



**NES FIRCCROFT BOND CO AS//  
FINANCIAL REPORT FOR THE  
QUARTER ENDING 31<sup>ST</sup>  
OCTOBER 2022**



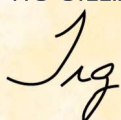
Our Fiscal 2022 fourth quarter represented a strong end to the year for the Group, with record quarterly revenues, gross profit and EBITDA. The full year EBITDA growth of 46% to \$113.8m was driven by the delivery of our strategy. Our people combined determination with ingenuity to deliver best-in class service to our customers and helping our candidates fulfil their potential by providing access to work. We averaged more than 22,000 contractor assignments each day in 2022 - delivering career growth to our contractors and consultants and providing mission-critical skills to our clients.

Such growth and excellent client service would not be possible without the efforts of our employees. Employee headcount grew by 20% to 1,812 across 81 office locations around the world demonstrating continued investment in our workforce. We have a diverse workforce, with female employees accounting for 57% of our staff and we are pleased to report a 10% increase in share of women placed in senior management positions during the year.

The Group completed a refinance of its senior debt in Q4, successfully issuing a sustainability-linked Norwegian Bond of \$300m and implementing a new \$72m super senior revolving credit facility both of which mature in 2026. The bond issue incorporates objectives aligned with our long-term sustainability strategy and will play an integral part in enabling the Group to deliver on our ambitious growth strategy.

Now we turn our focus to the opportunity ahead and look forward to 2023 as we continue to rollout the key elements of our strategy. While we have learned we can't always predict the future, the outlook is full of promise. On the operational front, our focus is on continued growth of our diversified sectors including life sciences, chemicals, power and renewables, construction and infrastructure, manufacturing and mining. We continue to focus on the implementation of digital systems to support this growth and efficiency. The Group is uniquely positioned as the world's largest engineering recruitment company to create significant value in the renewables and energy transition markets as we continue to meet our customer demands for tailored workforce solutions – working together to deliver a brighter tomorrow for everyone.

TIG GILLIAM



Chief Executive Officer  
22 December 2022



# CEO STATEMENT



**22,411**  
contractors supported



**\$647.3m**  
revenue



**1,812**  
global staff



**\$77.4m**  
gross profit



**57%**  
female employees



**\$31.5m**  
underlying EBITDA\*



**157**  
different nationalities



**81**  
offices

*\*Underlying EBITDA comprises earnings before interest, tax, depreciation and amortisation and before exceptional items and management recharges. This is considered a better approximation of profit as it is calculated by excluding all non-trading expenditure and non-cash items from operating profit.*

## Q4 METRICS

## Q4 2022 Financial Performance

Q4 FY22 revenue increased by 14% to \$647m compared to Q4 FY21. Gross profit of \$77.4m and underlying EBITDA of \$31.5m also increased by 16% and 9% respectively.

These increases were driven by significant growth in key regions such as the America and the Middle East, in addition to a covid-19 recovery in comparison to Q4 FY21 where the pandemic continued to have an impact.

The Q4 FY22 result contributed to a full year underlying EBITDA of \$113.8m, an increase of 46% year on year. Excellent cash collection performance in Q4 FY22 translated to a net increase in cash and cash equivalents of \$33m.

The Group refinance which completed in Q4 FY22 provides the required liquidity and flexibility to continue to develop the Group's working capital and acquisitions funding strategies.



STEPHEN BUCKLEY

A handwritten signature in black ink, appearing to read 'S. Buckley', written over a white background.

Chief Financial Officer  
22 December 2022

LTM EBITDA*	\$113.8m
Net Interest Bearing Debt	\$215.4m
NIBD / EBITDA Ratio	1.89
Covenant	4.75

Q4 2022 EBITDA\* growth over Q4 2021 **7%**

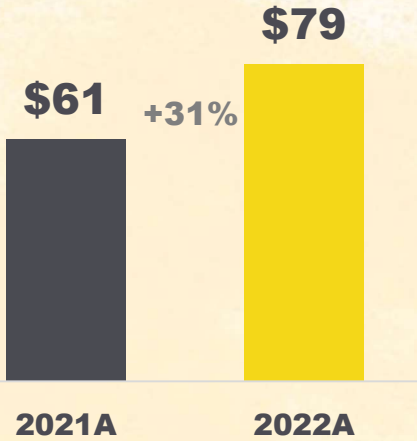
*\*Underlying EBITDA comprises earnings before interest, tax, depreciation and amortisation and before exceptional items and management recharges. This is considered a better approximation of profit as it is calculated by excluding all non-trading expenditure and non-cash items from operating profit.*

