

Hays Specialist Recruitment (Denmark) A/S

Central Business Registration No. 30908848

Kongens Nytorv 8

1050 Copenhagen

Denmark

ANNUAL REPORT 2021/2022

The Annual General Meeting adopted the annual report on 21. October 2022

Chairman of the General Meeting



Name: **Christoph Niewerth**

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Entity details

Entity

Hays Specialist Recruitment (Denmark) A/S

Kongens Nytorv 8

1050 Copenhagen K

Central Business Registration No.: 30908848

Registered in: Copenhagen

Financial Year: 01.07.2021 – 30.06.2022

Board of Directors

Christoph Niewerth (Chairman)

Dirk Meinhard Hahn

James Hilton

Executive Board

Dirk Meinhard Hahn

Vibe Ulla Holm Puggaard

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

DK-2900 Hellerup

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Hays Specialist Recruitment (Denmark) A/S for the financial year 1 July 2021 - 30 June 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 30 June 2022 of the Company and of the results of the Company operations for the financial year 1 July 2021 - 30 June 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 21. October 2022

Executive Board



Dirk Meinhard Hahn



Vibe Ulla Holm Puggaard

Supervisory Board



Christoph Niewerth
Chairman



James Hilton



Dirk Meinhard Hahn

The Independent Practitioner's Report

To the Shareholder of Hays Specialist Recruitment (Denmark) A/S

Conclusion

We have performed an extended review of the Financial Statements of Hays Specialist Recruitment (Denmark) A/S for the financial year 1 July 2021 - 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity, and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company operations for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 as 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.

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, 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 in Management's Review.

Hellerup, 21. October 2022
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 77 12 31



Jesper Bo Winther

State Authorised Public Accountant
mne26864



Thomas Lauritsen

State Authorised Public Accountant
mne34342

Management's Review

Primary activities

The primary activity of Hays specialist Recruitment (Denmark) A/S is the recruitment of specialists for permanent positions and for temporary assignments as subcontractors (contracting).

Development in activities and finances

Hays Specialist Recruitment (Denmark) A/S has been operating in Denmark for 15 years now. The organizational structure is set up to serve client's requirements in dedicated skill areas (specialisms) and contract types (Permanent Recruiting and Contracting).

The year of 2021/2022 was still slightly influenced by COVID-19, however in spite of this Denmark successfully managed to still grow the business further. We managed to reach a Gross Profit result of DKK 23.406.362 (prior year: DKK 11.040.060) and Operating Profit of DKK 4.847.907 (prior year loss of: DKK 1.193.797).

We have managed to grow our HC from 17 FTE's to 26 without counting interns and student helpers.

The aim for 2022/2023 is to further strengthen our position in the Danish recruiting market, continuing to invest in people and at the same time stabilizing our profit level.

Events after balance sheet date

No events have occurred after the balance sheet date to this date which influence the evaluation of this annual report.

Hays Specialist Recruitment (Denmark) A/S

Income Statement for 2021/2022	<i>Notes</i>	2021/22	2020/21
		DKK	DKK
Gross profit		23.406.362	11.040.060
Staff costs	1	-18.456.498	-12.106.351
Depreciation and impairment losses	2	-101.957	-127.506
Operating profit / loss		4.847.907	-1.193.797
Financial Expenses	3	-159.995	-120.060
Profit / Loss before tax		4.687.912	-1.313.857
Tax on profit / loss for the year		0	0
Profit / Loss for the year		4.687.912	-1.313.857
Proposed distribution of profit / loss			
Retained earnings		4.687.912	-1.313.857
		4.687.912	-1.313.857

Hays Specialist Recruitment (Denmark) A/S

Balance Sheet 30 June 2022	<i>Notes</i>	2021/22	2020/21
		DKK	DKK
Assets			
Acquired intangible assets	4	963	2.118
Intangible assets		963	2.118
Other fixtures, and fittings, tools and equipment	5	404.519	134.382
Property, plant and equipment		404.519	134.382
Fixed Assets		405.483	136.500
Current Receivables			
Trade receivables		21.473.846	15.269.943
Other short-term receivables		1.132.728	926.430
Prepayments		118.061	90.191
Current Receivables		22.724.635	16.286.564
Cash		9.340.212	8.159.620
Current Assets		32.064.847	24.446.184
Assets		32.470.329	24.582.684

