 2020 Code on Corporate Governance, which is available on www.corporategovernancecommittee.be, as its reference code. The Company has implemented the evolving Code since 2004, as it consistently reviewed the major requirements and evolution thereof, and regularly evaluates the Group's degree of compliance. The factual applications of the 2020 Code are reported in this Statement and on page 60 of this Annual Report with respect to gender diversification in the Board of Directors.

The Company has adapted its Corporate Governance Charter in accordance with the 2020 Code, and the Board of Directors has thereby adopted and published the following revised documents.

- Charter of the Board of Directors, including standards of independence and requirements for Directors;
- Charter of the Nomination and Remuneration Committee;
- Charter of the Audit and Risk Committee;
- Remuneration Policy;
- Communication Policy;
- Role and Responsibilities of the Chairperson of the Board of Directors; and
- Role and Responsibilities of the Executive Management.

The Corporate Governance Charter can be found on the Company website https://www.jensen-group.com under the heading 'Investor Relations/Corporate Governance' and is regularly reviewed and evaluated by the Board of Directors. The Corporate Governance Charter is part of the day-to-day proceedings of the Company's Board of Directors and Board Committees and has been and remains to the best of the Company's knowledge and belief, compliant with the 2020 Code with the exception of some recommendations as mentioned in the following paragraphs.

According to the 'comply or explain' principle, the Company may deviate from the 2020 Code, provided that it duly explains the reasons for such deviation, which reasons could be linked to the Company's profile, organization and/or size. At present, the Company first departs from Recommendation 4.14 of the 2020 Code by not having an internal audit staff and instead outsourcing the internal audit function to external parties. The Audit and Risk Committee of the Board of Directors has hereby concluded that an in-house internal audit function would not be an effective function because:

- The JENSEN-GROUP consists of multiple smaller entities with limited turnover that are closely monitored by local management teams;
- Each entity operates under its own legislation and in the local language, which would hinder efficient internal audits;
- The management teams are further monitored by the JENSEN-GROUP headquarters through quarterly operational and financial reviews and through regular management visits to the site of the headquarters;

- All JENSEN-GROUP subsidiaries are aware of the JENSEN-GROUP policies and procedures, and the Group's relative size continues to allow for regular communication and face-to-face meetings with all local management teams;
- For consolidation purposes, all JENSEN-GROUP companies are audited by the same accounting firm and significant risk factors are consistently reviewed in the external audit scopes of the different subsidiaries.

For these reasons, the Board's Audit and Risk Committee develops internal audit priorities both through consultation with the external auditor and on the basis of a risk analysis, while also retaining and meeting with an independent outside audit firm for specific internal audit projects. This approach is considered more effective than an in-house internal audit function as the Audit and Risk Committee can outsource the internal audit activity to a locally competent internal audit service provider.

Second, the Company deviates from Recommendations 3.11 and 9.1 of the 2020 Code in that it has no formal arrangement for, and therefore does not regularly assess, the interaction between the non-executive Directors respectively between the non-executive Directors and the Executive Management. This deviation is explained by the fact that in practice, the CEO and CFO always attend the Board and Board Committee meetings, while the non-executive Directors can meet the executive managers as they wish by visiting locations or requesting a separate meeting to discuss specific topics. In addition, the non-executive Directors meet at least once a year among themselves and with the members of the Executive Management and other executives at the occasion of the Board’s annual Strategy Workshop.

Third, the main terms and conditions of the contracts of the CEO and the other executives are, in accordance with Recommendation 7.12 of the 2020 Code, approved by the Board of Directors on the basis of the advice of the Nomination and Remuneration Committee. The Company deviates from Recommendation 7.12, however, in that it presently does not have the right under these contracts or any other agreements or systems to recover (i.e., "claw back") or withhold the payment of variable remuneration, which remuneration currently ranges from 30% - 60% depending on the level of function. This departure is explained by the fact that the Company applies a Remuneration Policy of setting performance targets and paying out variable compensation in line with achievement levels on an annual basis, but this departure would be revisited if the Company were to opt for a long-term incentive scheme based on multi-year strategic objectives.

Fourth, within the JENSEN-GROUP, neither the non-executive Board members nor the executives receive any remuneration in the form of the JENSEN-GROUP NV shares. This is a departure from Recommendations 7.6 and 7.9 of the 2020 Code, which is explained by the fact that the Company has had a long-standing practice of setting its remuneration policy based on an alignment of annual objectives and actions with the long-term value creation and sustainability objectives of its shareholders and other stakeholders.

The Board of Directors and the Nomination and Remuneration Committee have applied said policy consistently over the past fifteen years, with achieving desirable results, as underscored by the performance record of the Company during that period. The Board of Directors has therefore concluded, further to the advice of the Nomination and Remuneration Committee, that the granting of the JENSEN-GROUP NV shares would run counter to this policy and therefore decided against remuneration in such form.

Fifth and last, the Board of Directors for the same reason does not apply the requirement, as set out in Article 7:91 of the 2019 Companies and Associations Code, to spread targets and payment of variable compensation over multiple years. To that effect, the shareholders approved an exemption from this requirement for the first time in May 2014 and most recently, at the Annual Shareholders' Meeting of May 2020, renewed this exemption for a period of five years commencing retroactively in May 2019 and expiring in May 2024.

The information found in the Corporate Governance Charter is provided 'as is' and is solely intended for clarification purposes. The recommendations and policies found in the Corporate Governance Charter are in addition to, and not intended to change or interpret, any law, regulation, or the Certificate of Incorporation or Bylaws of the Company. By adopting the revised documents included in the Corporate Governance Charter, the Company does not enter into any obligation or contractual or unilateral commitments whatsoever and these documents are instead intended as guidelines in the day-to-day operations. Competences and tasks attributed to the Board of Directors are to be seen as enabling clauses, not as mandatory rules, or compelling lines of conduct.

Risk management and internal control

In accordance with the relevant provisions of the 2019 Companies and Associations Code, the JENSEN-GROUP has adopted and implemented a risk management and internal control process.

The following description of this process is based on the Integrated Internal Control Framework and the Enterprise Risk Management Framework as published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Board of Directors of the Company supervises the proper functioning of the risk management and internal control process through the Audit and Risk Committee. The Board of Directors has delegated the tasks of implementing a risk management process and internal control system to the Executive Management Team, expecting reports on both topics from the Executive Management Team at regular intervals.

<u>Risk management</u>
Based on a framework model prepared by an external consultant, the JENSEN-GROUP's Executive Management Team has developed a risk map describing the Group's financial, operational, strategic, and legal risks.

Prepared for the first time in 2008 and reviewed on a regular basis, this map outlines and evaluates the probability of the different risks occurring, the impact of such occurrence on the results, and the measures to mitigate the risk exposure. The Executive Management Team presents the conclusions of this risk assessment in the form of a risk map to the Audit and Risk Committee. Subsequently it is presented to the Board of Directors, which discusses the significant risks, and changes in risks, with management on an 'as needed' basis, and at least once a year.

The Executive Management Team discloses, on a quarterly basis, a certain number of risk areas as reported during the quarterly review process by the reporting entities. The Executive Management Team then re-examines those risks, formulates mitigation approaches, and looks at various ways to transfer, for areas of continuing material risk exposure to the Group, the risks to third parties.

Internal control

Definition

Internal control is a process that is defined and must be followed by the Board of Directors, management, and other personnel. It is designed to provide reasonable assurance regarding the achievement of objectives in the following categories: a) strategic high-level goals, aligned with and supporting its mission; b) effectiveness and efficiency of operations; c) reliability of financial reporting; and d) compliance with laws and regulations.

Control environment

The Board of Directors and the Executive Management Team have approved and adopted the JENSEN-GROUP Ethical Business Policy Statement, which sets forth the JENSEN-GROUP’s mission and ethical values, describes the JENSEN-GROUP’s rules of conduct, and lists the transactions that are permissible between the JENSEN-GROUP and third parties to the extent that these transactions are not covered by the legal provisions on conflict of interest. Implementation and application of the Ethical Business Policy Statement is mandatory for all companies of the Group and a review of its provisions is integrated into every training session that is organized. All employees are asked for consent by signing the Ethical Business Policy Statement. The Ethical Business Policy Statement is updated on a regular basis and can be found on the Company website: www.jensen-group.com under the heading 'Investor Relations/Corporate Governance'.

In addition, the JENSEN-GROUP has developed a whistleblowing procedure that is available to all stakeholders on the Company website: www.jensen-group.com under the heading 'The JENSEN-GROUP Whistleblowing Procedure' The Company has hereby taken note of the recent transposition into Belgian law, through the Law of 28 November 2022 on the protection of reporters of breaches of Union or national law discovered within a legal entity in the private sector, of the EU’s so-called “Whistleblower Directive” (i.e., Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law) and has been making the necessary adjustments to its Whistleblowing Procedure in view of the new requirements under said legislation for private companies' internal reporting channels.

In 2022, the JENSEN-GROUP started to implement a 'Suppliers' Code of Conduct', which outlines the standards regarding business integrity and ethics, labour and social standards, environment, general principles of business and related management systems that the Group expects its suppliers to comply with. To increase social and environmental responsibility, the Suppliers' Code of Conduct may require suppliers to go beyond compliance with locally applicable laws and regulations.

Control activities and monitoring

The JENSEN-GROUP consists of several entities that are closely monitored by local management teams. The Group headquarters further monitors the local management teams through quarterly operational and financial reviews. In addition, the JENSEN-GROUP Controlling and Reporting function reviews the different entities on a quarterly basis.

The JENSEN-GROUP monitors its business with a view towards achieving a certain level of Return on Capital Employed (ROCE).

The local management teams are responsible for implementing the JENSEN-GROUP 'Procedures and Guidelines'.

Conformity with reporting requirements

All applicable IFRS accounting principles, guidelines and interpretations are incorporated in the accounting manual, which is updated on a regular basis, and which is part of the JENSEN-GROUP's 'Procedures and Guidelines'. All procedures and guidelines are available on the JENSEN-GROUP's intranet and accessible to all local management and staff. Additional reporting is undertaken as requested by management and/or the Audit and Risk Committee and included in the accounting manual where appropriate.

The Financial Managers of the JENSEN-GROUP meet at regular intervals and are on each of those occasions informed about the relevant changes in IFRS. Training is provided on an 'as needed' basis to ensure the correct implementation of such changes.

All the JENSEN-GROUP companies are converting to the same ERP system over a set timeframe. All companies use the same software to report financial data for consolidation purposes.

The JENSEN-GROUP's management has introduced, after discussion with the Audit and Risk Committee, a set of key controls to provide reasonable assurance about the reliability of financial reporting and of the financial statements made available to external parties starting in 2009. Local management has implemented these key controls, which are reassessed on a regular basis and amended if necessary. Compliance with key controls at the local level is also checked periodically.

Financial Reviews

To ensure the accuracy of the reported data, the JENSEN-GROUP Controlling and Reporting function reviews on a quarterly basis the financial accuracy of all data submitted for consolidation, their consistency with the budget or rolling forecasts, deviations from the budget, forecast or previous year, and the explanations of such deviations. The JENSEN-GROUP's management then ensures proper follow-up and actions in response to any deviations. The JENSEN-GROUP introduced monthly closings for the first time in October 2023, in order to increase transparency and accuracy of the forecasts.

Operational Reviews

Monitoring is performed during the quarterly Business Board Reviews, which include a financial review that specifically focuses on major changes in P&L and balance sheet items, deviations from budgets or forecasts, and consistency in applying IFRS rules. The internal control system is monitored on a quarterly basis.

Management's monitoring of internal controls is performed on a continuous basis. The performance of the individual companies of the JENSEN-GROUP is measured and compared with both the rolling forecasts and figures of previous years, which may identify anomalies indicative of a control failure. Failures are promptly remedied.

For consolidation purposes, all JENSEN-GROUP companies are audited or reviewed by the same accounting firm, and significant risk factors are reviewed consistently in the external audits of the different subsidiaries. The external auditor reports to the Audit and Risk Committee on the findings of such audits or reviews and on any significant issues, twice a year.

Relevant findings by the Internal Audit (which is outsourced as described above) and/or the Statutory Auditor are reported to both the Audit and Risk Committee and to the management concerned. Periodic follow-up is performed to ensure that corrective action has been taken.

All relevant financial information is presented to the Audit and Risk Committee, and to the Board of Directors to allow both to analyse said financial statements. Prior to any external reporting, all press releases and other financial information are subject to:

- appropriate review and controls by the JENSEN-GROUP headquarters;
- review by the Audit and Risk Committee;
- approval by the Board of Directors.

As already noted above, the Audit and Risk Committee believes that an in-house internal audit function is not the most effective and efficient way to perform audit work within the JENSEN-GROUP. The Audit and Risk Committee has therefore, in consultation with the external auditor, and based on a risk analysis, developed an internal audit plan, and retains an independent outside audit firm for specific internal audit projects. The Audit and Risk Committee outsources the internal audit activity to a locally competent audit service provider.

In 2023, an internal control was performed on the review of the monitoring of deviations of directs costs (material, labour hours and contribution margins) in the production area of the factories.

Furthermore, significant results from prior internal audit reports are regularly reviewed with respect to progress until the related issues are fully addressed.

Information and communication

The JENSEN-GROUP Controls provide management with transparent and reliable information in a form and timeframe that enables management to effectively carry out its responsibilities.

Every year, the JENSEN-GROUP prepares a financial reporting calendar in consultation with the Board of Directors and the Executive Management Team. This calendar is designed to allow relevant, complete, and timely reporting to external stakeholders.

Condensed consolidated half-year information is reported each August, and the full Annual Report is published each March of the following year. As from the 3rd quarter 2023 onwards, the JENSEN-GROUP re-launched the publication of the quarterly trading updates. Prior to any external reporting, all press releases and other financial information are subject to appropriate controls by the JENSEN-GROUP headquarters, to a review by the Audit and Risk Committee and to approval by the Board of Directors.

Composition of the Board of Directors

The members of the Board of Directors are appointed by a simple majority vote of the shareholders during the Annual Shareholders' Meeting.

The Bylaws of the Company allow for appointment by co-optation, which is considered a transitional arrangement whereby the Director-elect completes the mandate of the outgoing Director as opposed to taking on a new mandate. For this reason, the transition period is not considered a mandate for the purpose of the independence rule review, where the Company looks at the total years of service on the Board of Directors.

The Bylaws further require the Board of Directors to have no fewer than three, but not more than eleven, members. Board members are elected for terms of office of no more than four years. Furthermore, and as indicated under the chapter "Diversity", Belgian law requires that at least one third of the Board of Directors be female. JENSEN-GROUP NV is in full compliance with this law.

The Bylaws are supplemented by the Charter of the Board of Directors, which outlines and details the Board's role and responsibilities. This Charter is revised from time to time and includes the following major chapters:

- 'Functioning of the Board', which addresses: Directors' responsibilities; number of Board and Board Committee meetings; Company Secretary responsibilities; setting the agenda of Board meetings; Director compensation, orientation, and training; CEO evaluation; management succession; Director access to officers and employees; and use of independent advisors.
- 'Board Structure', which addresses size of the Board; selection of Directors; required qualifications including the criteria of independence; resignation from the Board; and term limits.
- 'Committees of the Board', which addresses: the establishment of the Audit and Risk Committee and of the

Nomination and Remuneration Committee.

- 'Other Board practice', which addresses: Directors' roles and responsibilities; the terms of reference of the Board Chairman and of the Executive Management Team; interaction with institutional investors, analysts, media, customers, and members of the public at large; limitation of liability; policy to prevent insider trading and market abuse; conflict of interest policy and code of conduct; and evaluation of Board performance.

For more details, please consult the Company website: www.jensen-group.com, under the heading 'Investor Relations/Corporate Governance'.

As it has consistently done in the past, the Company selects its Board members in a manner that allows for a balance in the profiles of the different Directors. The Company hereby seeks to ensure a balance between executive and non-executive Directors, Directors representing shareholders and independent Directors, and in respect of Directors' professional backgrounds, experience, and gender. A majority of the members of the Board of Directors is not related to the Company's controlling shareholders.

The composition of the Board and the attendance records and remuneration packages of the individual Directors are as follows:

Name	Function	Indep.	Term Expiry	Attendance Board meetings	Committee	Attendance committees	Remuneration
YquitY bv[1] represented by Mr. Rudy Provoost	Chairman	V	2024	100%	NRC	100%	100,000
SWID AG[2] represented by Mr. Jesper Munch Jensen	Director		2025	80%			-
TTP bv[1] represented by Mr. Erik Vanderhaegen	Director		2025	100%	ARC NRC	100% 100%	67,000
Mr. Jobst Wagner [1]	Director	V	2027	80%	ARC NRC	100% 100%	61,000
Inge Buyse bv[1, 4] represented by Mrs. Inge Buyse	Director	V	2023	40%	ARC	50%	15,708
Cross Culture Research LLC[3] represented by Mrs. Anne Munch Jensen	Director		2026	80%			37,000
Acacia I bv[1,5] represented by Mrs. Els Verbraecken	Director	V	2027	100%	ARC	100%	31,313
Mr. Daisuke Miyauchi[1,5]	Director		2027	100%			23,625
Total remuneration Board of Directors							**335,646**

[1]: Non-executive Director

[2]: Executive Director, CEO, representing the reference shareholder

[3]: Non-executive Director, representing the reference shareholder

[4]: Board member until May 16, 2023

[5]: Board member as from May 16, 2023

ARC: Audit and Risk committee
NRC: Nomination and Remuneration Committee

YquitY bv, represented by Mr. Rudy Provoost. Mr. Provoost holds a Master's in Psychology from the University of Ghent, a Master's in Management from Vlerick Business School, and an Executive Master's in Change from INSEAD. He has held senior leadership positions with Rexel in France, where he served as CEO and Chairman of the Board of Directors, and with Royal Philips in The Netherlands, where he was a member of the Executive Board and successively, CEO of Philips Consumer Electronics and CEO of Philips Lighting. He is currently Chairman of Voka-Flanders Alliance of Enterprises, Chambers of Commerce and Industry, as well as a member of the Board of Directors of Pollet Water Group and Vlerick Business School. Mr. Provoost was a member of the Supervisory Board of Randstad, and a member of the Board of Directors of Elia until Q2 2023. Mr. Provoost has been Chairman of the Board of the JENSEN-GROUP since May 19, 2020.

SWID AG, represented by Mr. Jesper Munch Jensen. Mr. Jensen is the CEO of the JENSEN-GROUP.

TTP bv, represented by Mr. Erik Vanderhaegen. Mr. Vanderhaegen is the former CFO of the JENSEN-GROUP. He is currently CFO of Biobest Group. Previously, he was a certified auditor, M&A Manager at Greenyard and Corporate Tax, Audit and M&A Manager at Bekaert NV.

Mr. Jobst Wagner. Mr. Wagner is Vice Chairman and co-owner of the globally active Rehau Industrial Group. He holds several other positions such as Chairman and co-owner of Four W. Holding and is the Founder and Chairman of LARIX Foundation.

Inge Buyse bv, represented by Mrs. Inge Buyse. Mrs. Buyse is CEO of AZ Groeninge. Prior to assuming her current role, she held CEO positions in Sapa, Koramic Roof Tiles and Telindus. Mrs. Buyse is also a Board member of the Flemish Symphony Orchestra. Mrs. Buyse was a member of the Board until May 16, 2023.

Cross Culture Research LLC, represented by Mrs. Anne Munch Jensen. Mrs. Jensen holds a Cum Laude BA in Communication, in cross-cultural communication from the Annenberg School of Communication, University of Pennsylvania, and holds a Master of Arts degree in French from Bryn Mawr College. Mrs. Jensen started her career as an analyst at Hay Management Consultants, before heading up her own Arts Management company. She later developed extensive training and education experience in cross-cultural curriculum creation, using design thinking and project-based learning approaches.

Acacia I bv, represented by Mrs. Els Verbraecken. Mrs. Verbraecken is the CFO of DEME Group. Mrs. Verbraecken obtained her degree in Commercial Engineering at the Catholic University of Leuven in 1993, where she specialized in international business. At Credendo, the Belgian export credit agency, she specialized in political and commercial risk analysis and management. After using these skills within the Seghers Better Technology group for about one year, she started at DEME in 2001 managing worldwide project risks and setting up financial plans and financing structures for many global projects. She became CFO of the DEME Group in 2013.

Mr. Daisuke Miyauchi, Non-executive Director. Mr. Daisuke Miyauchi is the representative Director and CEO of Miura Co., Ltd. since April 2016.

Werner Vanderhaeghe bv, represented by Mr. Werner Vanderhaeghe, Esq. Mr. Werner Vanderhaeghe, a Senior Counsel at the law firm Kadrant Law in Brussels, Belgium, is the Company Secretary and acts as General Counsel of the JENSEN-GROUP. Before that, Mr. Vanderhaeghe was a partner at the international law firm White and Case LLP (Brussels), and Senior Counsel at the international law firm Morgan, Lewis and Bockius LLP (Frankfurt and Brussels). In addition, Mr. Vanderhaeghe held General Counsel positions at the Bekaert Group and the Agfa-Gevaert Group.

From left to right: Mr. Daisuke Miyauchi, Mr. Jobst Wagner, Mrs. Els Verbraecken, Mr. Rudy Provoost, Mr. Jesper Munch Jensen, Mrs. Anne Munch Jensen, Mr. Erik Vanderhaegen, and Mr. Werner Vanderhaeghe.

The Board of Directors held nine meetings in 2023. The topics of discussion at these meetings included:

- the JENSEN-GROUP's overall strategy, strategic plans, risk assessment, organization, rolling forecasts and budget;
- economic and market developments;
- the JENSEN-GROUP's financial structure, financial performance, and external reporting;
- the JENSEN-GROUP's press releases;
- convening of the Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting;
- ESG strategy and reporting;
- investment and M&A projects;
- capital Increase through Contribution in Kind and capital increase through Contribution in Cash;
- listing prospectus;
- shareholder value creation and shareholder return;
- corporate governance and compliance;
- self-evaluation of the Board;

- (Re)-appointment of a Director;
- the JENSEN-GROUP's financial structure.

Depending on the items on the agenda, members of the JENSEN-GROUP's Executive Management Team were invited to the meetings of the Board and of the Board Committees.

Evaluation of the Board of Directors

The Board of Directors and the Board Committees conduct from time to time a self-evaluation exercise to determine their effective functioning. This exercise includes the completion of a self-evaluation questionnaire, by all Board and Board Committee members, after which the Group General Counsel or an external party summarizes the results, trends, and comments from the individual replies. The summaries focus on the contribution of the Board of Directors and the Board Committees to the Company and specifically on areas where the Board or the Executive Management believes that the Board or its Committees could improve. The results, trends and comments are then discussed within the Board of Directors, after which action points are derived and implemented.

In addition, informal individual assessments of the Board members are made on an ongoing basis during Board meetings. In 2023, the Board of Directors conducted a self-evaluation exercise, the results of which were discussed during the Board meeting of March 2024. The Board hereby rated its overall performance at the 'no improvement needed' level, indicating firm agreement with the principal components of effective governance that the Board members were asked to consider and thus assessing the Board’s overall performance as good and effective.

Committees established by the Board of Directors

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of YquitY bv, represented by Mr. Rudy Provoost, acting as Chairman of the Committee, Mr. Jobst Wagner, and TTP bv, represented by Mr. Erik Vanderhaegen.

Two of the three members of the Committee qualify as independent Directors. All members of the Committee have HR management and remuneration policy experience.

The Nomination and Remuneration Committee met twice in the course of 2023. Both meetings were attended in part by the CEO. The topics of discussion at these meetings included:

- discussion and approval of the remuneration report and the remuneration policy;
- remuneration and the bonuses of the Executive Management Team of the JENSEN-GROUP;
- self-evaluation of the Committee;
- composition of the Board of Directors and Executive Management Team;
- (re)-election of members of the Board;
- HR in view of the strategic process;
- corporate governance and compliance.

In 2023, the Nomination and Remuneration Committee conducted a self-evaluation exercise, the results of which were discussed during the Nomination and Remuneration Committee meeting of March 2024. The Committee hereby rated its overall performance at the 'no improvement needed' level, indicating firm agreement with the principal components of effective governance that the Committee members were asked to consider and thus assessing the Committee's overall performance as good and effective.

The Nomination and Remuneration Committee uses its Charter as its terms of reference. The Charter can be found on the Company website https://www.jensen-group.com under the heading 'Investor Relations/Corporate Governance' and covers:

- authority;
- objectives;
- composition;
- role of the Chairperson;
- responsibilities;
- meetings;
- attendance;
- non-consensus;
- objectivity;
- access to members of management;
- reporting and appraisal;
- remuneration report;
- performance evaluation.

<u>Audit and Risk Committee</u>

The Audit and Risk Committee consists of TTP bv, represented by Mr. Erik Vanderhaegen, acting as Chairman of the Committee, of Inge Buyse bv, represented by Mrs. Inge Buyse (until May 16, 2023), of Mr. Jobst Wagner and of Acacia I bv, represented by Mrs. Els Verbraecken (as from May 16, 2023).

Two of the three members of the Committee qualify as independent Directors. All members of the Committee have collectively expertise in the activities of the Company and the majority have accounting and audit experience.

The Audit and Risk Committee met four times in the course of 2023. Three meetings were held in the presence of the external auditor PwC, represented by Mr. Filip Lozie (until May 16, 2023), and Deloitte, represented by Mrs. Charlotte Vanrobaeys (as from May 16, 2023). As reported above, one meeting was held in the presence of an independent outside audit firm for a specific internal audit project. The topics of discussion at these meetings included:

- Risk Management and Internal Control System;
- summary management letters external auditor;
- internal audit;
- consolidated financial results;
- findings of the external auditor on the financial statements as of December 31, 2022;
- findings of the review procedures on the condensed financial statements as of June 30, 2023;
- audit plan of external auditor;
- financial statements including non-financial information, condensed financial statements and ESEF;
- the JENSEN-GROUP's financial structure;
- press releases including trading update;
- legal network;
- monthly closings;
- transition of auditor;
- ESG;
- shareholder value creation and shareholder return;
- cash management;
- tax audit and transfer pricing;
- insurance;
- corporate governance and compliance;
- self-evaluation of the Committee;
- non-audit fees;
- valuation rules;
- investment and M&A projects including Purchase Price Allocation.

