## **NES Global Talent Finance Limited**

Annual report and financial statements for the year ended 31 October 2019

Registered number: 08240401



## Officers and professional advisers

#### **DIRECTORS**

S.W. Buckley

S.F. Coton

#### REGISTERED OFFICE

Station House

Stamford New Road

Altrincham

Cheshire

**WA14 1EP** 

#### **AUDITOR**

Deloitte LLP

**Statutory Auditor** 

2 Hardman Street

Manchester

M3 3HF

United Kingdom

#### **BANKERS**

The Royal Bank of Scotland plc

1 Hardman Boulevard

Manchester

M3 3AQ

United Kingdom

**HSBC Bank PLC** 

4 Hardman Square

Spinningfields

Manchester

M3 3EB

United Kingdom

Credit Suisse

11 Madison Avenue

. . . . . ...

5<sup>th</sup> Floor

New York 10010-3629

USA

Deutsche Bank

345 Park Avenue

New York 10154

USA

## Strategic report

For the year ended 31 October 2019

The directors present the strategic report on the company for the year ended 31 October 2019.

#### Principal activity and business model

The principal activities of the company are that of an intermediate holding company and the provision of finance to its subsidiary undertakings.

#### Strategy and objectives

The main strategy and objective of the company is to continue to support its subsidiary undertakings by providing required amounts of finance in order for those companies to continue trading and to support growth.

#### **Business review**

The company made a loss of £8,017,000 in the year ended 31 October 2019 (2018: £9,556,000) as a result of interest payable and amortisation of finance costs exceeding interest receivable. The financial position at 31 October 2019 is shown on the balance sheet on page 12.

## Key performance indicators

The directors consider the company's key performance indicator to be the carrying value of the investment in its subsidiaries. The performance of these subsidiaries is monitored monthly by the directors by way of comprehensive management reports. These companies are, and are expected to continue to be profit generating, therefore the directors consider the key performance indicator outturn to be satisfactory.

#### Principal risks and uncertainties

Financial risk

As part of its ordinary activities, the company is exposed to a number of financial risks, including liquidity risk, exchange rate risk, interest rate and credit risk. The company has policies and procedures in place to monitor and manage these risks.

Liquidity risk relates to the company's ability to meet the cash flow requirements of the operations, while avoiding excessive levels of debt and/or breach of debt covenants. The company's borrowings are in the form of intercompany loans and listed loan notes. The board closely monitors the amount of facilities drawn, particularly with respect to complying with all covenant restrictions.

Management continuously assesses the acknowledged exchange rate risk that the company is subject to at the present time. Interest on floating and term notes is based on the LIBO rate. Interest rate risk is managed by a treasury department. The company's exposure to exchange rate risk is continually monitored by management with appropriate steps taken to minimise the risk of adverse currency movements.

The company's credit risk is primarily attributable to its intercompany receivables, with the amounts presented in the balance sheet being net of allowances for doubtful receivables. The directors continuously review these balances for collectability and make adjustments as necessary.

It is considered that the impact of the United Kingdom's withdrawal from the European Union ('Brexit') will not have a significant impact on the company.

These risks are kept under constant review.

## Strategic report (continued)

For the year ended 31 October 2019

#### **Environmental reporting**

The NES Global Talent group fully supports the goals of the Paris Agreement as well as the target set by the UK Government of net zero emissions by 2050. We have supported our clients in the Renewables sector for more than 6 years and are one of the largest specialist manpower providers in this sector. Our major customers are also working across their businesses to develop new low-carbon solutions, including biofuels, carbon capture and storage (CCS) and hydrogen technologies.

#### **Future outlook**

Management expects the business to continue to act as a holding company and as a result will remain in a net liabilities position for the foreseeable future. As per the going concern paragraph on page 14, the company relies on parent company support to manage its working capital on a pooled basis and distribute cash to its subsidiaries where required. The majority of the company's liabilities would be repaid using cash distributed from the parent company when required.

#### Post balance sheet event

Since the year end, the World Health Organisation has declared the outbreak of COVID-19 to be a pandemic. Actions taken globally to control the spread of the virus have led to a short term reduction in activity levels across the NES Global Talent group.

NES Global Talent Finance Limited and its trading subsidiary entities have reacted quickly to manage costs in line with reduced activity levels and have taken advantage of government support schemes where available. These actions have resulted in continued profitability and positive cash generation across the group. The NES Global Talent group has significant unutilised working capital financing facilities in place which ensures that NES Global Talent Finance Limited can meet its liabilities as and when the fall due.

The strategic report of NES Global Talent Finance Limited was approved and authorised for issue by the board of directors and signed on its behalf on 5 November 2020 by:

S.W. Buckley

Director

## Directors' report

For the year ended 31 October 2019

The directors present their annual report on the affairs of the company, together with the audited financial statements for the year ended 31 October 2019.

#### Results and dividends

The audited primary statements and the accompanying notes for the year ended 31 October 2019 are set out on pages 12 to 30. The appendix on pages 25 to 30 forms part of these financial statements. The directors do not recommend the payment of a dividend (2018: no dividend recommended).

#### Going concern

After making enquiries, and based on the assumptions outlined in note 1 to the financial statements, the directors have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the date of approval of these financial statements. These enquiries include specific consideration of the potential impact of COVID-19 on the financial performance of the wider group, which provides any necessary financial support to the company. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### Matters included in the strategic report

In accordance with s414(C) (11) of the Companies Act 2006, included in the strategic report is information relating to the future development, post balance sheet events and financial risk management policies (as part of the principal risks and uncertainties) of the business which would otherwise be required by Schedule 7 of the 'large and medium sized companies and groups (accounts and reports) regulations 2008' to be contained in a directors' report.

