

Registre de Commerce et des Sociétés

Numéro RCS : B169115

Référence de dépôt : L170238558

Déposé et enregistré le 05/12/2017

ODKVZQP20171120T17112901_001

RCSL Nr. : B169115

Matricule : 2012 2419 135

eCDF entry date : 20/11/2017

ABRIDGED BALANCE SHEET

Financial year from ⁰¹ 01/10/2016 to ⁰² 30/09/2017 (in ⁰³ USD)

Gaz Métro International S.à r.l.

6C, rue Gabriel Lippmann

L-5365 Munsbach

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 _____	110 _____
I. Intangible assets	1111 _____	111 _____	112 _____
II. Tangible assets	1125 _____	125 _____	126 _____
III. Financial assets	1135 _____	135 _____	136 _____
D. Current assets	1151 _____	151 <u>372.012.414,17</u>	152 <u>371.818.312,56</u>
I. Stocks	1153 _____	153 _____	154 _____
II. Debtors	1163 _____ <u>3</u>	163 <u>371.894.800,31</u>	164 <u>371.720.571,53</u>
a) becoming due and payable within one year	1203 _____	203 <u>371.894.800,31</u>	204 <u>371.720.571,53</u>
b) becoming due and payable after more than one year	1205 _____	205 _____	206 _____
III. Investments	1189 _____	189 _____	190 _____
IV. Cash at bank and in hand	1197 _____	197 <u>117.613,86</u>	198 <u>97.741,03</u>
E. Prepayments	1199 _____	199 <u>1.319,89</u>	200 <u>1.344,30</u>
TOTAL (ASSETS)		201 <u>372.013.734,06</u>	202 <u>371.819.656,86</u>

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 _____	301 <u>9.987.313,21</u>	302 <u>9.791.037,72</u>
I. Subscribed capital	1303 _____ 4	303 <u>20.000,00</u>	304 <u>20.000,00</u>
II. Share premium account	1305 _____ 5	305 <u>2.988.000,00</u>	306 <u>2.988.000,00</u>
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____ 6	309 <u>12.000,00</u>	310 <u>12.000,00</u>
V. Profit or loss brought forward	1319 _____ 7	319 <u>6.771.037,72</u>	320 <u>6.510.933,88</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>19.916.275,49</u>	322 <u>19.495.103,84</u>
VII. Interim dividends	1323 _____ 8	323 <u>-19.720.000,00</u>	324 <u>-19.235.000,00</u>
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
B. Provisions	1331 _____	331 _____	332 _____
C. Creditors	1435 _____ 9	435 <u>362.026.420,85</u>	436 <u>362.028.619,14</u>
a) becoming due and payable within one year	1453 _____	453 <u>362.026.420,85</u>	454 <u>362.028.619,14</u>
b) becoming due and payable after more than one year	1455 _____	455 _____	456 _____
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 <u>372.013.734,06</u>	406 <u>371.819.656,86</u>

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Déposé le 05/12/2017

Gaz Métro International S.à r.l.*Société à responsabilité limitée*

Siège social: L-5365 Munsbach, 6C, rue Gabriel Lippmann

R.C.S. Luxembourg: B 169 115

Constituée en date du 22 mai 2012 par acte devant Maître Henri HELLINCKX, notaire de résidence à Luxembourg, Grand-Duché de Luxembourg, publié au Mémorial, Recueil des Sociétés et Associations C numéro 1644 du 29 juin 2012 et modifiée pour la dernière fois par Maître Henri HELLINCKX, par acte du 14 mars 2016 publié au Mémorial, Recueil des Sociétés et Associations C numéro 1721 du 14 juin 2016.

AFFECTATION DU RESULTAT AU 30 SEPTEMBRE 2017

Le profit de l'exercice s'élevant à USD 19.916.275,49 est alloué comme suit :

Profit reporté	USD	6.771.037,72
Profit de l'exercice	USD	19.916.275,49
Dividende intérimaire payé sur les parts sociales ordinaires	(USD	19.720.000,00)
Résultat à reporter	USD	6.967.313,21

COMPOSITION DU CONSEIL DE GERANCE**Gérant de type A:**

- **Pierre DESPARS**, résidant au 1717, rue du Havre, H2K 2X3 Montréal, Québec, Canada ;
- **Olivier DESPARS**, résidant professionnellement au 6C, rue Gabriel Lippmann, L-5365 Munsbach.

Gérant de type B:

- **Herman SCHOMMARZ**, résidant professionnellement au 6C, rue Gabriel Lippmann, L-5365 Munsbach.

