

T.EN PMC Services Limited (formerly Technip PMC Services Limited)

Unaudited Annual Report and Financial Statements
for the year ended December 31, 2022

Registered number: 5053002

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T.EN PMC Services Limited (formerly Technip PMC Services Limited)

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T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

STRATEGIC REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

The Directors' present their strategic report for the year ended December 31, 2022.

Principal Activities

The principal activity of the company during the year was provision of Project Management Consultancy services for a number of industry sectors covering the petrochemicals, refining, oil and gas industries, mainly for overseas clients.

Business Model

Technip Energies N.V., of which T.EN PMC Services Limited (formerly Technip PMC Services Limited) is a subsidiary, is a global engineering and technology leader in oil, gas and energy transition projects with a full range of design and product development services, from early engagement to delivery, strategically placed to service their global and regional customers.

T.EN PMC Services Limited (formerly Technip PMC Services Limited) provides project management expertise across the Technip Energies N.V. portfolio.

Business Review and Key Performance Indicators

The company's key financial performance indicators during the year were as follows:

| | 2022 | 2021 |
|---|-------------------|-------------|
| | £ | £ |
| Turnover for the year ended December 31 | 12,341,712 | 7,107,243 |
| Net Assets as at December 31 | 1,674,953 | 1,588,171 |
| Profit before tax | 47,005 | 1,124,901 |

Turnover although a significant increase on 2021 was more or less in line with expectations as new projects came on line and backlog project plans continued to evolve increasing the mobilisation effort and associated revenues.

We have continued to work on improvements to and efficiencies in project execution which have delivered a significant increase to bottom line performance. The Company at December 31, 2022 had total liabilities of £9,707,837 (2021: £5,315,302) and total assets of £11,382,790 (2021: £6,903,479).

Going Concern

As at December 31, 2022, the Company's current assets exceeded their current liabilities by £1,674,953 (2021: £1,588,171).

The Company has access to cash pooling facilities which provide support to finance the operations of the Company. The cash pool is administered through fellow group company, Technip Eurocash SNC and these facilities carry interest at BOR (one week) or at market rate (one week) where there is no BOR available for a given currency. Either party can terminate the facility with 30 days' notice. As at December 31, 2022 the Company had a cash balance of £3,295,769 (2021: £1,190,410) including corporate balances.

The company has received a letter of support from the ultimate holding company Technip Energies N.V. confirming they will continue to provide such funds as are necessary to enable the company to continue to trade and to meet its liabilities as they fall due and that the shareholders will not seek repayment of the amounts currently made available for a period of at least 12 months from the date of approval of the financial statements.

Based on the above, the Directors' have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and a period of at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

STRATEGIC REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

Principal Risks and Uncertainties

Market

Demand for our services depends on oil and gas industry activity and new capital investment levels, which are directly affected by trends in the demand for, and price of, oil and gas. As a result, therefore, we expect the aggressive pricing strategies in the current market to continue as operators continue to focus on improving project economics and volatility in project sanctioning, a characteristic of our served markets, to remain.

Operations

Each of our customers have unique requirements and our ability to meet those requirements is dependent on a number of factors, including, but not limited to, access to an adequately trained and capable workforce, subcontractor performance and project management expertise and execution. Failure to deliver in accordance with project expectations could negatively impact our financial performance.

Our services require us to comply with numerous international regulations, violations of which could have a material adverse effect on our financial condition, results, operations and cashflows. Non-compliance with environmental laws and regulations may adversely affect our business and operating results. Disruptions in the political, regulatory, economic and social conditions of the countries in which we conduct our business could adversely affect our business or results of operations.

Fixed-price and other contracts may experience additional costs, claims or contractual disputes. We manage this risk through a formal risk review procedure on major contracts and a variety of execution and reporting measures.

Foreign currency risks may arise. In bidding and executing projects we analyse and monitor currency inflows and outflows and where possible and appropriate we hedge certain currency exposures.

T.EN PMC Services Limited (formerly Technip PMC Services Limited) operates with a high degree of Corporate and UK compliance oversight to reduce and remove the above associated risks.