#### **Directors**

The directors who served during the year and thereafter are as follows:

S.W. Buckley

S.F. Coton

#### **Directors indemnities**

The group has indemnity insurance in place on behalf of all of its directors during the year which remains in force at the date of this report.

#### **Auditor**

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the next directors' meeting. By order of the board,

S.W. Buckley

Director

5 November 2020

## Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- · make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent auditor's report to the members of NES Global Talent Finance Limited

#### Report on the audit of the financial statements

#### 1. Opinion

In our opinion the financial statements of NES Global Talent Finance Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 October 2019 and of its loss for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- · the profit and loss account;
- the balance sheet;
- · the statement of changes in equity;
- the related notes 1 to 14; and
- the appendix to the financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### 2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### 3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were:  Carrying values of investments in subsidiaries; and
	recoverability of receivables due from group undertakings.
	Within this report, key audit matters are identified as follows:
	Newly identified
	Increased level of risk
	Similar level of risk
	Decreased level of risk
Materiality	The materiality that we used in the current year was £914,000 which was determined on the basis of 3% of the net liabilities.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.
Significant changes in	In the prior year we had one key audit matter covering both elements of the current

## Independent auditor's report to the members of NES Global Talent Finance Limited (continued)

our approach	year's key audit matters. We have divided this into two key audit matters to give a better presentation of the nature of the key audit matters and the related detail of our audit response.

#### 4. Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

#### 5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## 5.1. Carrying values of investments in subsidiaries



	The state of the s
Key audit matter description	The company has unlisted investments of £184,803,000 as at 31 October 2019 (2018: £185,025,000), valued at original cost less provision for impairment. These investments comprise investments in subsidiaries and are highly material to the company as they account for 60% of total assets (2018: 65% of total assets).
	Judgement is required by the directors as to whether any of the investments should be impaired based on the financial position and future prospects of the investments. This takes into consideration a range of factors such as the trading performance of the respective subsidiaries including the expected revenue growth and discount rates.
	Further details are included within critical accounting estimates and judgements note in note 1j to the financial statements.
How the scope of our audit responded to the	We have understood management's processes related to the valuation of unlisted investments.
key audit matter	We obtained the most recent audited financial information of the related investments to determine whether they supported the carrying value.
	We reviewed the historical accuracy of management's forecasts by comparing the actual results to forecasts.
	We also reviewed the directors internal risk assessment regarding Brexit.
Key observations	Based on the work performed we concluded that the carrying value of the investments in subsidiaries balance is appropriate.

Independent auditor's report to the members of NES Global Talent Finance Limited (continued)

## 5.2. Recoverability of receivables from group undertakings



Key audit matter description	Debtors from group undertakings are stated in the balance sheet at £123,366,000 (2018: £101,743,000).
	These receivables from group undertakings are highly material to the company as they account for 40% of total assets (2018: 35% of total assets).
	Judgement is required in determining the recoverability of these debtors from group undertakings based on the financial position and future prospects of the group undertakings. This takes into consideration a range of factors such as the trading performance of the group undertakings, their expected revenue growth and discount rates.
	Further details are included within critical accounting estimates and judgements note in note 1j to the financial statements.
How the scope of our audit responded to the	We have understood management's processes related to the valuation and recoverability of debtors from group undertakings.
key audit matter	We assessed the directors' judgements regarding the appropriateness of the recoverability of receivables from group undertakings. This included obtaining and reviewing the copy of the latest audited financial information, reviewing the post year end performance of the group undertakings and assessing the ability of the group undertakings' to repay these amounts.
	We reviewed the historical accuracy of management's forecasts by comparing the actual results to forecasts and used as a basis for our challenge of management's key assumptions for the trading performance of the group undertakings.
Key observations	Based on the work performed we concluded that the carrying value of receivables from group undertakings is appropriate.

## 6. Our application of materiality

#### 6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£914,000 (2018: £674,000)
Basis for determining materiality	3% of net liabilities (2018: 3% of net liabilities)
Rationale for the benchmark applied	The company is a non-trading company and its purpose within the group is to hold listed loan notes and investments in subsidiaries along with holding intercompany receivables. As such, we deem the net liabilities balance to be the most relevant benchmark to the users of the financial statements.

# Independent auditor's report to the members of NES Global Talent Finance Limited (continued)

#### 6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2019 audit (2018: 70%). In determining performance materiality, we considered our assessment of the company's control environment, and our past experience of the audit which has indicated a low number of corrected and uncorrected misstatements in previous audits.

#### 6.3. Error reporting threshold

We agreed with the directors that we would report to the directors all audit differences in excess of £45,700 (2018: £33,700), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

#### 7. An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

#### 8. Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### 9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about 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 (UK) will always detect a material misstatement when it exists. Misstatements can 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 taken on the basis of these financial statements.

## Independent auditor's report to the members of NES Global Talent Finance Limited (continued)

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

#### 11. Report on other legal and regulatory requirements

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### 12. Matters on which we are required to report by exception

#### 12.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

#### 12.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

## 13. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Halls FCA (Senior statutory auditor) For and on behalf of Deloitte LLP Statutory Auditor

Manchester, United Kingdom

5 November 2020

## Profit and loss account

For the year ended 31 October 2019

	Notes	2019 £'000	2018 £'000
Interest receivable and similar income	2	23,177	20,891
Interest payable and similar expenses	3	(31,194)	(28,420)
Loss before taxation	4	(8,017)	(7,529)
Tax on loss	5	-	(2,027)
Loss for the financial year	_	(8,017)	(9,556)

All activity has arisen from continuing operations.

The company has no recognised gains or losses other than the loss for the financial year and prior financial year shown above. Accordingly, a separate statement of other comprehensive income has not been prepared.