In 2022, the Audit and Risk Committee conducted a self-evaluation exercise, the results of which were discussed during the Audit and Risk Committee meeting of March 2023. The Committee hereby rated its overall performance at the 'no improvement needed' level, indicating firm agreement with the principal components of effective governance that the Committee members were asked to consider and thus assessing the Committee’s overall performance as good and effective.

The Audit and Risk Committee uses its Charter as its terms of reference. The Charter can be found on the Company website https://www.jensen-group.com under the heading 'Investor Relations/Corporate Governance' and covers:

- roles and responsibilities;
- number of meetings;
- composition of the Audit and Risk Committee;
- role of the Chairperson;
- presence of the external auditor;
- performance evaluation.

Senior management attends each Audit and Risk Committee meeting in part, with the remainder of the meeting reserved for an executive session with the external auditor for the Committee members only.

Conflicts of interest within the Board of Directors

As required under the 2019 Companies and Associations Code, the members of the Board of Directors are expected to give the Board Chairman prior notice of agenda items in respect of which they have a direct or an indirect conflict of interest with the Company, either of a financial or other nature, and to refrain from participating in the discussion and voting on those items. The Board of Directors and the Board Chairman constantly monitor potential conflicts of interest that do not fall within the definition as set forth by the 2019 Companies and Associations Code. The review of potential conflicts of interest is therefore a standard item on the agenda of each meeting of the Board of Directors.

In the course of 2023, several potential conflicts of interest arose at the meetings of the Board of Directors related to (i) the re-appointment of a Board member, (ii) the dividend proposal, (iii) the capital increase, and (iv) the interruption and re-launch of the share buy-back program. As reported above, the relevant excerpts from the minutes of said meetings of the Board of Directors are set forth in Annex II and enclosed as an exhibit to this Annual Report.

In case of doubt, written confirmation of the reasons for the absence of a conflict of interest as more broadly defined is sought from the Director or the senior executive involved.

Policy to Prevent Insider Trading

JENSEN-GROUP NV has had a longstanding policy on insider trading and the prevention of improper conduct or the appearance of such behaviour. Following the introduction of new EU legislation and applicable regulations on market abuse, the Board of Directors revised its guidelines on the subject as set forth in a ‘Protocol to Prevent Market Abuse’.

The purpose of this Protocol is, inter alia, to inform:

- Any person who possesses inside information (either as a shareholder, Director, member of the Executive Management Team, employee, service provider or any other person by virtue of their function, duties, or employment) of: (i) their legal and regulatory duties regarding the prevention of insider dealing, tipping and the unlawful disclosure of inside information; and of (ii) the applicable sanctions;
- Any person who has been identified as a Reference Shareholder, Key Manager, Person with Management Responsibility or Key Employee of the Company, of the fact that they and, by extension, their spouses, children of age living at home and advisors, may under no circumstances trade the Company's securities during a closed period, i.e.:
  - The period of 60 calendar days immediately preceding the announcement of the Company's annual results and extending through and including 48 hours following such announcement;
  - The period of 30 calendar days immediately preceding the announcement of the Company's half-year results and extending through and including 48 hours following such announcement;
  - The period of 30 calendar days immediately preceding the announcement of the Company's quarterly trading updates and extending through and including 48 hours following such announcement.
- Any person who has been identified as a Reference Shareholder, Key Manager, Person with Management Responsibility or Key Employee of the Company, of the fact that they and, by extension, their spouses, children of age living at home and advisors, must notify the Compliance Officer of the Company and the Belgian Regulator (i.e., the Financial Services and Market Authority or "FSMA") of every transaction in the Company's securities if and when the total amount of transactions has reached or exceeds the threshold of 5,000 euros within a given calendar year.

The Group requires a signed statement from all those concerned, acknowledging that they have read the Protocol to Prevent Market Abuse, that they understand its content and that they agree to comply with its provisions.

Notwithstanding all of the above, all trading in the Company's shares requires prior authorization from the Compliance Officer. In addition, all Directors and members of the Executive Management Team are required to inform the Compliance Officer on a quarterly basis of any trading respectively to confirm any non-trading in the Company's shares. Mrs. Scarlet Janssens is the Compliance Officer of the JENSEN-GROUP NV. As of December 31, 2023, the members of the Board of Directors and the Executive Management Team jointly held 18,305 shares. Mrs. Anne Munch Jensen, and Mr. Jesper Munch Jensen indirectly own shares in the JENSEN-GROUP NV, as detailed in Note 8 – Equity below. No warrants are outstanding.

The Policy to Prevent Insider Trading and the relevant provisions of the Protocol to Prevent Market Abuse are included in the Charter of the Board of Directors. The Charter can be found on the Company website https://www.jensen-group.com under the heading 'Investor Relations/Corporate Governance'.

Sustainability related topics

Sustainability has been part of the JENSEN-GROUP’s DNA for many years. To increase the impact of the Group’s measures, ESG has been added as a strategic business driver resulting in the appointment in 2023 of a Head of Corporate Sustainability reporting directly to the Executive Management Team. With the creation of this new position, the Group is taking the necessary steps to ensure that business practices, products and services are environmentally friendly and comply with legal as well as ESG requirements and regulations. By doing so, the Board of Directors reaffirms its commitment to ensuring responsible and sustainable leadership.

Indeed, the JENSEN-GROUP holds integrity, honest business practices and lawful conduct amongst its highest priorities. No business requirement can justify an illegal, unethical, or unprofessional act. Therefore, the Group has developed several control mechanisms to prevent unethical behaviour, such as:

- an Ethical Business Policy Statement and a Suppliers' Code of Conduct condemning, among other things, violation of human rights and child labour;
- a Corporate Governance Charter;
- a Policy to Prevent Insider Trading;
- a Whistleblowing Hotline.

For more information on these measures, please refer to the chapter on Corporate Governance on the Company website: www.jensen-group.com.

Executive Management

The Board of Directors of JENSEN-GROUP NV chose to consolidate its existing single-tier structure as referred to in article 7:85 et seq. of the 2019 Code of Companies and Associations with the powers of day-to-day management by the Executive Management Team versus supervision and control by the Board of Directors clearly defined and aligned.

In the course of 2009, an Executive Management Team was appointed, which consists of the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO) and the Chief Digital Officer (CDO). As from January 1, 2024, the Group appointed a Chief Innovation Officer (CIO). The CEO chairs the Executive Management Team meetings.

The Executive Management Team is responsible for the:

- execution of the overall JENSEN-GROUP strategy that is developed by the Board of Directors;
- introduction and implementation of an internal control framework and risk management processes that are in line with the nature, organization, and size of the JENSEN-GROUP;
- implementation and deployment of the Ethical Business Policy Statement and the Suppliers' Code of Conduct;

- preparation of the financial statements and disclosures;
- report of the CEO and CFO to the Board of Directors with respect to the financial situation of the JENSEN-GROUP;
- presentation at regular intervals to the Board of Directors of all information necessary for the Board to carry out its duties;
- evaluation of the manufacturing footprint.

The Executive Management Team meets at least every quarter and consists of:

- Mr. Jesper Munch Jensen, CEO;
- Mr. Fabian Lutz, CDO;
- Mr. Martin Rauch, COO;
- Mr. Markus Schalch, CFO
- Mr. Mads Andresen, CIO as from January 1, 2024.

From left to right: Mr. Fabian Lutz, Mr. Jesper Munch Jensen, Mr. Mads Andresen, Mr. Martin Rauch, Mr. Markus Schalch.

Mr. Jesper Munch Jensen, permanent representative of SWID AG, started his career at Swiss Bank Corporation and worked as a stockbroker on the Swiss Stock Exchange (1984-1987). After obtaining an MBA degree from Lausanne Business School, he joined the JENSEN-GROUP as an Assistant General Manager of JENSEN Holding (1991). Mr. Jensen became CEO of the JENSEN-GROUP in 1996.

Mr. Mads Andresen holds a Bachelor of Science in Software Engineering from the University of Southern Denmark in Odense. After finishing his studies in 2001, he founded a few mobile robotics and software development companies. From 2003, Mads worked three years at B&R Industrial Automation (a member of the ABB Group) as a software application developer, writing software for machines and robots in various industries. This was followed by three years working as a software developer at a small family-owned Danish company manufacturing machines for industrial laundries. In 2009, Mr. Andresen co-founded Inwatec ApS, a JENSEN-GROUP partner company since 2018. He was nominated Chief Innovation Officer in 2024.

Mr. Fabian Lutz holds graduate degrees in Project Management and Telematics/Information as well as a certificate of advanced studies in Business Intelligence from the Bern University of Applied Sciences. Following his practical training as federally qualified Mechanical and Automation Engineer at Landis and Gyr (now Siemens) in Zug/Switzerland, Mr. Lutz joined the JENSEN-GROUP in 1999 as IT manager for its operations in Switzerland. Mr. Lutz was appointed Head of ICT for the JENSEN-GROUP in 2008. He has been acting as CIO of the JENSEN-GROUP since January 2020 and was nominated Chief Digital Officer in 2021.

Mr. Martin Rauch holds a Bachelor of Science degree in Electrical Engineering. After completing his studies in 1989, he joined JENSEN AG Burgdorf and held various positions in technical and commercial areas. Mr. Rauch became General Manager of JENSEN AG Burgdorf in 2003 and Managing Director of JENSEN SWEDEN AB following the formation of the Garment Technology Business Unit in 2006. Mr. Rauch joined the Executive Management Team in 2009 and held various functions. He was nominated as Chief Operating Officer in 2021.

Mr. Markus Schalch holds a Master of Arts in Finance and Accounting from the Hochschule St. Gallen. He started his career in an audit firm, where he worked for two years prior to joining the Alstom Group in various finance positions. In 2000, Mr. Schalch joined a leading Swiss telecommunication firm where he became CFO of Swisscom Systems Ltd. (2002-2004) and was then appointed CFO of Swisscom Solutions AG (2005 till August 2007). Mr. Schalch joined the JENSEN-GROUP in September 2007 as CFO.

Remuneration Policy

The remuneration policy of the Company is intended to attract and retain the best qualified and talented directors, executives and employees required to support the long-term development and growth of the JENSEN-GROUP. By offering a competitive compensation package, the Company seeks to stimulate individual performance and to align the individual interests of its directors, executives and employees with those of the shareholders and other stakeholders. The market conformity of the compensation packages of the Board of Directors and the Executive Management Team is periodically reviewed by the Nomination and Remuneration Committee with the support of external, independent advisors.

The shareholders approved the remuneration policy at the Annual Shareholders' Meeting held on May 16, 2023.

The remuneration policy can be found on the Company website: https://www.jensen-group.com under the heading 'Investor Relations/Remuneration Policy'.

JENSEN ironers feature a cutting-edge triple-pass boiler, significantly reducing flue gas temperature and achieving an **outstanding energy efficiency** of 90%. Specifically, the Kalor G 1200 gas ironer sets a record with an incredibly low energy consumption of just 1 kWh per kilo of water evaporated. This **innovative design minimizes energy waste**, allowing more energy to be efficiently transferred into the flexible chest for water evaporation.

Remuneration Report

Remuneration of the Board of Directors

The remuneration of the non-executive Directors is based on their responsibilities and their specific tasks within the Board. Except for the Board Chairman, the fees for the non-executive Directors consist of a fixed remuneration of 17,000 euros per year, and an attendance fee of 3,000 euros per Board meeting, or 1,000 euros if the meeting is held by telephone. Members of Board Committees receive a fixed fee of 7,500 euros per year and an attendance fee of 1,500 euros per meeting. The Board Chairman in turn receives a fixed fee of 100,000 euros per year, which is deemed to correspond to the actual services to be rendered. Directors do not receive any variable compensation and the CEO does not receive any compensation as a member of the Board. The Nomination and Remuneration Committee reviewed the compensation of the Board of Directors at its meeting on December 2, 2021 and found the compensation package to conform to market practice.

In 2023, the total fees paid to Board members and members of the Board Committees amounted to 335,646 euros. The shareholders approved with a large majority the remuneration paid to the Board of Directors at the Annual Shareholders' Meeting held on May 16, 2023. Therefore, no change on the remuneration report was required. Please refer to page 61 of this Annual Report for more details.

The attendance fees as outlined on page 61 of this Annual Report are construed so as to contribute to the long-term commitment of the Group.

Mr. Jobst Wagner owns 16,805 shares. Mrs. Anne Munch Jensen and Mr. Jesper Munch Jensen indirectly own shares in the JENSEN-GROUP NV, as detailed in Note 8 – Equity below.

Mrs. Anne Munch Jensen received additional compensation for her writing and editing services as well as for her ambassadorial role. The compensation for 2023 amounted to 6,750 euros.

No warrants are outstanding and there are no stock option plans for the non-executive Board members. No director can receive any fee in the framework of a public take-over bid nor are there any agreements or arrangements that change or stop in case of a public takeover bid.

Remuneration of the Executive Management Team

The Nomination and Remuneration Committee prepares all recommendations relating to the appointment and the remuneration of the Executive Management Team based on proposals by the CEO. The Committee discusses the remuneration policy, the pay levels, and the individual performance evaluations of members of the Executive Management Team in detail.

In doing so, the Committee considers whether the remuneration paid is in line with market conditions and periodically checks the market conformity of compensation packages with the assistance of external, independent advisors. The Nomination and Remuneration Committee reviewed the remuneration of the Executive Management Team at its December 2, 2021, meeting, and found the compensation packages to conform to market practice. The Committee refers to the relevant sections in this Annual Report for a detailed description of the operating results of the different divisions of the JENSEN-GROUP, and consequently the remuneration of the Executive Management Team.

The external auditor reviews the conformity of the remuneration paid to the Executive Management Team with the amounts proposed by the Nomination and Remuneration Committee and approved by the Board of Directors.

The shareholders approved the remuneration paid to the Executive Management Team with a large majority at the Annual Shareholders' Meeting held on May 16, 2023.

The remuneration of the Executive Management Team is composed of a base salary and of variable compensation that is paid out in cash or used for pension plan contributions depending on the manager's country of residence, life insurance, other customary insurances, and benefits. Appointments to the Board of Directors of certain subsidiaries can also be remunerated. Executive managers are provided with all resources necessary to perform their duties.

Where pension plans are customary, the Executive Management Team participates in such.

As set forth in the above section on Remuneration of the Board of Directors, the CEO does not receive any compensation as a Board member.

Total gross salaries paid to the Executive Management Team, including the CEO, in the course of 2023 amounted to 2,382,182 euros. As required by the 2019 Companies and Associations Code, salaries of the members of the Executive Management Team are disclosed on an individual basis. The total amount is composed as follows:

In euros	2023 CEO	2023 CFO	2023 CDO	2023 COO	2022 CEO	2022 CFO	2022 CDO	2022 COO
Basic remuneration		349,902	196,769	349,902		327,751	184,245	327,751
Invoiced services	835,938				806,928			
One-year variable remuneration	250,775	128,949	57,116	133,272	393,965	126,395	57,203	120,127
Fixed expenses		12,349	4,940	12,349		11,938	4,775	11,938
Fringe benefits		7,224	5,780	6,113		6,855	5,587	5,909
Pension plan		12,110	6,493	12,201		11,638	0	11,739
Total	**1,086,713**	**510,534**	**271,098**	**513,837**	**1,200,893**	**484,577**	**251,810**	**477,464**
Proportion fixed and variable: Fixed	77%	75%	79%	74%	67%	74%	77%	75%
Proportion fixed and variable: Variable	23%	25%	21%	26%	33%	26%	23%	25%

The basic remuneration includes the salaries of the members of the Executive Management Team and represents their total fixed compensation before local taxes and obligatory pension contributions. The basic remuneration includes the remuneration received for appointments to the Board of Directors of certain subsidiaries.

The CEO invoices his services through SWID AG, a separate company owned by the CEO. The amounts disclosed above consist of the amounts, totalling 835,938 euros (806,928 euros in 2022), that SWID AG invoiced to the Company. Invoiced services include basic remuneration, variable remuneration, fixed expenses, fringe benefits and pension plans.

The variable compensation part of the remuneration of the Executive Management Team members is targeted at 30% to 50% of the annual base salary. In the case of the CEO, the variable compensation is targeted up to 60% of the annual base salary. No variable compensation is paid below a minimum performance threshold of 85% while in case of overperformance, variable compensation is capped at 130%. The variable remuneration of the CEO and the Executive Management Team is based on performance against the following objectives:

- Individual, qualitative objectives for 30% to 50% of the total target amount. Qualitative objectives focus on important projects and actions to be realized during the year;
- Quantitative objectives for 50% to 70% of the total, divided between:
    - the financial results against the JENSEN-GROUP targets in terms of profitability, capital employed, specific elements of capital employed and/or cash flow;
    - the financial results against the target of the unit for which the individual manager is accountable.

The JENSEN-GROUP targets are defined by the Board of Directors following review and discussion in the Nomination and Remuneration Committee. The targets are defined as part of the annual budget review process, in which the budget is evaluated in the context of the strategic plan. Depending on the applicable legislation and on the employee’s preferences, the variable remuneration is paid out in cash, into the employees’ pension plan, or in the form of other benefits.

The variable compensation paid out in cash to the individual members of the Executive Management Team in 2023, based on the performances of 2022, amounted to 570,112 euros. For 2023, the JENSEN-GROUP targets were set based on the operating profit and revenue and the performance criteria were applied on an individual basis as required by art.3:6 of the 2019 Companies and Associations Code. More details about the weightings and the performance measured, are listed below:

(in thousands of euros)	Weight	Performance measured	Corresponding. Remuneration.
Criteria Revenue	20%	On target	28,814
Criteria EBIT	50%-70%	Below target	355,464
Personal targets	30% - 50%	On and Below target	185,833

As set forth in the Statement of Corporate Governance above, the shareholders approved at the Annual Shareholders' Meeting held on May 19, 2020 an extension of the exemption from Article 7:91 of the 2019 Companies and Associations Code and, in particular, the requirement to spread objectives and variable compensation payments over several years during a term of five years expiring at the Annual Shareholders' Meeting of May 2024.

The KPI's as outlined above are determined in such a way as to contribute to the long-term performance of the Group.

Fixed expenses relate primarily to representation allowances.

The fringe benefits include the value of the employees' company cars and of the related car insurance premiums.

The pension plan is the contribution of the employer to a pension plan above contributions required by law. Three managers participate in a defined benefit plan.

No warrants are outstanding and there are currently no stock option plans.

The agreements with respect to termination of senior managers vary from country to country, subject to the locally applicable legislation. Legal regulations apply in countries where there is a legal framework, while a severance payment of up to, but not exceeding, two years' salary is granted for countries where there is no legal framework.

Mr. Jesper Munch Jensen has a severance pay arrangement of 18 months, which is deemed in line with current market practice based on periodic reviews of the market conformity, of the compensation packages of the Executive Management Team by the Nomination and Remuneration Committee.

There was no termination of a senior manager in 2023.

There are no change-of-control clauses included in the management contracts and no manager can receive any fee or benefit, whether directly or indirectly, in the framework of a public take-over bid.

Two managers have a two-year non-compete clause exercisable at the request of the Company. No special compensation is given in the event of voluntary departure.

No loans have been granted to members of the Executive Management Team. No unusual transactions or conflicts of interest have occurred.

The Executive Management Team holds a total of 1,500 shares in the following manner:

- Mr. Jesper Munch Jensen indirectly owns shares in the JENSEN-GROUP NV, as detailed in Note 8 – Equity below;
- Mr. Fabian Lutz owns no shares;
- Mr. Martin Rauch owns 1,500 shares;
- Mr. Markus Schalch owns no shares.

Claw back clause

There are no specific agreements or systems that give the Company the right to claw back paid variable compensation. As reported in the Statement of Corporate Governance above, the Company currently departs from Recommendation 7.12 of the 2020 Code. This departure is explained by the fact that the Company applies a Remuneration Policy of setting performance targets and paying out variable compensation in line with achievement levels on an annual basis. Should the Company opt for a long-term incentive scheme, based on multi-year strategic objectives, the departure from Recommendation 7.12 will be revisited.

There are no deviations from the Remuneration Policy to report.

The annual changes of remuneration, of the performance of the Company and of the average remuneration of employees (excluding the Board of Directors and the Executive Management Team) over the last five years, is as follows:

(In thousands of euros)	2023	2022	2021	2020	2019
Total remuneration excluding BoD and EMT	117,191	98,667	81,209	82,280	103,344
Average number of employees	1,693	1,400	1,306	1,411	1,712
Average remuneration on an average FTE basis of the employees (excl. BoD and EMT)	69	71	62	58	61
Revenue	400,121	341,638	259,717	245,238	332,178
EBIT	40,743	22,413	21,329	12,795	23,016
Working Capital	151,962	127,894	90,686	101,934	126,723

The ratio between the highest remunerated executive and the least remunerated employee, expressed on a full-time equivalent basis, within the JENSEN-GROUP is 1% with the caveat that the basis for calculating this ratio is global and includes many different countries, functions, and roles. Overall, the Company has embedded the Social Corporate Responsibility principles in its business model.

The shareholders approved the remuneration report at the Annual Shareholders' Meeting held on May 16, 2023.

Policy with respect to appropriation of the result

Based on the result of the past year and on the current financial situation, the Board of Directors will propose an appropriate dividend.

Shareholding structure

The following are the major shareholders of the Company:

JENSEN INVEST A/S:	44.2%
Miura Co. Ltd:	20%
JENSEN-GROUP NV*:	0.2%
Free float:	35.6%

* Share buyback program

The voting rights are described in Note 8 - Equity below.

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. In view of the transaction with MIURA, the JENSEN-GROUP announced on March 9, 2023, the Board of Directors suspended the program. On May 16, 2023, the shareholders approved the cancellation of 113,873 treasury shares. On August 10, 2023, the Board of Directors decided to re-launch the share repurchase program to buy back maximum 668,027 of its shares. The shares are bought on the stock exchange by an investment bank mandated by the Board of Directors. The buy-back mandate expires on May 16, 2028. As per December 31, 2023, the JENSEN-GROUP holds 15,122 treasury shares.

Relationship among shareholders

There is no specific shareholders' agreement between the reference shareholders listed above. As indicated in the prospectus related to the listing and trading on the regulated market of Euronext Brussels of 1,929,282 new shares dated June 29, 2023, the following listed points have been agreed between MIURA Co., Ltd. and the Company in the Contribution Agreement dated March 9, 2023:

- The Company and MIURA have agreed that, for as long as the Joint-Venture Agreement remains in force, MIURA shall have the right to nominate one director of the Company, who must also be a director of Inax.
- Subject to certain conditions and not earlier than the first general shareholders' meeting of the Company to be held after April 3, 2025, if so requested by JENSEN-INVEST A/S, MIURA agreed to vote in favor of the introduction of loyalty shares in the Company in accordance with Article 7:53 of the 2019 Companies and Associations Code, with immediate effect for all eligible shares which have been held for a period of at least two years prior to the date of such extraordinary shareholders' meeting.

- In addition to the statutory preferential subscription rights of the shareholders pursuant to Articles 7:191 and 7:193 of the 2019 Companies and Associations Code, the Contribution Agreement provides for an additional conventional preferential subscription right for MIURA. If the Company would issue equity securities of any kind which could lead to a dilution of the voting rights of MIURA whereby the statutory preferential subscription rights pursuant would not apply (such as in the event of a capital increase through a contribution in kind), the Company will offer MIURA the opportunity to subscribe to a number of shares as is necessary to ensure that MIURA will hold 20% of the voting rights of the Company following such issuance of equity securities. Such conventional preferential subscription right for MIURA shall remain in effect, as long as MIURA holds at least 20% of the voting rights of the Company and as long as the Joint-Venture Agreement between the Company and MIURA remains in effect.

Statutory Auditor

The Statutory Auditor is Deloitte BV, represented by Mrs. Charlotte Vanrobaeys.

The Statutory Auditor and its network received worldwide fees of 540,770 euros (excl. VAT) for auditing the statutory accounts of the various legal entities and the consolidated accounts of the JENSEN-GROUP. Apart from its mandate, the Statutory Auditor and its network received during 2023 additional fees of 106,058 euros (excl. VAT) for non-prohibited services, and that was invoiced to the JENSEN-GROUP NV. The Company has appointed a single firm for the audit of the consolidated financial statements.

Issued capital

On April 3, 2023, the JENSEN-GROUP NV increased its capital by a contribution in kind (4.6 million euros), and a contribution in cash (2.9 million euros). With both transactions, 1,926,282 new shares were created. MIURA took a 20% shareholding in the JENSEN-GROUP and the JENSEN-GROUP took 49% shareholding in Inax Corporation. For more details of the new created shares, we refer to the listing prospectus which is available on our website: Prospectus (wwww.jensen-group.com)

As of December 31, 2023, the issued share capital of the Company was 38.3 million euros, represented by 9,631,408 ordinary shares without nominal value. As of December 31, 2023, the Company holds 15,122 treasury shares.

There are no preference shares.

Pursuant to Article 74, §6 of the Law of April 1, 2007, on Takeover Bids, JENSEN INVEST A/S disclosed to both the FSMA and the JENSEN-GROUP NV that, as of September 1, 2007, it held in concert more than 30% of the shares with voting rights in the JENSEN-GROUP NV.
Further details of the shareholders' notification are disclosed in Note 8 – Equity below.

Dividend proposal

The Board of Directors proposes to the Annual Shareholders' Meeting to approve a dividend of 0.75 euros per share. The dividend proposal is based on the net result of the Company at year-end. The dividend pay-out will amount to 7,212,215 euros, based on the number of shares outstanding as of December 31, 2023. No dividend will be distributed to the treasury shares.

