

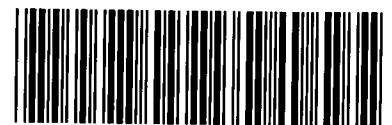
SNC-Lavalin (GB) Holdings Limited

Annual Report and Financial Statements

For the period ended 31 December 2017

Registered number: 10715197

FRIDAY



A26 *A7KBOZ60* #234
07/12/2018
COMPANIES HOUSE

SNC-Lavalin (GB) Holdings Limited

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Directors' responsibilities statement	7
Independent auditor's report	8
Profit and loss account	15
Balance sheet	16
Statement of changes in equity	17
Notes to the financial statements	18

SNC-Lavalin (GB) Holdings Limited

Officers and professional advisers

Directors

Mark Stephen Anderson
Simon Glenister Cole

Registered office

Woodcote Grove Ashley Road
Epsom, Surrey
England
KT18 5BW

Bankers

HSBC Bank plc
8 Canada Square, COBAM CLG - Level 23
London, United Kingdom

Independent auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

SNC-Lavalin (GB) Holdings Limited

Strategic report

Review of the business

SNC-Lavalin (GB) Holdings Limited (the “Company”) is a holding company incorporated under the law of the United Kingdom on 7 April 2017.

SNC-Lavalin (GB) Holdings Limited acquired 100% of the voting ordinary shares of WS Atkins Limited (“Atkins”) on 3 July 2017.

The Company’s investment in Atkins amounted to CAD \$3.5 billion at 31 December 2017.

Subsidiary undertakings have not been consolidated by the Company as permitted by s.401 of the Companies Act 2006 as they are consolidated in the consolidated financial statements of SNC-Lavalin Group Inc. (the “Group”).

SNC-Lavalin Group Inc. was the Company’s ultimate parent undertaking and controlling party at 31 December 2017. The immediate parent undertaking is SNC-Lavalin (GB) Limited. SNC-Lavalin Group Inc. heads the largest and smallest group of undertakings for which Group financial statements are drawn up and of which the Company is a member.

SNC-Lavalin Group Inc. has its registered office at:

455 Boul. René-Lévesque Ouest

Montréal, Québec

H2Z 1Z3

Canada

Copies of the annual report and financial statements for SNC-Lavalin Group Inc. are available at www.snclavalin.com/en/investors.

Key performance indicators (KPIs)

The Group uses a range of performance measures to monitor and manage the business. Those that are particularly important in monitoring our progress in generating shareholder value are considered key performance indicators (KPIs). Notably, the Group monitors the carrying value of the Company’s investments and ensures it is not impaired. Also, the Group monitors the Company’s net financial costs incurred and the amount of dividends received by the Company, if any, from its investments.

Principal risks and uncertainties

The principal risk that the Company faces relates to its investments in subsidiaries. There is a risk that the carrying amount of the investment is less than the carrying value of net assets or future cash flows if it was to be sold, which would lead to an impairment loss for the Company. An impairment test is performed at each reporting date to assess whether there are indicators of impairment of the Company’s investment in WS Atkins Limited.

The possible economic and legislative changes arising as a result of the UK’s repositioning of its relationship with the European Union is outside the company’s control. The directors continually monitor the economic and legislative position and believe they are well placed to address any changes as and when they might arise.

Results and dividend

The results for the period are set out in the profit and loss account on page 15.

No dividends were paid or proposed in the period ended 31 December 2017.

SNC-Lavalin (GB) Holdings Limited

Strategic report (continued)

Future developments

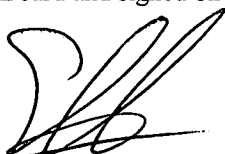
We see a healthy pipeline of opportunities for the former Atkins Group, particularly in transportation and infrastructure markets. The UK infrastructure market in roads, rail and water remains well-funded and investment continues to enjoy Government support.

Overall, we remain confident for the year ahead in terms of the Atkins Group.

Further details of the objectives and future developments for the Group are disclosed in the SNC-Lavalin Group Inc. financial statements for the year ended 31 December 2017.

Details of significant events since the balance sheet date are contained in note 17 to the financial statements.

Approved by the Board and signed on its behalf by:



Simon Glenister Cole
Director

Date: 4 December 2018

Registered office

Woodcote Grove Ashley Road
Epsom, Surrey
England
KT18 5BW

SNC-Lavalin (GB) Holdings Limited

Directors' report

The directors present their first annual report on the affairs of SNC-Lavalin (GB) Holdings Limited (the Company), together with the financial statements and auditor's report, for the period from 7 April 2017 to 31 December 2017.

Principal activity

SNC-Lavalin (GB) Holdings Limited (the "Company") is a holding company incorporated in England and Wales on 7 April 2017. SNC-Lavalin (GB) Holdings Limited owns 100% of the voting ordinary shares of WS Atkins Limited.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

SNC-Lavalin Group, ultimate parent company of SNC-Lavalin (GB) Holdings Limited, will provide whatever financial support is required to enable SNC-Lavalin (GB) Holdings Limited to meet, in full, its financial obligations for a period of 12 months from the date of signing the SNC-Lavalin (GB) Holdings Limited statutory accounts for the period ended 31 December 2017.

Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

Future developments

Future developments are set out in page 3 of the strategic report.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk.

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Credit risk

The Company's principal financial assets are bank balances and cash, trade receivables owed by related parties, and investments.

The Company's credit risk is primarily attributable to its trade receivables owed by related parties. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

SNC-Lavalin (GB) Holdings Limited

Directors' report (continued)

Directors

The directors who held office during the period and subsequently were as follows, except as noted:

Mark Stephen Anderson	(appointed 3 August 2017)
Hetal Patel	(appointed 7 April 2017 and resigned 18 July 2018)
Simon Glenister Cole	(appointed 18 July 2018)
Sylvain Girard	(appointed 7 April 2017 and resigned 3 August 2017)
Christian Brown	(appointed 7 April 2017 and resigned 3 August 2017)
Clive Weston	(appointed 7 April 2017 and resigned 7 April 2017)
Heath Stewart Drewett	(appointed 3 August 2017 and resigned 15 December 2017)

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period ended 31 December 2017 and remain in force at the date of this report.

Issuance of ordinary shares

On the date of its creation 7 April 2017, SNC-Lavalin (GB) Holdings Limited issued 1 ordinary share of £1.00 each in favour of SNC-Lavalin (GB) Limited for an amount of CAD \$1.66.

On 10 July 2017, SNC-Lavalin (GB) Holdings Limited issued 75,000 ordinary shares of CAD \$0.10 each in favour of SNC-Lavalin (GB) Limited for an amount of CAD \$1,583,296,143. The amount of CAD \$7,500 was recorded as ordinary shares capital and the balance of CAD \$1,583,288,643 was recorded in the ordinary share premium account.

Events after the reporting period

Events after the reporting period are set out in Note 17 to the financial statements.

SNC-Lavalin (GB) Holdings Limited

Directors' report (continued)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

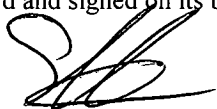
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by SNC-Lavalin Group Inc., as the immediate parent of the entity.

Approved by the Board and signed on its behalf by:



Simon Glenister Cole
Director

Date: 4 December 2018

Registered office

Woodcote Grove Ashley Road
Epsom, Surrey
England
KT18 5BW

SNC-Lavalin (GB) Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws 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 accordance with 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 judgements 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdiction.

Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of SNC-Lavalin (GB) Holdings Limited (the 'company'):

- **give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the period 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; and
- the related notes 1 to 17.

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

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

Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited (continued)

Summary of our audit approach

Key audit matters	<p>The key audit matter that we identified in the current year was:</p> <ul style="list-style-type: none"> Carrying value of investment in WS Atkins Limited.
Materiality	<p>The materiality that we used in the current year was \$CAD 45 million which was determined on the basis of 1.2% of total assets.</p>
Scoping	<p>Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team which comprised of members from the UK & Canadian Firms.</p>

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.




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.

Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited (continued)

Key audit matters (continued)

Carrying value of investment	
Key audit matter description 	<p>Carrying value of the investment in WS Atkins Limited is considered a key audit matter, and is stated at the balance sheet date at cost of \$CAD 3,500 million.</p> <p>In accordance with FRS 102 the directors have performed an assessment to determine whether there is any indication that the carrying value may be impaired as at 31 December 2017. The director's assessment included a review of both internal indicators of impairment such as year to date earnings before interest and tax vs budget, net assets value of the underlying investments; and external indicators of impairment such as significant changes in the market and economic environment.</p> <p>Further details are included in the critical accounting judgements and key sources of estimation uncertainty in note 2 and investments in note 14.</p>
How the scope of our audit responded to the key audit matter 	<p>We challenged management's assessment of the indicators of impairment, reviewing both the internal and external indicators. In doing so, we reviewed the 2017 post acquisition performance of the Atkins investment against plan and the performance of the Atkins group against plan in Q2 of 2018.</p> <p>We have also evaluated the design and implementation of controls around valuation of investments.</p>
Key observations 	<p>Based on our work performed we concluded that the carrying value of the WS Atkins Limited investment is appropriately stated.</p>

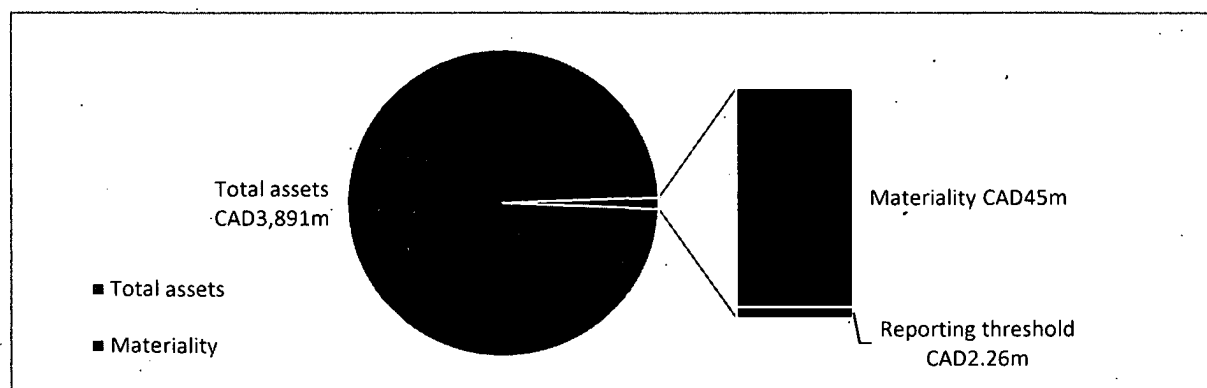
Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited (continued)