The accompanying notes are an integral part of this profit and loss account.

## Balance sheet

As at 31 October 2019

	Notes	2019 £'000	2018 £'000
Fixed assets			
Investments	6	184,803	185,025
Current assets			
Debtors	7	123,366	101,743
Cash at bank and in hand		3	83
		123,369	101,826
Creditors: Amounts falling due within one year	8	(97,786)	(68,214)
Net current assets		25,583	33,612
Total assets less current liabilities		210,386	218,637
Creditors: Amounts falling due after more than one year	9	(240,882)	(241,116)
Net liabilities		(30,496)	(22,479)
Capital and reserves			
Called-up share capital	10	1,174	1,174
Share premium account		12,907	12,907
Profit and loss account		(44,577)	(36,560)
Shareholder's deficit		(30,496)	(22,479)

The financial statements of NES Global Talent Finance Limited, registered company number 08240401, were approved by the board of directors and authorised for issue on 5 November 2020 and signed on its behalf by:

S.W. Buckley

Director

The accompanying notes are an integral part of this balance sheet.

## Statement of changes in equity

For the year ended 31 October 2019

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
At 1 November 2017	1,147	10,895	(27,004)	(14,962)
Loss for the year and total comprehensive expense	-	-	(9,556)	(9,556)
Issue of share capital	27	2,012	-	2,039
At 31 October 2018	1,174	12,907	(36,560)	(22,479)
Loss for the year and total comprehensive expense			(8,017)	(8,017)
At 31 October 2019	1,174	12,907	(44,577)	(30,496)

The accompanying notes are an integral part of this statement of changes in equity.

#### Notes to the financial statements

For the year ended 31 October 2019

#### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report.

#### a) General information and basis of accounting

NES Global Talent Finance Limited (the company) is a private company limited by shares, incorporated in the United Kingdom under the Companies Act and registered in England and Wales.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The currency of the primary economic environment in which the company operates, and functional currency of the entity, is pounds sterling.

The company has taken advantage of section 400 of the Companies Act 2006 in not producing consolidated financial statements, as it is a subsidiary of NES Global Talent Limited which itself produces consolidated financial statements. The consolidated financial statements are available from the address in note 13.

#### b) Going concern

The performance, financial position and the key risks impacting the company are detailed in the strategic report and directors' report on pages 2 to 4. The company is a subsidiary of NES Global Talent Limited, which manages its working capital on a pooled basis across the group. Based on the strong trading relationship between this company and the parent company, the directors of this company have sought and received a letter of support from the parent company that it will provide support as may be necessary for the foreseeable future, which is a period of at least twelve months from the date of signing these financial statements. As a result, notwithstanding the net liabilities position of £30,496,000 (2018: £22,479,000), the financial statements are prepared on a going concern basis. In relying on this parent company support, the directors of this company are cognisant of the following going concern disclosure which appears in the financial statements of NES Global Talent Limited for the year ended 31 October 2019:

"The group manages its day-to-day working capital requirements through short and medium term credit facilities. At 31 October 2019, these facilities consisted of a \$60 million revolving credit facility, \$69 million of invoice discounting facilities and a \$268 million senior term loan. The bank facilities are subject to covenant restrictions and no covenant breaches have occurred in the year under review or are forecast to occur in the going concern review period. In addition to the bank facilities the group has \$426 million of loan notes which are not due for repayment until 2032. See note 16 in the NES Global Talent Limited consolidated group financial statements for details of undrawn committed facilities.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group expects to operate within the level of its current facilities and covenants. The group's bank facilities are not repayable until May 2023. Therefore the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements."

On the 18th September 2020, the group entered into a business combination with the Fircroft group. An amendment of the existing credit agreement was signed to support the newly combined group. The combined group facilities now consist of a \$72 million revolving credit facility, \$165 million of invoice discounting facilities and a \$266 million senior term loan. The amendment to the existing credit agreement provides beneficial covenant terms, including a change from gross leverage to net leverage covenant.

For the year ended 31 October 2019

#### 1 Accounting policies (continued)

#### b) Going concern (continued)

As part of this transaction, the group's forecasts and projections have been revisited with consideration of the new group structure. In the scenario analysis performed, the directors have also considered the potential impact of the COVID-19 outbreak on the new group's projected results. This exercise included performing additional upside and downside sensitivities and a reverse stress test to reflect the current economic uncertainties. The result of the reverse stress test carried out shows that EBITDA would need to fall by 29% over the forecasted period to November 2021, before a breach in financial covenants would occur. This assumes no mitigating actions would be taken by management to prevent a breach in covenants. These scenarios are currently considered unlikely, however it remains difficult to predict the overall outcome and impact of COVID-19 at this stage. The directors believe that the group is well placed to manage its financing and other business risks satisfactorily and are therefore satisfied that the group has adequate resources to continue in operational existence in line with all covenants, for at least 12 months from the signing date of these financial statements.

#### c) Investments

Fixed asset investments are shown at cost, less provision for any impairment.

#### d) Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and law that have been enacted or substantively enacted by the balance sheet date.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and law that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### e) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the available exemptions to not disclose:

- a) A statement of cash flows;
- b) Certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated; and
- c) Key management personnel compensation in total.

#### f) Foreign currency translation

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at the balance sheet date. Exchange differences are taken to the profit and loss account.

For the year ended 31 October 2019

#### 1 Accounting policies (continued)

#### g) Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

#### Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

#### Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### h) Finance income and costs

Finance income is recognised as interest accrues using the effective interest method.

Finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

#### i) Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

For the year ended 31 October 2019

#### 1 Accounting policies (continued)

#### i) Financial instruments (continued)

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

### j) Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical Judgements

The directors do not consider there to be any critical accounting judgments that must be applied.