Health and Safety

Whilst T.EN PMC Services Limited (formerly Technip PMC Services Limited) does not have any employees as such it does have a duty of care to its subcontracted workforce and as such we manage Health, Safety, Environment and Security ("HSES") as an integral part of the business, based on a genuine care and concern for people and the environment.

Political instability in certain markets such as that recently experienced may lead to the cancellation, suspension or postponement of certain projects. Security of our personnel is taken very seriously by the Company and we continually monitor the risks of operating in these countries.

Future Developments

T.EN PMC Services Limited (formerly Technip PMC Services Limited) continues to maintain its presence in its markets in the Middle East and Asia with strong project execution aligned to customer expectations. In the near future, the company expects 2023 and 2024 to return to the 2020 levels as existing projects come to an end and new opportunities evolve an opportunity to consolidate its presence in the Middle East and Asia markets and using previous knowledge and experience to expand its served markets and regional presence.

T.EN PMC Services (formerly Technip PMC Services Limited) has begun working on expanding its portfolio to incorporate other markets served by Technip Energies N.V., particularly in the area of energy transition.

With regards to the United Kingdom's withdrawal from the European Union, the withdrawal has not had a material impact on operations, either from a supply chain cost perspective or on end customer ordering activity. The long-term impact of the withdrawal has not been factored materially into our forecasts, as we expect that our customer base will continue to require our products and services in the future

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

STRATEGIC REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

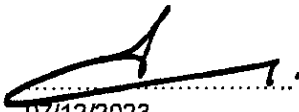
Section 172 of the Companies Act Statement

The Directors' give careful consideration to the factors set out above in discharging their duties under section 172. The stakeholders we consider in this regard include our employees, our clients, our suppliers, our shareholders, our regulators and those living in the communities in which the business operates and serves. The Board recognises that building strong relationship with our stakeholders will help us to deliver our strategy in line with our long-term values and operate the business in a sustainable way.

Having regard to the matters set out in section 172 (1)(a) to (f) of the Companies Act in the decisions taken during the financial year ending December 31, 2022, we advise as follows:

- a) Likely consequences of any decision in the long term – enhancement of performance and competitiveness is a key component of the Corporate strategy and we participate in global, regional and local activities supporting a focus on profitable and sustainable growth that are intended to deliver a long-term benefit to the company and our clients.
- b) Fostering relationships with suppliers, customers and others – we aspire to develop business relationships with like-minded clients, suppliers and other business partners and it is our policy to share and discuss our Code of Business Conduct and reinforce our culture of collective responsibility.
- c) Impact of operations on the community and the environment – we operate in a manner that intends to minimise the impact of our operations on the environment, focussed on reducing carbon emissions and avoiding environmental incidents in our operations.
- d) Maintaining a reputation for high standards of business conduct – Our Code of Business Conduct gives us a platform and common language to guide our business decisions and actions.
- e) The need to act fairly between members of the company – we are a wholly owned subsidiary and guided by the executive team in ensuring we support wider Corporate shareholder engagement programs.

On behalf of the Board



07/12/2023

Franck Topalian
Director

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

DIRECTORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

The Directors' present their audited Annual Report and Financial Statements for the year ended December 31, 2022.

General information

On April 14 2022, the company enacted to change its name from Technip PMC Services Limited to T.EN PMC Services Limited.

T.EN PMC Services Limited (the "company") is a private limited company limited by shares incorporated and domiciled in the UK and registered in England and Wales. The company is a wholly owned subsidiary of Technip Energies N.V., a company incorporated in the Netherlands is also the ultimate parent undertaking and controlling party. Please see details in note 12.

Directors

The Directors' who held office during the year and up to the date of signing the financial statements are given below:

Stephane Mespoulhes

Franck Topalian

Alexis Desreumaux (appointed April 1, 2023)

Directors' qualifying Third Party indemnity provisions

As permitted by the Articles of Association the Directors' have the benefit of an indemnity provision which is a qualifying indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and currently in force. The Company also purchased and maintained throughout the year Directors' and Officers' liability insurance in respect of itself and its Directors.

