

PM Group Denmark ApS

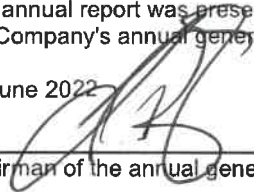
c/o Plesner Advokatpartnerselskab, Amerika Plads 37
DK-2100 København Ø

CVR no. 41 11 29 13

Annual report 2021

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

24 June 2022


Chairman of the annual general meeting

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PM Group Denmark ApS
Annual report 2021
CVR no. 41 11 29 13

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of PM 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 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.

Copenhagen, 24 June 2022
Executive Board:



David Murphy
CEO



Anthony Patrick O'Rourke



Rosita Fennell



Independent auditor's report

To the shareholder of PM Group Denmark ApS

Opinion

We have audited the financial statements of PM Group Denmark ApS for the financial year 1 January – 31 December 2021 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 2021 and of the results of the Company's operations 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

- 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.



Independent auditor's report

- 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.

Aarhus, 24 June 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael E. K. Rasmussen
State Authorised
Public Accountant
mne41364

PM Group Denmark ApS
Annual report 2021
CVR no. 41 11 29 13

Management's review

Company details

PM Group Denmark ApS
c/o Plesner Advokatpartnerselskab
Amerika Plads 37
DK-2100 København Ø

CVR no.:	41 11 29 13
Established:	17 January 2020
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Executive Board

David Murphy, CEO
Anthony Patrick O'Rourke
Rosita Fennell

Auditor

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

Management's review

Financial highlights

DKK'000	2021	2020
Key figures		
Gross profit	4,798	1,795
Profit before financial income and expenses	4,798	1,795
Profit/loss from financial income and expenses	-374	-106
Profit for the year	3,339	1,315
Total assets		
Equity	88,857	63,832
	4,694	1,355
Ratios		
Return on invested capital	0.36%	0.49%
Current ratio	128.25%	112.95%
Return on equity	110.40%	194.10%
Average number of full-time employees		
	11	4

The financial ratios have been calculated as follows:

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

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

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

Management's review

Operating review

Principal activities

The principal activities of the Company are the provision of design, engineering, architecture, project planning, construction management services and other related services.

The principal sectors to which these services are provided are the pharmaceutical, food, energy, medical technologies, advanced manufacturing and mission critical sectors.

Development in activities and financial position

Profit for the year (including comparison with forecasts previously announced)

The Company's income statement for 2021 shows a profit of DKK 3,339 thousand (2020: DKK 1,315 thousand). Equity in the Company's balance sheet at 31 December 2021 stood at DKK 4,694 thousand.

COVID-19

From the outset of the pandemic in 2020, the health, safety and wellbeing of our people and those around us was our primary concern, and this ethos remained throughout 2021. The strength of our people and our digitally enabled infrastructure allowed us to continually adapt to changing circumstances. Health, safety and wellbeing continues to be a fundamental priority of the Company, and all locations continue to operate to the highest health and safety standards. All required actions continue to be taken to protect our personnel and to support our clients during these uncertain times.

The Company's focus continues to be on developing long-term global client relationships, whilst also addressing sustainability in our core sectors, supported by investments in digital service delivery platforms, technology, innovation and regional growth. The depth and spread of the Company's sectors, clients, services mix, its ongoing investment in technology and innovation coupled with the strong commitment, resilience and focus of our people will continue to support the Company's performance in 2022.

Events after the balance sheet date

No material events affecting the Company have taken place since the end of the financial year which require disclosure in, or adjustment to, the financial statements.

Outlook

We expect to report positive results for 2022 of approximately DKK 8m to 10m.

The Company's sectors and services mix are proving resilient in a competitive market place and are expected to continue to support the Company's performance going forward.

Intellectual capital

Knowledge sharing built through documentation is an important asset in PM Group's efforts to grow organically and is of high priority.

Management's review

Operating review

Environmental matters

The Company complies with environmental legislation relevant for the markets in which the Company operates.