#### Key sources of estimation uncertainty

The Directors do not deem there to be any key assumptions concerning the future, or other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

For the year ended 31 October 2019

#### 2 Interest receivable and similar income

	2019 £'000	2018 £'000
Interest on subordinated preference certificates	23,074	20,800
Interest receivable on amounts owed by group undertakings	-	91
Foreign exchange gain on retranslation of amounts owed by group undertakings	103	-
	23,177	20,891
3 Interest payable and similar charges		
	2019 £'000	2018 £'000
Interest on loan notes	30,531	27,108
Amortisation of debt issue costs	176	176
Debt issue costs written off	-	290
Foreign exchange losses on retranslations of amounts owed to group undertakings	-	264
Interest payable on amounts owed to group undertakings	487	582
-	31,194	28,420

#### 4 Loss before taxation

The auditor's remuneration for the audit of the company's financial statements pursuant to legislation of £3,500 (2018: £2,000) was borne by NES Group Limited, a fellow group undertaking, without any right of reimbursement. There were no non-audit fees payable by the company (2018: £nil). There are no employees other than directors and no remuneration has been paid to the directors, their remuneration being borne by other group companies, and not recharged to the company (2018: same). This is because fair apportionment is not possible.

## 5 Tax on loss

The tax charge comprises:

	2019	2018
Corporation income tax	£'000	£,000
Current year	<u> </u>	
	-	-
Deferred tax	•	
	2019	2018
	£'000	£'000
Adjustment in respect of prior years	-	2,027
Total tax charge		2,027

For the year ended 31 October 2019

#### 5 Tax on loss (continued)

The differences between the total tax shown and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	2019 £'000	2018 £'000
Loss before tax	(8,017)	(7,529)
Loss before tax multiplied by the standard rate of corporation tax in the UK of		
19.00% (2018: 19.00%)	(1,523)	(1,430)
Effects of:		
Interest not deductible for tax purposes	5,801	5,151
Group relief claimed for nil consideration	(4,278)	(3,721)
Deferred tax on losses	-	2,027
Total tax charge for the year on loss	-	2,027

Corporation tax in the UK is calculated at 19% (2018: 19%) of the estimated assessable profit for the year. The Finance Act 2015 included a provision to reduce the rate of corporation tax from 20% to 19% from 1 April 2017 and a further reduction to 18% to take effect from 1 April 2020. It was further announced in the Budget 2020 that the rate of corporation tax for the years starting 1 April 2020 and 1 April 2021 would remain at 19%.

#### 6 Fixed asset investments

	Subordinated preference certificates £'000	Subsidiary undertakings £'000	Total £'000
Cost and net book value			
At 1 November 2018	126,315	58,710	185,025
Exchange rate movements	(222)		(222)
At 31 October 2019	126,093	58,710	184,803

On 19 October 2012, NES Global Talent Finance Limited invested in a £2,710,054,000 subordinated preference certificate 2042 issued at an initial price of £155,309,000 and a \$565,397,000 subordinated preference certificate 2042 issued at an initial price of \$32,402,000. The issuer, NES Global Talent Holdco Limited, may redeem these at any time at the GBP redemption price and/or the USD redemption price, as applicable. The directors understand that NES Global Talent Holdco Limited does not plan to redeem the subordinated preference certificate within the following 12 months from the date of signing these accounts. As a result, the subordinate preference certificate is classified as a fixed asset investment.

The interest accrued on these subordinated preference certificates during the year was £23,074,000 (2018: £20,800,000). Interest accrued at the balance sheet date was £123,154,000 (2018: £100,295,000), reflecting a foreign exchange loss of £215,000 (2018: gain of £511,000). The principal on the certificates as at the balance sheet date was £108,573,000 (2018: £108,573,000) and \$22,652,000 (2018: \$22,652,000), equivalent to £17,520,000 (2018: £17,742,000) reflecting a £222,000 foreign exchange loss (2018: gain of £585,000).

A list of all subsidiary undertakings including the name, principal activity, registered office address and the country of incorporation is shown in the appendix to the financial statements.

For the year ended 31 October 2019

#### 7 Debtors

	2019	2018
	£'000	£,000
Amounts falling due within one year:		
Interest receivable on subordinated preference certificates	123,154	100,295
Amounts owed by group undertakings	212	1,448
	123,366	101,743

Amounts owed by group undertakings are unsecured, interest bearing and repayable on demand.

#### 8 Creditors: Amounts falling due within one year

	2019	2018
	£'000	£'000
Unsecured listed A loan notes (see note 9)	63,097	40,132
Unsecured listed AA loan notes (see note 9)	13,207	7,768
Unsecured B loan notes (see note 9)	10,486	8,491
Amounts owed to group undertakings	11,172	11,999
Capitalised costs of raising finance (see note 9)	(176)	(176)
	97,786	68,214

Amounts owed to group undertakings are unsecured, interest bearing and repayable on demand.

## 9 Creditors: Amounts falling due after more than one year

	2019	2018
	£'000	£'000
Unsecured listed A loan notes	186,149	186,478
Unsecured listed AA loan notes	45,791	45,872
Unsecured B loan notes	11,059	11,059
Capitalised costs of raising finance	(2,117)	(2,293)
•	240,882	241,116

On 19 October 2012, the company issued unsecured A loan note instruments totalling £122,704,000. These loan notes were listed on The International Stock Exchange on the 11 December 2012. The loan notes are denominated in sterling £108,573,000, and US dollars \$22,652,000. They were issued in five equal tranches for both the sterling and US dollar denominated loan notes. The loan note instruments are due for repayment in 2032 and attract interest at varying rates between 9.5% and 10.5% depending on the tranche of loan. Payment of interest due on the A loan notes can be made in cash, settled by the issue of PIK notes or deferred until any subsequent interest payment date, with the deferred interest being added to the aggregate nominal amount and interest being payable on the new aggregate sum.