Results and Dividends

Results for the year are set out in the attached financial statements. No dividend was paid during the year and the Directors' do not recommend payment of a final dividend (2021: £nil).

Going Concern

Information regarding the results for 2022, future developments, key performance indicators and going concern basis in accounting can be found within the strategic report.

Statement of engagement with suppliers, customers and others in a business relationship with the company.

The company aspires to develop business relationships with like-minded clients, suppliers and other business partners and it is our policy to share and discuss our Code of Business Conduct and reinforce our culture of collective responsibility.

Charity

The Company made no charitable donations during the year (2021: £nil).

Political

The Company made no political donations or incurred any political expenditure during the year (2021: £nil).

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

DIRECTORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

Financial Risks

In the ordinary course of its activities, the company manages a variety of financial risks including currency and liquidity risks. The company co-operates closely with the parent company's central treasury function in accordance with approved financial policies and guidelines.

Liquidity Risk

In order to maintain liquidity and to ensure sufficient funds are available for ongoing operations and future developments, the company uses intra group funding arrangements.

Foreign Currency Risk

The Company buys and sells goods and services in currencies other than sterling. The Company seeks to mitigate the effect of its foreign currency exposures by fixing the exchange rates of foreign currencies at the time contracts are entered into for all, material foreign currency transactions. As a result, the Company has minimal exposure to foreign currency risks at the balance sheet date. The Company also monitors its net foreign currency exposures on a periodic basis to ensure the net positions do not materially impact the Company.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of Directors' responsibilities in respect of the financial statements

The Directors' are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors' are also 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.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

DIRECTORS' REPORT

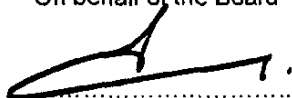
FOR THE YEAR ENDED DECEMBER 31, 2022

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



07/12/2023

Franck Topalian
Director

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Note | Year ended December 31 2022 £ | Year ended December 31 2021 £ |
|--------------------------------------|------|--|--|
| Turnover | 3 | 12,341,712 | 7,107,243 |
| Cost of sales | | (12,325,400) | (5,829,194) |
| Gross profit | | 16,312 | 1,278,049 |
| Administrative expenses | | (156,779) | (118,889) |
| Operating profit | 4 | (140,467) | 1,159,160 |
| Finance income | 5 | 221,819 | 23,918 |
| Finance costs | 6 | (34,347) | (58,177) |
| Profit before taxation | | 47,005 | 1,124,901 |
| Tax on profit for the financial year | 8 | 39,777 | (213,731) |
| Profit for the financial year | | 86,782 | 911,170 |

There was no other comprehensive income during the year other than the result for the year shown above.
All results arise from continuing operations.

The notes on the accompanying pages form part of these financial statements.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

| | Note | December 31 2022 | December 31 2021 |
|---|------|-------------------------|-------------------------|
| | | £ | £ |
| Current Assets | | | |
| Debtors | 9 | 8,087,021 | 5,713,063 |
| Cash at bank and in hand | | 3,295,769 | 1,190,410 |
| | | <u>11,382,790</u> | <u>6,903,473</u> |
| Creditors: amounts falling due within one year | 10 | (9,707,837) | (5,315,302) |
| Net Assets | | <u>1,674,953</u> | <u>1,588,171</u> |
| Capital and Reserves | | | |
| Called up share capital | 11 | 1 | 1 |
| Profit and loss account | | 1,674,952 | 1,588,170 |
| Total shareholders' Funds | | <u>1,674,953</u> | <u>1,588,171</u> |

The notes on the accompanying pages form part of these financial statements.