Research and development activities

PM Group continuously develops solutions and equipment, which ensures the Group's, including the Company's, technological position and a rising activity level.

Financial instruments

The Company's goals and policies for management of financial risks

Principal risks and uncertainties and key performance indicators

The directors consider the Company's risk profile and risk management satisfactory for the current scale of business activity with the main risks, in addition to market-related risks, being project related. Project-related risks include schedule, cost, scope, cash collection and end deliverables, and these are monitored closely throughout all stages of the project cycle. The directors consider that the principal risks and uncertainties faced by the Company are in the following categories:

Project risk

The Company has processes in place to ensure that contract terms, costs and risks are appropriately reviewed. Project risk is monitored over the entire project lifecycle from the initial bid/no-bid decision, proposal preparation, corporate risk assessments, contract negotiations, project status reviews and project delivery phases.

Economic and geopolitical risk

The risk of geopolitical uncertainty (e.g. pandemic-related issues, cyber security, climate change, Brexit, Ukraine/Russia War, USA/China trade talks) having an adverse impact on conditions in served markets and on the timing of client capital investment decisions, order backlog and cash collections in these markets.

The risk of ongoing pricing pressure or currency movements having an adverse impact on the cost competitiveness of the Company and its principal clients.

The risk associated with the Ukraine/Russia War, COVID-19 pandemic, global supply chain disruption and the potential negative impact it may have on order backlog and client investment decisions in served markets.

These risks are managed across the Company through appropriate financial, health and safety measures, cash management and control of business costs.

Competition risk

Competition risk is mitigated through close attention to excellence in client service levels, tight cost control and continuous service delivery innovation. The Company monitors its relationships with clients and its performance on critical contracts, taking action where necessary to ensure appropriate performance is delivered and clients retained for a long-term business relationship.

Management's review

Operating review

Financial risk

The Company has annual budgetary, monthly and quarterly financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risks.

Credit risk

The Company's maximum exposure to credit risk consists of gross trade receivables and cash deposits. The Company's policies require appropriate credit checks on potential clients. All outstanding trade receivables are monitored closely and risk of counterparty default arising on cash and cash equivalents is controlled by interacting with high-quality institutions.

The principal key performance indicators used by Management to monitor performance are as follows:

- 1 Health and safety record;
- 2 Client feedback;
- 3 Order backlog;
- 4 Project and business unit profitability;
- 5 Utilisation levels;
- 6 Working capital and cash flow metrics; and
- 7 Project execution and delivery reviews.

The Company's risk exposure

Major changes in the market conditions for the Company's clients could reduce the Company's possibility to win new contracts.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2021	17/1-31/12 2020
Gross profit	2	4,798	1,795
Profit before financial income and expenses		4,798	1,795
Other financial expenses		-374	-106
Profit before tax		4,424	1,689
Tax on profit for the year	3	-1,085	-374
Profit for the year	4	3,339	1,315

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
ASSETS			
Current assets			
Receivables			
Trade receivables		54,641	33,115
Other receivables		2,533	327
Deferred tax asset	5	164	1,312
Prepayments		790	23
		<u>58,128</u>	<u>34,777</u>
Cash at bank and in hand		<u>30,729</u>	<u>29,055</u>
Total current assets		<u>88,857</u>	<u>63,832</u>
TOTAL ASSETS		<u>88,857</u>	<u>63,832</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital	6	40	40
Retained earnings		4,654	1,315
Total equity		<u>4,694</u>	<u>1,355</u>
Provisions			
Other provisions		14,880	5,964
Total provisions		<u>14,880</u>	<u>5,964</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		31,051	21,076
Payables to group entities		8,642	12,840
Corporation tax		1,605	1,686
Other payables		27,985	20,911
		<u>69,283</u>	<u>56,513</u>
Total liabilities other than provisions		<u>69,283</u>	<u>56,513</u>
TOTAL EQUITY AND LIABILITIES		<u>88,857</u>	<u>63,832</u>
Related party disclosures	7		
Contract work in progress	8		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	40	1,315	1,355
Transferred over the profit appropriation	0	3,339	3,339
Equity at 31 December 2021	40	4,654	4,694

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of PM 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.