For the year ended 31 October 2019

#### 9 Creditors: Amounts falling due after more than one year (continued)

On 22 November 2016, the company issued 60,581,238 A PIK Notes under the listed A loan notes in satisfaction of all interest due to NES Global Talent LP from 19 October 2012 to 31 October 2016. The issue of the A PIK notes converted existing interest accrued of £60,581,238 into principal, with interest accruing from 22 November 2016 on this principal amount. The A PIK notes are denominated in sterling £51,688,000, and US dollars \$10,819,000 (£8,195,000 at 22 November 2016). During the year, £23,074,000 interest was accrued on the unsecured A loan notes (2018: £20,800,000) inclusive of the A PIK notes. No capital repayments were made during the year. The interest accrued on the unsecured A loan notes at the balance sheet date is £63,097,000 (2018: £40,132,000), reflecting a foreign exchange loss of £108,000 (2018: gain of £231,000).

The principal at the balance sheet date was £160,261,000 (2018: £160,261,000) and US\$33,471,000 (2018: \$33,471,000), equivalent to £25,888,000 (2018: £26,217,000) reflecting a foreign exchange loss of £329,000 (2018: gain of £865,000).

On 4 October 2013, the company issued unsecured B loan notes instruments totalling £14,337,000. The loan notes attract interest at the rate of 10% per annum and are due for repayment in 2032. Payment of interest due on these B loan notes can be made in cash or deferred until any subsequent interest payment date, with the deferred interest being added to the aggregate nominal amount and interest being payable on the new aggregate sum.

Interest paid on B loan notes during the year was £nil (2018: £32,000) and £1,995,000 (2018: £1,806,000) interest was accrued during the year. The remaining principal at the balance sheet date was £11,059,000 (2018: £11,059,000) and total interest accrued at the balance sheet date was 10,486,000 (2018: £8,491,000).

On 6 January 2017, the company issued unsecured AA loan notes totalling £38,729,000. These loan notes were listed on The International Stock Exchange on 17 October 2017. The loan notes are denominated in sterling £33,453,000 and US dollars \$6,987,000 (£5,276,000). They were issued in four tranches for both the sterling and US dollar denominated loan notes. The loan note instruments are due for repayment in 2032 and attract interest at varying rates between 9.75% and 10.5% depending on the tranche of loan. Payment of interest due on the AA loan notes can be made in cash, settled by the issue of PIK notes or deferred until any subsequent interest payment date, with the deferred interest being added to the aggregate nominal amount and interest being payable on the new aggregate sum.

On 30 June 2018, the company issued further unsecured AA loan notes totalling £6,908,000. The loan notes are denominated in sterling £5,970,000 and US dollars \$1,247,000 (GBP £938,000). These loan notes were listed on The International Stock Exchange on 7 September 2018. They were issued in four tranches for both the sterling and US dollar denominated loan notes under the same terms as the existing AA loan notes.

The balance at 31 October 2019 is £58,998,000 (2018: £53,640,000), the AA loan note instrument having accrued interest of £5,462,000 (2018: £4,531,000) during the year, inclusive of the issue of the further loan notes, and suffering from a foreign exchange loss of £104,000 (2018: loss of £235,000) on conversion to GBP. The interest accrued on the unsecured AA loan notes at the balance sheet date is £13,207,000 (2018: £7,768,000).

The unsecured A loan notes, unsecured B loan notes and unsecured AA loan notes above are stated net of allocated costs of raising finance of £2,293,000 as at the balance sheet date (2018: £2,469,000), of which £176,000 (2018: £176,000) is included in creditors due within one year. During the year £176,000 was amortised to the profit and loss account (2018: £176,000). In 2018 £290,000 was written off in respect of amounts relating to a previous refinancing, there was no such write off in 2019.

For the year ended 31 October 2019

## 9 Creditors: Amounts falling due after more than one year (continued)

Borrowings are repayable as follows:		
Bononingo aro ropa, abro ao renene.	2019	2018
	£'000	£'000
Unsecured listed A loan notes		
Less than one year	63,097	40,132
Between two and five years	-	-
Greater than five years	186,149	186,478
	249,246	226,610
Unsecured listed AA loan notes		
Less than one year	13,207	7,768
Between two and five years	-	_
Greater than five years	45,791	45,872
	58,998	53,640
	<u> </u>	
•	2040	0040
	2019	2018
	£'000	£,000
Unsecured B loan notes		
Less than one year	10,486	8,491
Between two and five years	<del>-</del>	
Greater than five years	11,059	11,059
	21,545	19,550
Capitalised costs of raising finance		
	2019	2018
	£'000	£'000
·		
Less than one year	(176)	(176)
Between two and five years	(704)	(704)
Greater than five years	(1,413)	(1,589)
	(2,293)	(2,469)
Total harrowings		
Total borrowings	86,614	56,215
Less than one year		
Between two and five years  Greater than five years	(704) 241,586	(704) 241,820
Greater than live years	327,496	297,331
	327,490	231,331

For the year ended 31 October 2019

#### 10 Called-up share capital

To Galled-up share cupital	2019 £	2018 £
Allotted, called-up and fully-paid 1,174,179 ordinary shares (2018: 1,174,179 ordinary shares) of £1 each	1,174,179	1,174,179
1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	.,	.,,

#### 11 Guarantees and other financial commitments

The company has entered into a joint guarantee and indemnity in respect of bank facilities granted to subsidiaries amounting to £10,716,000 at 31 October 2019 (2018: £11,692,000).