The financial statements on pages 12 - 22 of T.EN PMC Services Limited (formerly Technip PMC Services Limited) were approved by the Board of Directors on 7 December, 2023 and were signed on its behalf by:

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director's acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime



Franck Topalian
Director
Company number: 5053002
07/12/2023

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Called up Share Capital £ | Profit & Loss Account £ | Total £ |
|-------------------------------|--|--|--------------------|
| At January 1, 2021 | 1 | 677,000 | 677,001 |
| Profit for the financial year | - | 911,170 | 911,170 |
| At December 31, 2021 | <u>1</u> | <u>1,588,170</u> | <u>1,588,171</u> |
| At January 1, 2022 | 1 | 1,588,170 | 1,588,171 |
| Profit for the financial year | - | 86,782 | 86,782 |
| At December 31, 2022 | <u>1</u> | <u>1,674,952</u> | <u>1,674,953</u> |

Called up Share capital represents the value of shares issued and paid. Refer to note 11 for detailed information.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1. Summary of significant accounting policies

1.1. General information

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is One St Paul's Churchyard, LONDON, EC4M 8AP.

The entity's principal activity is the provision of Project Management Consultancy services for a number of industry sectors covering the petrochemicals, refining, oil and gas industries.

1.2. Basis of preparation

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006.

The company is a qualifying entity for the purpose of FRS 101 which sets out a reduced framework for a "qualifying entity", as described in the standard. The standard addressed the financial reporting requirements and disclosure exemption in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards (IFRS). Note 14 gives details of the Company's ultimate parent and from where consolidated financial statements prepared in accordance with IFRS may be obtained.

At the balance sheet date, the company was wholly owned subsidiary of TechnipFMC plc and is included in the consolidated financial statements of TechnipFMC plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparation and delivery to the registrar of group financial statements available under section 400 of the Companies Act 2006. Therefore, the financial statements present information about the company as an individual undertaking and not about its group.

In these financial statements the application of FRS 101 has enabled the company to take advantage of certain disclosure exemptions that would have been required had the company adopted IFRS in full. The only such exemptions that the directors consider to be significant are:

- A cashflow statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with parent company, wholly owned subsidiaries and other related parties;
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective); and
- Paragraphs 17 and 18A of IAS 24, Related Party Disclosures (compensation of key management personnel)

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1.2 Basis of preparation (continued)

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures.

- Certain disclosures required by IFRS 2 Share Based Payments in respect of group settled share-based payments;
- Certain disclosures required by IFRS 15 Revenue from Contracts
- Certain disclosures required by IFRS 16 Leases;
- An explanation of significant changes in balances of contract assets and contract liabilities during the year;
- Certain disclosures required by IFRS 13 Fair Value Measurement; and
- Certain disclosures required by IFRS 7 Financial Instrument Disclosures

1.3. Going concern

As at December 31, 2021, the Company's current assets exceeded their current liabilities by £1,674,953 (2021: £1,588,171).

The Company has access to cash pooling facilities which provide support to finance the operations of the Company. The cash pool is administered through fellow group company, Technip Eurocash SNC and these facilities carry interest at BOR (one week) or at market rate (one week) where there is no BOR available for a given currency. Either party can terminate the facility with 30 days' notice. As at December 31, 2022 the Company had a cash balance of £3,295,769 (2021: £1,190,410) including corporate balances.

The company has received a letter of support from the ultimate holding company Technip Energies N.V. confirming they will continue to provide such funds as are necessary to enable the company to continue to trade and to meet its liabilities as they fall due and that the shareholders will not seek repayment of the amounts currently made available for a period of at least 12 months from the date of approval of the financial statements.

Based on the above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and a period of at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4. Foreign Currencies

Transactions in foreign currencies are translated to the Company's functional currency at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rates at that date.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1.5. Financial Instruments

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

1.6. Current and deferred taxation

The tax expense for the period comprises current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets and liabilities that affect neither accounting or taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1.7. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised when or as control over a good or service is transferred to a customer.

Project Revenue – Revenue recognised over time

Allocation of transaction price to performance obligations

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct service in the contract.

Payment terms

Milestone payments and progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time (i.e., daily or hourly rates). Amounts billed and due from our customers are classified as receivables on the statement of financial position. Our standard credit terms are 30 days.