Appropriation of the result

The JENSEN-GROUP NV reported in its statutory accounts a net profit of 5.2 million euros. The Board of Directors proposes to appropriate this result as follows:

In euros	
Profit (loss) brought forward	59,036,581
Profit (loss) for the period available for appropriation	5,152,233
Profit to be appropriated	**64,188,814**
Distribution of profit (dividend)	7,212,215
Appropriation to capital and reserves	2,589,160
Appropriation to retained earnings	54,387,439

This brings the total amount of retained earnings to 54.4 million euros.

Significant post-balance sheet events

There are no significant after balance sheet events.

Wetteren, March 7, 2024

YquitY bv
Represented by Mr. R. Provoost
Chairman

SWID AG
Represented by Mr. J.M. Jensen
Director

Statement of responsible persons

We hereby certify, that to the best of our knowledge, the consolidated financial statements, as at December 31, 2023, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal requirements applicable in Belgium, give 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 taken as a whole. We also certify that the management report includes a fair review of the development and performance of the business, and the position of the Company and the entities included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Jesper M. Jensen
Chief Executive Officer

Markus Schalch
Chief Financial Officer

Our feeding clamp design is tailored to **streamline the linen loading process** at the ironing line. The design guides the corners of the linen into the clamp, enabling operators to load it quickly and easily, ensuring high and consistent production levels. Our feeders also feature height-adjustable feeding stations, allowing flexibility for various linen sizes. When handling smaller pieces, the feeding table can be effortlessly lowered, **saving time and enhancing overall productivity**.

FREE TRANSLATION

Statutory auditor's report to the shareholders' meeting of JENSEN-GROUP NV for the year ended 31 December 2023 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of JENSEN-GROUP NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 16 May 2023, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2025. We have audited the consolidated financial statements of JENSEN-GROUP NV for the first time during the financial year referred to in this report.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 450 542 (000) EUR and the consolidated statement of profit and loss shows a profit for the year then ended of 31 308 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2023 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matter: recognition of revenue for customer contracts commissioned by third parties

Description of the key audit matter:

We focused on the revenue recognition for customer contracts commissioned by third parties, which are still ongoing at year-end, because JENSEN-GROUP NV substantially generates its revenue from projects which qualify as construction contracts under IFRS. The group recognizes the margin over the duration of the customer contracts. The recognition of revenue and the estimation of the outcome of customer contracts in progress, commissioned by third parties, with fixed prices is complex and requires significant management's estimates, particularly regarding the estimation of incurred costs and costs associated with contract completion. For these reasons, we identified the revenue from customer contracts, which are ongoing at year-end, commissioned by third parties as a key audit matter.

We refer to Note 1 and 6 of the annual report: Note 1 outlines the main valuation rules, including those regarding the recognition of revenue for project revenue, while Note 6 provides more details on contract assets. As of 31 December 2023, cumulative profits totaling 20,4 million EUR have been recorded in the gross balance of the customer contract assets.

Our audit approach regarding the key audit matter:

In assessing the revenue recognition from customer contracts commissioned by third parties, we evaluated both the design and operational effectiveness of controls and performed substantive testing procedures. We examined the controls implemented by the group for recording contract-related costs and revenue, along with assessing the determination of project completion stage. As part of our audit procedures, we ensured that the group complies with the appropriate valuation rules regarding revenue recognition. Our audit procedures further involved evaluating management's significant estimates by reviewing project documentation and engaging in discussions with financial and technical staff within the group regarding the progress of ongoing projects. Additionally, we examined manual revenue entries for any unusual or irregular matters. Based on our testing procedures, we did not identify any material deviations.

Other matters

The consolidated financial statements of JENSEN-GROUP NV for the previous financial year ended 31 December 2022 were audited by another statutory auditor who has issued an unqualified opinion on 31 March 2023.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group’s ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory 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 ISA 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 these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

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

- identify and assess the risks of material misstatement of the consolidated 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 an 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 internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated 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 statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

The non-financial information as required by article 3:32, § 2 of the Code of companies and associations, has been disclosed in the directors' report on the consolidated financial statements. This non-financial information has been established by the company in accordance with the Global Reporting Initiative Standards. In accordance with article 3:80 § 1, 5° of the Code of companies and associations we do not express any opinion on the question whether this non-financial information has been established in accordance with the Global Reporting Initiative Standards mentioned in the directors' report on the consolidated financial statements.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we have also performed the audit of the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 ("Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format ("digital consolidated financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

Based on our work, in our opinion, the format and the tagging of information of the digital consolidated financial statements included in the annual financial report of JENSEN-GROUP NV as of 31 December 2023 are, in all material respects, prepared in accordance with the ESEF requirements as stipulated by the Delegated Regulation.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.
- Signed at Ghent.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL

Represented by Charlotte Vanrobaeys

The Jenrail conveyor system is a JENSEN innovation that **revolutionizes the linen handling process**. Operators can load unsorted, washed, and clean flat linen into clamps in front of the feeder. The system allows for sorting into designated lines before feeding into the feeder via deloading stations. By strategically placing loading stations away from the feeder, we **can increase the number of stations and operators**. This significant enhancement dramatically boosts feeding capacity, ensuring a **perfect and steady flow of linen** to the ironer line.

Consolidated statement of financial position – Assets

(in thousands of euro)	Notes	December 31 2023	December 31 2022
Total Non-Current Assets		**165,635**	**111,576**
Goodwill	4	22,826	22,879
Intangible assets	4	5,832	4,300
Land and buildings		22,073	16,479
Machinery and equipment		4,134	4,349
Furniture and vehicles		3,727	2,507
Right of use assets		10,405	10,195
Other tangible fixed assets		0	23
Assets under construction and advance payments		881	794
Property, plant and equipment	4	41,219	34,346
Companies accounted for under equity method	22	49,764	5,573
Financial assets at amortized cost	20	5,139	5,425
Financial assets at fair value through OCI	20	25,953	26,520
Trade receivables		6,574	4,949
Other amounts receivable		3,860	3,544
Trade and other long-term receivables	7	10,434	8,493
Derivative financial instruments	20	307	418
Deferred tax assets	5	4,161	3,622
Total Current Assets		**284,906**	**229,300**
Raw materials and consumables		42,417	40,725
Goods purchased for resale		20,765	14,100
Inventory		63,182	54,825
Advance payments on purchases		1,713	5,200
Contract assets	6	62,336	52,920
Trade receivables	7	97,147	72,882
Other amounts receivable	7	8,618	7,078
Derivative financial instruments	20	346	499
Trade and other receivables	7	106,111	80,459
Cash and cash equivalents	18	51,112	35,427
Assets held for sale	21	452	469
TOTAL ASSETS		**450,542**	**340,876**

Consolidated statement of financial position – Liabilities

(in thousands of euro)	Notes	December 31 2023	December 31 2022
Equity	**8**	**262,142**	**170,567**
Share capital		38,050	30,710
Share premium		67,590	5,814
Treasury shares		-499	-1,850
Other reserves		-8,409	-2,346
Retained earnings		163,514	136,496
Non-controlling interests	22	1,896	1,743
Non-Current Liabilities		**46,734**	**50,391**
Borrowings	9	30,543	34,958
Deferred tax liabilities	5	2,954	3,259
Employee benefit obligations	10	10,692	9,538
Other payables		2,545	2,636
Derivative financial instruments	20	0	0
Current Liabilities		**141,665**	**119,919**
Borrowings	9	15,788	20,890
Provisions for other liabilities and charges	11	9,971	9,719
Trade payables	12	28,450	22,261
Contract liabilities	6	43,966	35,672
Remuneration and social security	12	16,380	11,964
Accrued expenses and other payables	12	11,824	12,384
Derivative financial instruments	20	67	34
Current income tax liabilities		15,219	6,995
TOTAL EQUITY AND LIABILITIES		**450,542**	**340,876**

Consolidated statement of profit and loss

(in thousands of euro)	Notes	December 31 2023	December 31 2022
Revenue	6	**400,121**	**341,639**
Raw material expenses		-188,928	-175,488
Services and other goods		-45,772	-39,151
Employee benefit expenses		-118,486	-99,881
Depreciation and amortisation expense		-7,633	-7,155
Total expenses	13	-360,819	-321,675
Other operating income	14	1,797	2,481
Other operating expenses	14	-356	-34
Operating profit (EBIT)		**40,743**	**22,411**
Interest income		1,994	891
Other financial income		1,703	2,554
Financial income	15	3,697	3,445
Interest charges		-1,653	-1,983
Other financial charges		-3,002	-3,327
Financial charges	15	-4,655	-5,310
Share in result of associates and companies accounted for using the equity method	22	2,141	986
Profit before tax		**41,926**	**21,532**
Income tax expense	16	-10,494	-4,968
Profit for the period from continuing operations		**31,432**	**16,564**
Profit / (loss) for the period from discontinued operations	21	-124	-139
Consolidated profit for the year		**31,308**	**16,425**
Result attributable to non-controlling interests	22	277	100
Result attributable to equity holders		31,031	16,325
Basic and diluted earnings per share (in euro)	17	3.39	2.10
Weighted average number of shares		9,150,330	7,786,615

Consolidated statement of comprehensive income

(in thousands of euro)	December 31 2023	December 31 2022
Consolidated profit for the year	**31,308**	**16,425**
Items that may be subsequently reclassified to profit or loss		
Financial instruments	253	-236
Currency translation differences related to associates and companies accounted for using the equity method	-3,589	-690
Currency translation differences - other	-1,633	1,624
Items that will not be reclassified to profit or loss		
Remeasurements gains/(losses) on defined benefit plans	-1,365	4,599
Tax on OCI	266	-1,147
Other comprehensive income for the year	**-6,068**	**4,150**
Total comprehensive income for the year	**25,240**	**20,575**
Total comprehensive income attributable to:		
Non-controlling interests	273	100
Equity holders of the company	24,967	20,475

Consolidated statement of changes in equity

(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 THE EQUITY HOLDERS	NON-CONTROLLING INTEREST	TOTAL EQUITY
December 31 2021	**30,710**	**5,814**	**0**	**1,017**	**-69**	**-164**	**-7,284**	**-6,500**	**123,742**	**153,766**	**1,651**	**155,417**
Result of the period	0	0	0	0	0	0	0	0	16,325	**16,325**	100	**16,425**
Other comprehensive income												
Currency translation difference related to associates and companies accounted for using the equity method	0	0	0	-690	0	0	0	-690	0	**-690**	0	**-690**
Currency translation difference - Other	0	0	0	1,628	0	0	0	1,628	-4	**1,624**	0	**1,624**
Financial instruments	0	0	0	0	789	-1,025	0	-236	0	**-236**	0	**-236**
Defined benefit plans	0	0	0	0	0	0	4,599	4,599	0	**4,599**	0	**4,599**
Tax on OCI	0	0	0	0	-197	256	-1,206	-1,147	0	**-1,147**	0	**-1,147**
Total other comprehensive income/(loss) for the year, net of tax	**0**	**0**	**0**	**938**	**592**	**-769**	**3,393**	**4,154**	**-4**	**4,150**	**0**	**4,150**
Capital increase	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Acquisition of treasury shares	0	0	-1,850	0	0	0	0	0	0	**-1,850**	0	**-1,850**
Dividend paid out	0	0	0	0	0	0	0	0	-3,891	**-3,891**	-8	**-3,899**
Hyperinflation	0	0	0	0	0	0	0	0	324	**324**	0	**324**
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**

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 THE EQUITY HOLDERS	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	31,031	**31,031**	277	**31,308**
Other comprehensive income												
Currency translation difference related to associates and companies accounted for using the equity method	0	0	0	-3,589	0	0	0	-3,589	0	**-3,589**	0	**-3,589**
Currency translation difference - Other	0	0	0	-1,629	0	0	0	-1,629	0	**-1,629**	-4	**-1,633**
Financial instruments	0	0	0	0	-277	531	0	253	0	**253**	0	**253**
Defined benefit plans	0	0	0	0	0	0	-1,365	-1,365	0	**-1,365**	0	**-1,365**
Tax on OCI	0	0	0	0	69	-133	329	266	0	**266**	0	**266**
Total other comprehensive income/(loss) for the year, net of tax	**0**	**0**	**0**	**-5,218**	**-208**	**398**	**-1,036**	**-6,064**	**0**	**-6,064**	**-4**	**-6,068**
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	1,351	0	0	0	0	0	-3,425	**-2,074**	0	**-2,074**
Dividend paid out	0	0	0	0	0	0	0	0	-3,853	**-3,853**	-120	**-3,973**
Hyperinflation	0	0	0	0	0	0	0	0	3,266	**3,266**	0	**3,266**
Transaction expenses attributable to the capital increase	-230	0	0	0	0	0	0	0	0	**-230**		**-230**
December 31 2023	**38,050**	**67,590**	**-499**	**-3,263**	**315**	**-535**	**-4,927**	**-8,410**	**163,515**	**260,245**	**1,896**	**262,142**

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Consolidated cash flow statement

(in thousands of euro)	Notes	December 31 2023	December 31 2022
CASH FLOW FROM OPERATING ACTIVITIES			
Consolidated result attributable to equity holders		31,031	16,325
Result attributable to non-controlling interests	22	277	100
Adjusted for			
- Current and deferred tax		10,494	4,968
- Interest and other financial income and expenses		958	1,865
- Depreciation and amortization expenses	13	5,995	6,405
- Write down on trade receivables	13	1,210	327
- Write down on inventory	13, 14	309	403
- Changes in provisions	10, 11	62	-3,329
- Gain/loss on the sale of tangible fixed assets		-22	0
- Companies accounted for using equity method	22	-2,141	-986
Interest received	15	1,994	891
Changes in working capital		**-24,014**	**-41,612**
Decrease / increase (-) in advance payments on purchases		3,081	-2,304
Decrease / increase (-) in inventory		-7,289	-6,819
Decrease / increase (-) in contract assets (before netting)		-11,227	-46,843
Decrease / increase (-) in long- and short-term amounts receivable		-28,466	-16,875
Increase / decrease (-) in trade and other payables		9,788	4,075
Increase / decrease (-) in contract liabilities (before netting)		10,098	27,157
Corporate income tax paid		**-4,534**	**-3,470**
Net cash generated / (used) by operating activities - total		**21,621**	**-18,112**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of intangible and tangible fixed assets	4	-8,086	-5,551
Sales of intangible and tangible fixed assets	4	137	11
Acquisition of subsidiaries and participations (net of cash acquired)	23	-6,101	0
Proceeds (+) from sale of financial instruments		13,771	3,719
Purchases (-) of financial instruments		-12,478	-2,051
Net cash generated / (used) by investing activities		**-12,756**	**-3,871**
Net cash flow before financing activities		**8,864**	**-21,983**
CASH FLOW FROM FINANCING ACTIVITIES			
Acquisition (-) of treasury shares	8	-2,074	-1,850
Capital increase	8	26,820	0
Dividend	8	-3,972	-3,899
Proceeds from government grants		0	397
Proceeds (+) from new borrowings	9	1,502	1,233
Repayment (-) of borrowings	9	-15,636	-2,785
Payments of lease liabilities	9	-1,328	-1,857
Interest paid	15	-1,653	-1,983
Other financial income	15	121	50
Other financial charges	15	-954	-785
Net cash generated / (used) by financing activities		**2,826**	**-11,481**
Net increase / (decrease) in cash and cash equivalents		**11,691**	**-33,462**
Cash, cash equivalent and bank overdrafts at the beginning of the year	18	29,913	60,682
Exchange gains / (losses) on cash and bank overdrafts		-147	2,694
Cash, cash equivalent and bank overdrafts at the end of the year	18	**41,456**	29,913

Notes to the Consolidated Financial Statements

Note 1: Summary of significant accounting policies

Basis of preparation

The JENSEN-GROUP (hereafter “the Group”) is one of the major suppliers to the heavy-duty laundry industry. The Group markets its products and services under the JENSEN and Inwatec brands and is one of the leading suppliers to the heavy-duty market. The 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 22 countries and distributes its products in more than 50 countries. Worldwide, the JENSEN-GROUP employs 1,830 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 consolidated financial statements for issue on March 7, 2024.

These consolidated financial statements are for the 12 months ended December 31, 2023 and are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These annual financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective as at December 31, 2023 and which have been adopted by the European Union.

These consolidated financial statements have been prepared under the historical cost convention, with financial assets and financial liabilities (including derivative instruments), assets held for sale and defined benefit plans stated at fair value through profit or loss or OCI or at amortized cost.

These consolidated financial statements are prepared on an accrual basis and on the assumption that the Group is a going concern and will continue in operation for the foreseeable future.

The preparation of the financial statements 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.

The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2023 and 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).
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023 but immediate application permitted).
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective 1 January 2023).
- Amendments to IAS 12 'Income Taxes': International Tax Reform – Pillar Two Model Rules (effective 1 January 2023).

The following new standard and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2023 but have been endorsed by the European Union:

- Amendments to IFRS 16 'Leases': Lease Liability in a Sale and Leaseback (effective 1 January 2024).

The following amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2023 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 01/01/2024),
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements (effective 1 January 2024).
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025).

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).

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

The main accounting policies defined by the Group are as follows:

Consolidation Methods

The consolidated financial statements are presented in euro and rounded to the nearest thousand.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The group applies the acquisition method to account for **business combinations**. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in any acquired company on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Intercompany transactions, balances and unrealized gains and losses on transactions between group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

Investments in associates and joint ventures are accounted for under the equity method set out in IAS28, subject to certain exceptions. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investors' share in the profit or loss of the investee after the date of acquisition. Associates are those investments where the investor has significant influence. A joint venture is a joint arrangement where the investor has joint control but does not have direct rights to assets or obligation for liabilities. For entities where the Group holds 20% or more of the voting power of another entity, either directly or indirectly, the Group is presumed to have significant influence over that entity. The presumption of significant influence from a 20% or more investment can be rebutted where the Group can demonstrate that it has or does not have significant influence. Likewise, significant influence could be demonstrated for an investment of less than 20%. The existence of a substantial or majority ownership by another entity does not necessarily preclude the Group from having significant influence.

Use of estimates & key judgements

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. There are no major sources of estimation uncertainty at the Group. 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 contracts in progress (percentage of completion method), pension liabilities, provisions for other liabilities and charges. We refer to note 6 – Contracts assets and contract liabilities, note 10 – Provision for employee benefit obligations and note 11 – Provision for other liabilities and charges.

There are no key judgements in the preparation of the financial statements.

Translation of Foreign Currency - Transactions

The conversion of assets, liabilities and commitments which are denominated in foreign currencies is based on the following guidelines:

- monetary assets and liabilities are translated at closing rates;
- transactions in foreign currencies are converted at the foreign exchange rate prevailing at the date of the transaction;
- foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges;
- non-monetary assets and liabilities are translated at the foreign exchange rate prevailing at the date of the transaction.

Translation of Foreign currency - Operations

The results and financial positions of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates of the dates of the transactions); and
- all resulting translation differences are recognized as a separate component of equity.

Initial Recognition

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Revenue Recognition

Projects

The JENSEN-GROUP has developed a five-step model for recognizing revenue from **contracts with customers**:

- Step 1. Identifying the customer contracts

A contract creates enforceable rights and obligations. The contract may be written, oral or implied by customary business practice. A contract contains a promise (or promises) to transfer goods or services to a customer.

When identifying the customer contracts, first the customer should be determined and then it should be assessed whether a contract exists. JENSEN-GROUP defines a “customer” and a “contract” as follows:

- Customer: a party that has contracted to obtain goods or services that are an output of ordinary activities in exchange for consideration;
- Contract: an agreement between two or more parties that creates enforceable rights and obligations.
    - Contracts shall be combined when they are entered into at or near the same time and are negotiated as a package, payment of one depends on the other, or goods/services promised are a single performance obligation.
    - A contract modification or change order is accounted for as a separate contract or as a continuation of the original contract prospectively or with cumulative catch-up, depending on facts and circumstances.

- Step 2. Identifying performance obligations

Performance obligations are the unit of account for the purposes of applying the revenue standard and therefore determine when and how revenue is recognized. A performance obligation is a promise to provide a distinct good or service or a series of distinct goods or services, including those a customer can resell or provide to its customers.

The Group has identified *one performance obligation* within its contracts: the installation of an operational or a commissioned heavy-duty laundry system. Revenue related to this performance obligation is recognized over time as both the JENSEN-GROUP does not create an asset with an alternative use (not practically possible to direct or transfer the constructed asset in its completed state to another customer as the installations are typically designed around the specific needs and requirements of the customer) and its contracts provides the JENSEN-GROUP an enforceable right to payment for performance completed to date. This enforceable right to payment represents an amount that at least compensates JENSEN for performance completed to date if the contract is terminated by the customer or another party for reasons other than JENSEN's failure to perform as promised.

- Step 3. Determining the transaction price

The transaction price in a contract reflects the amount of consideration to which the Group expects to be entitled from a customer in exchange for goods or services transferred to that customer.

The transaction price includes only those amounts to which the Group is entitled under the present contract.

- Step 4. Allocating the transaction price

The transaction price is allocated to the performance obligation in the contract based on relative standalone selling prices of the goods or services being provided to the customer.

- Step 5. Recognizing revenue

Revenue is recognized when (or as) the performance obligations are satisfied. Revenue is allocated to the individual performance obligations when or as the customer obtains control over the products to be delivered or services to be performed under the customer contract.

The JENSEN-GROUP recognizes *revenue over time* by measuring the progress toward complete satisfaction of the performance obligation. The JENSEN-GROUP uses the input method (costs incurred up to the balance sheet date as compared to the total estimated costs to incur to complete the project) recognizing the revenue based on the Group's effort to satisfy the performance obligation. Any costs linked to uninstalled materials or costs incurred that relate to future activities are excluded from measuring progress towards satisfying a performance obligation.

- When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.
- When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the total expected loss is recognized as an expense immediately.

The JENSEN-GROUP presents a contract as a **contract asset**, excluding any amounts already received by means of progress billings, if the Group has performed by transferring goods or services to a customer before the customer pays consideration or before payment is due. A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer.

The JENSEN-GROUP presents a contract as a **contract liability** when the payment is made or the payment is due (whichever is earlier), if the customer has paid a consideration before the Group transfers a good or service to the customer. A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer.
The timing of invoicing and the payment terms are discussed case by case. The billing schedule and the typical timing of the payment does not materially differentiate from the pattern of revenue recognition.
There are no important variable considerations for projects.

The process whereby an order is produced, installed, commissioned and handed over normally lasts a year or less.

Other

- **Royalties and rentals** are recognized as income when it is probable that the economic benefits associated with the transaction can be sufficiently measured and will flow to the Group. The income is recognized on an accrual basis in accordance with the substance of the relevant agreement.
- **Spare parts** revenue is recognized at a point in time.

Other income and other expenses relate primarily to income received from the insurance company, support from authorities, deductible tax charges, restructuring measures or other income or expenses arising from events or transactions that are clearly distinct from the ordinary business activities of the Group.

Goodwill

On the acquisition of a new subsidiary or participation, the difference between the acquisition price and the Group share of the identifiable assets, liabilities and contingent liabilities of the consolidated subsidiary or participation, after adjustments to reflect fair value, is recorded in the consolidated balance sheet under assets as goodwill. Goodwill is not amortized but tested for impairment annually, or more frequently, if events or changes in circumstances indicate a possible impairment. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to a cash-generating unit for the purpose of impairment testing.

Intangible assets

Research and development expenses

Research costs are charged to the income statement in the year in which they are incurred.

Until the end of 2020, JENSEN-GROUP did not capitalize development expenses but expensed them as incurred. The expenses then mainly concerned product enhancements. For specific projects (like Inwatec), development expenses are only capitalized if they are likely to yield future economic benefits.
Capitalized development expenses are amortized on a straight-line basis over the estimated useful life, which is normally to be considered no longer than 20 years. The amortization period is evaluated continually, and the asset is reviewed annually for impairment.

Concessions, patents, licenses, know-how and other similar rights etc.

Investments in licenses, trademarks, etc. are capitalized from 50,000 euro upwards and amortized over 5 to 10 years. Investments in licenses, trademarks below 50,000 euro are deemed to be not material and are not capitalized but are expensed as incurred.

Property, plant and equipment

Property, plant and equipment are recorded at their acquisition value or construction cost less accumulated depreciation and impairment losses and increased, where appropriate, by ancillary costs.

The Group has broken down the cost of property, plant and equipment into major components. These major components, which are replaced at regular intervals, are depreciated over their useful lives.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives from the month of acquisition onwards. If necessary, tangible fixed assets are considered as a combination of various units with separate useful lives.

The annual depreciation rates are as follows:

Annual Depreciation rates:

Buildings	3.33%	30y
Infrastructure	10% - 20%	5y - 10y
Roof	10%	10y
Installations, plant and machinery	10% - 33%	3y - 10y
Office equipment and furnishings	10% - 20%	5y - 10y
Computer	20% - 33%	3y - 5y
Vehicles	20% - 33%	3y - 5y

Leases where the Group is acting as a lessee – Right of use assets

The Group recognizes on the balance sheet nearly all leases reflecting the right to use an asset over the lease term as well as the associated lease liability for payments required to be made by the lessee to the lessor over the lease term.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period in which the event or condition that triggers the payment occurs.

The Group presents interest paid on its lease liabilities as financing activities in the cashflow statement. Variable payments as well as amounts paid for short-term and low-value leases are presented in the 'operating activities' line.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the intention to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below 5,000 euro). Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Impairment of assets

Assets other than inventories, deferred tax assets, employee benefits and derivative financial instruments and assets arising from construction contracts are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount (being the higher of its fair value less cost to sell and its value in use), an impairment loss is recognized in the profit and loss statement. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash-generating unit to which the assets belong.

Reversals of impairment losses recognized are recorded in income up to the initial amount of the impairment loss.