Our application of 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	\$CAD 45 million
Basis for determining materiality	1.2% of total assets
Rationale for the benchmark applied	We determined materiality based on total assets of the company as the nature of the entity is the holding of the investment in WS Atkins, it does not trade or generate revenue. Therefore, the key indicator of performance to users as well as the most appropriate benchmark would be total assets.



We agreed with the directors that we would report to the directors all audit differences in excess of \$CAD 2.26m, 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.

Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited (continued)

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 was performed to respond to the risks of material misstatement directly by the audit engagement team.

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.

We have nothing to report in respect of these matters.

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.

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.

Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited (continued)

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.

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.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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 period 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.

Matters on which we are required to report by exception

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.***

Independent auditor's report to the members of SNC-Lavalin (GB) Holdings Limited (continued)

Matters on which we are required to report by exception (continued)

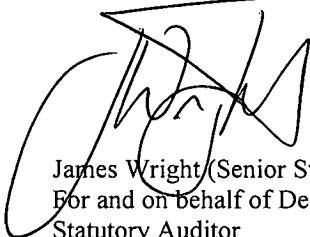
Directors' remuneration

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.***

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.



James Wright (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

4 December 2018

SNC-Lavalin (GB) Holdings Limited

Profit and loss account

For the period ended 31 December 2017

		Period ended 31 December 2017 \$ CAN
	Note	
Acquisition costs		(2,324,101)
Professional and consulting fees		(23,715)
Foreign exchange gain		9,716,672
Operating gain		7,368,856
Net finance costs	3	(65,838,332)
Loss before taxation	4	(58,469,476)
Income tax credit	8	9,939,811
Loss and Total comprehensive loss for the period		(48,529,665)

There were no recognised gains and losses for the current period other than the loss shown above. Accordingly, no statement of comprehensive income has been presented.

All activity is derived from continuing operations.

The notes on pages 18 to 39 form part of the Company's financial statements.

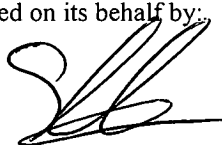
SNC-Lavalin (GB) Holdings Limited

Balance sheet As at 31 December 2017

	Note	At 31 December 2017 \$ CAN
Fixed assets		
Investments	14	3,535,639,049
Deferred tax	16	9,939,811
		<hr/> 3,545,578,860
Current assets		
Debtors – Amounts due within one year	9	345,503,773
Cash at bank and in hand		22,677
		<hr/> 345,526,450
Total current assets		
		<hr/> 345,526,450
Creditors: Amounts falling due within one year	10	(454,983,630)
		<hr/> (109,457,180)
Net current liabilities		
		<hr/> (109,457,180)
Total assets less current liabilities		<hr/> 3,436,121,680
Non-current advances from related parties	11	(1,901,355,200)
		<hr/> 1,534,766,480
Net assets		<hr/> 1,534,766,480
Capital and reserves		
Called-up share capital	12	7,502
Share premium		1,583,288,643
Profit and loss account		(48,529,665)
		<hr/> 1,534,766,480
Shareholders' funds		<hr/> 1,534,766,480

The financial statements of SNC-Lavalin (GB) Holdings Limited (registered number 10715197) were approved by the board of directors and authorised for issue on 4 December 2018.

They were signed on its behalf by:



Simon Glenister Cole
Director

Date: 4 December 2018

London, United Kingdom

SNC-Lavalin (GB) Holdings Limited

Statement of changes in equity For the period ended 31 December 2017

	Note	Called-up share capital \$ CAN	Share premium \$ CAN	Profit and loss account \$ CAN	Total \$ CAN
At 7 April 2017		-	-	-	-
Issue of share capital	12	7,502	1,583,288,643	-	1,583,296,145
Loss for the period		-	-	(48,529,665)	(48,529,665)
		<u>7,502</u>	<u>1,583,288,643</u>	<u>(48,529,665)</u>	<u>1,534,766,480</u>
At 31 December 2017		<u>7,502</u>	<u>1,583,288,643</u>	<u>(48,529,665)</u>	<u>1,534,766,480</u>

On the date of its creation on 7 April 2017, SNC-Lavalin (GB) Holdings Limited issued 1 ordinary share of £1.00 each in favour of SNC-Lavalin (GB) Limited for an amount of CAD \$1.66.