On 3 October 2013, the company entered into a joint guarantee to a credit agreement which granted \$245 million of banking facilities (equivalent of GBP: £189 million) to NES Global Talent Finance US LLC. During the year ended 31 October 2018, these banking facilities were refinanced and extended up to a value of \$335 million (equivalent of GBP: £259 million). £208 million of these facilities are drawn down at the year-end 31 October 2019 (2018: £214 million).

On the 18th September 2020, the group entered into a business combination with the Fircroft group. An amendment of the existing credit agreement was signed to support the newly combined group. As part of this amendment NES Global Talent Finance was removed as a guarantor and is no longer part of the joint guarantee.

#### 12 Related parties

FRS 102 Section 33.1A does not require disclosure of transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is a wholly owned member. These transactions were therefore not disclosed in these financial statements.

There were no material related party transactions entered into during the year that have not been concluded under normal market conditions.

## 13 Ultimate parent company

The directors consider NES Global Talent Limited, a company incorporated in England and Wales, to be the company's ultimate parent company. NES Global Talent Limited is wholly owned by NES Global Talent LP, a Scottish limited partnership, of which the limited partners are funds managed and advised by AEA Investors LP, Akastor AS, certain co-investors and management. The registered office and place of business of NES Global Talent LP is Ogier House, The Esplanade, St Helier, Jersey, JE4 9WG. The general partner of NES Global Talent LP is NES Global Talent GP Limited which is controlled by AEA Management (Cayman) Limited.

NES Global Talent LP is the parent company of the largest group for which financial statements are drawn up. NES Global Talent Limited is the parent company of the smallest company for which group financial statements are drawn up. Both NES Global Talent LP and NES Global Talent Limited financial statements are drawn up as at 31 October 2019. Copies of the financial statements of NES Global Talent Limited are available from its registered office address at Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP.

For the year ended 31 October 2019

#### 14 Post balance sheet events

Since the year end, the World Health Organisation has declared the outbreak of COVID-19 to be a pandemic. Actions taken globally to control the spread of the virus have led to a short term reduction in activity levels across the NES Global Talent group.

NES Global Talent Finance Limited and its trading subsidiary entities have reacted quickly to manage costs in line with reduced activity levels and have taken advantage of government support schemes where available. These actions have resulted in continued profitability and positive cash generation across the group. The NES Global Talent group has significant unutilised working capital financing facilities in place which ensures that NES Global Talent Finance Limited can meet its liabilities as and when the fall due.

## Appendix to the financial statements

For the year ended 31 October 2019

#### List of subsidiaries

A list of all related undertakings including the name, principal activity (footnoted below), country of incorporation and the registered office address of the related undertaking is shown below. Where percentage ownership is below 50%, an entity is considered a subsidiary after an assessment of control held over the investee and the right to return. All investments are in ordinary shares.

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Algérie SARL Ltd (1)	No. 01, Mazareq Warkaly, Hydreh, Algiers State, Algeria	Algeria	49%
NES Global Talent Limitada (1)	Rua Comandante Gika, Travessa dos Militares, No. 1, Alvalade, Luanda, Angola	Angola	100%
North Eagle Star Limitada (1)	Rua Comandante Gika, Travessa dos Militares, No. 1, Alvalade, Luanda, Angola	Angola	100%
NES Global Pty Ltd (1)	Elliott House, Suite 801, Level 8, 140 Arthur Street, North Sydney, NSW 2060, Australia	Australia	100%
NES Global Talent Services Pty Ltd (1)	William Buck Level 29, 66 Goulburn Street, Sydney, NSW 2000, Australia	Australia	100%
NES Bahrain WLL (1)	1915 Almoayyed Tower, Road 2832, Al Seef 428, Kingdom of Bahrain	Bahrain	49%
NES Global Technical Consultants Ltd (1)	9 Mohakhali C/A (11th & 12th Floor), Dhaka-1212, Bangladesh	Bangladesh	100%
NES Global Limitada (1)	Rua Voluntários da Pátria, 45 - sala 1008, Botafogo, Rio de Janeiro - RJ, 22270-000, Brazil	Brazil	100%
NES Global Talent Sdn Bhd (1)	8th Floor, PGGMB Building, Jalan Kinanggeh, BS8111 Bandar Seri Begawan, Brunei	Brunei	100%
NES Global Limited (1)	4500, 855 - 2nd Street S.W, Calgary, Alberta, T2P 4K7, Canada	Canada	100%
NES Global Technical Consultants (Shanghai) Co., Limited (1)	Room 1607, Plaza 336, No. 336, Middle Xizang Road, Shanghai, 200001, China	China	100%
NES Global Talent Egypt (1)	25A 84 Street, Maadi, Cairo, Egypt	Egypt	100%
NES Global France (1)	Tour Egee, 9/11 Allee de l'Arche, 92 671 La Defense - Courbevoie Cedex, Paris, France	France	100%
NES Global Talent Ltd (1)	366 Rue Alfred Marche, PO Box 2164, Libreville, Gabon	Gabon	100%
NES Global Talent (Ghana) Limited (1)	No. 5, 1st Ridge Link, North Ridge, Accra, Ghana	Ghana	100%
NES Global Deutschland (1)	Mannheim, Theodor, Heuss, Anlage 12 Mannheim, Germany 68165	Germany	100%
North Eagle Star Limited (1)	1st Floor, Earlbeam Plaza, George Walker Bush Highway, Dzorwulu, Accra, Ghana	Ghana	49%