Goodwill is tested for impairment at least once a year. Impairment on goodwill can never be reversed at a later date.

Inventories and contracts in progress

Inventories are valued at the lower of cost or net realizable value. Depending on the different ERP systems, cost is determined by the first-in, first-out (FIFO) method or by the weighted average method. For produced inventories, cost means the full cost including all direct and indirect production costs required to bring the inventory items to the stage of completion at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and variable selling expenses.

Provisions for liabilities and charges

A provision is recognized in the balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
The amount of the provision is the best estimate of the expenditure required to settle the present value of the obligation at the balance sheet date. The provisions are discounted when the impact of the time value of money is material.

Provisions for **take-back obligations** are recorded when JENSEN-GROUP sells equipment to a customer for which the customer wants to enter into a leasing contract with a leasing company. In case of customer default, the leasing company can request JENSEN-GROUP to take back the machine in certain situations (see 'Vendor financing, p.22). Based on historical data an appropriate percentage of the outstanding receivable is recorded and reversed a rato of the repayment by the customer.

Employee benefits

Some of the Group's employees are eligible for retirement benefits under defined contribution and defined benefit plans.
The provision for employee benefit obligations is based on the calculation of an external, independent actuary. The calculation is based on the projected unit credit method.

- Defined contribution plans: contributions to defined contribution plans are recognized as an expense in the income statement as incurred.
- Defined benefit plans: for defined benefit plans, the amount recorded in the balance sheet is determined as the present value of the benefit obligation less the fair value of any plan assets. All past service costs are recognized in P&L.

The actuarial gains and losses are recognized in the period in which they occur outside profit and loss, in the consolidated statement of comprehensive income.

Deferred taxes

Deferred tax is recognized in full, using the liability method, on temporary differences arising between the value of assets and liabilities for tax purposes and their carrying amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Current taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Accrued charges and deferred income

Accrued charges are costs that have been charged against income but not yet disbursed at balance sheet date.

Deferred income is revenue that will be recognized in future periods.

Financial instruments

Financial instruments are recorded at trade date. The fair value of the financial instruments is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

Accounts and notes receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The JENSEN-GROUP applies the lifetime expected credit loss model. For specific cases, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, default or delinquency in payments as well as forward-looking information such as economic forecasts, regulatory environment, GDP, employment, politics or other external market indicators are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. This policy of credit risk management is applied throughout the JENSEN-GROUP by the individual entities based on the local historical data and forward-looking information. The simplified approach is applied.

Cash and cash equivalent

Cash and cash equivalent includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Payables (after one year and within one year)

Amounts payable are carried at nominal value at the balance sheet date.

Derivative financial instruments

The Group uses derivative financial instruments to reduce the exposure to adverse fluctuations in interest rates and foreign exchange rates. It is the Group's policy not to hold derivative financial instruments for speculative or trading purposes.

Derivative financial instruments are recognized initially at fair value. Subsequently, after initial recognition, derivative financial instruments are stated at fair value. Recognition of any resulting gain or loss depends on the nature of the item being hedged. Derivative financial instruments that are either hedging instruments that are not designated or do not qualify as hedges are carried at fair value, with changes in value included in the income statement.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognized asset or liability, a firm commitment or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognized directly in other comprehensive income. When the firm commitment or forecasted transaction results in the recognition of an asset or liability, the cumulative gain or loss is removed from other comprehensive income and included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability.

Otherwise, the cumulative gain or loss is removed from other comprehensive income and recognized in the income statement at the same time as the hedged transaction. The ineffective part of any gain or loss is recognized in the income statement immediately. Any gain or loss arising from changes in the time value of the derivative financial instrument is excluded from the measurement of hedge effectiveness and is recognized in the income statement immediately.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss at that point remains in other comprehensive income and is recognized in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss recognized in other comprehensive income is recognized in the income statement immediately.

<u>Financial assets at amortized cost</u>

All movements in financial assets at amortized cost are accounted for at trade date. Financial assets at amortized cost are carried at purchase price.

<u>Financial assets at fair value through OCI (Other comprehensive income)</u>

All movements in financial assets at fair value through OCI are accounted for at trade date. Financial assets at fair value through OCI are carried at fair value. Unrealized gains and losses from changes in the fair value of such assets are recognized in equity as financial assets at fair value through OCI reserves. When the assets are sold or impaired, the accumulated fair value adjustments are also included in the OCI. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Government Grants

The government grants received by the JENSEN-GROUP are recognized in profit or loss as other income on a systematic basis over the period in which the entities recognize the expenses for the related costs for which the grants are intended to compensate. The income of the government grants is only recognized if all the conditions are met and there is 100% certainty that no repayment can be claimed by the government. As long as not all the conditions are met, the government grant received is presented as a debt.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use.

Consolidated statement of cash flows

The consolidated cash flow statement reports the cash flow during the period classified by analyzing the cash flow from operating, investing and financing activities.

Business combination

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Segment reporting

The Group is operating in a single business segment: Heavy-Duty Laundry.

Closing date and length of accounting period

All accounting periods presented represent 12 months of operations starting on January 1 of each year.

Change in valuation rules

There are no changes in the accounting policies compared with the accounting policies used in the preparation of the consolidated financial statements as per December 31, 2022.

In 2022, all the conditions for considering Turkiye as a hyperinflationary economy by IFRS standards were 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 Turkiye are described in note 22.

Note 2: Scope of consolidation

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

Changes in scope during 2023

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

On October 15, 2023, JENSEN Denmark A/S, a Danish subsidiary of the JENSEN-GROUP, acquired Ole Almeborg A/S. This participation is consolidated under the full consolidation method as from October 15, 2023.

Note 3: Segment reporting

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 under the JENSEN and INWATEC names through own sales and service companies and independent distributors worldwide.

Operating segments refer to the distinct areas of a company's operations that are analyzed regularly by the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance. The JENSEN-GROUP's segment reporting aligns with the organization and reporting structure of its internal financial information, as reviewed by the Chief Executive Officer (CEO), the Executive Management Team (EMT), and the Board of Directors.

Group's management, encompassing the CEO, the EMT, and the Board of Directors, oversees the heavy-duty laundry business as a unified entity, guided by the strategic "50/500" plan. The evaluation of the company's performance, along with decisions regarding the allocation of resources, are based on the comprehensive review of the Profit and Loss Statement. This statement's progress and performance are scrutinized ten times annually, with more in-depth reporting and analysis conducted on a quarterly basis. Trading updates are issued in May and November, with a condensed set of financial figures released at the mid-year mark and a complete set provided at the end of the fiscal year. The primary metric for assessing profitability within the Profit and Loss Statement, as utilized by the EMT, who is viewed as the CODM at JENSEN GROUP, is consolidated operating profit (EBIT). Despite the analysis of revenues and certain direct costs by the Group Controlling department, the CODM does not utilize a more detailed split out of the consolidated Profit and Loss Statement for business or operational management. Performance evaluation or resource allocation decisions are decided on a consolidated basis. Consequently, JENSEN-GROUP has identified that it operates as a single operating segment.

The following table presents revenue based on the Group's **geographical areas** as required by the IFRS8 reporting standards for entities with one operating segment.
The basis for attributing revenues is based on the location of the customer:

	Europe		America		Asia and Australia		December 31	
(in thousands of euro)	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external customers	232,910	207,331	96,407	72,527	70,804	61,780	**400,121**	**341,638**

Secondly, if **revenues from external customers** attributed to an individual foreign country are material, those revenues shall be disclosed separately according to the standard, as such Germany, France and America are disclosed below. The Group identifies 10% of the total consolidated revenue as material. Belgium is disclosed as the country of domicile of the Group Parent company.

The basis for the external revenues and non-currents assets disclosed is the legal entity in that area (before any consolidation entries).

	Attributable to			
(in thousands of euro)	**Belgium**	**Germany**	**France**	**America**
Revenue from external customers	16,312	54,206	51,701	89,819
Non-current assets*	1,859	3,839	533	6,072

Lastly, the Group notes there are **no major customers,** or group of customers controlled by the same owner that are material and required for disclosure per year-end December 31, 2023.

* Non-current assets included in the above table are limited to the local goodwill, intangibles and PP&E.

Note 4: Non-current assets

Goodwill

(in thousands of euro)	December 31, 2023	December 31, 2022
ACQUISITION COST		
At the end of the preceding year	**24,868**	**24,945**
Translation differences	-48	-77
Additions	0	0
Disposals	0	0
Transfers	0	0
Total acquisition cost	**24,820**	**24,868**
DEPRECIATIONS AND AMOUNTS WRITTEN DOWN		
At the end of the preceding year	**1,989**	**1,985**
Translation differences	6	4
Depreciation	0	0
Disposals	0	0
Transfers	0	0
Total depreciations and amounts written down	**1,995**	**1,989**
Net carrying amount December 31, 2023	**22,826**	**22,879**

The goodwill arises mainly from the acquisitions of JENSEN Australia, JENSEN Austria, JENSEN Benelux, JENSEN France, JENSEN Italia, JENSEN Norway, JENSEN Spain, JENSEN Sverige (Sweden), JENSEN Switzerland and Inwatec.

The JENSEN-GROUP identifies the **cash flow-generating units** (CGU) as being the Group. JENSEN-GROUP assists the heavy-duty laundry industry worldwide by designing and supplying sustainable single machines as well as systems and integrated solutions. The success of JENSEN-GROUP results from combining the global skills with the local presence. The non-current assets of the plants are managed together, and the cash flows generated by the usage of these plants come from one group of local, regional or global customers that are approached with the same deliverable, being the optimization of the heavy-duty laundry activity. Therefore, the non-current assets of the plants are allocated to one CGU for impairment testing purposes.

Goodwill is subject to an **annual impairment test**, close to year-end, via a number of critical judgments, estimates and assumptions. Based on the comparison of the 'value in use' (derived using discounted free cash flow approach) and the carrying amount (book value of capital employed) of the CGU (the Group), the recoverable amount is calculated. JENSEN-GROUP believes that its estimates are reasonable; they are based on the past experience, external sources of information (such as long-term growth rate and discount rate) and reflect the best estimates by management.

The main judgments, assumptions and estimates for the cash-generating unit are:

- The first year of the model is based on management's best estimate of the free cash flow outlook for the coming year; for the second, third, fourth and fifth years of the model, cash flows are based on our LT plan which includes key estimates such as the implied growth rate on sales and the EBIT margin;
- Cash flows beyond the first five years are extrapolated, usually with a growth rate of 0% (vs. 0% PY) of free cash flows;
- Projections are discounted at the weighted average cost of capital (WACC), which lies between 8% and 10%;

This calculated enterprise value is compared to the book value.

Although JENSEN-GROUP believes that its judgments, assumptions and estimates are appropriate, actual results may differ from these estimates under different assumptions or conditions. The Group believes any reasonable changes in these estimates will not result in an impairment loss to be recognized given the recoverable amount.

Intangible Fixed Assets

December 31 2023 (in thousands of euro)	Know-how and Product Development	Licenses	Other intangibles	TOTAL
ACQUISITION COST				
At the end of the preceding year	**5,746**	**2,516**	**0**	**8,262**
Translation differences	-12	-4	0	-16
Acquisition of subsidiaries	0	0	1,440	1,440
Additions	812	0	0	812
Disposals	0	0	0	0
Transfers	0	0	0	0
Total acquisition cost	**6,546**	**2,512**	**1,440**	**10,498**
DEPRECIATIONS AND AMOUNTS WRITTEN DOWN				**0**
At the end of the preceding year	**2,297**	**1,664**	**0**	**3,962**
Translation differences	4	-5	0	-1
Depreciation	507	174	24	705
Disposals	0	0	0	0
Transfers	0	0	0	0
Total depreciations and amounts written down	**2,809**	**1,833**	**24**	**4,666**
Net carrying amount December 31, 2023	**3,737**	**679**	**1,416**	**5,832**

Development expenses are only capitalized if they are likely to yield future economic benefits for specific projects (e.g. Inwatec). The capitalized development expenses are amortized on a straight-line basis over the estimated useful life, which is normally to be considered no longer than 20 years. The amortization period is evaluated continually, and the asset is reviewed annually for impairment.

Development costs of 6.7 million euro (6.3 million euro in 2022) were expensed during the year. These costs are accounted for in the lines 'services and other goods', 'employee compensations and benefit expense' and 'depreciation and amortization expenses.

Licenses relate to the capitalization of the license costs of the ERP system and of other IT tools.

December 31 2022 (in thousands of euro)	Know-how and Product Development	Licenses	Other intangibles	TOTAL
ACQUISITION COST				
At the end of the preceding year	**5,088**	**2,516**	**432**	**8,036**
Translation differences	0	0	0	0
Additions	658	0	0	658
Disposals	0	0	-432	-432
Transfers	0	0	0	0
Total acquisition cost	**5,746**	**2,516**	**0**	**8,262**
DEPRECIATIONS AND AMOUNTS WRITTEN DOWN				
At the end of the preceding year	**1,803**	**1,421**	**432**	**3,657**
Translation differences	7	0	0	7
Depreciation	487	243	0	730
Disposals	0	0	-432	-432
Transfers	0	0	0	0
Total depreciations and amounts written down	**2,297**	**1,664**	**0**	**3,962**
Net carrying amount December 31, 2022	**3,449**	**852**	**0**	**4,300**

Property plant and equipment

December 31 2023 (in thousands of euro)	Land and Buildings	Machinery and equipment	Furniture and vehicles	Right to use assets	Other tangible assets	Assets under construct ion	TOTAL
ACQUISITION COST							
At the end of the preceding year	**37,969**	**30,442**	**12,577**	**15,343**	**22**	**794**	**97,146**
Translation differences	-248	-575	-64	-549	0	-29	-1,465
Acquisition of subsidiaries	3,355	110	0	762	0	0	4,226
Additions	3,651	1,000	2,506	1,818	0	117	9,092
Disposals	0	-54	-585	-3,265	0	0	-3,905
Transfers	-43	52	14	0	-22	0	0
Total acquisition cost	**44,683**	**30,974**	**14,448**	**14,107**	**0**	**881**	**105,093**
DEPRECIATIONS AND AMOUNTS WRITTEN DOWN							
At the end of the preceding year	**21,490**	**26,094**	**10,069**	**5,148**	**0**	**0**	**62,801**
Translation differences	-73	-453	46	-99	0	0	-578
Depreciation	1,194	1,252	1,115	1,674	0	0	5,234
Disposals	0	-53	-510	-3,022	0	0	-3,585
Transfers	0	0	0	0	0	0	0
Total depreciations and amounts written down	**22,611**	**26,840**	**10,720**	**3,701**	**0**	**0**	**63,871**
Net carrying amount December 31, 2023	**22,073**	**4,134**	**3,727**	**10,405**	**0**	**881**	**41,219**

In 2023, the **net carrying amount** of tangible fixed assets increased by 6.9 million euro. When factoring out the depreciation charges of 5.2 million euro, tangible fixed assets experienced an overall increase of 12 million euros. The **capital expenditures** made during this period were primarily focused on enhancing our infrastructure to meet future market demands. This included significant investments in the expansion of our facilities in Odense, Denmark, to bolster the AI and Robotics capabilities of Inwatec, as well as the strategic acquisition of Ole Almeborg located in Hasle.

The right-of-use assets mainly exist out of buildings for an amount of 8,8 million euro.

The net book value of the property, plant and equipment pledged as security for liabilities amounts to 7.6 million euro (6.1 million euro at December 2022).

December 31 2022 (in thousands of euro)	Land and Buildings	Machinery and equipment	Furniture and vehicles	Right to use assets	Other tangible assets	Assets under construct ion	TOTAL
ACQUISITION COST							
At the end of the preceding year	**35,767**	**30,191**	**12,130**	**17,553**	**-1**	**677**	**96,316**
Translation differences	-122	-116	27	-163	0	41	-334
Additions	0	0	0	0	0	0	0
Disposals	594	953	1,473	947	23	1,849	5,840
Transfers	-42	-586	-1,053	-2,993	0	0	-4,674
Total acquisition cost	1,773	0	0	0	0	-1,773	0
DEPRECIATIONS AND AMOUNTS WRITTEN DOWN	**37,969**	**30,442**	**12,577**	**15,343**	**22**	**794**	**97,146**
At the end of the preceding year	**20,466**	**25,559**	**9,984**	**5,264**	**0**	**0**	**61,273**
Translation differences	-96	-89	54	11	-1	0	-122
Depreciation	1,085	1,289	1,115	2,182	0	0	5,671
Disposals	35	-665	-1,083	-2,308	0	0	-4,021
Transfers	0	0	0	0	0	0	0
Total depreciations and amounts written down	**21,490**	**26,094**	**10,069**	**5,148**	**-1**	**0**	**62,800**
Net carrying amount December 31, 2022	**16,479**	**4,348**	**2,508**	**10,195**	**23**	**794**	**34,347**

During 2022, the net carrying amount of tangible fixed assets decreased by 0.7 million euro. Excluding the depreciation charges of 5.7 million euro, tangible fixed assets increased by 5 million euro. The capital expenditures in 2022 related primarily to investments in the office building in Panama City (JENSEN USA) destroyed by Hurricane Michael, and in machinery and vehicles.

Note 5: Deferred Taxes

Deferred tax assets and liabilities are attributable to the following items, their movement since last year is summarized hereby:

(in thousands of euro)	December 31 2022	Acq from subs	Through profit or loss	Through OCI	Exchange differences	December 31 2023	DTA	DTL
Inventories	-190	0	1.312	0	0	**1,122**	818	305
Fixed assets	-2,114	-803	-28	0	0	**-2,945**	-733	-2,212
Provisions	3,109	0	238	329	0	**3,677**	3,484	193
Tax losses	128	0	-27	0	0	**101**	101	0
Deferred taxes on other differences between tax and local books	675	0	-22	-133	-273	**247**	533	-286
Currency result in permanent financing	-955	0	4			**-951**		-951
Financial instruments	-291	0	177	69	0	**-45**	-42	-3
Total deferred tax assets (net)	**363**	**-803**	**1.653**	**266**	**-272**	**1,207**	**4,161**	**-2,954**

(in thousands of euro)	December 31 2021	Acq from subs	Through profit or loss	Through OCI	Exchange differences	December 31 2022	DTA	DTL
Inventories	179	0	-369	0	0	**-190**	1,263	-1,453
Fixed assets	-1,900	0	-207	0	-7	**-2,114**	-668	-1,446
Provisions	4,609	0	-294	-1,206	0	**3,109**	2,981	128
Tax losses	106	0	22	0	0	**128**	128	0
Deferred taxes on other differences between tax and local books	-250	0	732	256	-63	**675**	35	640
Currency result in permanent financing	-810	0	-145	0	0	**-955**	0	-955
Financial instruments	65	0	-159	-197	0	**-291**	-117	-174
Total deferred tax assets (net)	**2,000**	**0**	**-421**	**-1,147**	**-69**	**363**	3,622	-3,259

The increase relates to the deferred tax assets recognized on the timing differences between Group's accounting books and its tax books, especially on inventory.

The deferred tax assets originate mainly from JENSEN USA (0.9 million euro), JENSEN Italia (0.7 million euro), and JENSEN GmbH (0.6 million euro).

Deferred tax assets have been recorded because management and the Board are convinced that, in accordance with the Group's valuation rules, the assets can be realized within a reasonable time frame. The Group is prudent in recognizing deferred tax assets on tax losses carried forward.

Note 6: Contract assets and contract liabilities

(in thousands of euro)	December 31 2023	December 31 2022
Contract revenue	400,121	341,639
Contract assets	62,336	52,920
Contract liabilities	43,966	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. On December 31, 2023 contract assets included 20.4 million euro, 33%, of **accrued profit** (18.2 million euro, 34%, at December 31, 2022). Both contract assets and liabilities are higher at year-end compared to prior year due to the high activity of 2023.

(in thousands of euro)	YTD Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Orders received	363,092	135,818	71,274	70,458	85,542
Revenue	400,121	100,683	92,740	108,920	97,778

The **contract revenue** is related to construction contracts for customers and has been significantly bolstered by an unprecedented order backlog carried into the year 2023, a direct consequence of achieving the highest order intake in the company's history during the year 2022, amounting to a total sales value of EUR 364.4 million. Furthermore, the orders procured over the course of 2023 are approaching the record established in the preceding year, underscoring our continued growth and robust market presence.

- As at December 31, 2023, we have 15.3 million euro of outstanding performance obligations, not yet satisfied, resulting from current contracts that will be performed after 2024 (12.6 million euro at December 31, 2022). These performance obligations are mainly related to **shipyards**.
- There are no performance obligations that last longer than 12 months between the start of the production and handover. For cruise yards, the installation of the laundry takes less than 12 months. There can, however, be a gap up to 24 months between the installation of the laundry and the final completion of the vessel. For this period, the JENSEN-GROUP signs performance bonds

The reconciliation of contract assets and liabilities is as follows:

(in thousands of euro)	Contract assets	Contract liabilities
December 31 2022	52,920	35,672
Revenue recognised that was included in the contract liability balance at the beginning of the period	0	-28,537
Increase due to cash received, excluding amounts recognised as revenue during the period	0	37,300
Write down recognized during the year	0	0
Transfer from contract assets recognised at the beginning of the period to receivables	-48,428	0
Increases as a result of changes in the measure of progress	58,616	0
Translation differences	-772	-469
December 31 2023	62,336	43,965

Note 7: Trade and other receivables

(in thousands of euro)	December 31 2023	December 31 2022
Trade receivables	107,196	80,337
Provision for doubtful debtors	-3,475	-2,506
Taxes	4,978	2,010
Other amounts receivable	4,591	4,544
Deferred charges and accrued income	2,910	4,068
Derivative financial instruments	346	499
Total trade and other receivables	**116,545**	**88,951**
Trade receivables	6,574	4,949
Other amount receivable	3,860	3,544
Non-current portion	**10,434**	**8,493**
Current portion	**106,111**	**80,459**

Non-current portion

The non-current portion of the trade and other receivables increase by 1.9 million euro a development attributed to the challenges some of our customers are facing with the elevated interest rates for **project financing**. In response, our Group is actively engaged in assisting these customers by exploring innovative solutions, which include the implementation of stringent repayment schedules (6.1 million euro) and take-back guarantees with financial institutions (2.3 million euro). This approach is part of our commitment to fostering strong, supportive relationships with our clients during financially challenging times.

In the other amounts receivable **cash guarantees** for an amount of 0.8 million euro are included, stable compared to previous year, and other receivables of 1.3 million euro.

Current portion

The revenue for the fourth quarter equaled 100.7 million euro (+ 6% compared to last quarter 2022). Next to the higher activities, the **trade receivables ST** increase due to the high invoicing in the last weeks before year-end.

Note 8: Equity

Issued capital

As at **December 31, 2023**, the issued share capital was 38.3 million euro (before deducting the issuance cost of 0.2 million euro), represented by 9,631,408 ordinary shares without nominal value. There were no preference shares. All shares are fully paid. As per December 31, 2023, the Company holds 15,122 treasury shares.

On April 3, 2023, JENSEN-GROUP NV increased its capital by a contribution in kind (4.6 million euro) and a contribution in cash (2.9 million euro). With both transactions, 1,926,282 new shares were created.
For more details of the new created shares, we refer to the listing prospectus which is available on the Company website, section Prospectus.

On May 16, 2023, the shareholders approved the cancellation of 113,873 treasury shares.

Detailed information on the capital statement as per December 31, 2023 and 2022 is set out below.

Capital statement (position as at December 31, 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	7,340	
At the end of this year	38,050	
2. Capital representation		
2.1 Shares without nominal value	38,050	9,631,408
2.2 Registered or bearer shares		
Registered		6,230,339
Dematerialized		3,401,069
B. Own shares held by		
the company or one of its subsidiaries	499	15,122
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 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: JENSEN Invest A/S holds 44.2 % of the shares in JENSEN-GROUP NV. JF Tenura Aps holds 100% of the shares In JENSEN Invest A/S. SWID AG, represented by Mr. Jesper M. Jensen holds 51% of the share capital and 99% of the voting rights in JF Tenura Aps. The Jørn Munch Jensen and Lise Munch Jensen Family Trust, of which Mrs. Anne Munch Jensen and Mrs. Karine Munk Finser are the ultimate beneficial owners, holds the other 49% of the shares in JF Tenura Aps.

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%

The chain of control is as follows: Miura Co. Ltd. holds 20% of the shares in JENSEN-GROUP NV.

As at **December 31, 2022**, the issued share capital was 30.7 million euro, represented by 7,818,999 ordinary shares without nominal value. There are no preference shares. All shares are fully paid. As per December 31, 2022, the Company held 60,053 treasury shares.

Capital statement (position as at December 31, 2022)	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	0	
- At the end of this year	30,710	
2. Capital representation		
2.1 Shares without nominal value	30,710	7,818,999
2.2 Registered or bearer shares		
- Registered		4,314,057
- dematerialized		3,504,942
B. Own shares held by		
- the company or one of its subsidiaries	1,850	60,053
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 rights	0	0
D. Authorized capital not issued	30,710	

Each share has one vote. The voting rights are in line with the Companies' and Associations' Code. The bylaws do not include other regulations with respect to voting rights.

The regulations with respect to transfer of shares are in line with the Companies' and Associations' Code. The bylaws do not include other regulations with respect to transfer of shares.

Share premium

The share premium results from (i) the merger of LSG, which then took the name of JENSEN-GROUP NV (5.8 million euro), (ii) capital increase in 2023 through contribution in kind (37.9 million euro) and (iii) capital increase in 2023 through contribution in cash (23.9 million euro).

The closing balance of the share premium is 67.6 million euro.

Treasury shares

The Bylaws (art. 11) allow the Board of Directors to buy back 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. In view of the transaction with MIURA, JENSEN-GROUP announced on March 9, 2023, that the Board of Directors suspended the program. On May 16, 2023, the shareholders approved the cancellation of 113.873 treasury shares. The Board of Directors of August 10, 2023, decided to re-launch the share repurchase program to buy back maximum 668,027 of its shares. The shares are bought on the stock exchange by an investment bank mandated by the Board. The buy-back mandate expires on May 18, 2026.