A few restatements have been made of the comparative figures as a result of reclassifications.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Project Management Holdings Limited t/a PM Group.

Income statement

Gross profit

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

Revenue

Long-term contracts

Revenue from long-term contracts is recognised using the percentage-of-completion method. Under this method, revenue recorded represents the aggregate of costs incurred during the year and a portion of estimated profit on the individual contracts based on the relationship of costs incurred to total estimated costs on each contract. Revisions in estimates are reflected in the accounting period when the revision becomes known. Anticipated losses on contracts are charged to income in their entirety when the losses become evident.

Contract bonuses and penalties

Where some or all of a contract's revenue depends on the achievement of performance benchmarks, that element of revenue is recognised only when it is virtually certain that the benchmarks will be achieved. Provisions for penalties on contracts are made when a penalty becomes probable.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to the inventory of goods for resale.

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)

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds 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/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

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

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.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed less progress billings and expected losses. The selling price is measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual contract work in progress. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to contract work in progress.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

When the selling price of contract work in progress cannot be measured reliably, the contract work is measured at the lower of costs incurred and realisable value.

The individual work in progress is recognised in the balance sheet as receivables or payables depending on the net value of the sales amount less on-account invoicing and prepayments. Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

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

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

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.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

2 Staff costs

DKK'000	2021	2020
Wages and salaries	10,368	3,488
Pensions	689	246
Other staff costs	287	6
	<u>11,344</u>	<u>3,740</u>
Average number of full-time employees	<u>11</u>	<u>4</u>

The Executive Board is employed by the Parent Company, and PM Group Denmark ApS pays a monthly fee in which remuneration of the Executive Board is covered, a total of DKK 100 thousand in 2021.

DKK'000	2021	2020
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3 Tax on profit for the year

Current tax for the year	1,147	1,686
Deferred tax for the year	-98	-1,312
Adjustment of tax concerning previous years	36	0
	<u>1,085</u>	<u>374</u>

4 Proposed profit appropriation

Retained earnings	<u>3,339</u>	<u>1,315</u>
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5 Deferred tax assets

DKK'000	31/12 2021	31/12 2020
Deferred tax at 1 January	1,312	0
Deferred tax adjustment for the year in the income statement	-1,246	1,312
Adjustment of deferred tax concerning previous years	98	0
	<u>164</u>	<u>1,312</u>

Management has chosen to capitalise the full deferred tax asset based on forecast for the coming 4-5 years for the Company. The forecast is by nature subject to uncertainty.

6 Equity

Contributed capital consists of 40,000 shares of a nominal value of DKK 1 each.

All shares rank equally.

The Company was founded with a contributed capital of DKK 40 thousand on 17 January 2020. There have been no further movements in contributed capital.

Financial statements 1 January – 31 December

Notes

7 Related party disclosures

PM Group Denmark ApS' related parties comprise the following:

Control

Project Management Holdings Limited t/a PM Group, Killakee House Belgard Square, Tallaght, Dublin, Ireland.

PM Group Denmark ApS is part of the consolidated financial statements of Project Management Holdings Limited t/a PM Group, Dublin, Ireland, which is the only group, in which the Company is included as a subsidiary.

The consolidated financial statements of Project Management Holdings Limited t/a PM Group can be obtained by contacting the company at the address above.

Related party transactions

DKK'000	2021	2020
Sale of services to Parent Company	94	6
Purchase of services from Parent Company	24,848	21,003
	<u>24,942</u>	<u>21,009</u>
Sale of services to other group entities	650	440
Purchase of services from other group entities	6,339	3,315
	<u>6,989</u>	<u>3,755</u>

8 Contract work in progress

DKK'000	2021	2020
Cumulative value of contract work in progress	374,696	98,372
Cumulative value of progress billings to date	-374,696	-98,372
	<u>0</u>	<u>0</u>