On 10 July 2017, SNC-Lavalin (GB) Holdings Limited issued 75,000 ordinary shares of CAD \$0.10 each in favour of SNC-Lavalin (GB) Limited for an amount of CAD \$1,583,296,143. The amount of CAD \$7,500 was recorded as ordinary shares capital and the balance of CAD \$1,583,288,643 was recorded in the ordinary share premium account.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements For the period ended 31 December 2017

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current financial period.

a. General information and basis of accounting

SNC-Lavalin (GB) Holdings Limited is a private company limited by shares incorporated in United Kingdom and is registered in England and Wales under the Companies Act. The address of the registered office is Woodcote Grove, Ashley Road, Epsom, Surrey, England KT18 5BW. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 4.

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

The functional currency of SNC-Lavalin (GB) Holdings Limited is the Canadian dollar because that is the currency of the primary economic environment in which the Company operates.

SNC-Lavalin (GB) Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. SNC-Lavalin (GB) Holdings Limited is consolidated in the financial statements of its ultimate parent, SNC-Lavalin Group Inc., which may be obtained at www.snclavalin.com. Exemptions have been taken in these separate Company's financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

b. Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements. The group holding company SNC-Lavalin Group Inc. provides on-going financial support to the Company which has been confirmed by way of a letter of financial support covering the foreseeable future.

SNC-Lavalin Group, ultimate parent company of SNC-Lavalin (GB) Holdings Limited, will provide whatever financial support is required to enable SNC-Lavalin (GB) Holdings Limited to meet, in full, its financial obligations for a period of 12 months from the date of signing the SNC-Lavalin (GB) Holdings Limited statutory accounts for the period ended 31 December 2017.

c. 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.

(i) 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 financing 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.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

1. Accounting policies (continued)

c. Financial instruments (continued)

(i) *Financial assets and liabilities (continued)*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition 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. Other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

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, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) *Investments*

Investments in subsidiaries are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration.

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.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

1. Accounting policies (continued)

c. Financial instruments (continued)

(iii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

d. 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.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired 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.

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.

e. Hedge accounting

The Company designates certain liabilities as hedging instruments in fair value hedges.

At the inception of the hedge relationship, the entity documents the economic relationship between the hedging instrument and the hedged item, along with its risk management objectives and clear identification of the risk in the hedged item that is being hedged by the hedging instrument. Furthermore, at the inception of the hedge the Company determines and documents causes for hedge ineffectiveness.

Fair value hedges

Changes in the fair value of liabilities that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in the line related to the hedged item in profit and loss.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) **For the period ended 31 December 2017**

1. Accounting policies (continued)

f. 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 laws 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.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, 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 differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

g. Foreign currency

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 at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on transactions entered into to hedge certain foreign currency risks; and
- exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the directors are required to make judgements, 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 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 in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Judgements made in applying accounting policies

In the course of preparing the financial statements, no judgements have been made in the process of applying the Company's accounting policies, other than those involving estimations, that have had a significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty – carrying value of the investment in WS Atkins Limited

At the end of each reporting period, the Company reviews the carrying amounts of its assets, including its investment in WS Atkins Limited, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. As at December 31, 2017, there were no internal or external indicators of impairment related to the Company's investment in WS Atkins Limited. As at December 31, 2017, the carrying value of the investment in WS Atkins Limited is CAD \$3,535,639,049.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) **For the period ended 31 December 2017**

3. Net finance costs

	Period ended 31 December 2017 \$ CAN
Other interest payable and similar expenses	129
Interest payable to related parties:	
SNC-Lavalin (Guernsey) Holdings Ltd	65,838,203
	<hr/> 65,838,332 <hr/>

4. Loss before taxation

Loss before taxation is stated after charging/(crediting):

	Period ended 31 December 2017 \$ CAN
Foreign exchange gain	(9,716,672)
Net Finance costs (note 3)	65,838,332
Acquisition costs	2,324,101
Professional and consulting fees	23,715
	<hr/> 58,469,476 <hr/>

5. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual financial statements for the period ended 31 December 2017 were CAD \$19,763 equivalent to £11,700.

6. Staff numbers and costs

SNC-Lavalin (GB) Holdings Limited is a holding company and had no employees for the period ended 31 December 2017.

7. Directors' remuneration

The directors of SNC-Lavalin (GB) Holdings Limited are remunerated by other legal entities of the SNC-Lavalin Group Inc.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

8. Tax on ordinary activities

	Period ended 31 December 2017 \$ CAN
Current tax on ordinary activities	
UK corporation tax at 19%	-
Adjustment in respect of previous years	-
Foreign tax (withholding tax)	-
Deferred tax	
Tax losses recognised	(11,109,200)
Effect of change in tax rate	1,169,389
Total tax credit on loss	<u>(9,939,811)</u>

The difference between the total tax (credit)/charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	Period ended 31 December 2017 \$ CAN
Loss on ordinary activities before tax	<u>(58,469,476)</u>
Tax on loss on ordinary activities at standard UK corporation tax rate of 19%	(11,109,200)
Effects of:	
- Effect of change in tax rate	1,169,389
Total current tax credit	<u>(9,939,811)</u>

The rate of corporation tax in the UK as at 1 April 2017 was 19%. Further legislation to reduce the rate of UK corporation tax to 17% from 1 April 2020 had been enacted at the balance sheet date and the impact of these reductions have been reflected in the movement in deferred tax as at 31 December 2017.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

9. Debtors

	31 December 2017 \$ CAN
Amounts falling due within one year:	
Amounts owed by related parties:	
WS Atkins Limited	
Non-interest bearing loan of USD \$224,603,616	282,326,745
Non-interest bearing loan of USD \$50,260,164	63,177,026
Other debtors	2
	<hr/> 345,503,773 <hr/>

Amounts owed by related parties related to intercompany advances which were issued for a cash management purpose. These loans will be repayable by the Borrower to the lender on demand and the borrower may prepay these loans, in whole or in part, at any time, without premium or penalty.