Investments directly held	Address of registered office	Country of	Percentage
NES Global Talent Guyana Inc (Guyana) (1)	Lot 62 Hadfield & Cross Street, Werk-en-Rust, Georgetown, Guyana	incorporation Guyana	ownership 100%
NES Global Limited (1)	22/F Siu On Building, 243-245 Des Voeux Road West, Hong Kong	Hong Kong	100%
NES Global Specialist Engineering Services Private Limited (1)	Redbrick, Kaledonia,1st floor, Sahar Road, Andheri (East), Mumbai- 400069, Mumbai, Maharashtra, India	India	100%
PT. NES Global Technical Consultant (1)	Menara Jamsostek North Tower, 3rd Floor, Ji Gatot Subroto Kav. 38, No 79, South Jakarta, 12710, Indonesia	Indonesia	95%
PT. NES Global Teknik (1)	Level 12, Menara Palma, Jl. HR Rasuna Said Kav. 6 Blok X-2, Jakarta 12950, Indonesia	Indonesia	60%
Al Mazaya General Services LLC (1)	House No 44, St No 30, Quarter no 315, Al-Qudis, Baghdad, Iraq	Iraq	100%
North Eagle Star for General Services LLC (1)	Apartment 6, Shaheen Building, Saadoon Street, Baghdad, Iraq	Iraq	100%
NES Global for Recruitment of Foreign Manpower Limited (1)	Villa 404 Italian City Compound, Kurdistan, Iraq	Iraq	100%
NES Global Talent Ltd (1)	The Black Church, St. Mary's Place, Dublin, D07 P4AX, Ireland	Ireland	100%
NES Global Talent KK (1)	Level 6, Fukumatsu Bldg, 7-1 Sumiyoshicho, Shinjuku-ku, Tokyo	Japan	100%
NES Global Talent LLP (1)	Office 703, Atyrau Plaza Business Centre, Building 19, Satpayev Street, Atyrau oblast 060000, Republic of Kazakhstan	Kazakhstan	100%
NES Global Talent for Project Management WLL (1)	Office Number 5108, 2nd Floor, Dar Al Awadi Center, Kuwait	Kuwait	100%
Agensi Pekerjaan NES Global Talent Sdn. Bhd. (1)	Unit C-12-4, Level 12 Block C, Megan Avemue II 12 Jalan Yap. Kwan Seng, 50450 Kuala Lumpur, Malaysia	Malaysia	49%
Global Specialist Engineering Support Solutions Limited (1)	Unit Level 14(B), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan F.T., Malaysia	Malaysia	100%
NES Global SDN BHD (1)	Suite 15-1, Level 15, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	Malaysia	100%
NES Global Talent Recruitment SDN BHD (1)	Suite 15-1, Level 15, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	Malaysia	100%
NES Global Talent SDN BHD (2)	Suite 15-1, Level 15, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	Malaysia	100%
NES Global Talent Solutions SDN BHD (1)	Suite 15-1, Level 15, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	Malaysia	30%

	<b>'</b>		
Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Technical Consultants SDN BHD (1)	Suite 15-1, Level 15, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	Malaysia	70%
NES Global Talent SDE (1)	Bosques de Ciruelos 180 PP 101, Bosques de las Lomas, 11700 Ciudad de Mexico, CDMX, Mexico	Mexico	100%
NMEXSTAFF S. DE R.L. DE C.V.(1)	Bosques de Ciruelos 180 PP 101, Bosques de las Lomas, 11700 Ciudad de Mexico, CDMX, Mexico	Mexico	100%
NES Global Talent Mozambique Limitada (1)	Avenida Vladimir Lenine, 179, 6th Floor, Maputo, Mozambique	Mozambique	100%
NES Global (Myanmar) Private Limited (1)	gNo. 18/G/F, Tha Pyay Nyo Street, Shin Saw Pu Quarter, Sanchaung Township, Yangon, Myanmar	Myanmar	100%
NES Global Limited (1)	Vero House, 2nd Floor,12-14 Devon Street East, New Plymouth, 4310, New Zealand	New Zealand	100%
NES Africa Limited (1)	4th Floor, Coscharis Building, 68A Adeola Odeku Street, Victoria Island, Lagos, Nigeria	Nigeria	100%
NES Global Talent Nigeria Limited (1)	4th Floor, Coscharis Building, 68A Adeola Odeku Street, Victoria Island, Lagos, Nigeria	Nigeria	100%
NES Global Talent Holdco AS (2)	Haakon VII's gate 10, 0161 Oslo, Norway	Norway	100%
NES Advantage Solutions AS (1)	Rolfsbuktveien 4, 1364 Fornebu, 0219 Baerum, Norway	Norway	100%
NES Advantage Solutions Group AS (2)	Rolfsbuktveien 4, 1364 Fornebu, 0219 Baerum, Norway	Norway	100%
NES Global Management AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	70%
NES Global Talent Norge AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	70%
NES Global Talent Norway Holdings AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	70%
NES Global Offshore AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	70%
NES Global LLC (1)	PO Box 963, Postal Code 130, Azaiba North, Sultanate of Oman	Oman	70%
New Eagle Services (1)	1 <sup>st</sup> Floor Office No. BAZ-104 Al-Baz Commercial Centre Salalah, Oman	Oman	100%
NES Distinctive LLC (1)	Office A410, At Assalah Towers South Ghubrah PO Box 199 Al Khuwair Muscat, Oman 136	Oman	100%
NES Global Limited (1)	Guinn PKF, Section 15, Lot 15, Bernal Street, Port Moresby, National Capital District, PNG	Papua New Guinea	100%
NES Global Talent Sp. z.o.o.(1)	Floor 11, Blue Tower Plaza, Plac Bankowy 2, 00-095, Warsaw, Poland	Poland	100%