Hays Specialist Recruitment (Denmark) A/S

Balance Sheet 30 June 2022

Notes

2021/22

2020/21

DKK

DKK

Liabilities

Equity

Contributed Capital

1.004.000

1.004.000

Retained Earnings

3.699.843

-968.070

Equity

4.703.843

15.930

Current Liabilities

Trade payables

5.867.758

5.204.357

Payables to group enterprises

15.415.889

12.486.411

Other payables

6.482.839

6.875.986

Current liabilities other than provisions

27.766.486

24.566.754

Liabilities other than provisions

27.766.486

24.566.754

Equity and liabilities

32.470.329

24.582.684

Contingent assets, liabilities and other financial obligations

6

Related parties

7

Accounting policies

8

Statement of changes in equity for 2021/2022

	Contributed Capital DKK	Retained Earnings DKK	Total DKK
Equity beginning of year	1.004.000	-988.070	15.930
Profit for the year	0	4.687.912	4.687.912
Equity end of year	1.004.000	3.699.842	4.703.842

Notes to the Financial Statements

	2021/22	2020/21
	DKK	DKK
1. Staff Costs		
Wages and salaries	16.247.952	10.612.970
Pension costs	1.309.222	914.199
Other social security costs	646.809	453.521
Other staff costs	252.516	125.660
	18.456.498	12.106.351

Average number of employees 30 June 2022: 29 (30 June 2021: 21)

	2021/22	2020/21
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	1.155	1.155
Depreciation of property, plant and equipment	100.802	126.351
	101.957	127.506

	2021/22	2020/21
	DKK	DKK
3. Financial expenses		
Financial expenses from group enterprises	94.053	73.030
Exchange rate adjustments	38.401	47.029
Financial expenses	27.541	0
	159.995	120.060

Notes to the Financial Statements

	2021/22
	Intangible assets
	DKK
4. Intangible assets	
Cost beginning of the year	280.103
Additions	0
Cost end of year	280.103
Amortisation an impairment losses beginning of year	-277.985
Amortisation of the year	-1.155
Amortisation an impairment losses beginning of year	-279.140
Carrying amount end of year	963
	2021/22
	Other fixtures and fittings, tools and equipment
	DKK
5. Property, plant and equipment	
Cost beginning of the year	1.551.658
Additions	370.938
Cost end of year	1.922.596
Depreciation and impairment losses beginning of year	-1.417.275
Depreciation of the year	-100.802
Depreciation and impairment losses end of year	-1.518.077
Carrying amount end of year	404.519

Notes to the Financial Statements

6. Contingent assets, liabilities and other financial obligations

The company has entered into rental agreements. The commitment in the termination period amounts to DKK 3.761k (30 June 2021: DKK 993k).

The entity has unrecognized deferred tax assets of approximately DKK 3,8 million.

7. Related parties

Name and registered office of the parent preparing consolidated financial statements for the group:

Hays plc.
4th floor Central Wing,
250 Euston Road, London NW1 2AF
United Kingdom

Notes to the Financial Statements

8. Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises, as well as selected rules applying to reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

The Financial Statements are presented in DKK.

Recognition and Measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the income statement.

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the entity and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the entity and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to the initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses.

Notes to the Financial Statements

8. Accounting policies (continued)

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called Gross Profit or Loss in accordance with section 32 of the Danish Financial Statements Act.

Revenue

Revenue from sale of services is recognized in the income statement when delivery is made to the buyer. Revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the company. Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs etc. This item also includes write-downs of receivables recognized in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions etc. for entity staff.

Notes to the Financial Statements

8. Accounting policies (continued)

Depreciation and impairment losses

Depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortization, depreciation and impairment losses for the financial year, calculated based on the residual values and useful lives of the individual assets and impairment testing.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortization of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognized in the income statement, whereas the portion that relates to transactions taken to equity is recognized in the equity.

Balance Sheet

Intangible Assets

Intangible assets comprise only acquired software for internal use.

Intangible assets are measured at cost less accumulated amortization and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the intangible asset until the time when it is ready to be put into operation.

The basis of amortization is cost less estimated residual value after the end of useful life. Straight-line amortization is made on the basis of the following estimated useful lives of the assets:

Intangible assets	5 years
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Intangible assets are written down to the lower of recoverable amount and carrying amount.

Notes to the Financial Statements

8. Accounting policies (continued)

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Depreciation period and residual value are reassessed annually.

Receivables

Receivables are measured at amortized cost, usually equaling nominal values less write-downs for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Notes to the Financial Statements

8. Accounting policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes based on the intended use of asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured based on the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallize as current tax. Any changes in deferred tax due to changes to tax rates are recognized in the income statement or in equity if the deferred tax relates to items recognized in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognized in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on account taxation scheme are recognized in the income statement in financial income and expenses.

Financial liabilities

Financial liabilities are measured at amortized cost which usually corresponds to nominal value.

Operating leases

Lease payments on operating leases are recognized on a straight-line basis in the income statement over the term of lease.