10. Creditors: Amounts falling due within one year

	31 December 2017 \$ CAN
Amounts owed to related parties:	
SNC-Lavalin Group Inc.	43,345,215
SNC-Lavalin (Guernsey) Holdings Ltd	
Interests on CAD Eurobond ¹	40,775,052
Interests on GBP Eurobond ¹	15,649,926
Interest bearing loan of USD \$224,603,616 ¹	290,189,632
Interest bearing loan of USD \$50,260,164 ¹	65,000,090
Other creditors	23,715
	<hr/> 454,983,630 <hr/>

Amounts owed to related parties related to intercompany advances which were issued for a cash management purpose and shall be reimbursed on demand.

These listed Eurobonds bear interests at the rate of 6-month CDOR + 5.25 % per annum (in respect of the CAD denominated Eurobonds) and 6-month LIBOR + 5.10% per annum (in respect of the GBP denominated Eurobonds) and interest is payable semi-annually on 15 January and 15 July in each year. The maturity date for the Eurobonds is 10 July 2024.

¹See subsequent events on pages 38 and 39 on repayments of debts and interests

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

11. Non-current advance from related parties

	31 December 2017 \$ CAN
Amounts owed to related parties:	
SNC-Lavalin (Guernsey) Holdings Ltd	
Interest bearing CAD Eurobond Instrument ¹	1,300,000,000
Interest bearing GBP Eurobond Instrument (£356,000,000) ¹	601,355,200
	<hr/> 1,901,355,200 <hr/>

These listed Eurobonds bear interests at the rate of 6-month CDOR + 5.25 % per annum (in respect of the CAD denominated Eurobonds) and 6-month LIBOR + 5.10% per annum (in respect of the GBP denominated Eurobonds) and interest is payable semi-annually on 15 January and 15 July in each year. The maturity date for the Eurobonds is 10 July 2024.

¹See subsequent events on pages 38 and 39 on repayments of debts and interests

12. Called-up share capital

	31 December 2017 \$ CAN
Allotted and called-up	
1 ordinary shares of £1 of CAD \$1.66 (unpaid)	2
75,000 ordinary shares of CAD \$0.10 (fully paid)	7,500
	<hr/> 7,502 <hr/>

The Company has two classes of ordinary shares which carry no right to fixed income.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

13. Controlling party

The ultimate holding and controlling company of the Company is SNC-Lavalin Group Inc., which is incorporated in Canada and listed on the Toronto Stock Exchange. The head office of SNC-Lavalin Group Inc. is located at 455, Bld René-Lévesque West, Montreal, Canada, H2Z 1Z3.

The smallest and largest group in which the results of the Company are consolidated is that headed by SNC-Lavalin Group Inc. Copies of the SNC-Lavalin Group Inc. consolidated financial statements may be obtained from: <http://investors.snc-lavalin.com/en>.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments

The Company has investments in WS Atkins Limited and all its following subsidiaries, holdings and joint ventures.

Subsidiary undertakings	Principal business address	Class and percentage of shares held
WS Atkins Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England	100% direct ordinary share capital (£0.005 ordinary)
A.C.N. 098 304 440 Pty Ltd	Level 15, Exchange Tower, 2 The Esplanade, Perth WA 6000, Australia	100% indirect ordinary share capital (AUD1.00 ordinary)
Anthony Acquisition Corp.	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$ Series A common stock)
Aquarius International Consultants Pty Ltd	Level 15, Exchange Tower, 2 The Esplanade, Perth WA 6000, Australia	100% indirect ordinary share capital (AUD1.00 class B shares, AUD1.00 class C shares, AUD1.00 ordinary)
ATK Energy EU Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£0.00000004 ordinary share)
ATK Energy EU Services Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins (Trinidad) Limited	23 Taylor Street, Woodbrook, Port of Spain, Trinidad and Tobago	100% indirect ordinary share capital (TTD ordinary shares with no par value)
Atkins (US)	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (US\$1.00 ordinary-B)
Atkins Aberdeen Limited	Kirkgate House, St. Nicholas Centre, Aberdeen, AB10 1HW, Scotland	100% indirect ordinary share capital (£1.00 ordinary-A share and £1.00 ordinary-B share)
Atkins ATK Investments Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins ATK Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Australasia Pty Ltd	Level 15, Exchange Tower, 2 The Esplanade, Perth WA 6000, Australia	100% indirect ordinary share capital (AUD1.00 B class ordinary shares, AUD1.00 C class ordinary shares, AUD1.00 class D shares and AUD1.00 ordinary)
Atkins Bennett (Holdings) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£0.01 ordinary share)
Atkins Bennett Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Boreas Consultants Limited	Kirkgate House, St. Nicholas Centre, Aberdeen, AB10 1HW, Scotland	100% indirect ordinary share capital (£1.00 ordinary-A share & £1.00 ordinary-B share)
Atkins Brazil Holdings LLC	4445 Corporation Lane, 2nd Floor, Virginia Beach VA 23462, United States	100% indirect ordinary share capital (n/a – membership interest)
Atkins China Limited	13/F Wharf T&T Centre, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong	100% indirect ordinary share capital (HKD1.00 ordinary share)
Atkins Consultancy Services Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