As at December 31, 2023, the Company holds 15,122 treasury shares.

Currency translation differences

In this annual report the consolidated financial statements are expressed in thousands of euro. All balance sheet captions of foreign companies are translated into euro, which is the Group's functional and presentation currency, using closing rates at the end of the accounting year, except for capital and reserves, which are translated at historical rates. The income statement is translated at average rates for the year. The resulting translation difference, arising from the translation of capital and reserves and the income statement, is shown in a separate category of other comprehensive income under the caption 'Currency translation differences'.

The currency translation differences decreased by 5.2 million euro, mainly following the weaker USD, JPY and TRY.

The exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. In total, 0.02 million euro of currency gains are transferred from financial result to other comprehensive income.

The exchange rates used for the translation were as follows:

Currency	Average rate		Closing rate	
	2023	2022	2023	2022
AED	3.9676	3.8762	3.8831	3.9274
AUD	1.6285	1.5174	1.6263	1.5693
BRL	5.4016	5.4432	5.3618	5.6386
CHF	0.9717	1.0052	0.9260	0.9847
CNY	7.6591	7.0801	7.8509	7.3582
DKK	7.4510	7.4396	7.4529	7.4365
EUR	1.0000	1.0000	1.0000	1.0000
GBP	0.8699	0.8526	0.8691	0.8869
JPY	151.9425	138.0050	156.3300	140.6600
NOK	11.4243	10.1015	11.2405	10.5138
NZD	1.7618	1.6585	1.7504	1.6798
SEK	11.4728	10.6274	11.0960	11.1218
SGD	1.4523	1.4520	1.4591	1.4300
TRY	25.7487	17.3849	32.6531	19.9649
USD	1.0816	1.0539	1.1050	1.0666

Hedging reserves

The Group designates foreign exchange contracts and interest rate swaps as ‘cash flow hedges’ of its foreign currency and interest exposure. Any change in fair value of the hedging instrument and the hedged item (attributable to the hedged risk), as of inception of the hedge, is deferred other comprehensive income ('OCI') if the hedge is deemed effective (note 20).

At year-end, an amount of 0.3 million euro was deferred in other comprehensive income.

Gains and losses recognized in the hedging reserve in other comprehensive income ('OCI'):

- on forward foreign exchange contracts as of December 31, 2023, will be released to the income statement at various dates between one and six months.
- on interest rate swap contracts as of December 31, 2023, will be continuously released to the income statement until the repayment of the bank borrowings.

Remeasurement gains and losses on defined benefit plans

JENSEN-GROUP has four defined benefit plans for which all actuarial gains and losses are recognized directly in OCI. The accumulated loss of the four plans per December 31, 2023, amounts to 4.9 million euro.

Dividend

The Board proposes to the Annual Shareholders' meeting to approve a dividend of 0.75 euro per share. The dividend proposal is based on the net result of the Company at year-end. The dividend pay-out will amount to 7,212,215 euro, based on the number of shares outstanding as at December 31, 2023. No dividend will be distributed to the treasury shares.

In respect of 2022, the Board proposed, and the Shareholders approved, a dividend payment of 0.50 euro per share. The dividend proposal was based on the net result of the Company at year-end.

Capital risk management

JENSEN-GROUP's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to minimize the cost of capital.

Note 9: Financial debt

The non-current and current borrowings can be summarized as follows:

(in thousands of euro)	December 31 2022	Acq of subs	Proceeds	Repayments	Reclass LT to ST	CTA	December 31 2023
LT loans with credit institutions	29,080	0	870	-2,573	-3,046	-241	24,090
LT loans other	1,274	0	490	0	0	0	1,764
LT factoring	2,746	0	0	0	-712	0	2,034
Subtotal	*33,100*	*0*	*1,360*	*-2,573*	*-3,758*	*-241*	*27,888*
LT loans - Lease liabilities	1,858						2,655
Total non-current borrowings	34,958						30,543

(in thousands of euro)	December 31 2022	Acq of subs	Proceeds	Repayments	Reclass LT to ST	CTA	December 31 2023
Current portion of LT borrowings	13,028	0	142	-13,063	3,046	-41	3,112
Credit institutions	5,514	81	4,884	-460	-2	-361	9,656
Payments received (factoring)	909	0	0	0	781	-16	1,674
Subtotal	*19,451*	*81*	*5,026*	*-13,523*	*3,825*	*-418*	*14,442*
Lease liabilities - ST	1,439						1,346
Total current borrowings	20,890						15,788
Total borrowings	**55,848**						**46,331**

Total **borrowings** decreased from 55.8 million euro at December 31, 2022 to 46.3 million euro at December 31, 2023, because of repayments.

The Group **factored** trade receivables in a total amount of 3.7 million euro (2.0 million euro long-term and 1.7 million euro short-term). As control is not substantially transferred to the third party, the factoring arrangement does not result in the de-recognition of any amount from the balance sheet.

Net cash increased from 11.5 million euro at the end of December 2022 to 35.9 million euro at the end of December 2023. On April 3, 2023, JENSEN-GROUP NV increased its capital by a contribution in kind (4.6 million euro) and a contribution in cash (2.9 million euro). The Group received 26.8 million euro cash from the capital increase. Part of it is booked as share premium. In order to reduce the risk on cash, the Group invested in financial assets for a total amount of 31.1 million euro (31.9 million euro last year). We refer to note 20, Financial instruments - market and other risks, for more details. Cash and cash equivalents increased from 35.4 million euro to 51.1 million euro. All this together resulted in an increase of the net cash position from 11.5 million euro to 35.9 million euro net cash.

The following table gives the maturities of the non-current debt:

(in thousands of euro)	December 31 2023	December 31 2022
Between 1 and 2 years	15,173	5,355
Between 2 and 5 years	9,306	23,865
> 5 years	6,064	5,738
Total non-current borrowings	30,543	34,958

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates before and after the effect of the **interest rate swaps (**'IRS') at balance sheet date are as follows:

(in thousands of euro)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	> 5 years	TOTAL
Credit institutions	12,768	13,134	6,656	4,300	36,858
Other	0	0	0	1,764	1,764
Payments received (factoring)	1,674	919	1,115	0	3,708
Lease liabilities	1,346	1,120	1,535	0	4,001
Total	15,788	15,173	9,306	6,064	46,331
IRS covered	0	111	333	1,445	1,890
Total non-covered	15,788	15,062	8,973	4,619	44,441

Management believes that the carrying value of the loans at fixed rate approximates to the fair value.

For details on the IRS, we refer to note 20, Financial Instruments - Market and other risks.

The carrying amounts of the Group's borrowings are denominated in the following currencies:

(in thousands of euro)	December 31 2023	December 31 2022
EUR	21,570	38,379
DKK	5,702	6,029
CNY	15,058	8,143
Total	42,330	52,551
Lease liabilities	4,001	3,297
Total borrowings	**46,331**	**55,848**

With respect to the Group's borrowings, debt covenants are in place (solvency, positive EBITDA on an annual basis and a maximum debt/EBITDA ratio). During the year, there has been significant headroom on all of the covenants and hence there were no breaches. The risk of not meeting our debt covenants over the next twelve months is considered as remote.

Debt covered by guarantees

(in thousands of euro)	December 31 2023	December 31 2022
Mortgages	5,702	6,029
Letter of Intent	14,404	13,727
Total	20,106	19,756

The carrying value of the property, plant and equipment pledged as security for liabilities amounts to 7.6 million euro.

Note 10: Employee benefit obligations

(in thousands of euro)	December 31, 2023	December 31, 2022
Provisions for defined benefit plan	10,394	9,201
Provisions for other employee benefits	298	337
Total employee benefit obligations	10,692	9,538

The provision for other employee benefits relates to defined contribution plans in Austria and Germany.

Benefit plan

JENSEN GmbH, JENSEN France, JENSEN Italia and JENSEN AG Burgdorf maintain defined retirement benefit plans. These plans generally provide benefits that are related to an employee's remuneration and years of service.

- The liabilities for the JENSEN-GROUP in respect of the defined benefit schemes are calculated by independent actuaries, taking into consideration projected final salaries and using assumptions such as discount rate, mortality, turnover, salary evolution, inflation.
- The weighted average duration of the defined benefit obligation at year-end 2023 is 13.32 years (2022: 13.95).

At December 31, 2023, the **total net liability** amounted to 10.4 million euro. The net liability increased because of changes in the assumptions and because of experience effects. Overall, the decrease of the discount rate resulted in a loss of 1.3 million euro. Experience losses of 0.1 million euro are linked to a full valuation performed in Germany and reflect mainly the changes in population and current salary and pension increases.

For the defined benefit plans, the **net cost** for 2023 was 0.5 million euro (2022: 0.4 million euro)

(in thousands of euro)	December 31, 2023	December 31, 2022
Current service cost	170	268
Interest cost	442	143
Interest income on plan assets	-133	-24
Administrative expenses and taxes	18	18
Pension expenses	497	405

The **change in net liability** recognized during 2023 and 2022 is set out in the table below:

(in thousands of euro)	December 31, 2023	December 31, 2022
Net defined benefit liability (asset) at the beginning of year	9,201	14,090
Defined benefit cost included in P&L	497	405
Employer contribution or benefits paid by employer	-779	-771
Total remeasurements included in OCI	1,373	- 4,622
Effect of changes in foreign exchange rates	102	99
Net defined benefit liability (asset) as of end of year	10,394	9,201

The amount of the contributions is based on the currently valid pension plan in conjunction with the pension fund regulations of the foundation. Half of the savings contributions are financed by the employer and half by the employee. The risk contributions are paid by the employee at a rate of 1% from the age of 18 to 24 and 1.5% from the age of 25. The employer's contribution corresponds to the difference between the total of all contributions and the sum of the contributions of all employees. In case of underfunding, recovery measures have to be taken, one potential such measure is additional recovery contributions.

The changes in defined benefit obligations and plan assets can be summarized as follows:

(in thousands of euro)	December 31, 2023	December 31, 2022
Defined benefit obligation at end of prior year	15,482	20,675
Current service costs	170	268
Interest expense	442	143
Benefits paid	-84	-1,524
Participants' contribution	238	191
Effect of changes in demographic assumptions	0	2
Effect of changes in financial assumptions	1,285	-4,854
Effect of experience adjustments	81	170
Effect of changes in foreign exchange rates	551	410
Defined benefit obligation at end of year	18,165	15,481

JENSEN-GROUP is affiliated with a collective foundation who is responsible for asset management and the reconciliation of assets and liabilities. The plan assets are invested in accordance with the currently valid investment regulations of this foundation. The investment strategy and liability structure are aligned on a regular basis.

(in thousands of euro)	December 31, 2023	December 31, 2022
Fair value of plan assets at end of prior year	6,281	6,585
Contributions	1,016	962
Return on plan assets	-7	-60
Interest income on plan assets	133	24
Benefits paid	-84	-1,524
Administrative expenses	-18	-18
Effect of changes in foreign exchange rates	450	311
Fair value of plan assets at end of year	7,771	6,280

(in thousands of euro)	December 31, 2023	December 31, 2022
Defined benefit obligation	18,165	15,481
Fair value of plan assets	7,771	6,280
Net defined benefit liability (asset)	10,394	9,201

The major assumptions made in calculating the provisions can be summarized as follows:

	Discount rate		Rate of price inflation		Expected rates of salary increase	
	2023	2022	2023	2022	2023	2022
Switzerland	1.35%	2.10%	1.25%	1.25%	1.75%	1.75%
France	3.30%	3.75%	N/A	N/A	3.00%	3.00%
Germany	3.30%	3.67%	2.25%	2.25%	3.00%	3.00%
Italy	3.25%	3.70%	2.23%	2.66%	N/A	N/A

Discount rates decreased over 2023, as a result of decreasing yields on international bonds. This trend is observed for both the Eurozone and Switzerland. With regard to the inflation rate in the Eurozone, we calculated with a price inflation of 2.25% for Germany and 2.23% for Italy (respectively 2.25% and 2.66% used last year) applying the inflation curve to the cashflows for these plans. In France, inflation has no impact on the benefit. The expected salary increase rates didn't change since last year.

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

- **Asset volatility**: Investment instruments other than bonds, are expected to outperform (corporate) bonds in the long term but create volatility and risk in the short term. The allocation of the plan assets is monitored to ensure this is appropriate in respect of the lifetime of the plan.
- **Changes in bond yields**: The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on high quality corporate bonds, as required by IAS 19.83. A decrease in corporate bond yields will increase the plans' liabilities. For funded schemes, this will be partially offset by an increase in the fair value of the plan's assets.

The **sensitivity** of the defined benefit obligation to changes in the assumptions is:

(in thousands of euro)	Change in assumption	
Discount rate	-25bp	631
	+25bp	-595
Weighted avg duration (in years)	-25bp	14
	+25bp	13

The above sensitivity analyses are based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated.

The percentage of plan assets by asset allocation is as follows per end of December 31, 2023 (2022):

- Equity securities 3.92% (4.83%)
- Debt securities: 49.74% (52.36%)
- Real estate: 23.72% (22.75%)
- Derivatives: 10.32%
- Cash: 0.60%
- Other: 11.70% (20.06%)

The **contributions** expected to be paid to the plan and to direct payments during the annual period beginning after the reporting period is estimated at 0.7 million euro.

There is one pension plan in place in **Belgium** that is legally structured as a defined contributions plan. The cost of this plan for JENSEN-GROUP NV amounted to 0.1 million euro for accounting year 2023 (2022: 0.07 million euro).

Because of the Belgian legislation applicable to 2nd pillar pension plans (so-called "Vandenbroucke Law"), all Belgian Defined Contribution plans have to be considered under IFRS as Defined Benefit plans. The Vandenbroucke Law states that in the context of defined contribution plans, the employer must guarantee a minimum of 1.75% annual return on contributions as of 2016, and a minimum of 3.75% on contributions made before 2016.

Because of this minimum guaranteed return for Defined Contributions plans in Belgium, the employer is exposed to a financial risk (there is a legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods). These plans should therefore be classified and accounted for as Defined Benefit plans under IAS 19.

In the past the Company did not apply the Defined Benefit accounting for these plans because higher discount rates were applicable and the return on plan assets provided by insurance companies was sufficient to cover the minimum guaranteed return. As a result of the continuously low interest rates offered by the European financial markets, employers in Belgium effectively assumed a higher financial risk related to the pension plans with a minimum fixed guaranteed return than in the past, requiring them to measure the potential impact of Defined Benefit accounting for these plans.

We asked an external party to estimate the potential additional liabilities and they concluded that no potential additional liabilities exist as at December 31, 2023.

Note 11: Provisions for other liabilities and charges

(in thousands of euro)	December 31 2023	December 31 2022
Provisions for warranties	8,377	7,786
Provisions for take-back obligations	256	873
Other provisions	1,338	1,060
Provisions for other liabilities and charges	**9,971**	**9,719**

Changes in provisions can be analyzed as follows:

(in thousands of euro)	December 31 2022	Additions	Utilization	Write-backs or reversals	Translation dfiferences	December 31 2023
Provisions for warranties	7,786	4,237	-3,055	-496	-94	**8,377**
Provisions for take-back obligations	873	70	0	-687	0	**256**
Other provisions	1,060	593	-134	-181	0	**1,338**
Total provisions	9,719	4,900	-3,189	-1,364	-94	**9,971**

Warranty provision: A provision is recorded for expected warranty claims on products sold during the year. Assumptions used to calculate the provision for warranty claims are based on current sales levels and current information on warranty calls under the standard warranty period (on average between 18 and 24 months) for the main products. The **warranty provision** at the end of 2023 corresponds proportionately with the increase in our operational activities throughout the year. It is noteworthy that despite the expansion in activities, the warranty provision as a percentage of our revenues has remained constant at 2%. This stability underscores our commitment to quality and customer service excellence, even amidst significant operational growth.

Take-back obligations: A provision for **take-back obligations** is recorded when JENSEN-GROUP sells equipment for which the customer enters into a leasing contract with a leasing company and this party requests a take-back clause. In case of customer default, the leasing company can request JENSEN-GROUP to take back the machine. This creates exposure for the Group in terms of having to take back machinery over the lifetime of the financing contract. The value of the machinery could already be below the remaining financial liability, therefore a provision is provided for.

Other provisions: are set up for legal claims that, based on prudent judgment, are reasonably accounted for. Most of these claims are covered by insurance. Based on legal advice taken, management does not expect these claims to significantly impact the Group’s financial position or profitability.

Note 12: Trade and other payables

(in thousands of euro)	December 31 2023	December 31 2022
Trade payables	28,450	22,261
Remuneration and social security	16,380	11,964
Other amounts payable	3,179	2,918
Accrued expenses and deferred income	8,645	9,466
Derivative financial instruments	67	34
Total trade and other payables	**56,721**	**46,643**

The **trade payables**, on average, correspond to the final month of outstanding purchases and align with the escalation in operational activities observed over the course of the year. The growth in our workforce from 1,555 to 1,830 at year-end, combined with inflation and economic conditions across various countries, has necessitated an increase in employee **remunerations** causing the increase of the outstanding payable per December 31, 2023.

The **other amounts payable** represent expenses occurred but no invoicing have been received yet.

The **accrued expenses** are mainly related to the occurred expenses for construction contracts which are allocated to the relevant accounting year. Furthermore, also non-operating expenses to be accounted for in the year 2023 are included in this accrual. The **deferred income** amounts to 1.4 million euro (1.2 million euro in 2022).

The above factors collectively contribute to the augmented outstanding payables recorded at year-end (+ 10.1 million euro), reflecting our adaptation to both internal growth and external economic fluctuations.

Note 13: Operating expenses

(in thousands of euro)	December 31 2023	December 31 2022	Variance %
Raw material expenses	-188,928	-175,488	8%
Services and other goods	-45,772	-39,151	17%
Employee benefit expenses	-118,486	-99,881	19%
Depreciation and amortization expense	-7,633	-7,155	7%
Total expenses	-360,819	-321,675	12%

Raw material expenses, which are detailed across various subcomponents mentioned below, have experienced an 8% increase compared to the previous year. This rise is attributed to both the expansion of operational activities and the fluctuations in market prices driven by inflation**.**

- Raw materials & consumables
- Trade machinery
- Packaging
- Freight
- Spare parts & services
- Subcontracting

The intensity of growth in our operational activities, including orders and revenue, is notably high. However, our expenditure on raw materials is constrained by the capacities of our Production and Engineering Centers (PECs). In response to this limitation and in order to meet market demand effectively, additional investments are being undertaken.

Services and other goods amount to 46 million euro and their evolution (+ 6.6 million euro) is in line with the growth of the Group.

The expansion of our workforce from 1,555 to 1,830 at year-end, coupled with inflation and varying economic conditions in multiple countries, has resulted an increase in **employee compensation and benefits** of 19% compared to December 31, 2022.

Depreciation and amortization expenses are summarized via the below table:

(in thousands of euro)	December 31 2023	December 31 2022	Variance
Depreciation and amortization	5,995	6,406	-411
Write down on trade receivables	1,210	327	883
Write down on inventory	309	397	-88
Change in provisions	119	26	94
Depreciation and amortization expense	7,633	7,155	478

The depreciation and amortization are detailed per asset class in Note 4 and 5. The change in provisions is summarized in Note 11, mainly representing the movement of the warranty provision.

Note 14: Other operating result

(in thousands of euro)	December 31 2023	December 31 2022	Variance
Other operating income	1,797	2,481	-684
Other operating expenses	-356	-34	-322
Total	1,441	2,447	-1,006

Throughout 2023 the receipt of commissions on certain products increased by 0.5 million euro and a non-recurring insurance income of 0.3 million euro describe the evolution. In 2022, the **other operating result** was predominantly comprised by several positive outcomes, including a 0.6 million euro benefit associated with the closing of certain activities, the reversal of provisions linked to a specific claim, the receipt of sales commissions, and modest amounts of government support connected to Covid-19.

Note 15: Financial income and financial charges

(in thousands of euro)	December 31 2023	December 31 2022	Variance
Financial income	3,697	3,445	252
Interest income	1,994	891	1,103
Other financial income	121	50	72
Currency gains	1,582	2,505	-923
Financial cost	-4,655	-5,310	655
Interest charges	-1,653	-1,983	330
Other financial charges	-954	-785	-168
Currency losses	-2,048	-2,541	493
Total net finance cost	**-958**	**-1,865**	**906**

Interest income is primarily derived from returns on financial assets and on cash and cash equivalent. The interest income increases by 1.1 million euros.

The Group investments in two types of bonds, classified as financial asset (see Note 20):

- held within a business model with the objective to collect the contractual cash flow and the cash flows (payments of principal and interest).
- and bonds not held for trading.

Contrary our cost of financial debt decreases by 0.3 million euro because of the repayments performed throughout 2023 (see Note 9). The total repayment of ST loans with credit institutions of 13 million euro (2.5 million in 2022) is the main driver of the decreased **interest charges.**

The revaluation of balance sheet positions and hedging contracts based on the closing rate results in a **currency gain or loss**. The classification of these currency outcomes as either operating or financial results is contingent upon the specific nature of the currency effect.

Note 16: Income tax expense

Income tax expenses can be analyzed as follows:

(in thousands of euro)	December 31 2023	December 31 2022	Variance
Current taxes	-12,147	-4,547	-7,600
Deferred taxes	1,653	-421	2,074
Total income tax expense	**-10,494**	**-4,968**	**-5,526**

Total income tax expenses increase by 5,5 million euros, attributable to an enhanced result before taxes and an increase of the effective tax rate of the Group by 2.2%. The movement of the **deferred taxes** balance sheet positions impacting the income statement by 2.1 million euro is further split by their nature in Note 5.

Relationship between tax expense and accounting profit as per December 31, 2023 and December 31, 2022 is summarised in the below reconciliation table:

Reconciliation of effective tax rate

(in thousands of euro)	December 31 2023	December 31 2022
Accounting profit before taxes	41,926	21,532
Share in result of associates and companies accounted for using the equity method	2,141	986
Tax basis	**39,785**	**20,546**
Theoretical tax rate	23.84%	23.90%
Income tax calculated at the weighted average of the theoretical tax rate of the different entities	**9,484**	**4,911**
Disallowed expenses	233	11
Prior year tax adjustments	-50	-234
Tax losses for which no DTA is recognised	176	280
Timing differences	651	0
Subtotal	879	57
Actual tax expenses	**10,494**	**4,968**
Effective tax rate	26.38%	24.18%

The **effective tax rate** of 26.38% is slightly higher than the theoretical tax rate of 23.84% of the different entities and mainly due to disallowed expenses and increase of timing differences between local and group books.

During 2023, one tax audit took place. The Group has accounted for the necessary provisions based on the best estimate of the expected outcome of this audit.

Note 17: Earnings per share

Basic earnings per share are calculated by dividing the Group share in the profit for the year of 31 million euro (16.3 million euro in 2022) by the weighted average number of ordinary shares outstanding during the years ended December 31, 2023, and 2022.

	December 31 2023	December 31 2022	Variance %
Basic earnings per share (in euro)	3.39	2.10	62%
Weighted avg shares outstanding	9,150,330	7,786,615	-

The **earnings per share (EPS**) experienced an increase of 1.29 euros per share, marking a 62% surge. Had these figures been calculated prior to the capital increase, the EPS would have reached 3.99 euros per share, representing an 90% enhancement. This significant growth in earnings per share, both before and after the capital increase, highlights the Group's strong financial performance and the positive impact of its strategic decisions.

Note 18: 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)	December 31 2023	December 31 2022	Variance
Cash and cash equivalent	51,112	35,427	15,685
Overdraft	-9,656	-5,514	-4,142
Net cash and cash equivalents	41,456	29,913	11,543

CASH FLOW FROM OPERATING ACTIVITIES	21,621	-18,112
CASH FLOW FROM INVESTING ACTIVITIES	-12,756	-3,871
CASH FLOW FROM FINANCING ACTIVITIES	2,826	-11,481
Net increase / (decrease) in cash and cash equivalents	11,691	-33,463
Exchange gains / (losses) on cash and bank overdrafts	-147	2,694

The **operating activities** in 2023 have been favorably influenced by the improved result of the year, though this positive impact has been partially offset by the increase of working capital. This is primarily due to the increase in long- and short-term accounts receivable, as customers have sought extended payment terms to finance their projects. The Group has partly mitigated this effect by augmenting its trade and other payables by 9.8 million euros. Furthermore, the rise in contract assets by 11.2 million euros (before netting) has been largely balanced by an increase in contract liabilities amounting to 10.1 million euros.

The acquisition of Ole Almeborg A/S, a Danish firm known for manufacturing internal handling equipment for industrial operations, signifies a strategic expansion of our production capacity on the Danish Isle of Bornholm. This acquisition has had a significant effect on our **investing activities**, contributing an additional 6,1 million euros (net of acquired cash) atop the regular investments in property, plant, and equipment (refer to Note 3). This investment not only enhances our manufacturing footprint but also aligns with our strategic goals of capacity expansion and diversification of our product offerings.

The capital increase, undertaken as a component of the financing for the joint venture with Miura, was executed through a cash settlement amounting to 26.8 million euros. As detailed in our prospectus, the primary application of these funds involved the repayment of a bank loan for 10 million euros, upon its maturity. Additionally, a portion of this capital—specifically 3.9 million euros—was allocated for the distribution of dividends to shareholders, based on the financial results achieved in 2022. As a result, the net cash flow from **financing activities** has positively contributed 2.8 million euros to the closing balance of cash and cash equivalents as of December 31, 2023.

Note 19: Commitments and contingencies

JENSEN-GROUP has given the following commitments:

(in thousands of euro)	December 31 2023	December 31 2022	Variance
Letters of intent	14,404	13,727	677
Bank guarantees	9,344	16,597	-7,253
Mortgages	5,702	6,029	-327
Repurchase commitments	2,560	8,730	-6,170

Management does not expect these contingencies to significantly impact the Group's financial position or profitability.

