

# NGA Human Resources Denmark ApS

Rådhuspladsen 16  
1550 København V  
Denmark

CVR no. 30 17 84 40

## **Annual report for the period 1 May – 31 December 2020**

The annual report was presented and approved at the  
Company's annual general meeting on

29 June 2021

Gerard Willem Lam  
Chairman

## **Contents**

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements 1 May – 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11

**NGA Human Resources Denmark ApS**  
Annual report 2020  
CVR no. 30 17 84 40

## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of NGA Human Resources Denmark ApS for the financial period 1 May – 31 December 2020.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial period 1 May – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 29 June 2021  
Executive Board:

---

Gerard Willem Lam

Board of Directors:

---

Gillian Tiffney Nolan

---

Katie Jaclyn Rooney

---

Gerard Willem Lam

## Independent auditor's report

### To the shareholder of NGA Human Resources Denmark ApS

#### Opinion

We have audited the financial statements of NGA Human Resources Denmark ApS for the financial period 1 May – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial period 1 May – 31 December 2020 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

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

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

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may



## Independent auditor's report

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 Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 29 June 2021

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Carsten Nielsen  
State Authorised  
Public Accountant  
mne30212

**NGA Human Resources Denmark ApS**  
Annual report 2020  
CVR no. 30 17 84 40

## Management's review

### Company details

NGA Human Resources Denmark ApS  
Rådhuspladsen 16  
DK-1550 København V  
Denmark

Telephone: +45 35 38 40 50  
E-mail: info.dk@northgearinso.com

CVR no.: 30 17 84 40  
Established: 29 December 2006  
Registered office: Copenhagen  
Financial period: 1 May – 31 December

### Board of Directors

Gillian Tiffney Nolan  
Katie Jaclyn Rooney  
Gerard Willem Lam

### Executive Board

Gerard Willem Lam

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 København Ø  
CVR no. 25 57 81 98

## **Management's review**

### **Operating review**

#### **Principal activities**

The principal activities of the Company consist of services for companies in connection with outsourcing of HR-related activities, consultancy, HR-related services, integration consulting, transition assignments and other HR-related processes by the use of IT technology for domestic as well as foreign companies.

#### **Financial review**

In the financial period of 2020, the Company realized a loss of DKK -22,407 thousand against a loss of DKK -21,077 thousand last year, and the balance sheet at 31 December 2020 shows a negative equity of DKK -71,579 thousand.

#### **Going Concern**

The Company has lost its share capital and the shareholder's equity is negative by DKK 71,579 thousand. Management expects to re-establish the share capital through future earnings, capital infusion or conversion of debt.

On 1 June 2021 the Northgate Information Solutions Limited issued a letter of support, committing itself to provide the necessary funding to ensure that NGA Human Resources Denmark ApS can fulfil their obligations to any third party as they fall due, at least until twelve months following the signature of the financial statements or until all liabilities or obligations towards the customer have been fulfilled. The board of Directors believes, based on the letter of support, that the Company will have sufficient liquidity to fund the Company's activities for at least the next 12 months from signing the financial statement.

#### **Events after the balance sheet date**

There have been no subsequent events materially affecting the evaluation of the annual report.

## Financial statements 1 May – 31 December

### Income statement

DKK	Note	1/5 2020- 31/12 2020	1/5 2019- 30/4 2020
<b>Gross loss</b>		-19,975,075	-16,532,709
Staff costs	3	-1,515,279	-2,468,505
Depreciation, amortisation and impairment losses	3	-64,239	-225,727
<b>Loss before financial income and expenses</b>		-21,554,593	-19,226,941
Financial income		1,143,879	893,379
Financial expenses	4	-1,996,115	-2,743,168
<b>Loss before tax</b>		-22,406,829	-21,076,730
Tax on loss for the year		0	0
<b>Loss for the year</b>		-22,406,829	-21,076,730
<b>Proposed distribution of loss</b>			
Retained earnings		-22,406,829	-21,076,730
		-22,406,829	-21,076,730



## Financial statements 1 May – 31 December

### Balance sheet

DKK	Note	31/12 2020	30/4 2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
Land and buildings		0	427,015
Fixtures and fittings, tools and equipment		58,386	69,249
		<u>58,386</u>	<u>496,264</u>
<b>Investments</b>			
Trade receivables		3,623,064	3,623,064
Prepayments		16,739,967	26,509,343
		<u>20,363,031</u>	<u>30,132,407</u>
<b>Total fixed assets</b>		<u>20,421,417</u>	<u>30,628,671</u>
<b>Current assets</b>			
<b>Receivables</b>			
Trade receivables		662,754	1,250,166
Receivables from group entities		21,431,773	6,712,930
Other receivables		188,694	221,414
Prepayments		1,729,303	16,390,889
		<u>24,012,524</u>	<u>24,575,399</u>
<b>Cash at bank and in hand</b>		<u>1,003,968</u>	<u>1,108,462</u>
<b>Total current assets</b>		<u>25,016,492</u>	<u>25,683,861</u>
<b>TOTAL ASSETS</b>		<u>45,437,909</u>	<u>56,312,532</u>