Revenue recognised over time

Our performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Typically, revenue is recognised over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

Cost-to-cost method

For our long-term contracts, because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation. Upon adoption of the new standard we always use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

Contract modifications

Contracts are sometimes modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognised as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Reimbursable revenue

100% (2021: 100%) of the company's revenue is generated from contracts for the provision of staff on a reimbursable basis. Revenue comprises the fair value of the consideration specified in the contract (typically a day rate for the provision of staff) and is stated net of sales taxes (such as VAT) and discounts. The Company recognises revenue when it transfers control of the service and in the same accounting period in which the services are rendered.

2. Critical accounting estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

2.1. Revenue recognition

For project revenue, under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionally as costs are incurred.

Costs associated with specific risks are estimated by assessing the probability that conditions arising from these risks will affect our total cost to complete the project. After work on a project begins, assumptions that form the basis for our calculation of total project cost are examined on a regular basis and our estimates are updated to reflect the most current information and management's best judgement.

3. Turnover

Revenue comprises the value of sales excluding VAT, of goods and services in the normal course of business. All revenue relates to one class of business.

An analysis of revenue by geographical location is given below:

| | 2022 | 2021 |
|------|-------------------|------------------|
| | £ | £ |
| Asia | 12,341,712 | 7,107,243 |
| | 12,341,712 | 7,107,243 |

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Contract balances

The company has recognised the following assets and liabilities related to contracts with customers:

| | 2022 | 2021 |
|--|-----------|-----------|
| | £ | £ |
| Contract asset which are included in Debtors | 2,409,161 | 82,566 |
| Contract liabilities included in Creditors | 1,482,296 | 2,639,600 |

The contract assets relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. The contract liabilities relate to the advance consideration received from customers. No impairment was recognised in relation to contract balances. No assets have been recognised from costs to fulfil a contract. No material revenue has been recognised in the year from performance obligations satisfied or partially satisfied in previous periods.

4. Operating profit

This is stated after charging:

| | 2022 | 2021 |
|--|--------|--------|
| | £ | £ |
| Amounts receivable by auditors and their associates in respect of: | | |
| Audit fees | 5,600 | 5,600 |
| Management fees | 83,950 | 83,950 |

5. Finance income

| | 2022 | 2021 |
|-----------------------|----------------|---------------|
| | £ | £ |
| Interest income | 15,790 | 887 |
| Foreign exchange gain | 34,995 | 23,031 |
| Bank revaluation | 171,034 | - |
| | 221,819 | 23,918 |

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

6. Finance cost

| | 2022 £ | 2021 £ |
|-----------------------|---------------|---------------|
| Foreign exchange loss | 34,347 | 58,177 |
| | <u>58,177</u> | <u>32,801</u> |

7. Directors' remuneration

The average monthly number of directors was:

| | 2022 Number | 2021 Number |
|----------------|----------------|----------------|
| Administration | <u>2</u> | <u>2</u> |

Their aggregate remuneration comprised:

| | 2022 £ | 2021 £ |
|--------------------|-----------|-----------|
| Wages and Salaries | <u>-</u> | <u>-</u> |

There are no staff costs as the staff costs were incurred by other entities within the Group. The directors of the company are also directors of fellow subsidiaries and receive remuneration directly from those companies. The directors do not believe that it is practicable to apportion their remuneration between their services as directors of the company and their services as directors of fellow companies. The directors who served in prior year also served in current year.

8. Tax on profit

(a) The taxation charge is made up:

| | 2022 £ | 2021 £ |
|--------------------------------|-----------------|----------------|
| Current tax – UK corporate tax | (39,777) | 213,731 |
| Tax on profit | <u>(39,777)</u> | <u>213,731</u> |

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

8. Tax on profit (continued)

(b) Factors affecting total tax

The tax assessed on the profit before taxation is the same as (2021:same as) the standard rate of corporation tax in the UK of 19% (2021: 19%). The difference is reconciled below.

