

# Jones Engineering Group Denmark ApS

c/o KPMG Acor Tax  
Tuborg Havnevej 18, 5.  
2900 Hellerup  
Denmark

CVR no. 38 30 62 78

## **Annual report 2021**

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

29 June 2022

John Henry King  
Chairman of the annual general meeting

## **Contents**

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Financial highlights	6
Operating review	7
Financial statements 1 January – 31 December	8
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Cash flow statement	12
Notes	13

**Jones Engineering Group Denmark ApS**  
Annual report 2021  
CVR no. 38 30 62 78

## **Statement by the Executive Board**

The Executive Board has today discussed and approved the annual report of Jones Engineering Group Denmark ApS for the financial year 1 January – 31 December 2021.

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 2021 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Gentofte, 29 June 2022  
Executive Board:

---

John Henry King

---

James Eugene Curley



## Independent auditor's report

### To the shareholder of Jones Engineering Group Denmark ApS

#### Opinion

We have audited the financial statements of Jones Engineering Group Denmark ApS for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity, cash flow statement 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 2021 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2021 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' 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 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

## Independent auditor's report

- 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 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.

København, 29 June 2022

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Christian Engelbrecht Friis  
State Authorised  
Public Accountant  
mne44180

**Jones Engineering Group Denmark ApS**  
Annual report 2021  
CVR no. 38 30 62 78

## Management's review

### Company details

Jones Engineering Group Denmark ApS  
Tuborg Havnevej 18, 5.  
2900 Hellerup  
Denmark

CVR no.:	38 30 62 78
Established:	23 December 2016
Registered office:	Gentofte
Financial year:	1 January – 31 December

### Executive Board

John Henry King  
James Eugene Curley

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfaergevej 28  
DK-2100 Copenhagen  
CVR no. 25 57 81 98

## Management's review

### Financial highlights

DKK	2021	2020	2019	2018	2017
<b>Key figures</b>					
Revenue	163,404,039	228,335,638	71,869,774	87,084,377	24,016,423
Gross profit/loss	15,282,201	12,674,572	5,721,339	6,036,147	1,631,550
Profit/loss from financial income and expenses	-571,217	-456,681	-153,310	-105,400	-16,014
Profit/loss for the year	3,220,928	4,786,407	2,470,577	3,248,530	736,875
<b>Balance sheet</b>					
Total assets	71,487,363	59,574,437	53,298,123	22,969,362	20,496,136
Equity	14,513,317	11,292,389	6,505,982	4,035,405	786,875
Investment in property, plant and equipment	0	42,858	120,000	128,236	0
<b>Ratios</b>					
Return on invested capital	0.43%	0.86%	0.49%	0.98%	3.31%
Current ratio	121.07%	120.40%	111.52%	119.17%	102.95%
Return on equity	24.96%	53.78%	46.87%	134.73%	187.29%
<b>Other</b>					
Average number of full- time employees	14	9	3	3	4

The financial ratios have been calculated as follows:

Return on invested capital  $\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$

Current ratio  $\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$

Return on equity  $\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$

## **Management's review**

### **Operating review**

#### **Principal activities**

Jones Engineering Group Denmark ApS ("JEG Denmark") main activities are mechanical and electrical engineering services. JEG Denmark work on large hyperscale data centre projects and pharmaceutical projects in Denmark for large international blue-chip clients.

#### **Development in activities and financial position**

.2021 was a strong year for JEG Denmark and growth is expected to continue in 2022 as we have a number of large projects and a new pharmaceutical project which commenced at the start of 2021. We expect turnover and profits in 2022 to be ahead of 2021.

#### ***Profit/loss for the year (including comparison with forecasts previously announced)***

The Company's income statement for 2021 shows a profit of DKK 3,220,928 as against DKK 4,786,407 in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 14,513,317 as against DKK 11,292,389 at 31 December 2020.

Operating Profit before tax of DKK 4.2m which is line with our forecast for the year.

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

On the 3rd June 2022 it was announced that the Jones Group was to be acquired by Cathexis, a US based investment company. The acquisition by Cathexis is subject to regulatory approval and is likely to take 3-6 months to complete and close. The Cathexis Group is a large successful US based Group which has growing interests in Europe.

No other events materially affecting the assessment of the annual report have occurred after the balance sheet date.



