

Jones Engineering Group Denmark ApS (Under tvangsopløsning)

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

CVR no. 38 30 62 78

Annual report 2022

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

25 August 2023

Barry Gatenby

Chairman of the annual general meeting

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Jones Engineering Group Denmark ApS (Under tvangsopløsning) for the financial year 1 January – 31 December 2022.

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 2022 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2022.

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, 25 August 2023
Executive Board:

Stephen McCabe

Barry Gatenby



Independent auditor's report

To the shareholder of Jones Engineering Group Denmark ApS (Under tvangsopløsning)

Independent auditor's report on the financial statements

Opinion

We have audited the financial statements of Jones Engineering Group Denmark ApS (Under tvangsopløsning) for the financial year 1 January – 31 December 2022 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 2022 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2022 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 financial statement 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.

Report on other legal and regulatory requirements

Non-compliance with the Danish Financial Statements Act

The Company failed to file its annual report for 2022 with the Danish Business Authority within the filing deadline laid down by the Danish Financial Statements Act. The Company's Management may incur liability for this respect.



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Independent auditor's report

Non-compliance with VAT legislation

In violation of Danish VAT legislation, the Company failed to fully comply with the filing deadlines for VAT returns with the Danish tax authorities during the year. The Company's Management may incur liability in this respect.

Aarhus, 25 August 2023

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Katrine Gybel
State Authorised
Public Accountant
mne45848

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Management's review

Company details

Jones Engineering Group Denmark ApS (Under tvangsopløsning)
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

Stephen McCabe
Barry Gatenby

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42
8000 Aarhus C
Denmark
CVR no. 25 57 81 98

Management's review

Financial highlights

DKK	2022	2021	2020	2019	2018
Key figures					
Revenue	635,475,909	163,404,039	228,335,638	71,869,774	87,084,377
Gross profit/loss	46,746,940	15,282,201	12,674,572	5,721,339	6,036,147
Loss from financial income and expenses	-1,870,095	-571,217	-456,681	-153,310	-105,400
Profit for the year	21,278,132	3,220,928	4,786,407	2,470,577	3,248,530
Balance sheet					
Total assets	214,942,396	71,487,363	59,574,437	53,298,123	22,969,362
Equity	35,791,449	14,513,317	11,292,389	6,505,982	4,035,405
Investment in property, plant and equipment	0	0	42,858	120,000	128,236
Ratios					
Return on invested capital	0.20%	0.43%	0.86%	0.49%	0.98%
Current ratio	118.13%	121.07%	120.40%	111.52%	119.17%
Return on equity	84.60%	24.96%	53.78%	46.87%	134.73%
Other figures					
Average number of full- time employees	21	14	9	3	3

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") principal activities are mechanical and electrical engineering services. JEG Denmark works on large hyperscale data centre projects and pharmaceutical projects in Denmark for large international blue-chip clients.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 21,278,132 as against DKK 3,220,928 in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 35,791,449 as against DKK 14,513,317 at 31 December 2021.

Results for 2022 are in line with expectations.

Outlook

The outlook for 2023 is favourable. While our Odense project is winding down, our Fuji project has some extra additional work that was commenced in 2022 and will continue in 2023. Revenue is expected to be roughly 75% of 2022 levels, with profit being up on 2022 as a result of some higher margin work in 2023.

Environmental matters

There are no significant environmental matters to be accounted for in this Management's review.

Management recognises that the decarbonisation of our industry is essential and that as a major player in the sector, we can have a substantial impact. We are committed to significant reductions within our Scope 1 and 2 emissions and have submitted a commitment letter to the Science Based Targets Initiative (SBTi) for a near-term reduction target. Our ambition is to ensure we conduct business in a responsible manner and to create value for all our stakeholders including our clients and business partners, our employees, our planet, those working within our supply chain and the communities in which we live and work. While we recognise that sustainability is a journey, we have now established a responsible business framework to manage both our environment and social impact.

Events after the balance sheet date

No 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	2022	2021
Gross profit		46,746,940	15,282,201
Staff costs	2	-17,549,229	-10,503,273
Depreciation, amortisation and impairment losses		<u>-47,960</u>	<u>-47,960</u>
Profit before financial income and expenses		29,149,751	4,730,968
Other financial expenses		<u>-1,870,095</u>	<u>-571,217</u>
Profit before tax		27,279,656	4,159,751
Tax on profit for the year	3	<u>-6,001,524</u>	<u>-938,823</u>
Profit for the year	4	<u><u>21,278,132</u></u>	<u><u>3,220,928</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Property, plant and equipment	5		
Fixtures and fittings, tools and equipment		<u>71,920</u>	<u>119,880</u>
Investments	6		
Deposits		<u>3,244,441</u>	<u>2,388,247</u>
Total fixed assets		<u>3,316,361</u>	<u>2,508,127</u>
Current assets			
Receivables			
Receivables from group entities		<u>207,245,948</u>	<u>67,511,726</u>
Cash at bank and in hand		<u>4,380,087</u>	<u>1,467,510</u>
Total current assets		<u>211,626,035</u>	<u>68,979,236</u>
TOTAL ASSETS		<u><u>214,942,396</u></u>	<u><u>71,487,363</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital	7	50,000	50,000
Retained earnings		<u>35,741,449</u>	<u>14,463,317</u>
Total equity		<u>35,791,449</u>	<u>14,513,317</u>
Provisions			
Provisions for deferred tax	8	<u>2,378</u>	<u>1,006</u>
Total provisions		<u>2,378</u>	<u>1,006</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Payables to group entities		<u>25,000,000</u>	<u>0</u>
Current liabilities other than provisions			
Trade payables		73,035,601	34,120,639
Payables to group entities		37,792,494	16,469,383
Corporation tax		5,496,404	637,013
Other payables		<u>37,824,070</u>	<u>5,746,005</u>
		<u>154,148,569</u>	<u>56,973,040</u>
Total liabilities other than provisions		<u>179,148,569</u>	<u>56,973,040</u>
TOTAL EQUITY AND LIABILITIES		<u>214,942,396</u>	<u>71,487,363</u>
Contractual obligations, contingencies, etc.	9		
Related party disclosures	10		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	50,000	14,463,317	14,513,317
Transferred over the profit appropriation	0	21,278,132	21,278,132
Equity at 31 December 2022	50,000	35,741,449	35,791,449