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Profit / (loss) before taxation | 47,005 | 1,124,901 |
| Profit / (loss) before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%) | (39,777) | 213,731 |
| Effect of: Current year Non-Trading credits relieved against b/f deficits | - | - |
| Total tax charge | (39,777) | 213,731 |

(c) Unrecognised Deferred tax asset

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Non -Trading tax losses carried forward | 90,573 | 90,573 |

The deferred tax asset has not been recognised in respect of the non-trade deficits and non-trading losses brought forward of £90,573 (2021: £90,573) as there is insufficient evidence that the asset will be recovered. The deferred tax would only be recoverable in the event of a significant increase in non-trading income. As a result, there is no deferred tax impact. Only post 1 April 2017 Non-Trading deficits/losses may be relieved against trading profits.

In the Spring Budget 2020, the UK Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. Any Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

In addition to the above, the UK government announced in March 2021 a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date as the change has no impact to these financial statements and as a result, any deferred tax balances as at 31 December 2021 continue to be measured at 19%.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

9. Debtors

| | 2022 | 2021 |
|--|------------------|------------------|
| | £ | £ |
| Trade Debtors | 3,307,044 | 3,067,614 |
| Amounts owed by Group Undertakings <i>incl. Cash pooling facility</i> | 1,606,418 | 2,210,916 |
| Other Debtors | 764,398 | 351,967 |
| Contract assets | 2,409,161 | 82,566 |
| | 8,087,021 | 5,713,063 |

Trade Receivables are due within one year and are stated after provision for impairment of £Nil (2021; £Nil). Contract assets are accrued income, mostly for group contracts, where billing could not be raised until later (2021; £Nil).

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

Amounts owed by group undertakings under cash pooling facility is administered through fellow group company, Technip Eurocash SNC and these facilities carry interest at BOR (one week) or at market rate (one week) where there is no BOR available for a given currency. Either party can terminate the facility with 30 days' notice. The outstanding balance at year end consisted of balances denominated in Euro, Sterling and Dollars (2021: Euro, Sterling and Dollars).

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

10. Creditors: amounts falling due within one year

All amounts falling due within one year

| | 2022 £ | 2021 £ |
|--|------------------|-----------|
| Contract Liabilities | 1,482,296 | 2,639,600 |
| Accruals and Other Social Security & Tax | 4,978,348 | 2,205,128 |
| Amounts owed to Group undertakings | 3,113,966 | 260,346 |
| Corporation tax | 133,227 | 210,228 |
| | 5,315,302 | 5,315,302 |

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

The cash pool is administered through fellow group company, Technip Eurocash SNC and these facilities carry interest at BOR (one week) or at market rate (one week) where there is no BOR available for a given currency. Either party can terminate the facility with 30 days' notice. There was no outstanding balance at year end (2021: Nil).

11. Called up share capital

| | 2022 £ | 2021 £ |
|---|------------------|-----------|
| <i>Authorised, Allotted, called up and fully paid</i> | | |
| 1 (2021:1) ordinary share of £1 each | 1 | 1 |

T.EN PMC SERVICES LIMITED (formerly Technip PMC Services Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

12. Ultimate Parent Company

TechnipFMC International Holdings B.V. was the company's immediate parent up to 30 December 2020. The ownership transferred subsequently to TechnipFMC Plc from 31 December 2020. Post the Spin-off (see below), the company's immediate parent undertaking is Technip Energies N.V with effect from 16 February 2021.

The ultimate parent undertaking and controlling party till February 15, 2021 was TechnipFMC plc, a company incorporated in the United Kingdom. The consolidated financial statements of TechnipFMC plc are available for inspection at TechnipFMC Plc's website (investors.technipfmc.com).

From February 16, 2021 the Company's ultimate parent undertaking is Technip Energies N.V a company incorporated in the Netherlands.

Spin-off of Technip Energies

On February 16, 2021, the ultimate holding company (TechnipFMC Plc) completed the spin-off to separate the Group's Onshore/Offshore segment and Loading Systems business into an independent, publicly traded company of Technip Energies N.V. The spin off transaction has not affected the company and it remains integral to the PMC Business Unit which forms part of Technip Energies N.V.