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Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Overseas Qatar WLL (Qatar) (1)	P.O Box 24530, Sarco Business Center, 4th floor, Office no 401-H, B-Ring Road, Doha, Qatar	Qatar	49%
North Eagle Star Recruitment Est. (1)	P.O Box 24530, Sarco Business Center, 4th floor, Office no 401-H, B-Ring Road, Doha, Qatar	Qatar	100%
NES Global Talent OOO (1)	44, Bolshaya Serpuhovskaya St., bld 1, office 19, 115093, Moscow	Russia	100%
NES Global Arabia Company Limited (KSA) (1)	Global Suhaimi Compound, King Abdul Aziz Road (Dammam Seaport Road), Dammam, Kingdom of Saudi Arabia	Saudi Arabia	55%
NES Global Senegal Suarl (1)	No 16 Immeuble Hermes 1, 2e Etage, VDN Keur Gorgui, Dakar, Senegal	Senegal	100%
NES Global PTE Limited (1)	#50-01 AXA Tower, 8 Shenton Way, Singapore 068811	Singapore	100%
NES Global South Africa Pty Ltd (1)	C/o Deloitte & Touche, Deloitte Place, Buidling 4, The Woodlands, 20 Woodlands Drive, Woodmead, 2052, South Africa	South Africa	100%
NES Global Korea Yuhan Hoesa (1)	201, Goshen Vill, #554-4, Okpo1-dong, Geoje-Si, Gyeongsangnamdo, South Korea 656-904	South Korea	100%
NES Global Talent Suisse AG (1)	Stauffacher, 5288 Badernestrasse 47 Zurich, CH-8004, Switzerland	Switzerland	100%
NES Global (East Africa) Limited (1)	Plot no 211 Chabruma street, Kinondoni District, P.O. BOX 4524, Dar es salaam -Tanzania	Tanzania	100%
NES Global Talent Tanzania Limited (1)	10th Floor, PPF Tower, Corner of Ohio Street & Garden Avenue, PO Box 1559, Dar Es Salaam, Tanzania	Tanzania	100%
NES Global Engineering Services Ltd (1)	No.94 Shinnawat M Thai Building, 3d Floor, Soi Sukhumvit 23, Sukhumvit Road, Klongt Toei Nua Sub District, Wattana District, Bangkok, Thailand	Thailand	100%
Northern Engineering Services (Thailand) Company Limited (1)	399 Sukhumvit Road, Klongtoei Nua Sub-district, Wattana District, Bangkok 10110	Thailand	100%
NES Global B.V. (1)	Haagsche Hof, Parkstraat 83, The Hague, 2514 JG, Netherlands	The Netherlands	100%
NES Global Talent Ltd (1)	Pembroke Court, 17-19 Pembroke Street, Port of Spain, Trinidad & Tobago	Trinidad & Tobago	100%
NES Global Limited (1)	Communications House, 1 Colville Street, PO Box 8053, Kampala, Uganda	Uganda	100%
Aim Academy Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Energy People International Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES 2 Limited (4)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Advantage Solutions Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Finance Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Talent Finco Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Talent Holdco Ltd (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Talent Holdings Ltd (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Limited (6)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Group Limited (7)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK <sub>.</sub>	100%
NES Holdings Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES International Limited (4)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES IT Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Managed Services Limited (8)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Recruitment Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Trustees Limited (9)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES UK Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES UK Recruitment Limited (4)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Nesco Holdings Limited (2)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
North Eagle Star Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Northern Technical Talent Services Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%

For the year ended 31 October 2019

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
South Star Technical Services Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Energy Services DMCC (1)	Unit No. 605, Indigo Tower, Plot No. D1, Jumeirah Lake Towers, Dubai, UAE	United Arab Emirates	100%
NES Global Human Resources Consultancy LLC (1)	Office 409, Arjan Building, Defense Road, Abu Dhabi, UAE	United Arab Emirates	100%
NES Global Talent Recruitment Services (1)	Unit 104, Business Avenue Tower, Al Salam Street, PO Box 63107, Abu Dhabi, UAE	United Arab Emirates	100%
Bedrock PC 1099, LLC (1)	201 Rue Iberville, Suite 600, Lafayette, Louisiana, 70508, USA	USA	100%
Bedrock PC W2, LLC (1)	201 Rue Iberville, Suite 600, Lafayette, Louisiana, 70508, USA	USA	100%
Bedrock Petroleum Consultants, LLC (1)	201 Rue Iberville, Suite 600, Lafayette, Louisiana, 70508, USA	USA	100%
NES Advantage Solutions Inc.(1)	1675 South State St, Dover, Kent County, Delaware 19901, USA	USA	100%
NES Global Onshore Upstream, LLC (Texas) (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
NES Global Talent Finance US LLC (5)	1209 Orange Street, Wilmington, Delaware 19801, USA	USA	100%
NES Global Talent US Inc. (5)	1209 Orange Street, Wilmington, Delaware 19801,USA	USA	100%
NES Global LLC (1)	3505 Lake Lynda Drive, Suite 114, Orlando, FL 32817, USA	USA	100%
Redbock LLC (1)	21730 Stevens Creek Boulevard, Suite 103, Cupertino, California, 95014, USA	USA	100%
NES Global Technical Consultants Vietnam Ltd (1)	Regus Press Club, 4-6F, 59A Ly Thai To Street, Trang Tien Ward, Hoan Kiem District, Hanoi, Vietnam	Vietnam	100%

## Principal activities of related undertakings:

- Provision of technical recruitment agency services
- 2. Intermediate holding company
- 3. Provision of services to the group
- 4. Dormant company
- 5. Provision of finance to the group
- 6. Provision of technical engineering consultancy services overseas and holding company
- 7. Provision of support services for the NES Global Talent group of companies
- 8. Provision of technical recruitment solutions
- 9. Trustee company for NES Group EBT