Subsidiary undertakings	Principal business address	Class and percentage of shares held
Atkins Consultants (Shenzhen) Co., Ltd.	Unit 09-16, 3501-02, 35/F, Shun Hing Square, Di Wang Commercial Center, 5002 Shen Nan Dong	100% indirect ordinary share capital (US\$1.00 ordinary shares)
Atkins Consultants Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Consulting Canada Limited	300 – 1801 Hollis Street, Halifax NS B3J 3N4, Canada	100% indirect ordinary share capital (common share without nominal or par value)
Atkins Danmark A/S	Arne Jacobsens Alle 17, 2300 Kobenhavn S., Denmark	100% indirect ordinary share capital (DKK1,000.00 shares)
Atkins Design Engineering Consultants Pte. Ltd	8 Cross Street, #24-01, PwC Building, Singapore, 048424, Singapore	100% indirect ordinary share capital (SGD1.00 ordinary share)
Atkins Energy Canada Group Limited	Suite 750, 55 Metcalfe Street, Ottawa ON K1P 6L5, Canada	100% indirect ordinary share capital (common share without nominal or par value)
Atkins Energy Federal EPC, Inc.	2345 Stevens Drive, Suite 240, Richland, WA 99354, United States	100% indirect ordinary share capital (US\$0.01 common)
Atkins Energy Germany GmbH	Willhoop 3, 22453, Hamburg, Germany	100% indirect ordinary share capital (€1.00 share)
Atkins Energy Government Group, Inc.	100 Center Point Circle, Suite 100, Columbia, SC 29209, United States	100% indirect ordinary share capital (US\$1.00 common)
Atkins Energy Holdings Corporation	100 Center Point Circle, Suite 100, Columbia, SC 29209, United States	100% indirect ordinary share capital (US\$0.01 common)
Atkins Energy Oak Ridge, LLC	100 Center Point Circle, Suite 100, Columbia, SC 29209, United States	100% indirect ordinary share capital (n/a – membership interest)
Atkins Energy Global Solutions, LLC	100 Center Point Circle, Suite 100, Columbia, SC 29209, United States	100% indirect ordinary share capital (US\$1.00 shares)
Atkins Energy, Inc.	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$0.10 common)
Atkins International Holdings Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Investments Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Investments UK Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

Subsidiary undertakings	Principal business address	Class and percentage of shares held
Atkins Luxembourg S.à r.l.	99 Grand Rue, L-1661 Luxembourg, Grand Duchy of Luxembourg, Luxembourg	100% indirect ordinary share capital (€1.00 ordinary share)
Atkins Michigan, Inc.	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$0.01 common stock)
Atkins MSL Engineering Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Norge AS	Lilleakerveien 6D, 0283 Oslo, Norway	100% indirect ordinary share capital (NOK50 shares)
Atkins North America, Inc.	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$5.00 common stock)
Atkins Nuclear Secured Holdings Corporation	3411 Silverside Road #104 Rodney Building, Wilmington DE 19810, United States	100% indirect ordinary share capital (US\$0.01 common stock)
Atkins Nuclear Secured, LLC	545 Oak Ridge Turnpike, Oak Ridge, TN 37830-7187, United States	100% indirect ordinary share capital (n/a – membership interest)
Atkins Nuclear Solutions US, Inc.	205 Powell Place, Brentwood TN 37027-7522, United States	100% indirect ordinary share capital (US\$ common stock with no par value)
Atkins Pension Trustee Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Rail Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Atkins Sverige AB	Lilla Nygatan, 7, 211 38, Malmo, Sweden	100% indirect ordinary share capital (SEK100.00 ordinary)
Atkins Tanzania Limited	Plot No 1120, Chloe Road, Msasani Peninsula, Masaki, P.O. Box 2555, Dar Es Salaam, United Republic of Tanzania	100% indirect ordinary share capital (SHS.20.00 shares)
Atkins ULC	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (US\$1.00 ordinary)
Atkins US Holdings, Inc.	3411 Silverside Road #104 Rodney Building, Wilmington DE 19810, United States	100% indirect ordinary share capital (US\$1.00 common stock)
Broomco (985) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£0.01 ordinary share)
Carnelian Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