Munsbach, le 5 décembre 2017.

Gaz Métro International S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
For the year ended 30th September 2017

NOTE 1 - GENERAL INFORMATION

Gaz Métro International S.à r.l. (the "Company") was incorporated as a "Société à Responsabilité Limitée" under the laws of the Grand-Duchy of Luxembourg on 22nd May 2012 for an unlimited duration.

The registered office is located in Luxembourg.

The Company's financial year starts on 1st October and ends on 30th September of each year.

The Company's object is the acquisition of participations, in Luxembourg or abroad, in any companies or enterprises in any form whatsoever, and the management of those participations. The Company may in particular acquire by subscription, purchase and exchange or in any other manner, any stock, shares and other participation, securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. Further, it may invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.

The Company may borrow in any form, except by way of public offer. It may issue, by way of private placement only, notes, bonds and any kind of debt and equity securities. It may lend funds, including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other companies. It may also give guarantees and pledge, transfer, encumber or otherwise create and grant security over some or all of its assets to guarantee its own obligations and those of any other company and generally, for its own benefit and that of any other company or person. For the avoidance of doubt, the Company may not carry out any regulated financial sector activities without having obtained the requisite authorisation.

The Company may use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

The Company may carry out any commercial, financial or industrial operation and any transaction with respect to real estate or immovable property which, directly or indirectly, favours or relates to its corporate object.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

General principles

According to Luxembourg law on commercial companies, the annual accounts must be submitted to the General Meeting of shareholders for approval.

These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention and according to the generally accepted accounting principles applicable in Luxembourg ("Lux GAAP's"). Accounting policies and valuation rules are, besides the ones laid down by the Law of 19th December 2002 as amended, determined and applied by the Board of Managers. The application of going concern principle is no longer appropriate as the shareholder intends to liquidate the Company in the near future.

Following the law of 18th December 2015, amending the law of 19th December 2002, and the Grand-Ducal Regulation of 18th December 2015 dealing with the presentation of the balance sheet and profit and loss account, the comparative figures have been reclassified adequately.

Option to apply the Substance Over Form Principle

In the process of the preparation of the annual accounts for the financial year ended 30th September 2017, it has been decided to opt for the application of the Substance Over Form Principle ("SOFP"), as from 1st October 2015, as per article 29 (3) of the Law of 19th December 2002 as amended. This option has been applied to the Mandatory Redeemable Preferred Shares ("MRPS") issued by the Company, as per the analysis performed by the Board of Managers.

This option for the SOFP for the MRPS allows the Company to disclose more precisely the economics of financings obtained by the Company. Considering the terms and conditions governing the MRPS issued by the Company, the option for the SOFP results in presenting the nominal value of the MRPS issued by the Company, the share premium attached to the MRPS, as "Subordinated debts" in the balance sheet starting from the financial year beginning on 1st October 2015. Ordinary shares remain presented in "Capital and reserves".

MRPS issued by the Company have the following summarized terms and conditions:

- Mandatory redemption upon the expiry of a ten-year period from the date of issuance (i.e. during the year 2022), or earlier;
- The repurchase of the MRPS shall be done for an amount equal to the sum of the nominal value of each MRPS, plus the amount of share premium attached to this MRPS; all together (the "Repurchase Price"),
- This Repurchase Price shall be paid in cash or in kind. Once repurchased, such MRPS will be cancelled forthwith after redemption.
- The MRPS holders are not entitled to dividend payments.
- The MRPS are convertible into Ordinary shares at the sole discretion of the MRPS holders.

As a result of the election for the application of the SOFP, an amount of USD 362,000,000.00 has been considered as "Subordinated debts – becoming due and payable after more than one year", corresponding to the nominal value of the MRPS for USD 100,000.00 and to the share premium attached to the MRPS for USD 361,900,000.00 as at 30th September 2016 and 30th September 2017. Without having opted for the SOFP, the amounts would have been disclosed under the caption "Capital and reserves".

Gaz Métro International S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
For the year ended 30th September 2017
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Translation of foreign currencies

The Company maintains its accounting records in US Dollars (USD) and the annual accounts are expressed in this currency.

Balances denominated in foreign currencies are translated into USD as follows:

- Financial fixed assets, expressed in a currency other than USD, are translated into USD at the exchange rate prevailing at the date of their acquisitions. At the balance sheet date, financial fixed assets are maintained at their historical exchange rate;

- All monetary assets and liabilities, expressed in a currency other than USD, are translated into USD at the exchange rate prevailing at the year end. All exchange differences resulting from this conversion are accounted for in the profit and loss account for the year, and any unrealised exchange gains included therein are not considered significant to impair the true and fair view of the annual accounts;

- Liabilities which are economically linked to the financial fixed assets, expressed in a currency other than USD, are maintained at their historical exchange rate at the end of the financial year; and

- Income and charges denominated in foreign currencies are translated into USD at the rate ruling at the transaction date.