Financial statements 1 January – 31 December

Cash flow statement

DKK	Note	2022
Profit for the year		<u>21,278,132</u>
Cash generated from operations before changes in working capital		21,278,132
Depreciation, amortisation and impairment losses		47,960
Other adjustments		<u>-7,870,247</u>
Cash flows from operations before changes in working capital		13,455,845
Changes in working capital		-43,414,887
Interest expense		1,870,095
Corporation tax paid		<u>6,001,524</u>
Cash flows from operating activities		<u>-22,087,423</u>
Increase of debt to group entities and associates		<u>25,000,000</u>
Cash flows from investing activities		<u>25,000,000</u>
Cash flows for the year		2,912,577
Cash and cash equivalents at the beginning of the year		<u>1,467,510</u>
Cash and cash equivalents at year-end		<u><u>4,380,087</u></u>

Financial statements 1 January – 31 December

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1 Accounting policies

The annual report of Jones Engineering Group Denmark ApS (Under tvangsopløsning) for 2022 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.

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.

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 statements 1 January – 31 December

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1 Accounting policies (continued)

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
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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.

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.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

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.

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

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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.

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash 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.

Financial statements 1 January – 31 December

Notes

2 Staff costs

DKK	<u>2022</u>	<u>2021</u>
Wages and salaries	17,353,118	10,406,512
Pensions	65,131	15,691
Other social security costs	<u>130,980</u>	<u>81,070</u>
	<u>17,549,229</u>	<u>10,503,273</u>
Average number of full-time employees	<u>21</u>	<u>14</u>

Staff costs of the Group and the Parent Company include remuneration of the Parent Company's Executive Board, DKK 0 thousand (2021: DKK 0 thousand), pensions, DKK 0 thousand (2021: DKK 0 thousand), and remuneration of the Parent Company's Board of Directors, DKK 0 thousand (2021: DKK 0 thousand).

DKK	<u>2022</u>	<u>2021</u>
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3 Tax on profit for the year

Current tax for the year	6,000,152	940,918
Deferred tax for the year	<u>1,372</u>	<u>-2,095</u>
	<u>6,001,524</u>	<u>938,823</u>

4 Proposed profit appropriation

Retained earnings	<u>21,278,132</u>	<u>3,220,928</u>
	<u>21,278,132</u>	<u>3,220,928</u>

5 Property, plant and equipment

DKK	<u>Fixtures and fittings, tools and equipment</u>
Cost at 1 January 2022	<u>291,094</u>
Cost at 31 December 2022	<u>291,094</u>
Depreciation and impairment losses at 1 January 2022	<u>-171,214</u>
Depreciation for the year	<u>-47,960</u>
Depreciation and impairment losses at 31 December 2022	<u>-219,174</u>
Carrying amount at 31 December 2022	<u><u>71,920</u></u>

Financial statements 1 January – 31 December

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6 Investments

DKK	<u>Deposits</u>
Cost at 1 January 2022	2,388,247
Additions for the year	<u>856,194</u>
Cost at 31 December 2022	3,244,441
Carrying amount at 31 December 2022	<u><u>3,244,441</u></u>

7 Equity

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

No shares carry any special rights.

DKK	<u>31/12 2022</u>	<u>31/12 2020</u>
8 Deferred tax assets		
Deferred tax at 1 January	1,006	3,101
Deferred tax for the year	<u>1,372</u>	<u>-2,095</u>
	<u><u>2,378</u></u>	<u><u>1,006</u></u>

9 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company has entered into rental agreements with a minimum termination period of 3-11 months, totalling a lease obligation of DKK 4,472 thousand.

Financial statements 1 January – 31 December

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10 Related party disclosures

Jones Engineering Group Denmark ApS (Under tvangsopløsning)' related parties comprise the following:

Control

H.A. O'Neil Ltd., Jones Engineering House, 83 Pembroke Road, Dublin 4, Ireland.

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

Jones Engineering Group Denmark ApS (Under tvangsopløsning) 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

In accordance with section 98 c(7) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.

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

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