Subsidiary undertakings	Principal business address	Class and percentage of shares held
Confab Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Confluence Project Management Private Limited	2nd Floor, A Wing, Tradestar, J.B. Nagar, Andheri-Kurla Road, Andheri East, Mumbai, Maharashtra, 400059, India	100% indirect ordinary share capital (INR10.00 equity shares)
Faithful and Gould Limited	13/F Wharf T&T Centre, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong	100% indirect ordinary share capital (HKD1.00 ordinary shares)
Faithful and Gould Project Management Limited	13/F Wharf T&T Centre, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong	100% indirect ordinary share capital (HKD1.00 ordinary shares)
Faithful e Gould Consultores em Projetos de Design Ltda.	Praia de Botafogo, No. 228, Sala 1620, Rio de Janeiro, 22250-145, Brazil	100% indirect ordinary share capital (BRL1.00 ordinary)
Faithful+Gould (Holdings) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Faithful+Gould (Malaysia) SDN BHD	Unit 1-17-1 Menara Bangkok Bank@Berjaya Central Park, No 105 Jalan Ampang, 50450 Kuala Lumpur, Malaysia	100% indirect ordinary share capital (RM1.00 ordinary share)
Faithful+Gould Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Faithful+Gould Mexico S.A. de C.V.	LLA Group, Homero No. 906, Colonia Polanca Reforma, C.P. 11550, Mexico D.F.	100% indirect ordinary share capital (MXN ordinary-A)
Faithful+Gould Nigeria Limited	Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria	100% indirect ordinary share capital (NGN1.00 ordinary shares)
Faithful+Gould Project Management Pte. Ltd	8 Cross Street, #24-01, PwC Building, Singapore, 048424, Singapore	100% indirect ordinary share capital (SGD1.00 ordinary share)
Faithful+Gould Pte. Limited	8 Cross Street, #24-01, PwC Building, Singapore, 048424, Singapore	100% indirect ordinary share capital (SGD1.00 share)
Faithful+Gould, Inc.	5200 Wilson Road, #150, Edina MN 55424, United States	100% indirect ordinary share capital (US\$0.01 common stock)
Hanscomb (Russia) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Hanscomb (UK) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

Subsidiary undertakings	Principal business address	Class and percentage of shares held
Hanscomb Europe Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Houston Offshore Engineering, LLC	17220 Katy Freeway, Suite 200, Houston 200, TX 77074, United States	100% indirect ordinary share capital (US\$1.00 share)
Howard Humphreys (East Africa) Limited	Post Office Box Number 30156-00100, Muthangari Drive off Waiyaki Way, Nairobi, Kenya	100% indirect ordinary share capital (SHS.10.00 ordinary shares)
Isotek Systems, LLC	Corporation Services Company, 2908 Poston Avenue, Nashville TN 37203, United States	100% indirect ordinary share capital (unit)
Isotopen Umweltdienste GmbH	Messeallee 2, c/o Kummerlein Rechtensanwalte, Notare Christian Lohr, 41531 Essen, Germany	100% indirect ordinary share capital (€25,000 share)
Kins Developments Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Kins Holdings Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£0.25 ordinary share)
London Group Projects Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Network Train Engineering Services Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Opal Engineering Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
Parfab Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
PBS&J Constructors, Inc.	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$0.01 common stock)
PRBC, Inc.	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$0.10 common stock)
SNC-Lavalin Products & Technology, LLC	100 Center Point Circle, Suite 100, Columbia, SC 29209, United States	100% indirect ordinary share capital (US\$1.00 unit)
The Atkins North America Holdings Corporation	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100% indirect ordinary share capital (US\$ common with no par value)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

Subsidiary undertakings	Principal business address	Class and percentage of shares held
Ventron Technology Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins & Partners Overseas	Suite B, Ground Floor, Regal House, Queensway, Gibraltar	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins & Partners Overseas Engineering Consultants	Al-Faisaliah Tower, South Link Building Unit, 2nd Floor, PO Box 301702, Riyadh, 11372, Saudi Arabia	70% indirect ordinary share capital (SAR100.00 indivisible shares)
WS Atkins (India) Private Limited	10th Floor, Safina Towers, No. 3, Ali Asker Road, Bangalore, Karnataka-KA, 560052, India	100% indirect ordinary share capital (INR100.00 equity shares)
WS Atkins (Malaysia) SDN. BHD	Unit 1-17-1 Menara Bangkok Bank@Berjaya Central Park, No 105 Jalan Ampang, 50450 Kuala Lumpur, Malaysia	100% indirect ordinary share capital (RM1.00 ordinary share)
WS Atkins (No. 3 Trustees) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins (Trustees) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins (UK Holdings) Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins Architects Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins Cedac Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins Insurance (Guernsey) Limited	PO Box 384, The Albany, South Esplanade, St Peter Port, GY1 4NF, Guernsey	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins International & Co. LLC	2nd Floor, Hatat House Complex B, Wadi Adai, Muscat, PO BOX 2985, Oman	65% indirect ordinary share capital (OMR1.00 shares)
WS Atkins International B.V.	Schipol Boulevard 169, 1118 BG, Schipol, Netherlands	100% indirect ordinary share capital (€453.78 shares)
WS Atkins International Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