# CFO STATEMENT

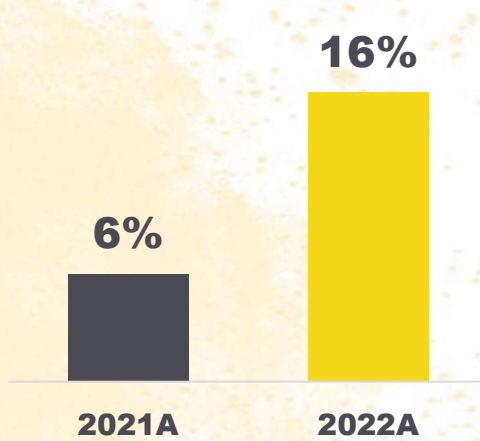


# SUSTAINABILITY

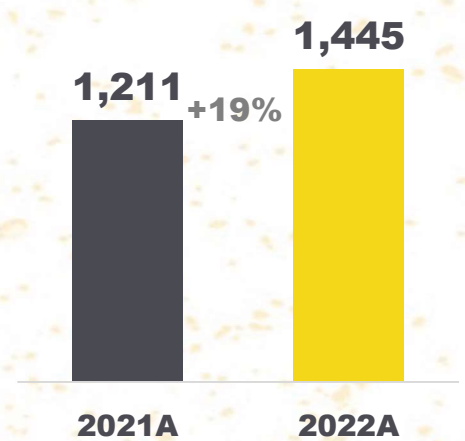
**NFI GENERATED FROM NON OIL AND GAS PROJECTS**  
TARGET - 10% YOY GROWTH



**SHARE OF WOMEN PLACED IN SENIOR MANAGEMENT**  
TARGET - 20% BY FY2025



**NUMBER OF CONTRACTORS PLACED WITHIN ENERGY TRANSITION / RENEWABLES**  
TARGET - 10% YOY GROWTH



## PEOPLE

57% female workforce at 31st October 2022

Emerging talent program supports targets of female diversity in senior management roles (increased from 6% to 16% female diversity in 2022)

Annual staff survey on diversity and inclusion topics

Internal colleague diversity and inclusion networks established

## COMMUNITY

Supported more than 20,000 candidates in securing their next employment opportunity

KindNES foundation funding (\$200k+) and staff volunteer initiatives in support of local community charities

## PLANET

Providing workforce solutions to our clients in the energy transition/renewables sectors (19% annual growth in renewable placements in 2022)

Off-setting carbon footprint of all staff business travel

Expanding measurement and reporting of our scope 1, 2 and 3 carbon emissions

Supplementing existing ISO certification of our Environmental Management System with planned green mark accreditation in 2023

# SUSTAINABILITY PROGRESS



# FINANCIAL STATEMENTS

# CONSOLIDATED INCOME STATEMENT

All financial statements are presented on an unaudited basis

	Q4 2022*	Q4 2021
	\$'000	\$'000
<b>Revenue</b>	647,350	566,972
Cost of sales	(569,902)	(500,432)
<b>Gross profit</b>	77,448	66,539
Administrative expenses	(45,918)	(37,485)
<b>Operating profit before management recharges, gain on bargain purchase, exceptional items, depreciation and amortisation</b>	31,530	29,054
Exceptional expenditure	(2,613)	(9,613)
Depreciation	(1,963)	(2,983)
Amortisation of intangible assets	(5,966)	(8,763)
<b>Operating profit</b>	20,988	7,696
Finance costs	(14,701)	(2,100)
<b>Profit before tax</b>	6,287	5,596
Tax charge	(2,529)	(1,373)
<b>Profit for the quarter</b>	3,758	4,223
Attributable to:		
Owners of the Company	2,814	3,696
Non-controlling interests	945	526
	3,758	4,223

\*Pro-forma financials presenting group performance assuming NES Fircroft Bondco AS acquired NES Fircroft Ltd and subsidiaries on 1 August 2022



# CONSOLIDATED BALANCE SHEET

All financial statements are presented on an unaudited basis

	31 October 2022	31 October 2021
	\$'000	\$'000
<b>Non-current assets</b>	202,191	238,217
<b>Current assets</b>		
Trade and other receivables	509,247	477,863
Cash and bank balances	99,181	60,496
	608,428	538,359
<b>Total assets</b>	810,619	776,576
<b>Current liabilities</b>		
Trade and other payables	(318,390)	(298,726)
Borrowings	(114,149)	(99,735)
	(432,538)	(398,461)
<b>Non-current liabilities</b>		
Borrowings	(295,291)	(268,000)
Other non-current liabilities	(7,984)	(13,736)
	(303,275)	(281,736)
<b>Total liabilities</b>	(735,814)	(680,197)
<b>Net assets</b>	74,805	96,379
<b>Equity</b>		
Share capital	1	1
Share premium	193,189	219,999
Retained earnings	(327,577)	(352,293)
Translation reserve	(38,532)	6,668
Merger reserve	243,954	217,100
<b>Shareholders' funds</b>	71,034	91,474
Non-controlling interests	3,771	4,904
<b>Total equity</b>	74,805	96,379