Note 20: 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)	December 31 2023		December 31 2022	
	Carrying amount	Fair value amount	Carrying amount	Fair value amount
FINANCIAL ASSETS				
Financial assets at amortized cost	5,139	4,609	5,425	4,695
Financial assets at fair value through OCI	25,953	25,953	26,520	26,520
Other LT receivables	1,929	1,791	2,371	2,169
Trade receivables	103,721	103,721	77,831	77,831
Derivative financial instruments - FX contracts	346	346	499	499
Derrivative financial instruments -IRS	307	307	0	0
Cash and cash equivalent	51,112	51,112	35,427	35,427
Total	188,506	187,838	148,073	147,140
FINANCIAL LIABILITIES				
Financial debts	38,622	38,052	48,897	47,926
Financial debts - factoring	3,708	3,708	3,655	3,655
Trade payables	28,450	28,450	22,261	22,261
Derivative financial instruments - FX contracts	67	67	452	452
Derivative financial instruments -IRS	0	0	-418	-418
Total	70,847	70,277	74,847	73,876

Financial assets

To mitigate the risk associated with holding cash, the Group has strategically chosen to allocate a portion of its cash reserves into financial assets, specifically investing in bonds. These investments are classified as **financial assets at amortized cost**. This classification is based on the assets being held within a business model that is focused on the collection of contractual cash flows, and the contractual terms of these assets generate cash flows that are exclusively payments of principal and interest. This approach not only diversifies the Group's investment portfolio but also aligns with its risk management strategy.

Additionally, a portion of the Group's cash reserves has been invested in bonds that are classified as **financial assets at fair value through Other Comprehensive Income (OCI**). These particular DKK bonds, issued by Nykredit Realkredit AS and Realkredit Denmark have a maturity in respectively 2024, 2025, 2026 and 2033. They are expected to generate stable coupons over the period and are not held for the purpose of trading. Instead, the Group has made an irrevocable election at the point of initial recognition to categorize these bonds in this manner. This decision is based on the Group's assessment that such a classification aligns more closely with its investment strategy and provides a more relevant reflection of the financial assets' value and the Group's financial position.

Other current & non-current assets

Trade receivables are evaluated by the Group considering various factors including prevailing interest rates, specific country risk factors, the individual creditworthiness of the customer, and the risk characteristics of the financed project. This comprehensive assessment forms the basis for the determination of allowances to account for expected losses on these receivables. As of December 31, 2023, it is our belief that the carrying amounts of such receivables, after accounting for allowances, closely align with their calculated fair values.

<u>Derivative financial instruments</u>

The Group engages in derivative financial transactions with financial institutions, employing derivatives that are valued through valuation techniques which utilize inputs observable in the market. These derivatives primarily consist of **interest rate swaps** and **foreign exchange forward contracts**. The valuation techniques most commonly applied are forward pricing and swap models, which rely on present value calculations. These models make use of a range of inputs, including foreign exchange spot and forward rates, as well as interest rate curves.

Derivative financial instruments within our portfolio are valued by an independent financial institution, utilizing prevailing interest and currency rates from liquid markets. These instruments are measured at fair value, classified under the level 2 category. This classification indicates that the valuation techniques employed involve inputs other than quoted prices that are directly or indirectly observable for the assets or liabilities.

<u>Methods and assumptions to estimate the fair values deviating from the carrying amount:</u>

- **The financial assets amortised at cost**: the fair value is based on the valuation by an independent financial institution, utilizing prevailing interest and currency rates from liquid markets. These instruments are measured at fair value, classified under the level 2 category.
- **Long-term receivables** within the Group are primarily associated with the financing provided to customers. The fair value of these long-term receivables is determined by discounting anticipated future cash flows to their present value, utilizing the effective interest rates presently applicable to receivables with comparable terms, credit risk profiles, and remaining maturities.
- **Trade receivables**, **cash and cash equivalent and trade payables** approximate to their carrying amounts due to the short-term maturities of these instruments.
- The fair value of the **financial debts** is determined by discounting future cash flows to their present value, utilizing the effective interest rates presently applicable for debts with comparable terms, credit risk profiles, and remaining maturities.

In the normal course of business, the JENSEN-GROUP is exposed to foreign currency, interest rate, and credit risk. The Group analyzes each of these risks independently and devises strategies to manage their economic impact on the JENSEN-GROUP's performance.

Reconciliation of assets and liabilities

(in thousands of euro)	December 31 2023	December 31 2022
Non-current assets	307	418
Current assets	346	499
Non-current liabilities	0	0
Current liabilities	-67	-34
Total	586	883
Forward exchange contracts: fair value	279	465
Interest rate swaps: fair value	307	418
Total	586	883

Foreign currency risk

JENSEN-GROUP is exposed to currency risks on borrowings, investments, as well as actual and forecasted sales and purchases, whenever these financial transactions are denominated in a currency different from the functional currency of the subsidiary involved. The primary currencies that pose a risk include the US Dollar, Swiss Franc, Swedish Krona, Danish Krone, British Pound, Chinese Yuan, Australian Dollar, and New Zealand Dollar. This exposure reflects the global nature of our operations and the diverse currency environments in which we operate.

The main derivative financial instruments utilized by the Group to mitigate foreign currency risk are **forward exchange contracts**. Consistent with the Group's policy, these derivative instruments are not held for speculative or trading purpose.

In addressing currency-related risks, JENSEN-GROUP adheres to a clearly defined policy that includes:

- Implementing hedges on all firm commitments in foreign currencies on a rolling 12-month basis to ensure consistent and proactive management of currency exposure.
- Mandating that any deviations from this established policy receive prior approval from the Audit and Risk Committee, thereby ensuring oversight and adherence to the company's risk management framework.

Consequently, these hedges are classified as **cash flow hedges**. They are systematically contracted as part of our standard operating procedures, independent of any anticipatory views on foreign currency fluctuations. The primary objective of this approach is to secure the profit margin at the moment a project contract is signed with a customer.

All foreign exchange contracts within JENSEN-GROUP are centralized and managed by the Group's treasury department, with the contracting process being strictly based on the inputs received from the various subsidiaries. This centralized approach ensures a cohesive and streamlined management of foreign exchange risks across the entire Group, facilitating effective oversight and leveraging of the Group's collective foreign exchange exposures.

The currency risks resulting from **translations** of the financial statements of non-euro-based companies are not hedged (Note 8).

The following table offers insights into the **Group's net positions in foreign currencies** as of December 31, 2023, and December 31, 2022, related to both firm commitments and anticipated transactions. A negative exposure indicates the company's intent to sell foreign currencies in exchange for euros, whereas a positive exposure signifies a plan to purchase foreign currencies while selling euros. These open positions are a direct consequence of implementing JENSEN-GROUP's comprehensive risk management policies.

Production within the JENSEN-GROUP is generated across various global locations, each operating in their respective local currencies to align with regional economic environments:

- European subsidiaries engage in their operations utilizing the euro, Danish Krone, and Swedish Krona as their currencies of transaction.
- In the USA, production activities are conducted in USD, reflecting the local currency.
- In China, the operational currency for production activities is CNY.

This geographical and financial diversification reflects the global footprint of JENSEN-GROUP's production capabilities and its strategic approach to navigating the complexities of international currency markets.

2023

(in thousands of euro)	Total exposure	Total derivatives	**Open position**
EUR/USD	-7,059	9,936	2,877
EUR/GBP	-3,354	3,000	-354
EUR/AUD	-652	1,324	672
EUR/SEK	3,221	-1,500	1,721
EUR/NZD	-69	350	281
EUR/NOK	-1,601	901	-700

2022

(in thousands of euro)	Total exposure	Total derivatives	**Open position**
EUR/USD	0	2,500	2,500
EUR/GBP	-1,103	1,508	405
EUR/AUD	-8,965	9,145	180
EUR/SEK	3,404	-2,004	1,400
EUR/NZD	-1,424	1,248	-176

Sensitivity analysis for 2023

(in thousands of euro)	Change in currency	Impact net profit[1]	Impact on equity
USD	-4.69%	-819	-1,762
	4.69%	896	3,222
GBP	-3.14%	-121	-134
	3.14%	91	142
AUD	-8.41%	-639	-385
	8.41%	1.001	461
NZD	-7.98%	-101	-27
	7.98%	146	31
CNY	-8.62%	780	-659
	8.62%	-1.001	649
SEK	-5.99%	631	118
	5.99%	-545	-53
CHF	-5.51%	6	-250
	5.51%	-7	407
DKK	-0.30%	123	-259
	0.30%	-166	305
NOK	-10.09%	-366	-53
	10.09%	769	67
SGD	-3.44%		-97
	3.44%		99
JPY	-15.16%		-3,011
	15.16%		3,966
BRL	-6.36%		-10
	6.36%		11
AED	-4.65%		-10
	4.65%		11
TRY	-57.07%		-2,484
	57.07%		4,295

[1]: The estimation is based on the standard deviation of daily volatilities of the foreign exchange rates during the past 360 days at December 31, 2023 and using a 95% confidence interval.

These calculations represent a purely theoretical exercise and do not consider the potential gain or loss in sales that may arise from the relative weakening or strengthening of currencies. This approach focuses solely on the mathematical aspect of currency fluctuations without accounting for the practical impact on sales performance and market dynamics.

As of December 31, 2023, the Group maintained a portfolio of foreign exchange contracts. It is noteworthy that the balances due within the upcoming 12 months are equivalent to their recorded carrying balances, given that the impact of discounting these balances is deemed insignificant. This indicates a close alignment between the nominal and recorded values of these contracts, reflecting the Group's efficient management of its foreign exchange exposure within the short-term horizon.

2023

Currency	Sell	Average exchange rate	Maturity	Fair value *thousands of euro*
EUR/GBP	2,604,181	0.87	4-2-2024	7
EUR/AUD	2,214,133	1.67	19-4-2024	-31
EUR/USD	10,763,272	1.08	10-4-2024	252
DKK/SEK	11,247,823	1.43	30-12-2024	16
EUR/NZD	640,606	1.83	20-6-2024	-14
EUR/NOK	10,349,000	11.49	10-1-2024	-22

Curr	Buy	Average exchange rate	Maturity	Fair value *thousands of euro*
EUR/SEK	17,466,336	11.64	19-1-2024	70

2022

Currency	Sell	Average exchange rate	Maturity	Fair value *thousands of euro*
EUR/GBP	1,316,869	0.87	3-2-2023	19
EUR/AUD	14,194,800	1.55	12-5-2023	276
EUR/USD	2,500,055	1.00	20-1-2023	164
DKK/SEK	11,247,823	1.43	30-12-2024	43
EUR/NZD	2,108,544	1.69	23-2-2023	-6

Currency	Buy	Average exchange rate	Maturity	Fair value *thousands of euro*
EUR/SEK	21,935,601	10.94	2-2-2023	-28

Consistent with prior year, all foreign exchange contracts held by the Group as of the end of 2023 have been designated and effectively serve as **cash flow hedges**. The variations in their fair value over the course of 2023, totaling 0.1 million euros after taxes (0.2 million in 2022), have been deferred in equity.

It is significant to note that no ineffectiveness in these hedges has been recorded, indicating a precise alignment between the hedging strategies employed and their intended financial outcomes.

Interest rate risk

The Group employs derivative financial instruments as a strategic measure to mitigate the risk of adverse fluctuations in interest rates. It is a strict policy of the Group that derivative instruments are not held for speculative or trading purposes, ensuring that their use is firmly aligned with risk management objectives.

Financing activities within the JENSEN-GROUP are centralized within the treasury department. This centralization facilitates the Group's adherence to its hedging policy by utilizing **Interest Rate Swaps (IRS**). Such an approach enhances the efficiency and effectiveness of the Group's financial management practices, ensuring coherent and unified oversight of its hedging strategies and financial risk exposures.

In relation to interest-bearing financial liabilities, the table provided indicates their effective interest rates as of the balance sheet date, alongside the maturity periods or the intervals at which these liabilities are due for rollover. It is important to note that for balances maturing within the next 12 months, their due amounts are equivalent to their carrying balances, as the effect of any discounting is considered negligible.

2023

(in thousands of euro)	Effective interest rate	Carrying amount	< 1 month	> 1 month < 3 months	> 3 months < 12 months	1-5 years	> 5 years
FLOATING RATE							
CNY	3.94% - 5.0%	14,404	9,655	153	458	4,138	0
Total floating		14,404	9,655	153	458	4,138	0
FIXED RATE							
EUR	1.32% - 2.28%	18,515	183	366	1,646	14,316	2,005
DKK1	0.44% -1.5%	5,703	26	51	232	1,336	4,059
Total Fixed		24,218	208	417	1,877	15,652	6,064
FACTORING							
EUR		3,708	139	279	1,255	2,034	0
Total		**42,330**	**10,003**	**848**	**3,591**	**21,824**	**6,064**

1: Includes both loans at fixed rates and loans at floating rate covered by IRS.

2022

(in thousands of euro)	Effective interest rate	Carrying amount	< 1 month	> 1 month < 3 months	> 3 months < 12 months	1-5 years	> 5 years
FLOATING RATE							
EUR	1.15% - 3,44%	5,584	3,084	0	0	2,500	0
CNY	3.94% - 4.8%	8,143	2,426	163	489	5,065	0
Total floating		13,727	5,510	163	489	7,565	0
FIXED RATE							
EUR	1.22% - 2.0%	29,134	0	513	11,542	15,695	1,384
DKK1	0.44% -1.5%	6,035	26	54	245	1,356	4,354
Total Fixed		35,169	26	567	11,787	17,051	5,738
FACTORING							
EUR		3,655	76	151	682	2,746	0
Total		**52,551**	**5,612**	**881**	**12,958**	**27,362**	**5,738**

[1]: Includes both loans at fixed rates and loans at floating rate covered by IRS.

The following table sets out the conditions of the interest rate swaps:

2023

Curr	SWAP amount	Fixed interest	Maturity	Fair value *thousands of euro*
DKK	14,083,848	0.44%	30-12-2039	307
TOTAL in EUR	1,889,714			307

2022

Curr	SWAP amount	Fixed interest	Maturity	Fair value *thousands of euro*
DKK	14,972,800	0.44%	30-12-2039	418
TOTAL in EUR	2,013,420			418

Consistent with prior year, the interest rate swaps held by the company are designated and effective as **cash flow hedges.** Throughout 2023, the variations in their fair value, which amounted to 0.2 million euros after taxes (0.3 million euro in 2022), have been deferred in equity. This accounting treatment reflects the company's strategy to manage interest rate exposure and aligns with hedge accounting principles. Significantly, no ineffectiveness in these hedging activities has been recorded, indicating a precise match between the hedging instruments used and the underlying exposure.

As disclosed in the above table, 14.4 million euro of the Group's interest-bearing financial liabilities bear a variable interest rate. This amount does not include the 1.9 million EUR loan that is covered by an interest rate swap.

The Group estimates that the reasonably possible change of the market interest rates applicable to its floating rate debt is as follows:

(in thousands of euro)	Carrying amount	Effective interest rate	Possible rates at December 31, 2023
CNY	14,404	3.94% - 5.0%	2.88% - 6.06%
Total in EUR	**14,404**		

Considering the reasonably possible fluctuation in the market interest rate as described and applying this to our floating rate debt as of December 31, 2023—while keeping all other variables constant—it is estimated that the profit for 2023 could have been 0.5 million euros lower or higher. This projection underscores the sensitivity of our financial performance to changes in interest rates, highlighting the potential impact on our profitability due to variations in the cost of our floating rate debt. This analysis is crucial for understanding the financial risks associated with interest rate movements and for informing our risk management strategies.

Credit risk

Credit risk represents the risk that a party involved in a financial instrument will fail to fulfil their obligation, leading to a financial loss for the other party.

In managing credit risk, our policy leverages historical data concerning overdue trade receivables. In addition to this retrospective analysis, as articulated in our valuation policies, we incorporate forward-looking information to gain a comprehensive view of potential credit risks.

Aligned with the Group's credit policy, customers undertaking projects are mandated to either make an advance payment or provide a form of guarantee, such as Letters of Credit (L/C) or bank guarantees. This requirement is part of our due diligence process, where we assess the creditworthiness of both new customers and existing customers whose purchasing volumes increase. This comprehensive approach ensures that we effectively manage and mitigate credit risk, safeguarding the Group's financial health and stability.

Consolidated ageing schedule of the trade receivables ST

2023

(in thousands of euro)	Current	< 60 days	> 60 days < 90 days overdue	> 90 days < 120 days overdue	> 120 days overdue	**Total**
Outstanding trade receivables	71,062	10,194	4,324	3,304	11,378	100,622
Collateral held as security						0
Net exposure	71,062	10,194	4,324	3,304	11,378	100,622
Provisions accounted for						-3,475
Total						**97,147**

2022

(in thousands of euro)	Current	< 60 days	> 60 days < 90 days overdue	> 90 days < 120 days overdue	> 120 days overdue	**Total**
Outstanding trade receivables	56,759	7,995	2,135	1,787	6,712	75,388
Collateral held as security						0
Net exposure	56,759	7,995	2,135	1,787	6,712	75,388
Provisions accounted for						-2,506
Total						**72,882**

Balances that are due within the upcoming 12 months are recorded at their carrying balances, as the effect of discounting these amounts is deemed to be not significant.

Trade debtors and other receivables are presented in the balance sheet at their **amortized cost**, which typically equates to the original invoiced amount, adjusted for an allowance for expected credit losses.

Given the project-based nature of our operations and the notable concentration of accounts receivable/contract assets related to individually significant projects within the Group, allowances for **both incurred and future expected losses** are determined on an **individual project basis**.

This approach, however, incorporates aggregated historical data regarding past experiences with similar clients. This method ensures a balanced and informed assessment of credit risk, reflecting both specific project risks and broader trends observed with similar engagements.

In the application of IFRS 9, the JENSEN-GROUP exercises significant judgement in determining the **realizable value** of trade receivables. The Group adopts the simplified approach prescribed by IFRS 9 for measuring expected credit losses, which mandates a lifetime expected loss allowance for all trade receivables. In calculating the lifetime expected credit losses, the JENSEN-GROUP considers factors such as the likelihood of default and the exposure at the time of default. This evaluation includes an estimation of potential recoveries through credit insurance and the effectiveness of other forms of collateral.

The **historical credit loss experience** with individual customers is regularly reviewed and updated as necessary to account for any disparities between current and expected economic conditions compared to those experienced historically.

Beyond the provisions for expected credit losses (ECL) derived from historical data and future projections, the Group also acknowledges exposures that are managed on an **individual basis**. These are recognized separately to the extent that they are not addressed by the ECL model, ensuring a comprehensive approach to managing and mitigating credit risk in line with the requirements of IFRS 9.

The roll forward of the provision for doubtful debtors is set out below:

(in thousands of euro)

Provision for doubtful debtors at the end of 2022	2,506
Additions	1,307
Reversals	-321
Exchange difference	-17
Provision for doubtful debtors at the end of 2023	3,475

In 2023, there was a reversal of impairments on trade receivables, attributed to the receipt of payments from customers. Concurrently, due to an increase in the outstanding balances of accounts receivable, the provision for potential credit losses saw an augmentation of 0.7 million euros. This adjustment reflects a nuanced approach to managing the credit risk associated with receivables, balancing the positive impact of recovered funds against the necessity to account for increased exposure due to higher outstanding balances. Additionally, a reclassification from the provision for take-back obligations by 0.5 million euro impacted the doubtful debtor accounts, this has no impact on the profit and loss statement.

There are no customers with a concentration of more than 10% of the total outstanding receivables.

The JENSEN-GROUP's major financial institution partners are Nordea, KBC and Nykredit. Their bank credit ratings (S&P) as per December 31, 2023 are:

- Nordea: AA-
- KBC: A+
- Nykredit: AA-

Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulties in meeting its financial obligations as they come due because of an inability to liquidate assets or obtain adequate funding in a timely manner.

The Group addresses liquidity risk through the strategic management of its financial resources, ensuring the availability of adequate cash reserves and borrowing facilities. This involves a vigilant monitoring of both forecasted and actual cash flows, alongside a careful alignment of the maturity profiles of its financial assets and liabilities (Note 9). By adopting this approach, the Group aims to maintain financial stability and ensure it can meet its obligations as they arise.

The main drivers of cash inflows for the Group are derived from its operational activities, complemented by a capital increase executed in 2023 (Note 19). This approach highlights the Group's dedicated focus on maintaining robust liquidity management practices. By leveraging both the revenue generated from its business operations and strategic financial activities such as capital increases, the Group ensures the availability of necessary funds to support its ongoing operations and secure its financial well-being.

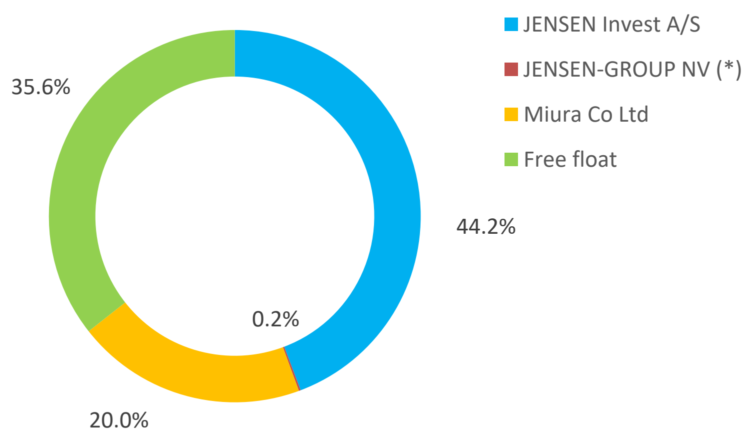
Note 21: Discontinued operations

The results classified as a loss from discontinued operations, which include assets held for sale amounting to 0.5 million euros, pertain to the former Cissell building in Kentucky, associated with the previous CLD activities. Additionally, the costs related to this building, totaling 0.1 million euros, are accounted for within the results from discontinued operations.

Note 22: Related party transactions

Shareholder structure

The shareholders of the Company as per December 2023 are:



(*) Share buy back program

Transparency notifications

During 2023, JENSEN-GROUP NV received following notifications:

- a notification from JENSEN Invest A/S informing about the passive crossing of a threshold.
  As the JENSEN-GROUP NV issued 1,926,282 new shares on April 3, 2023, the percentage of voting rights owned directly or indirectly by JENSEN Invest A/S decreased from 54.4% to 44.8% of the voting rights in the Company and, thus, crossed the 45% threshold downwards;
- two notifications from Miura Co. Ltd informing about (i) the crossing of a threshold because of the acquisition of voting securities of the JENSEN-GROUP NV on April 3, 2023, Miura Co. Ltd holds 1,926,282 shares in the JENSEN-GROUP NV. The share ownership of Miura Co. Ltd amounted to 19.77% of the voting rights in the Company and, thus, crossed the 15% threshold, and (ii) the passive crossing of a threshold. Due to the cancellation of treasury shares on May 16, 2023, by the JENSEN-GROUP NV, the share ownership of Miura Co. Ltd amounts to 20% of the voting rights in the Company and, thus, crossed the 20% threshold;
- and a notification from Lazard Frères Gestion SAS informing about a passive crossing of a threshold.
  As the JENSEN-GROUP NV issued 1,926,282 new shares on April 3, 2023, the percentage of voting rights owned by Lazard Frères Gestion SAS decreased to 4.71% of the voting rights in the Company and, thus, crossed the minimum 5% threshold downwards.

Key management compensation

In thousands of euro	December 31, 2023	December 31, 2022
Fees paid to Board members	336	297
Gross salaries paid to senior managers	2,382	2,415
Basic remuneration	897	840
Invoiced services	836	807
One-year variable remuneration	570	698
Fixed expenses	30	29
Fringe benefits	19	18
Pension plan	31	23

For more details on the remuneration of senior management, we refer to the Remuneration Report included in the Report of the Board of Directors.

Companies accounted for using the equity method

In thousands of euro	December 31 2023	December 31 2022
Companies accounted for using the equity method	49,764	5,573

The companies that are accounted for using the equity method, represent the valuation of the participations in Tolon and Inax Corporation (recognized from April 3, 2023, onwards). This accounting approach reflects the Group's investment strategy and its relationship with these entities. Under the equity method, the Group recognizes its share of the profits or losses of these investee companies in its financial statements, adjusting the carrying amount of the investments accordingly.

Roll-over of the companies accounted for using the equity method

In thousands of euro	December 31 2023	December 31 2022
Companies accounted for using the equity method at the end of the year	5,573	4,829
Acquisition of Inax	42,374	0
Share in the result	2,141	986
Hyperinflation capital & retained earnings	3,266	324
Translation differences	-3,589	-566
Companies accounted for using the equity method at the end of the year	49,764	5,573

Share in the result of associates accounted for using equity method

Net income *thousands of euro*	December 31 2023	December 31 2022
Tolon	2,615	2,781
Inax Corporation	3,680	0
Subtotal	6,295	2,781
Hyperinflation	-1,926	-769
Percentage of ownership	49%	49%
Total	2,141	986

Tolon

On January 29, 2016, JENSEN-GROUP acquired an equity stake of 30% in TOLON GLOBAL MAKINA Sanyi Ve Tikaret Sirketi A.S., Turkiye and agreed to acquire in total an additional 19% of the shares over the coming three years. In 2017, the JENSEN-GROUP increased its shareholding by 6.33% to 36.33%, in 2018 by another 6.33% to 42.66% and finally in 2019 by 6.34% to 49%.

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

- Net income per end of December 2023 (excluding hyperinflation) amounts to 2.6 million euro, compared to 2.8 million euro per end of December 2022 (excluding hyperinflation).
- Revenue per end of December 2023 amounts to 31.1 million euro, compared to 26.7 million euro per end of December 2022.