Financial fixed assets

Loans to affiliated undertakings are stated at their nominal value. A provision is made when the net realizable value is estimated to be lower than the nominal value.

Provisions

Provision for liabilities and charges are intended to cover losses or debts the nature of which is clearly defined and which, at the balance sheet date are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Debtors

Debtors are stated at their nominal value. Provision for bad debts are recorded if their net realisable value is lower than the nominal value.

Creditors

Creditors are recorded at their reimbursement value.

Taxation

Provision for taxation corresponding to the difference between the tax liabilities estimated by the Company and the advance payments made for the financial years for which the tax assessments have not yet been received are recorded under the caption 'Taxation'.

Subscribed Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized in the profit and loss account of the Company.

Mandatory Redeemable Preferred Shares ("MRPS")

The MRPS issued by the Company, the related share premium and similar premiums are classified as subordinated debts in application of the principle of "substance over form". The appropriations to the legal reserve account of the Company which are in connection with the MRPS remain in the legal reserve account of the Company.

Gaz Métro International S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
For the year ended 30th September 2017
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NOTE 3 - DEBTORS

	Interest rate	Maturity date	2017 USD	2016 USD
<u>Becoming due and payable within one year</u>				
<i>Amounts owed by group companies</i>				
Loan to Northern New England Energy Corporation 'NNEEC' (Tranche 1)	4,73%	22/06/2019	100.000.000,00	100.000.000,00
Loan to NNEEC (Tranche 2)	Libor +3,87%	22/06/2022	100.000.000,00	100.000.000,00
Loan to NNEEC (Tranche 3)	5,75%	22/06/2024	65.000.000,00	65.000.000,00
Loan to NNEEC (Tranche 4)	5,90%	22/06/2027	100.000.000,00	100.000.000,00
Interest receivable on loan to NNEEC (Tranche 1)			1.616.083,26	1.616.083,37
Interest receivable on loan to NNEEC (Tranche 2)			1.836.800,00	1.745.821,00
Interest receivable on loan to NNEEC (Tranche 3)			1.276.979,10	1.276.979,06
Interest receivable on loan to NNEEC (Tranche 4)			2.015.833,06	2.015.833,30
Other debtors			149.104,89	65.854,80
			<u>371.894.800,31</u>	<u>371.720.571,53</u>

The sole shareholder intends to liquidate the Company during the 4th quarter 2017. With this respect, the loans to NNEEC has been reclassified under the caption "Debtors".

NOTE 4 - SUBSCRIBED CAPITAL

The Company was incorporated with an issued and fully paid up share capital of USD 20.000,00 represented by 20.000 shares with a par value of USD 1,00 each.

On 21st June 2012, the Sole Shareholder resolved to contribute to the Company an amount of USD 100.000,00 corresponding to MRPS.

As at 30th September 2017, the Company has an issued and fully paid up capital of USD 120.000,00 represented by 20.000 ordinary shares and 100.000 MRPS with a par value of USD 1,00 each.

In application of the substance over form principle, the MRPS issued by the Company amounting to USD 100.000,00 have been reclassified under subordinated debts as it qualifies as debt.

NOTE 5 - SHARE PREMIUM AND SIMILAR PREMIUMS

On 21st June 2012, the Sole Shareholder resolved to contribute to the Company an amount of USD 364.888.000,00 corresponding to MRPS Share Premium issuance for USD 361.900.000 and an ordinary share premium of USD 2.988.000,00.

In application of the substance over form principle, the Share Premium on MRPS issued by the Company and amounting to USD 361.900.000,00 have been reclassified under subordinated debts becoming due and payable within one year as it qualifies as debt.

NOTE 6 - RESERVESLegal reserve:

In accordance with Luxembourg Company Law, the Company is required to appropriate a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance of the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders. As at 30th September 2017, the legal reserve amounting to USD 12.000,00.