# CONSOLIDATED CASH FLOW

All financial statements are presented on an unaudited basis

	Q4 2022*	Q4 2021
	\$'000	\$'000
Profit for the quarter	3,758	4,223
Adjustments for:		
Income tax	2,529	1,373
Finance costs	14,701	2,100
Depreciation and amortisation	7,929	11,746
<b>Operating cash flows before movements in working capital (Earnings before interest, tax, depreciation and amortisation)</b>	28,917	19,442
Increase in receivables	(4,196)	(75,157)
Increase in payables	3,025	36,259
<b>Net cash inflow from operating activities</b>	27,747	(19,456)
Taxation paid	(6,038)	(1,871)
Net cash outflow from investing activities	(1,246)	(845)
Net cash inflow/(outflow) from financing activities	12,863	(8,658)
<b>Net increase/(decrease) in cash and cash equivalents</b>	33,326	(30,830)
Net exchange rate movements	273	44
<b>Cash and cash equivalents at beginning of quarter</b>	(47,368)	(2,779)
<b>Cash and cash equivalents at end of quarter</b>	(13,769)	(33,564)
<b>Cash and cash equivalents</b>		
IDF	(112,950)	(94,060)
Cash and bank balances	99,181	60,496
<b>Cash and cash equivalents at end of quarter</b>	(13,769)	(33,564)

\*Pro-forma financials presenting group performance assuming NES Fircroft Bondco AS acquired NES Fircroft Ltd and subsidiaries on 1 August 2022



# APPENDICES

# APPENDIX 1

## NES FIRCOFT BONDCO AS MANAGEMENT ACCOUNTS CONSOLIDATED INCOME STATEMENT

All financial statements are presented on an unaudited basis

	Q4 2022
	\$'000
<b><u>Revenue</u></b>	224,604
Cost of sales	(197,579)
<b><u>Gross profit</u></b>	27,025
Administrative expenses	(16,547)
<b>Operating profit before management recharges, gain on bargain purchase, exceptional items, depreciation and amortisation</b>	<b>10,479</b>
Exceptional expenditure	(697)
Depreciation	(632)
Amortisation of intangible assets	(2,820)
<b><u>Operating profit</u></b>	<b>6,329</b>
Finance costs	(6,393)
<b><u>Profit/(Loss) before tax</u></b>	<b>(64)</b>
Tax charge	803
<b><u>Profit/(Loss) for the quarter</u></b>	<b>739</b>
Attributable to:	
Owners of the Company	776
Non-controlling interests	(37)
	<b>739</b>

# APPENDIX 2

## NES FIRCREFT BONDCO AS MANAGEMENT ACCOUNTS CONSOLIDATED BALANCE SHEET

All financial statements are presented on an unaudited basis

	31 October 2022
	\$'000
<b>Non-current assets</b>	<u>202,191</u>
<b>Current assets</b>	
Trade and other receivables	509,247
Cash and bank balances	99,181
	<u>608,428</u>
<b>Total assets</b>	<u>810,619</u>
<b>Current liabilities</b>	
Trade and other payables	(318,390)
Borrowings	(114,149)
	<u>(432,538)</u>
<b>Non-current liabilities</b>	
Borrowings	(295,291)
Other non-current liabilities	(7,984)
	<u>(303,275)</u>
<b>Total liabilities</b>	<u>(735,814)</u>
<b>Net assets</b>	<u>74,805</u>
<b>Equity</b>	
Share capital	1
Share premium	193,189
Retained earnings	(327,577)
Translation reserve	(38,532)
Merger reserve	243,954
	<u>71,034</u>
<b>Shareholders' funds</b>	<u>71,034</u>
Non-controlling interests	3,771
	<u>74,805</u>
<b>Total equity</b>	<u>74,805</u>

# APPENDIX 3

## GROSS TO NET DEBT ANALYSIS

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*All financial statements are presented on an unaudited basis*

	Q4 2022
	\$'m
Bond	300.0
IDF	112.9
RCF	0.0
Lease Liability	12.6
Contingent Liability	2.0
<b>Gross Debt</b>	<b>427.6</b>
Cash	(99.2)
<b>Net Debt</b>	<b>328.4</b>
Less:	
IDF	(112.9)
<b>Net Interest Bearing Debt</b>	<b>215.4</b>

# FOR FURTHER INFORMATION

**TIG GILLIAM//**

CHIEF EXECUTIVE OFFICER (CEO)

**STEPHEN BUCKLEY//**

CHIEF FINANCIAL OFFICER (CFO)

For administrative queries, please contact:

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