## Financial statements 1 January – 31 December

### Income statement

DKK	Note	2021	2020
<b>Gross profit</b>		15,282,201	12,674,572
Staff costs	2	-10,503,273	-6,013,719
Depreciation, amortisation and impairment losses		<u>-47,960</u>	<u>-47,960</u>
<b>Profit before financial income and expenses</b>		4,730,968	6,612,893
Other financial expenses		<u>-571,217</u>	<u>-456,681</u>
<b>Profit before tax</b>		4,159,751	6,156,212
Tax on profit for the year	3	<u>-938,823</u>	<u>-1,369,805</u>
<b>Profit for the year</b>	4	<u><u>3,220,928</u></u>	<u><u>4,786,407</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2021	31/12 2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>	5		
Fixtures and fittings, tools and equipment		<u>119,880</u>	<u>167,840</u>
<b>Investments</b>	6		
Deposits		<u>2,388,247</u>	<u>1,279,027</u>
<b>Total fixed assets</b>		<u>2,508,127</u>	<u>1,446,867</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		<u>67,511,726</u>	<u>54,651,708</u>
<b>Cash at bank and in hand</b>		<u>1,467,510</u>	<u>3,475,862</u>
<b>Total current assets</b>		<u>68,979,236</u>	<u>58,127,570</u>
<b>TOTAL ASSETS</b>		<u><u>71,487,363</u></u>	<u><u>59,574,437</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2021	31/12 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital	7	50,000	50,000
Retained earnings		14,463,317	11,242,389
<b>Total equity</b>		<u>14,513,317</u>	<u>11,292,389</u>
<b>Provisions</b>			
Provisions for deferred tax	8	1,006	3,101
<b>Total provisions</b>		<u>1,006</u>	<u>3,101</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		34,120,639	16,621,034
Payables to group entities		16,469,383	25,790,693
Corporation tax		637,013	1,087,082
Other payables		5,746,005	4,630,512
Deferred income	9	0	149,626
		<u>56,973,040</u>	<u>48,278,947</u>
<b>Total liabilities other than provisions</b>		<u>56,973,040</u>	<u>48,278,947</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>71,487,363</u></u>	<u><u>59,574,437</u></u>
<b>Contractual obligations, contingencies, etc.</b>	10		
<b>Related party disclosures</b>	11		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	50,000	11,242,389	11,292,389
Transferred over the profit appropriation	<u>0</u>	<u>3,220,928</u>	<u>3,220,928</u>
<b>Equity at 31 December 2021</b>	<u><u>50,000</u></u>	<u><u>14,463,317</u></u>	<u><u>14,513,317</u></u>

## Financial statements 1 January – 31 December

### Cash flow statement

DKK	Note	2021
Profit for the year		3,220,928
Depreciation, amortisation and impairment losses		47,960
Other adjustments		<u>-1,455,136</u>
<b>Cash flows from operations before changes in working capital</b>		1,813,752
Changes in working capital		-4,222,924
Changes in other receivables		<u>-1,109,220</u>
Cash flow from operating activities		-3,518,392
Interest expense		571,217
Corporation tax paid		<u>938,823</u>
<b>Cash flow from operating activities</b>		<u>-2,008,352</u>
		-2,008,352
<b>Cash flows for the year</b>		<u>3,475,862</u>
Cash and cash equivalents at the beginning of the year		1,467,510
<b>Cash and cash equivalents at year end</b>		<u><u>1,467,510</u></u>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Jones Engineering Group Denmark ApS for 2021 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

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

#### Change in accounting class

The annual report of Jones Engineering Group Denmark ApS for 2021 has been prepared in accordance with the provisions applying to reporting class C medium-sized under the Danish Financial Statements Act. The transition compared to the previous financial year from the provisions applying to reporting class B entities under the Danish Financial Statements Act has not resulted in changes to recognition and measurement.

#### 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 profit

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

#### Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company, the revenue can be reliably measured and when the risk has passed to the buyer.

Services based on time spent are recognised in revenue as the work is performed.

#### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year.

#### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Staff costs

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

##### Financial expenses

Financial expenses comprise interest expense, losses on payables and transactions denominated in foreign currencies, and liabilities as well as surcharges under the on-account tax scheme, etc.

##### Tax on profit 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 profit 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

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.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	5 years
--	---------

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.

#### Investments

Deposits are measured at cost.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Impairment of fixed assets

The carrying amount of intangible assets and 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. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

##### 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.



## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

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 other than provisions

Liabilities other than provisions are measured at amortised cost.

#### Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

### Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

#### Cash flows from operating activities

Cash flows from operating activities are calculated as the Company's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

#### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

#### Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

## Financial statements 1 January – 31 December

### Notes

DKK	<u>2021</u>	<u>2020</u>
<b>2 Staff costs</b>		
Wages and salaries	10,406,512	5,936,234
Pensions	15,691	27,801
Other social security costs	<u>81,070</u>	<u>49,684</u>
	<u>10,503,273</u>	<u>6,013,719</u>
Average number of full-time employees	<u>14</u>	<u>9</u>
Staff costs of the Group and the Parent Company include remuneration of the Parent Company's Executive Board, DKK 0 thousand (2020: DKK 0 thousand), pensions, DKK 0 thousand (2020: DKK 0 thousand), and remuneration of the Parent Company's Board of Directors, DKK 0 thousand (2020: DKK 0 thousand).		
<b>3 Tax on profit for the year</b>		
Current tax for the year	940,918	1,369,082
Deferred tax for the year	-2,095	723
Adjustment of tax concerning previous years	<u>0</u>	<u>0</u>
	<u>938,823</u>	<u>1,369,805</u>
<b>4 Proposed profit appropriation</b>		
Retained earnings	<u>3,220,928</u>	<u>4,786,407</u>
	<u>3,220,928</u>	<u>4,786,407</u>
<b>5 Property, plant and equipment</b>		
DKK		<u>Fixtures and fittings, tools and equipment</u>
Cost at 1 January 2021		<u>291,094</u>
Cost at 31 December 2021		<u>291,094</u>
Depreciation and impairment losses at 1 January 2021		<u>-123,254</u>
Depreciation for the year		<u>-47,960</u>
Depreciation and impairment losses at 31 December 2021		<u>-171,214</u>
<b>Carrying amount at 31 December 2021</b>		<u>119,880</u>

## Financial statements 1 January – 31 December

### Notes

#### 6 Investments

DKK	<u>Deposits</u>
Cost at 1 January 2021	1,279,027
Additions for the year	<u>1,109,220</u>
Cost at 31 December 2021	2,388,247
<b>Carrying amount at 31 December 2021</b>	<b><u><u>2,388,247</u></u></b>

#### 7 Equity

The share capital consists of 50,000 shares of a nominal value of DKK 1.

No shares carry any special rights.

DKK	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>8 Deferred tax assets</b>		
Deferred tax at 1 January	3,101	2,378
Deferred tax for the year	<u>-2,095</u>	<u>723</u>
	<u><u>1,006</u></u>	<u><u>3,101</u></u>
<b>9 Deferred income</b>		
Deferred income	<u>0</u>	<u>149,626</u>
	<u><u>0</u></u>	<u><u>149,626</u></u>

#### 10 Contractual obligations, contingencies, etc.

##### Contingent liabilities

Jones Engineering Denmark ApS has entered into rental agreement with an obligation of DKK 9.114 thousand.

## Financial statements 1 January – 31 December

### Notes

#### 11 Related party disclosures

Jones Engineering Group Denmark ApS related parties comprise the following:

##### Control

H.A. O'Neil Ltd., Mespil Court, Mespil Road, Dublin 4, D04 E516, Ireland.

H.A. O'Neil Ltd. holds the majority of the contributed capital in the Company.

Jones Engineering Group Denmark ApS is part of the consolidated financial statements of Jones Engineering Holdings Ltd., Jones Engineering House, 83 Pembroke Road, Dublin 4, Ireland, and the consolidated financial statements of Jones Engineering Holdings International Ltd., Jones Engineering House, 83 Pembroke Road, Dublin 4, Ireland, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Jones Engineering Holdings Ltd. and the consolidated financial statements of Jones Engineering Holdings International Ltd. can be obtained by contacting the companies at the addresses above.

##### Related party transactions

DKK	<u>2021</u>
Sales to Patrick Lynch Ltd.	146,234,169
Sales to H.A. O'Neil Ltd.	17,169,870
Sale of goods to group entities	-11,315,873
Purchase of goods from group entities	-4,528,174
<b>Total</b>	<b><u><u>147,559,992</u></u></b>

The Company's Executive Board has not earned remuneration for the duties for the Danish entity.

Receivables and payables to group entities are disclosed in the balance sheet.