NOTE 7 - PROFIT OR LOSS BROUGHT FORWARD

	2017 USD	2016 USD
Balance at the beginning of the year	6.510.933,88	0,00
Appropriation of profit of previous year	19.495.103,84	6.510.933,88
Dividends	(19.235.000,00)	0,00
Balance at the end of the year	<u>6.771.037,72</u>	<u>6.510.933,88</u>

Gaz Métro International S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
For the year ended 30th September 2017
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NOTE 8 - INTERIM DIVIDENDS

On 8th December 2016, the Company has distributed an interim dividend on ordinary shares of USD 9.930.000,00. On 12th June 2017, the Company has distributed an interim dividend on ordinary shares of USD 6.550.000,00. On 29th September 2017, the Company has distributed an interim dividend on ordinary shares of USD 3.240.000,00.

During the year ended 30th September 2017, the Company has distributed interim dividends totalling USD 19.720.000,00.

NOTE 9 - CREDITORS

	2017 USD	2016 USD
<u>Becoming due and payable within one year:</u>		
Trade creditors	26.339,57	28.234,42
Other creditors	81,28	384,72
MRPS	362.000.000,00	362.000.000,00
	362.026.420,85	362.028.619,14

The MRPS may be redeemed at any time at the option of the holders of the MRPS and at the latest on the 10th anniversary of the issue date of the MRPS (i.e. during the year 2022). The redemption price of the MRPS will be equal to the par value of the redeemed MRPS, increased by the share premium attached to each MRPS. As a result of the election for the application of the SOFP, an amount of USD 362,000,000.00 has been accounted for as "Subordinated debts – becoming due and payable within one year", corresponding to the nominal value of the MRPS for USD 100,000.00 and to the share premium attached to the MRPS for USD 361,900,000.00. Without having opted for the SOFP, the amounts would have been disclosed under the caption "Capital and reserves".

MRPS issued by the Company have the following summarized terms and conditions:

- Mandatory redemption upon the expiry of a ten-year period from the date of issuance (i.e. during the year 2022), or earlier;
- The repurchase of the MRPS shall be done for an amount equal to the sum of the nominal value of each MRPS, plus the amount of share premium attached this MRPS; all together (the "Repurchase Price");
- This Repurchase Price shall be paid in cash or in kind. Once repurchased, such MRPS will be cancelled forthwith after redemption;
- The MRPS holders are not entitled to dividend payments; and
- The MRPS are convertible into Ordinary shares at the sole discretion of the MRPS holders.

NOTE 10 - STAFF COSTS

During the year, the Company has one part-time employee.

NOTE 11 - OTHER OPERATING EXPENSES

	2017 USD	2016 USD
Rent	4.993,99	5.227,57
Legal fees	26.545,46	37.646,09
Accounting fees	26.340,03	27.108,04
Tax compliance fees	15.046,69	29.569,96
Other fees	11.617,75	11.238,79
	84.543,92	110.790,45

Gaz Métro International S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
For the year ended 30th September 2017
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NOTE 12 - INCOME FROM PARTICIPATING INTERESTS

	2017	2016
	USD	USD
<i>Derived from affiliated undertaking:</i>		
Interest on loan to NNEEC (Tranche 1)	4,795,694,49	4,808,833,38
Interest on loan to NNEEC (Tranche 2)	5,386,244,07	5,004,284,93
Interest on loan to NNEEC (Tranche 3)	3,789,409,71	3,799,791,66
Interest on loan to NNEEC (Tranche 4)	5,981,944,49	5,998,333,38
	19,953,292,76	19,611,243,35

NOTE 13 - OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2017	2016
	USD	USD
<i>Other interest and similar financial income:</i>		
Bank interest	11,495,14	3,872,00
Net foreign exchange gains	7,099,33	0,00
	18,594,47	3,872,00

NOTE 14 - INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	USD	USD
<i>Other interest and similar expenses:</i>		
Net foreign exchange losses	0,00	318,32
Bank charges	2,084,80	1,675,12
	2,084,80	1,993,44

NOTE 15 - TAX ON PROFIT OR LOSS

As from 15th June 2012, the Company and its sole shareholder have entered into a fiscal unity. Therefore, for Luxembourg tax purposes, the taxable result of the Company and its sole shareholder are aggregated at the level of the sole shareholder, which is liable to Luxembourg corporate income tax and municipal business tax on the combined income of the fiscal unity.

NOTE 16 - OTHER TAXES NOT SHOWN UNDER ITEMS 1 TO 16

The Company is subject to Net Wealth Tax (NWT) at the rate of 0,5% on its taxable net assets as of 1st January of each year.

	2017	2016
	USD	USD
Net wealth tax from previous year	37.873,83	0,00

NOTE 17 - SUBSEQUENT EVENTS

Due to a group restructuring, the Company will be liquidated during the 4th quarter 2017.