## Financial statements 1 May – 31 December

### Balance sheet

DKK	Note	31/12 2020	30/4 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		500,000	500,000
Retained earnings		-72,079,173	-49,672,344
<b>Total equity</b>		<u>-71,579,173</u>	<u>-49,172,344</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease obligations		0	213,396
Other payables		3,335,327	3,820,489
Deferred income		10,384,528	7,791,080
		<u>13,719,855</u>	<u>11,824,965</u>
<b>Current liabilities</b>			
Lease obligations		0	222,007
Trade payables		991,950	224,341
Payables to group entities		94,186,072	79,245,260
Other payables		6,334,346	6,741,283
Deferred income		1,784,859	7,227,020
		<u>103,297,227</u>	<u>93,659,911</u>
<b>Total liabilities</b>		<u>117,017,082</u>	<u>105,484,876</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>45,437,909</u>	<u>56,312,532</u>
<b>Going concern</b>	2		
<b>Contractual obligations, contingencies, etc.</b>	6		
<b>Related party disclosures</b>	7		

## Financial statements 1 May – 31 December

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 May 2020	500,000	-49,672,344	-49,172,344
Transferred over the distribution of loss	0	-22,406,829	-22,406,829
<b>Equity at 31 December 2020</b>	<b>500,000</b>	<b>-72,079,173</b>	<b>-71,579,173</b>

## Financial statements 1 May – 31 December

### Notes

#### 1 Accounting policies

The annual report of NGA Human Resources Denmark ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Changes in the financial year

The financial year was changed from May 1 to April 30, to January 1 to December 31, this year's figures, therefore, include 8 months, while last year's figures include only 12 months

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Gross loss

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

#### Revenue

Income from the sale of services, which comprises service contracts, is recognised in revenue on a straight-line basis when delivered as the services are delivered in the form of an indefinable number of actions over a specific period of time, in accordance with revenue recognition method of IFRS 15.

#### Operating costs

Operating costs comprise costs incurred during the year for subcontractors.

#### Other external costs

Other external costs comprise costs related to sales, sales campaigns, administration, office premises, etc.

## Financial statements 1 May – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

##### Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of property, plant and equipment.

##### Financial income and expenses

Financial income and expenses are included in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest, realised and unrealised gains and losses on transactions denominated in foreign currencies.

##### Tax on loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

### Balance sheet

#### Property, plant and equipment

Land and buildings and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

The depreciable amount, which is calculated as cost less any projected residual values after the end of the useful life, is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	7 years
Fixtures and fittings, tools and equipment	3-5 years

Land is not depreciated.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

## Financial statements 1 May – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When the net present value is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other fixed assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

##### Investments

Trade receivables and prepayments are recognised at amortised cost.

##### Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired.

Receivables comprise receivables of income incurred relating to subsequent financial years.

##### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

##### Cash at bank and in hand

Cash comprises bank deposits.

## Financial statements 1 May – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Liabilities

Payables are measured at amortised cost, equivalent to nominal value.

##### Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

## Financial statements 1 May – 31 December

### Notes

#### 2 Going concern

The Company has lost its share capital and the shareholder's equity is negative by DKK 71,579 thousand. Management expects to re-establish the share capital through future earnings, capital infusion or conversion of debt.

On 1 June 2021 the Northgate Information Solutions Limited issued a letter of support, committing itself to provide the necessary funding to ensure that NGA Human Resources Denmark ApS can fulfil their obligations to any third party as they fall due, at least until twelve months following the signature of the financial statements or until all liabilities or obligations towards the customer have been fulfilled. The board of Directors believes, based on the letter of support, that the Company will have sufficient liquidity to fund the Company's activities for at least the next 12 months from signing the financial statement.

DKK	<u>1/5 2020- 31/12 2020</u>	<u>1/5 2019- 30/4 2020</u>
-----	---------------------------------	--------------------------------

#### 3 Staff costs

Wages and salaries	1,399,054	2,301,384
Pensions	99,290	110,909
Other social security costs	16,685	32,428
Other staff costs	<u>250</u>	<u>23,784</u>
	<u>1,515,279</u>	<u>2,468,505</u>

Average number of full-time employees	<u>5</u>	<u>4</u>
---------------------------------------	----------	----------

#### 4 Financial expenses

Interest expense to group entities	1,326,546	1,283,869
Other financial costs	19,677	45,864
Exchange losses	<u>649,892</u>	<u>1,413,435</u>
	<u>1,996,115</u>	<u>2,743,168</u>

#### 5 Property, plant and equipment

DKK	<u>Land and buildings</u>	<u>Fixtures and fittings, tools and equipment</u>
Cost at 1 May 2020	640,522	81,469
Disposals for the year	<u>-640,522</u>	<u>0</u>
Cost at 31 December 2020	<u>0</u>	<u>81,469</u>
Depreciation and impairment losses at 1 May 2020	-213,507	-12,220
Depreciation for the year	-53,376	-10,863
Reversed depreciation and impairment losses on assets sold	<u>266,883</u>	<u>0</u>
Depreciation and impairment losses at 31 December 2020	<u>0</u>	<u>-23,083</u>
<b>Carrying amount at 31 December 2020</b>	<u>0</u>	<u>58,386</u>



## **Financial statements 1 May – 31 December**

### **Notes**

#### **6 Contractual obligations, contingencies, etc.**

##### **Contingent liabilities**

Inline with accounting policies the Company has not recognised a deferred tax asset of DKK 18,746 thousand, as it is not expected to be utilised within a foreseeable future. The deferred asset is calculated at a tax rate of 22% primarily consisting of tax loss carryforwards. At the time of the financial reporting, there is uncertainty as to whether the deferred tax asset can be utilised as a set-off against tax on future income.

#### **7 Related party disclosures**

##### **Consolidated financial statements**

NGA Human Resources Denmark ApS is part of the consolidated financial statements of Tempo Holding Company LLC Inc., with registered office at 345 Park Avenue, New York, NY 10154, United States of America, which is the largest group, in which the Company is included as a subsidiary.