Hyperinflation

The Group applies IAS29 (Financial Reporting in Hyperinflationary Economies) 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 December 31, 2023, we used the producer price index (PPI) "PPI.ITUR" as from January 2005, published by the Turkish Statistical Institute (Turkstat):

- PPI as per 31.12.2022 is 2'021.19
- PPI as per 31.12.2023 is 2'915.02

The impact on the share in the result for the year 2023 of the revaluation was a cost of 0.9 million euro, including an impact of the revised calculation by 0.6 million euro for two additionally identified non-monetary assets. The hyperinflation increased the equity (before result allocation) by 6.7 million euro, of which 3.3 million (49%) is attributable to the Group. In previous year, the impact of the first-time application of IAS 29 (for the financial year ended December 31, 2022, resulted in a loss of 0.4 million euro in the Group's income statements, and a modest decrease of the companies accounted for under equity method (participations) by 0.05 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 (Note 9). 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 nine months (including depreciations on the purchase price allocation ('PPA')) amounts to 3.7 million euro.
- Revenue for the first nine months amounts to 77.7 million euro.
- Impact of the additional depreciation charge following the PPA amounts to 0.9 million euro.

For more information about the acquisition-date fair value of the total consideration transferred, see note 23.

Non-controlling interests

In 2016, the JENSEN-GROUP and Veins Holding BV have joined forces to form a new company, Gotli Labs AG. As the JENSEN-GROUP has de jure control over Gotli Labs AG (over 50% of the shares), this participation is fully consolidated. Contractually, JENSEN-GROUP is entitled to 40% of the results, with the other 60% shown in the income statement as “income attributable to non-controlling interest”.

On January 2, 2018, JENSEN-GROUP acquired an equity stake of 30% in Inwatec ApS (Denmark), with the option to increase its shareholding between 2020 and 2023. On March 26, 2021, the JENSEN-GROUP increased its shareholding in Inwatec ApS from 30% to 70%. As the JENSEN-GROUP holds 70%, the participation is consolidated by the full consolidation method as from March 26, 2021. Before that date, the participation was consolidated by the equity method.

In thousands of euro	December 31 2023	December 31 2022
Result attributable to non-controlling interest	277	100
Equity part of NCI	1,896	1,743

The Group is not aware of any restrictions to transfer funds in the form of cash and dividends, even as no commitments or contingent liabilities related to the interest in the joint ventures and associates.

For the legal structure, we refer to note 26.

Note 23: Acquisitions

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 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.

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

	March 31, 2023 *(in thousands of JPY)*	**March 31, 2023** *(in thousands of EUR)*
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	-2,525,768	-17,440
Current liabilities	-6,445,445	-44,504
NET ASSETS ACQUIRED	6,558,870	46,344
Goodwill (100%)	5,965,130	41,187
Contribution value (100%)	12,524,000	86,474
Contribution value via issuance of new shares (49%)	6,136,760	42,374

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 was 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. Resulting in a modest correction of the initial contribution value of 42,365 thousand euro as reported in our half-year financial information.

Fair value estimations

- The fair value of the brand name of Inax is determined via the relief from royalty method and is amortised over a period of ten years.
- The customer relationships were determined via the multi-period excess earnings ('MEEM') method for estimating the fair value of the customer relationships, there useful live is assessed as a period of 18 years. The discount rate was based upon the WACC, with an additional premium of 1%.

- The land and building were subject to a market valuation performed by and external real estate advisor, the cost approach was applied as valuation method. The useful life is 20 years.

Ole Almeborg

On October 15, 2023, JENSEN Denmark A/S, a Danish subsidiary of the JENSEN-GROUP, acquired Ole Almeborg A/S. This participation is consolidated under the full consolidation method as from October 15, 2023.

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

	October 15, 2023 *(in thousands of DKK)*	October 15, 2023 *(in thousands of EUR)*
Fair value real estate	20,587	2,760
Other non-current assets	5,230	701
Current assets	35,540	4,765
Non-current liabilities	-6,047	-811
Current liabilities	-13,648	-1,830
NET ASSETS ACQUIRED	41,162	5,519
Goodwill (100%)	10,730	1,439
Consideration paid	51,892	6,958

Consideration

The consideration transferred for the investment in OA is based upon enterprise value of 30 million DKK on a cash-free/debt-free basis.

Fair value estimations

- The land and building were subject to a market valuation performed by and external advisor, the cost approach was applied as valuation method. The useful life is 20 years.

Goodwill

The calculated goodwill has been mainly allocated as an definite intangible asset, this intangible asset is subject to amortization over a period of 10 years.

Note 24: Non-audit fees

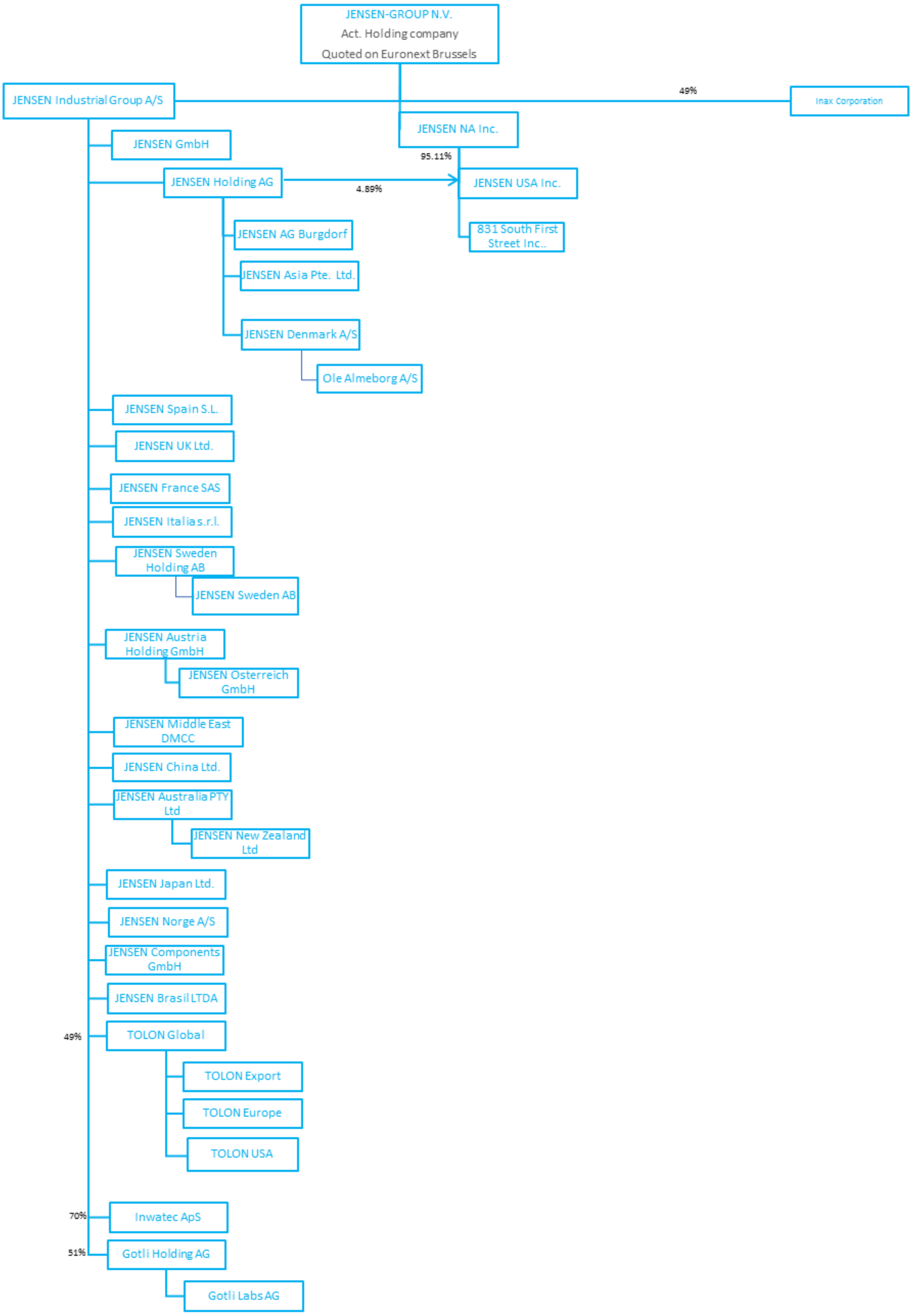
The statutory Auditor is Deloitte BV, represented by Mrs. Charlotte Vanrobaeys.

The Statutory Auditor and its network received worldwide fees of 540,770 euros (excl. VAT) for auditing the statutory accounts of the various legal entities and the consolidated accounts of the JENSEN-GROUP. Apart from its mandate, the Statutory Auditor and its network received during 2023 additional fees of 106,058 euros (excl. VAT) for non-prohibited services, and that was invoiced to the JENSEN-GROUP NV. The Company has appointed a single firm for the audit of the consolidated financial statements.

Note 25: Events after the Balance Sheet date

There are no significant after balance sheet events.

Note 26: Legal structure



Note 27: Consolidation scope as at December 31, 2023

Consolidated companies	Registered office	Participation percentage
Belgium		
JENSEN-GROUP NV	Neerhonderd 33 9230 Wetteren	Parent Company
TOLON Europe BV	Neerhonderd 33 9230 Wetteren	49%
Australia		
JENSEN Laundry Systems Australia PTY Ltd.	Unit 16, 38-46 South Street Rydalmere NSW 2116	100%
Austria		
JENSEN Austria Holding GmbH	Reinhartsdorfgasse 9 2324 Schwechat-Rannersdorf	100%
JENSEN ÖSTERREICH GmbH	Reinhartsdorfgasse 9 A-2324 Schwechat-Rannersdorf	100%
Brazil		
JENSEN-GROUP BRASIL COMERCIO E SERVICOS DE EQUIPAMENTOS DE LAVANDERIA LTDA	Rua Aparecida José Nunes de Campos 19 CEP 18087-089, Jardim do Paço, Sorocaba-SP	100%
China		
JENSEN Industrial Laundry Technology (Xuzhou) Co., Ltd	Phoenix Avenue, Xuzhou Clean Technology Zone 221121 Xuzhou, Jiangsu Province, P.R. China	100%
Denmark		
JENSEN Industrial Group A/S	Industrivej 2 3700 Rønne	100%
JENSEN Denmark A/S	Industrivej 2 3700 Rønne	100%
Ole Almeborg A/S	Svalhøjvej 15 3790 Hasle	100%
Inwatec ApS	Hvidkærvej 30 5250 Odense SV	70%

France		
JENSEN France SAS	2 “Village d’entreprises” ZA de la Couronne des Près Avenue de la Mauldre 78680 Epône	100%
Germany		
JENSEN GmbH	Jörn-Jensen-Stra β e 1 31177 Harsum	100%
JENSEN Components GmbH	Ludwig-Erhard-Strasse 18 30982 Pattensen	100%
Italy		
JENSEN Italia s.r.l.	Strada Provinciale Novedratese 46 22060 Novedrate	100%
Japan		
JENSEN Japan Co., Ltd.	4-9-1-203 Imagawa, Urayasu-city 279-0022 Japan	100%
Inax Corporation	5-1-11, Osaki, Shinagawa-ku, Tokyo, 141-0032 Japan	49%
Middle East		
JENSEN Industrial Laundry Systems M.E. DMCC	JENSEN Industrial Laundry Systems M.E. DMEE Unit No: 204 Fortune Tower Plot No: JLT-PH1-C1A Jumeirah Lakes Towers Dubai UAE	100%
Norway		
JENSEN NORGE AS	Østensjøveien 36 0667 OSLO	100%
New Zealand		
JENSEN New Zealand Ltd	C/- MinterEllisonRuddWatts 15 Customs Street Auckland Central 1010	100%

Singapore		
JENSEN Asia PTE Ltd.	No. 6 Jalan Kilang #02-01 Dadlani Industrial House Singapore 159406	100%
Spain		
JENSEN Spain S.L.	Calle Energia, 34 Poligono Famades ES-08940 Cornella de Llobregat (Barcelona)	100%
Sweden		
JENSEN Sweden AB	Företagsgatan 68 504 94 Borås	100%
JENSEN Sweden Holding AB	Box 363 503 12 Borås	100%
Switzerland		
JENSEN AG Burgdorf	Buchmattstrasse 8 3400 Burgdorf	100%
JENSEN Holding AG	Buchmattstrasse 8 3400 Burgdorf	100%
GOTLI Holding	Industriestrasse 51 6312 Steinhausen	51%
GOTLI Labs AG	Industriestrasse 51 6312 Steinhausen	51%
Turkiye		
TOLON GLOBAL MAKINA Sanyi Ve Tikaret Sirketi A.S.	A.O.S.B. 10007. Sk. No:9 Çiğli, İzmir	49%
TOLON EXPORT MAKİNE TİCARET A.Ş.	10007 SOK. NO:9 AOSB ÇİĞLİ İzmir	49%
United Kingdom		
JENSEN UK Ltd.	Unit 5, Network 11 Thorpe Way Industrial Estate Banbury, Oxfordshire OX16 4XS	100%

United States of America		
JENSEN NA Inc.	Corporation Trust Center Orange Street 1209 Wilmington - Delaware	100%
JENSEN USA, Inc.	Aberdeen loop 99 Panama City, FL 32405	100%
831 South 1st Street, Inc.	831 South 1st Street Louisville, KY 40203	100%
Tolon US	Aberdeen loop 99 Panama City, FL 32405	49%

From hospitals to the hospitality sector, construction sites to firefighters, JENSEN provides intelligent and sustainable laundry solutions tailored to every industry and need. Whether it's comfy, well-fitting clothes or meeting safety and style requirements, we understand the complexity of **professional workwear demands**. Our **high degree of automation** ensures the cleanliness of workwear, addressing everything from visible stains to hazardous contamination. JENSEN's laundry solutions, combining modularity with ergonomics, are designed for sustainability and efficiency, including a focus on lowering water consumption.

SUMMARY STATUTORY FINANCIAL STATEMENTS

JENSEN-GROUP NV

Summary balance sheet of JENSEN-GROUP NV

Financial year ended (in thousands of euro)	31 December 2023	31 December 2022
Fixed assets	139,629	96,899
Intangible fixed assets	197	0
Tangible fixed assets	396	238
Financial fixed assets	139,035	96,661
Current assets	51,806	37,780
Stocks and contracts in progress	1,418	4,448
Amounts receivable within one year	7,089	4,454
Own shares	499	1,591
Cash at bank and on hand	42,748	27,188
Deferred charges and accrued income	52	99
TOTAL ASSETS	**191,435**	**134,679**

Financial year ended (in thousands of euro)	31 December 2023	31 December 2022
Capital and reserves*	**164,086**	**100,222**
Capital	38,280	30,710
Share premium account	67,590	5,814
Treasury shares	499	1,591
Reserves	3,316	3,071
Accumulated profits	54,400	59,036
Provisions and deferred taxes	443	199
Provisions for liabilities and charges	443	199
Long-term debts	10,000	10,000
Bank loans	10,000	10,000
Short-term debts	16,906	24,258
Financial debts	0	10,000
Amounts payable within one year	16,811	13,535
Accrued charges and deferred income	95	723
TOTAL LIABILITIES	**191,435**	**134,679**

Summary income statement of JENSEN-GROUP NV

Financial year ended (in thousands of euro)	31 December 2023	31 December 2022
Operating income	25,032	17,229
Turnover	25,888	15,147
Finished goods and contracts in progress: increase (decrease)	-3,237	834
Other operating income	2,381	1,248
Operating charges	-24,707	-16,713
Raw materials, consumables and goods for resale	-12,715	-7,551
Services and other goods	-8,959	-7,259
Remuneration, social security and pensions	-2,536	-2,278
Depreciation	-135	-98
Write-downs	19	15
Provisions for liabilities and charges	-244	534
Other operating charges	-138	-76
Operating profit	**325**	**516**
Financial result	5,523	3,662
Financial income	5,222	4,213
Financial charges	301	-551
Result for the year before taxes	**5,548**	**4,178**
Income taxes	-395	-57
Result for the year	**5,152**	**4,121**

Appropriation result JENSEN-GROUP NV

Financial year ended (in thousands of euro)	31 December 2023	31 December 2022
Profit to be appropriated	64,189	64,481
Profit (loss) for the period available for appropriation	5,152	4,121
Profit (loss) brought forward	59,037	60,360
Appropriations to capital and reserves	2,589	1,591
to legal reserves	257	0
to reserves for own shares	2,332	1,591
Result to be carried forward	**-54,387**	**-59,036**
Profit to be carried forward	54,387	59,036
Distribution of profit	**-7,212**	**-3,853**
Dividends	-7,212	-3,853

(in euro)	2023 (12 months)	2022 (12 months)
Current profit per share after taxes [(1)]	0.56	0.53
Number of shares outstanding (average)	9,150,330	7,786,615
Number of shares outstanding (yearend)	9,616,286	7,758,946

[(1)] The current profit after tax is the same as the net profit excluding extraordinary gains and losses (both adjusted for taxes).

Statutory financial statements of JENSEN-GROUP NV

In accordance with article of the Belgian Companies' and Associations' Code, a summary version of the statutory financial statements of JENSEN-GROUP NV is presented. These have been prepared in accordance with Belgian Accounting Standards. The management report and statutory financial statements of JENSEN-GROUP NV and the report of the Statutory Auditor thereon are filed with the appropriate authorities and are also available at the Company's registered offices.

The Statutory Auditor has issued an unqualified opinion on the statutory financial statements of JENSEN-GROUP NV.

JENSEN-GROUP NV has both a holding function and a commercial function as the sales and service company for the Benelux area.

On April 3, 2023, JENSEN-GROUP NV increased its capital by a contribution in kind (4.6 million euro) and a contribution in cash (2.9 million euro). With both transactions, 1,926,282 new shares were create and the share premium increased with 61.8 million euro. MIURA took a 20% shareholding in the JENSEN-GROUP and JENSEN-GROUP took 49% shareholding In Inax.

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. In view of the transaction with MIURA, JENSEN-GROUP announced on March 9, 2023 that the Board of Directors suspended the program. On May 16, 2023, the shareholders approved the cancellation of 113,873 treasury shares. The Board of Directors of August 10, 2023 decided to re-launch the share repurchase program to buy back maximum 668,027 of its shares. The shares are bought on the stock exchange by an investment bank mandated by the Board. The buy-back mandate expires on May 18, 2026. As at December 31, 2023, the Company holds 15,122 treasury shares.

The Board of Directors proposes to the Annual Shareholders' Meeting to approve a dividend of 0.75 euro per share. The dividend proposal is based on net result of the Company at year-end. The dividend pay-out will amount to 7,212,215 euro, based on the number of shares outstanding as at December 31, 2023. No dividend will be distributed to the treasury shares.

The full version of the statutory financial statements of JENSEN-GROUP NV is available on the Company website www.JENSEN-GROUP.com.

Valuation rules

The valuation rules are in accordance with the Royal Decree of April 29, 2019.

Financial fixed assets

Since JENSEN-GROUP NV has a holding function, we emphasize that, in accordance with our valuation rules and accounting legislation in Belgium, financial fixed assets are valued at their initial acquisition price or paid-in capital. Write-offs on the financial fixed assets are taken when they are deemed to be of a permanent nature. If it appears that write-offs taken previously are no longer needed, they are reversed. Financial fixed assets are never valued above acquisition price or paid-in capital.

Intangible fixed assets

The intangible fixed assets consist of goodwill that arises from the acquisitions of the distribution activity in the Benelux. For statutory purposes, goodwill is amortized over a period of five years.
The issuance cost of the capital increase are amortized over a period of five years.

Tangible fixed assets

Tangible fixed assets are recorded at their acquisition value or construction cost, increased, where appropriate, by ancillary costs. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful life from the month of acquisition onwards.

On tangible fixed assets, the depreciation rules are:

Caption	Rate
Infrastructure	10% - 20%
Installations, machinery and equipment	20%
Office equipment and furniture	20%
Vehicles	20%

Inventories and contracts in progress

Inventories are valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out (FIFO) method. For produced inventories, cost means the full cost including all direct and indirect production costs required to bring the inventory items to the stage of completion at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and variable selling expenses.

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

Amounts receivable

Trade amounts receivable and other amounts receivable are carried at nominal value. Allowances are made to amounts receivable where uncertainty exists as to the receipt or payment dates of the whole or a part of the balance. Supplementary write-offs are also recorded where the realizable value at the balance sheet date is lower than the carrying value.

Investments and cash at bank and in hand

Deposits with financial institutions are carried at nominal value. Write-downs are applied where the realizable value at the balance sheet date is lower than the historical cost.

Provisions for liabilities and charges

Provisions for liabilities and charges are assessed on an individual basis to address the risks and future costs which they are intended to cover. They are maintained only to the extent that they are required following an updated assessment of the liabilities and charges for which they were created.

Amounts payable (after one year and within one year)

Amounts payable are carried at nominal value at the balance sheet date. The only elements which are recorded in the accrued charges and deferred income accounts are charges payable at the balance sheet date in respect of past or prior years.

Financial instruments

The Company uses derivative financial instruments to reduce its exposure to adverse fluctuations in interest rates and foreign exchange rates. It is the Company's policy not to hold derivative instruments for speculative or trading purposes.

Derivative financial instruments are recognized initially at cost, their premium is amortized pro rata temporis. At year-end, the financial instruments are measured at market value using the mark-to-market mechanism. The unrealized losses are recognized in the income statement whereas the unrealized gains are deferred.

The hedged balance sheet positions (outstanding receivables and payables) are recorded at the hedging rate.

Treasury shares

The treasury shares are accounted for at lower of cost or market price at the balance sheet date.

General information

1. Identification

- Name: JENSEN-GROUP NV
- Registered office: Neerhonderd 33, 9230 Wetteren.
- The Company was incorporated on April 23, 1990 and exists for an unlimited period of time.
- The Company has the legal form of a "naamloze vennootschap/société anonyme" and operates under Belgian Company Law.
- The statutory purpose of the Company consists in the following, both in Belgium and abroad, on its own behalf or in the name of third parties, for its own account or for the account of third parties:
    - Any and all operations related directly or indirectly or connected with the engineering, production, purchase and sale, distribution, import, export and representation of laundry machines and systems and the manufacture thereof;
    - Providing technical, commercial, financial and other services for affiliated businesses, including commercial and industrial activities in support;
    - Obtaining an interest, in any manner, in any and all businesses that pursue the same, a similar or related purpose or that are likely to further its own business or facilitate the sale of its products or services, also cooperating or merging with these businesses and, in general, investing, subscribing, purchasing, selling and negotiating financial instruments issued by Belgian or foreign businesses;
    - Managing investments and participations in Belgian or foreign businesses, including the standing of sureties, guaranteeing bills, making payments in advance, loans, personal or material sureties for the benefit of these businesses and acting as their proxy holder or representative;
    - Acting in the capacity of director, providing advice, management and other services for the benefit of the management and other services for the benefit of other Belgian or foreign businesses, by virtue of contractual relations or statutory appointment and in the capacity of external consultant or governing body of any such business.

The Company may undertake both in Belgium and abroad, any and all industrial, trade, financial, bonds and stocks and real property transactions that are likely to extend or further its business directly or indirectly or that are related therewith. It may acquire any and all movable and real property items, even if these are related neither directly nor indirectly to the Purpose of the Company.

It may obtain, in any manner, an interest in any and all associations, ventures, businesses or companies that pursue the same, a similar or related purpose or that are likely to further its business or facilitate the sale of its products or services, and it may cooperate or merge therewith.

- The Company is registered in the Commercial Register of Ghent, section Dendermonde and is subject to VAT under the number BE 0440.449.284
- The Bylaws of the Company can be consulted at the registered office of the Company and on the Company website www.jensen-group.com. The annual accounts are filed with the National Bank of Belgium. Financial reports of the Company are published in the financial press and are also available on the Company website www.jensen-group.com. Other documents that are publicly available and that are mentioned in the reference document can be consulted at the registered office of the Company or on the Company website www.jensen-group.com. The Annual Report of the Company is sent to any shareholder who wish to receive it.

2. Share Capital

- The registered share capital amounts to 38,280,396 euro and is represented by 9,631,408 shares without nominal value. There are no shares that do not represent the share capital. All shares are ordinary shares; there are no preference shares. The shares are dematerialized or registered shares, depending on the shareholder's preference. The dematerialized shares have been issued either by way of an increase of capital or by exchanging existing registered or bearer shares for dematerialized shares. Each shareholder may request the exchange of his/her shares either into registered shares or into dematerialized shares. At least two directors will sign a share certificate. Signature stamps may replace the signatures.

- Evolution of the share capital:

Date	Share capital	Currency	Number of shares
24/05/2002	42,714,560	euro	8,264,842
20/05/2008	42,714,560	euro	8,252,604
13/01/2009	42,714,560	euro	8,039,842
30/11/2011	42,714,560	euro	8,002,968
04/10/2012	30,710,108	euro	8,002,968
15/05/2016	30,710,108	euro	7,818,999
3/04/2023	38,280,396	euro	9,745,281
16/05/2023	38,280,396	euro	9,631,408

MetriQ, JENSEN's loading station designed for garments, offers **improved ergonomics and great value**. Operators can easily load garments with buttons to the front, allowing for mixed production and simplifying the washing process. This is especially beneficial for laundries handling work overalls, scrubs, and patient gowns. The innovative solution enhances work ergonomics and provides **a more compact footprint**, freeing up valuable space in the production facility. Additionally, MetriQ's quieter conveyor reduces stress-related illnesses.

Annex I

Taxonomy-related templates

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering FY 2023

				Substantial contribution criteria						DNSH criteria ("Does Not Signifcantly Harm")									
	Code(s)	Turnover	Proportion of turnover 2023	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
Economic activities		KEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)	N/A	0	0																
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1.)		0	0														**0**		
Of which enabling		0	0																
Of which transitional		0	0																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		0	0																
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0	0														0		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		**0**	**0**														**0**		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non eligible activities		400,121	100																
Total (A + B)*		**400,121**	**100**																

* This amount equals the total revenue as disclosed on p.88 in the JENSEN-GROUP Annual Report 2023.

Proportion of Capex from products or services associated with Taxonomy-aligned economic activities - disclosure covering FY 2023

				Substantial contribution criteria						DNSH criteria ("Does Not Signifcantly Harm")									
	Code(s)	Capex	Proportion of Capex 2023	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Capex, year 2022	Category enabling activity	Category transitional activity
Economic activities		KEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)		0	0																
Capex of environmentally sustainable activities (taxonomy-aligned) (A.1.)		0	0														**0**		
Of which enabling		0	0																
Of which transitional		0	0																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM/CCA 6.5	2,350	26	EL	EL	N/EL	N/EL	N/EL	N/EL								23		
Renovation of existing buildings	CCM/CCA 7.2 & CE 3.2	556	6	EL	EL	N/EL	EL	N/EL	N/EL								38		
Installation, maintenance and repair of energy efficiency equipment	CCM/CCA 7.3	65	1	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM/CCA 7.4	1	0	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
Acquisition and ownership of buildings	CCM/CCA 7.7	2,886	32	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		5,858	64	64	64	0	6	0	0								61		
Capex of Taxonomy-eligible activities (A.1 + A.2)		**5,858**	**64**	**64**	**64**	**0**	**6**	**0**	**0**								**61**		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non eligible activities		3,234	36																
Total (A + B)*		**9,092**	**100**																

* This amount equals the total CAPEX as disclosed on p.111 of the JENSEN-GROUP Annual Report 2023.

Proportion of Opex from products or services associated with Taxonomy-aligned economic activities - disclosure covering FY 2023

				Substantial contribution criteria						DNSH criteria ("Does Not Signifcantly Harm")									
	Code(s)	Opex	Proportion of Opex 2023	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) Opex, year 2022	Category enabling activity	Category transitional activity
Economic activities		KEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)		0	0																
Opex of environmentally sustainable activities (taxonomy-aligned) (A.1.)		0	0														**0**		
Of which enabling		0	0																
Of which transitional		0	0																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM/CC A 6.5	33	0.45	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		33	0.45	0	0												0		
Opex of Taxonomy-eligible activities (A.1 + A.2)		**33**	**0.45**	0	0												**0**		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non eligible activities		7,330	99.55																
Total (A + B)*		**7,363**	**100.00**																

* This amount equals OPEX of the JENSEN-GROUP for the following categories: R&D, short-term leases, as well as maintenance and repair excluding overheads. These costs are included in overall OPEX as disclosed on p.129 of the JENSEN-GROUP Annual Report 2023.

Standard templates for the disclosure referred to in Article 8(6) and (7)
The information referred to in Article 8(6) and (7) shall be presented as follows, for each applicable key performance indicator (KPI)

Template 1 Nuclear and fossil gas related activities		
	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

The JENSEN-GROUP has no main activity related to nuclear & fossil gas as stated in template 1 of the Gas and Nuclear disclosures. Therefore, only template 1 has been included in the present report.

Annex II

Conflict of Interest notices - excerpts from the minutes of the meetings of the Board of Directors held on March 9, 2023, March 29, 2023, April 3, 2023 and August 10, 2023

" On ***March 9, 2023****, at 3 p.m., the Board of Directors (hereinafter: "the Board") of JENSEN-GROUP NV (hereinafter: "the Company") holds a meeting at the offices of law firm Jones Day at Regentschapsstraat 4 in 1000 Brussels, Belgium.*

The following Directors are present:

- *YquitY bv, represented by Mr. Rudy Provoost*
- *SWID AG, represented by Mr. Jesper Munch Jensen*
- *TTP bv, represented by Mr. Erik Vanderhaegen*
- *Inge Buyse bv, represented by Mrs. Inge Buyse (by videoconference)*
- *Mr. Jobst Wagner (by videoconference)*
- *Cross Culture Research LLC, represented by Mrs. Anne Munch Jensen (by videoconference)*

The following invitees are attending:

- *Werner Vanderhaeghe bv, represented by Mr. Werner Vanderhaeghe, Esq. – Company Secretary*
- *Mr. Markus Schalch – Chief Financial Officer*
- *Mr. Paul Van Hooghten, Esq. – Of Counsel, Jones Day (Part 2)*
- *Mr. Filip Lozie - Partner, PwC (Part 2)*

Mr. Provoost presides as Chair. Mr. Vanderhaeghe acts as Secretary. The Chair points out that notice of the meeting was given by email of March 3, 2023, that all Directors are present, and that the meeting is validly constituted.

The Chair points to the extended agenda of the present meeting, which includes several items in connection with the approval of Project JIM that were previously outlined and explained to the Board at its special meeting held on March 3, 2023. The Chair also mentions that in addition to Messrs. Vanderhaeghe and Schalch, Messrs. Van Hooghten and Lozie will join the meeting for the discussion on the Project JIM items that are listed in Part 2 of the agenda. Upon acknowledging that no Director makes any objections, the Chair then proposes that the meeting consider the following items of business.

Part 1

Conflict of interest

The Chair informs the members of the Board that by letters dated March 3, 2023 and addressed to the Chair with a copy sent to the Company's statutory auditor, SWID AG and Cross Culture Research LLC gave notice of a conflict of interest in relation to the items on the agenda referred to as "Part 1 -Proposal for Dividend" and "Part 2 – Final approval of Project JIM", while Mr. Wagner gave notice, by similar letter dated March 3, 2023, of a conflict of interest in relation to the items "Part 1 - Proposal for Dividend and Proposal re-

election Directors" and "Part 2 – Final approval of Project JIM". After the mentioned letters are handed over to the Secretary for filing with the Board's records, Mrs. Jensen and Messrs. Jensen and Wagner confirm that they will abstain from the discussion and the vote relative to the items on the agenda in relation to which they have notified a conflict of interest. All other members of the Board then confirm that they have no conflict of interest in relation to any of the items on the agenda.

Following a brief review of the items on the agenda and of the various documents relative to these items that were sent to the members of the Board, the Chair moves for a decision on the items that require approval of the Board and after discussion, the Board proceeds as follows.

(…)

Report Board Committees – Review and approval proposal Nomination and Remuneration Committee of Remuneration Policy and Remuneration Report – Proposal delegation of powers – Proposal re-election Directors

(…)

The Chair then refers to his report earlier in the present meeting on the proceedings of the Nomination and Remuneration Committee and that Committee's proposals for the re-election and election of Directors. The Chair hereby first recalls for the members of the Board that the mandate of Mr. Wagner as a Director will expire at the Annual Shareholders' Meeting, that Mr. Wagner has expressed an intention to seek re-election and that the Nomination and Remuneration Committee has made a proposal for his re-election. The Chair confirms in this regard that under current law, the incumbent Director will maintain the qualification of non-independent. Following a brief discussion of the Nomination and Remuneration Committee's assessment of Mr. Wagner's credentials and track record on the Board and the Board Committees, the Chair moves for a decision and the Board adopts the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, with Mr. Jobst Wagner abstaining from the discussion and vote, to propose Mr. Jobst Wagner for re-election by the shareholders to the Board of Directors for a term of 4 years and with the qualification of non-executive, independent Director; resolves further to submit such proposal for approval by the shareholders at its Annual Meeting to be held on May 16, 2023."

(…)

Presentation and approval Financial Statements 2022 JENSEN-GROUP NV and Consolidated Accounts 2022 JENSEN-GROUP – Preparation and approval of Report to Shareholders – Preparation and approval of Corporate Governance Statement - Proposal for dividend

The Chair reviews with the Board the draft financial statements of the Company and the consolidated accounts of JENSEN-GROUP for the year ended as of December 31, 2022, the proposal for the Report to the Shareholders on the Company's and the JENSEN-GROUP's activities in the course of 2022, and the proposal for the payment of a dividend.

(...)

The Chair then recalls for the Board the discussion in the Audit and Risk Committee, as reported earlier in the present meeting, on the proposed dividend payout in view of, inter alia, the cash position of the Company. At the Chair's suggestion, the Board resolves to adopt the following resolution:

(…)

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to approve the proposal for the payment of a dividend to the Company's shareholders in the amount of 0.5O Euro per share, payable as of May 31, 2023."

(…)

<u>Part 2 – Final approval of Project JIM</u>

At this point during the meeting, the Chair refers to his statement at the outset regarding the final approval of Project Jim and, at the Chair's invitation, Messrs. Van Hooghten and Lozie join the meeting.

The Chair then proposes that the meeting proceeds and consider the following items of business:

<u>Conflict of interest</u>

The Chair recalls for the members of the Board his statement at the outset of the present meeting that by letters dated March 3, 2023 and addressed to the Chair with a copy sent to the Company's statutory auditor, SWID AG, Mr. Wagner and Cross Culture Research LLC gave notice of a conflict of interest in relation to the items on the agenda referred to as "Part 2 – Final approval of Project JIM". Mrs. Jensen and Messrs. Jensen and Wagner then confirm that they will abstain from the discussion and the vote relative to the Part 2 items on the agenda in relation to which they have notified a conflict of interest. All other members of the Board then confirm that they have no conflict of interest in relation to any of the Part 2 items on the present agenda.

<u>Approval of Project JIM in general and the Contribution Agreement and Joint Venture Agreement in particular - interest of the Company - discussion of the BDO Fairness Opinion</u>

(…)

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to approve Project JIM in general and the Contribution Agreement and Joint venture Agreement in particular; resolves further that the vision, strategy and valuation underlying this project as explained and outlined at the present meeting, is in the best interest of the Company."

<u>Instruct PwC to prepare the reports regarding the two capital increases</u>

The Chair refers to the presentations on Project JIM that were made earlier in the present meeting and moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to instruct PwC as the Company's statutory auditor to prepare the reports, as required by the Company and Associations Code, in connection with the purported capital increases by way of a contribution in kind and a contribution in cash respectively, as outlined to the Board at this meeting."

<u>Approval of final press release related to Project JIM – delegation of powers to amend press release as needed</u>

The Chair refers to the presentations on Project JIM earlier in the present meeting and moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to approve the press release related to Project JIM, as presented at the present meeting; resolves further that the Chairman and/or Mr. Erik Vanderhaegen, each acting separately, are authorized to amend such press release if and when such amendments are necessary and provided such amendments are not material."

<u>Suspension of the Share Buy-Back program - delegation of powers to instruct Bank Degroof after 5:30 PM (CET)</u>

The Chair refers to the presentations on Project JIM earlier in the meeting and moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to suspend the Share Buy-Back program, as proposed at the present meeting; resolves further that Mrs. Scarlet Janssens is authorized to instruct Bank Degroof to that effect after 5:30 p.m. (CET)."

Decision to cancel prior to the Closing of Project JIM all treasury shares held by the Company – delegation of powers and proxies

The Chair refers to the presentations on Project JIM earlier in the present meeting and moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to cancel prior to the closing of Project JIM, all treasury shares held by the Company; resolves further that the Chairman and/or Mr. Erik Vanderhaegen, each acting separately and with the power to subdelegate, are authorized to make any and all arrangements and/or sign any and all documents in that respect."

Convening of an extraordinary Board of Directors meeting on March 29, 2023 (or any other date in March 2023 which will be communicated to the Directors) to proceed with the cancellation of treasury shares (in the presence of notary Tim Carnewal - Berquin Notaries) - delegation of power to Mr. Erik Vanderhaegen to perform all acts in this regard.

The Chair refers to the presentations on Project JIM earlier in the present meeting and moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, and Mr. Jobst Wagner abstaining from the deliberation and vote, to call a special meeting on March 29, 2023 (or any other date in March which will be communicated to the directors) to proceed with the cancellation of the treasury shares held by the Company; resolves further that Mr. Erik Vanderhaegen is authorized to make any and all arrangements and/or sign any and all documents in that respect."

(…)

There being no further business to discuss, the meeting adjourns at 6.25 p.m."

"On **March 29, 2023**, at 9 a.m., the Board of Directors (hereinafter: "the Board") of JENSEN-GROUP NV (hereinafter: "the Company") holds a special meeting via videoconference by which all participants can see and hear one another.

The following Directors are present:

- *YquitY bv, represented by Mr. Rudy Provoost*
- *TTP bv, represented by Mr. Erik Vanderhaegen*

The following Directors are represented:

- *Mr. Jobst Wagner (by proxy to TTP bv, dated March 28, 2023)*
- *Inge Buyse bv, represented by Mrs. Inge Buyse (by proxy to TTP bv, dated March 28, 2023*

The following Directors are excused:

- *SWID AG, represented by Mr. Jesper Munch Jensen*
- *Cross Culture Research LLC, represented by Mrs. Anne Munch Jensen*

The following invitees are attending:

- *Werner Vanderhaeghe bv, represented by Mr. Werner Vanderhaeghe, Esq. – Company Secretary*
- *Mr. Markus Schalch – Chief Financial Officer*
- *Mr. Paul Van Hooghten, Esq. – Of Counsel, Jones Day*
- *Mr. Bruno Schroé, Esq. – Associate, Jones Day*

Mr. Provoost presides as Chair. Mr. Vanderhaeghe acts as Secretary. The Chair points out that notice of the meeting was given by email of March 27, 2023, that a quorum of four Directors is present or represented, and that the meeting is validly constituted.

The Chair points to the urgency of the present special meeting and to its agenda, which relates to the follow-up and implementation of the Project JIM transactions that were previously approved by the Board at its regular meeting held on March 9, 2023. The Chair also mentions that in addition to Messrs. Vanderhaeghe and Schalch, Messrs. Van Hooghten and Schroé are attending the meeting for the purposes of the discussion and decision on the Project JIM items that are listed on the agenda. Upon acknowledging that no Director makes any objections, the Chair then proposes that the meeting consider the following items of business.

Part 1: Project JIM

Conflict of interest

The Chair informs the members of the Board that by a letter dated March 28, 2023 and addressed to the Chair with a copy sent to the Company's statutory auditor, Mr. Wagner gave notice of a conflict of interest in relation to the item "Part 1 - Project JIM" on the agenda. The Chair requests the Company Secretary to file the letter with the Board's records and notes that Mr. Wagner has confirmed that he will abstain from the discussion and the vote relative to the conflicted item. All other members of the Board, present or represented, then confirm that they have no conflict of interest in relation to any of the items on the agenda.

Following a brief review of the agenda and of the various documents relative thereto that were sent to the members of the Board, the Chair moves for a decision on the items that require approval of the Board and after discussion, the Board proceeds as follows.

Approval of Addendum to the Contribution Agreement of Project JIM

At the invitation of the Chair, Mr. Van Hooghten (i) briefly explains for the members of the Board the issue of the cancellation of treasury shares that has arisen since the previous Board meeting on March 9, 2023, and (ii) outlines the provisions of the draft Addendum to the Contribution Agreement that was sent to the Board under separate cover on March 28, 2023. Upon acknowledgement by the Board that the draft Addendum is subject to further negotiation, the Chair then moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, with Mr. Jobst Wagner abstaining from the discussion and vote, to approve the draft Addendum to the Contribution Agreement dated 28/03/2023 as presented to the Board at this meeting."

<u>Approval of the draft reports of the Board of Directors on the contribution in kind and the contribution in cash</u>

At the request of the Chair, Messrs. Schalch and Van Hooghten present and comment on the valuation of the contribution in kind, the cash contribution, and the issuance of new shares by the Company as set forth in the draft reports of the Board dated March 27, 2023, that were sent with the notice of the present meeting. The Board reviews these draft reports and in closing the discussion on the outcome of the various calculations, the Chair moves to adopt the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, with Mr. Jobst Wagner abstaining from the discussion and vote, to approve the draft Report by the Board of Directors on a capital increase by contribution in kind and the draft Report by the Board of Directors on a capital increase by contribution in cash, both dated April 3, 2023, as presented at this meeting and as annexed to the minutes of this meeting; resolves further to approve (i) the contribution in kind valued at 42.526.026 Euro and the issuance of 1.181.279 new shares in consideration thereof, (ii) the contribution in cash fixed at 26.820.126 Euro and the issuance of 745.003 new shares in consideration thereof, and (iii) the issuance of a total of 1.926.282 new shares as result thereof."

<u>Authorization of Messrs. Rudy Provoost and Erik Vanderhaegen</u>

At the Chair's suggestion, the Board adopts the following resolution:

"Upon a motion duly made, the Board of Directors resolves unanimously, with Mr. Jobst Wagner abstaining from the discussion and vote, to authorize Messrs. Rudy Provoost and Erik Vanderhaegen to finalize the draft Reports of the Board of Directors on the contribution in kind and on the contribution in cash, to finalize the Addendum to the Contribution Agreement, to execute the final version of such documents on behalf of the Board of Directors and, in general, to perform any and all acts necessary and/or useful in connection with the Closing of Project JIM."

<u>Part II: Extraordinary General Shareholders' Meeting</u>

<u>Decision to cancel treasury shares</u>

The Chair refers to the discussion on item 2 of the agenda on the draft Addendum to the Contribution Agreement of Project JIM. The Chair then moves for a decision and the Board resolves as follows:

"Upon a motion duly made, the Board of Directors resolves unanimously, but with SWID AG as represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC as represented by Mrs. Anne Munch Jensen, who are excused, and Mr. Jobst Wagner abstaining from the deliberation and vote, and decides to annul all the treasury shares issued by the Issuer (113,873 shares) (the "Treasury Shares"), subject to obtaining an authorization from an extraordinary general meeting of shareholders of the Issuer provided for in the articles of association of the Issuer and without prejudice to the ability of the extraordinary general meeting of the Issuer itself to immediately decide to annul the treasury shares issued by the Issuer."

(…)

There being no further business to discuss, the meeting adjourns at 9.50 a.m."

*"On **April 3, 2023** an extra-ordinary board meeting took place regarding the capital increase by contribution In kind and the capital increase In cash:*

FREE TRANSLATION

As of today, April 3, 2023. At 1000 Brussels, Regentschapsstraat 4. Before Peter VAN MELKEBEKE, notary in Brussels (first canton), practicing in the company "BERQUIN NOTARISSEN", with its office at 1000 Brussels, Lloyd Georgelaan 11,

THE FOLLOWING HAS CONVENED:

the board of directors (the "Board of Directors") of the public limited company according to Belgian law "JENSEN-GROUP", whose registered office is located at 9230 Wetteren, Neerhonderd 33, registered in the legal entities register under number 0440.449.284, hereinafter referred to as the "Company".

(…)

PRELIMINARY STATEMENT REGARDING CONFLICT OF INTEREST

Declaration and explanation about the nature of the conflict of interest

Before the board of directors commenced, (i) Cross Culture Research LLC, represented by Mrs. JENSEN Anne Munch, (ii) SWID A.G., represented by Mr. JENSEN Jesper Munch, and (iii) Mr. WAGNER Jobst declared to the other directors that they might have a direct or indirect financial interest conflicting with the interest of the company due to the decisions that the board of directors needs to make regarding the agenda items.

The potential conflict of interest is related to the fact that they are, directly or indirectly, shareholders of the Company, and the proposed resolutions have a significant impact on the shareholding and capital of the Company. For this reason, these directors proposed to apply, where applicable, the procedure of article 7:96 of the Companies and Associations Code. The Company's auditor will be informed in accordance with article 7:96 of the Companies and Associations Code.

Description of the transaction, justification, and property rights consequences

As announced by the Company on March 9, 2023, JENSEN-GROUP NV and MIURA Co., LTD have reached an agreement on a Joint-Venture where JENSEN-GROUP NV will acquire 49% of the shares of Inax Corporation, a Japanese subsidiary of MIURA Co., LTD. MIURA Co., LTD will take a participation representing 20% of the voting rights in JENSEN-GROUP NV by contributing 49% of the shares of Inax Corporation and a subsequent capital increase in cash, both at a subscription price of EUR 36 per share. The current meeting of the board of directors is to decide on these capital increases within the allowed capital.

The participation of JENSEN-GROUP NV in Inax Corporation makes, among other things, the Japanese market much more accessible to the Company, and also strengthens the Company's position in Asia. The transaction thus fully fits the growth strategy of the Company, and the Company expects synergies from a better knowledge of Miura heat and water technology to further improve existing market capabilities.

The financial consequences consist of the company's equity being increased by a total amount of 69,346,152 euros, of which 7,570,288.26 euros will be booked as capital and 61,775,863.74 euros will be booked as issue premium. The total number of shares of the company will increase from 7,818,999 to 9,745,281. The 1,926,282 new shares were issued at an issue price of EUR 36.

Notification in the annual report and in the auditor's report

In accordance with article 7:96 of the Companies and Associations Code, notification of this potential conflict of interest will be made in the annual report of the Company and in the auditor's report of the Company regarding the annual accounts.

Cross Culture Research LLC, represented by Mrs. JENSEN Anne Munch, SWID A.G., represented by Mr. JENSEN Jesper Munch, and Mr. WAGNER Jobst do not participate in the deliberation or voting of this meeting. The deliberation and voting take place among the other directors.

COMPOSITION OF THE MEETING

The Board of Directors of the Company is composed of the following persons:

- *The private company "Inge Buyse", with its office at 9831 Sint-Martens-Latem, Pontstraat 88 and company number 0464.136.387, permanently represented by Mrs. BUYSE Inge Juliette Marcel, residing at 9831 Sint-Martens-Latem, Pontstraat 88.*
- *The private company "YQUITY", with its office at 3000 Leuven, Arnould Nobelstraat 40, box 202 and company number 0666.645.267, permanently represented by Mr. PROVOOST Rudy Serafien, residing at 3210 Linden, Slangenstraat 4.*
- *The private company "TTP", with its office at 1910 Kampenhout, Meerlaan 28 and company number 0883.135.411, permanently represented by Mr. VANDERHAEGEN Erik Desire Victorine, residing at 1910 Kampenhout, Meerlaan 28.*

Presence - Representation The director mentioned above under 3 is present.

The director mentioned above under 2 participates in the deliberation and decision-making of the board of directors via video conference. He verbally authorizes the director mentioned above under 3 to sign the deed on his behalf.

The director mentioned above under 1 is represented by the director mentioned above under 3 who acts in the capacity of special proxy holder pursuant to a private proxy attached to these minutes. (…)

Conflicts of Interest

The present or represented directors have declared they have no conflict of interest in the sense of article 7:96 and/or article 7:97 and/or article 7:200, 2° of the Companies and Associations Code concerning the transactions described in the agenda.

The other three (3) directors, who are not present or represented, do not participate in the deliberation or voting due to a potential conflict of interest, in accordance with article 7:96 of the Companies and Associations Code, as set out above.
(…) CLOSING OF THE MEETING The meeting is adjourned.

"*On* ***August 10, 2023****, at 12.05 p.m., the Board of Directors of JENSEN-GROUP NV (hereinafter the "Company") holds a meeting via videoconference by means of which all participants can see and hear one another.*

The following directors are present:

- *YquitY bv, represented by Mr. Rudy Provoost*
- *SWID AG, represented by Mr. Jesper Munch Jensen*
- *TTP bv, represented by Mr. Erik Vanderhaegen*
- *Mr. Jobst Wagner*
- *Cross Culture Research LLc, represented by Mrs. Anne Munch Jensen*
- *Acacia I bv, represented by Mrs. Els Verbraecken*
- *Mr. Daisuke Miyauchi.*

The following invitees are attending:

- *Werner Vanderhaeghe bv, represented by Werner Vanderhaeghe, Esq.*
- *Mr. Markus Schalch*
- *Mr. Martin Rauch (in part)*
- *Ms. Stefanie Roscam (in part).*

Mr. Provoost presides as Chair. Mr. Vanderhaeghe acts as Secretary. The Chair welcomes Mr. Miyauchi and Mrs. Verbraecken, the newly elected directors, to the meeting. The Chair further points out that notice of the meeting was given by email of August 4, 2023, that all directors are present and that the meeting is validly constituted. The Chair then suggests that the meeting consider the following items of business.

Conflict of interest

The Chair informs the members of the Board that by a letter dated August 3, 2023, and addressed to the Chair with a copy sent to the Company's statutory auditor, SWID AG, Cross Culture Research LLc and Messrs. Jobst Wagner and Daisuke Miyauchi gave notice of a conflict of interest in relation to item 10 "Share buy-back programme" on the agenda. The Chair requests the Company Secretary to file the letters with the Board's records and notes that Messrs. Jesper Jensen, Jobst Wagner and Daisuke Miyauchi and Mrs. Anne Jensen have confirmed that they will abstain from the discussion and the vote relative to the conflicted item. All other members of the Board, present or represented, then confirm that they have no conflict of interest in relation to any of the items on the agenda.
(…)

Share buy-back programme

At the request of the Chair, Mr. Schalch outlines for the Board and comments on BDO's valuation of the Company in connection with the proposal to resume the share buy-back program that the Board suspended at its meeting on March 29, 2023. The slide presentation by Mr. Schalch, the report on the subject by an ad hoc committee of independent directors dated August 3, 2023, and the Valuation Report by BDO dated July 2023 were sent to the members of the Board with the notice of the meeting.

The Board reviews in extenso the outcome of the valuation and the financial impact on JENSEN-GROUP and its bank covenants, the timing, the maximum number of shares, and the upper price limit of 41 Euros as suggested by management.

The Chair then moves to adopt the following resolution:

“Upon a motion duly made, the Board of Directors resolves unanimously but with SWID A.G., represented by Mr. Jesper Munch Jensen, Cross Culture Research LLC, represented by Mrs. Anne Munch Jensen, and Messrs. Jobst Wagner and Daisuke Miyauchi abstaining from the discussion and the vote to approve the resumption of the buy-back mandate own shares dated March 20, 2022 and to appoint an investment bank to whom the buy-back mandate will be granted, thereby respecting the price parameters and conditions as set forth in Article 11 of the Company’s by-laws and discussed at the meeting.”

(…)

There being no further business to discuss, the meeting was adjourned at 3.55 p.m."

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