Subsidiary undertakings	Principal business address	Class and percentage of shares held
WS Atkins Ireland (Holdings) Limited	Atkins House, Units 150-155 Airside Business Park, Swords, co Dublin, Ireland	100% indirect ordinary share capital & preferred share capital (€1.25 ordinary shares and €1.25 redeemable preference shares)
WS Atkins Ireland Limited	Atkins House, Units 150-155 Airside Business Park, Swords, co Dublin, Ireland	100% indirect ordinary share capital (€1.27 ordinary shares)
WS Atkins Overseas Limited	Suite B, Ground Floor, Regal House, Queensway, Gibraltar	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins Powertrack Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins Property Services Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins Quest Trustee Limited	Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England & Wales	100% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins, Inc.	3411 Silverside Road #104 Rodney Building, Wilmington DE 19810, United States	100% indirect ordinary share capital (US\$1.00 common stock)

The Company has an investment in the following significant holdings:

Significant Holdings	Principal business address	Class and percentage of shares held
Faithful + Gould Project Management LLC	Office No: 21, 19th Floor, Al Gaith Tower, Hamdan Street, PO Box 33538, Abu Dhabi, United Arab Emirates	49% indirect ordinary share capital (AED1,000 ordinary share)
Faithful&Gould Qatar LLC	PO Box 23443, Qatar	49% indirect ordinary share capital (QAR1,000 share)
Faithful+Gould Saudi Arabia Limited	PO Box 56684, Riyadh 11584, Saudi Arabia	46% indirect ordinary share capital (SAR1,000 ordinary share)
UK Nuclear Restoration Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8AZ, England & Wales	30% indirect ordinary share capital (£1.00 ordinary share)
WS Atkins International and Hussain Tawfiq Al-Modeer Engineering Consultants	P.O. Box 3791, Al-Khobar 3192, Saudi Arabia	50% indirect ordinary share capital (SAR10.00 indivisible non-tradeable equal cash interests)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

The Company has an investment in the following joint arrangements:

Joint arrangement's undertakings	Principal business address	Class and percentage of shares held
AMA Nuclear Limited (in liquidation)	8 Princes Parade, Liverpool, L3 1QH, England & Wales	33.3% indirect ordinary share capital (held by Atkins Limited)
Canadian National Energy Alliance Ltd.	9191 South Jamaica Street, Engelwood, CO 80112, United States	26% indirect ordinary share capital (held by Atkins Energy Canada Group Limited)
CB&I Atkins Southwest Environmental LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801, United States	45% indirect ordinary share capital (held by Atkins Nuclear Secured, LLC)
DG 21 LLC	14900 Landmark Boulevard, Suite 400, Dallas TX 75254, United States	20% indirect ordinary share capital (held by WS Atkins & Partners Overseas)
Engage S.N.C.	70 Boulevard de Courcelles, 75017 Paris, France	25% indirect ordinary share capital (held by WS Atkins International Limited)
GET-NSA, LLC	100 Union Valley Road, Suite 101a, Oak Ridge TN 37830, United States	49% indirect ordinary share capital (held by Atkins Nuclear Solutions US, Inc.)
Global Threat Reductions Solutions, LLC	222 Valley Creek Blvd., Suite 210, Exton, PA 19341, United States	49% indirect ordinary share capital (held by Atkins Energy Government Group, Inc.)
Idaho Treatment Group, LLC (in close out)	2016 Mt. Athos Road, Lynchburg, VA 24504, United States	15% indirect ordinary share capital (held by Atkins Energy Government Group, Inc.)
LATA/Parallax, Portsmouth LLC	2424 Louisiana Blvd NE, STE 400, Albuquerque, NM 87110, United States	49% indirect ordinary share capital (held by Atkins Nuclear Performance Strategies, Inc.)
Mid-America Conversion Services, LLC	3735 Palomar Centre Drive #109, Lexington, KY 40513, United States	42% indirect ordinary share capital (held by Atkins Nuclear Secured, LLC)
Nuclear Atkins Assystem Alliance SNC	70 Boulevard de Courcelles, 75017 Paris, France	50% indirect ordinary share capital (held by WS Atkins International Limited)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

The Company has an investment in the following joint arrangements (continued):

Joint arrangement's undertakings	Principal business address	Class and percentage of shares held
Pennsylvania Remediation Company LLC	1725 Duke Street, Suite 400, Alexandria, VA 22314, United States	35% indirect ordinary share capital (held by Atkins Nuclear Secured, LLC)
Savannah River Technology & Remediation, LLC	106 Newberry Street S.W., Aiken, South Carolina 29801, United States	20% indirect ordinary share capital (held by Atkins Nuclear Secured, LLC)
TPMC-EnergySolutions Environmental Services 2008, LLC	222 Valley Creek Blvd., Suite 210, Exton, PA 19341, United States	49% indirect ordinary share capital (held by Atkins Energy Government Group, Inc.)
TPMC-EnergySolutions Environmental Services 2010, LLC	222 Valley Creek Blvd., Suite 210, Exton, PA 19341, United States	49% indirect ordinary share capital (held by Atkins Energy Government Group, Inc.)
TPMC-EnergySolutions Environmental Services, LLC	222 Valley Creek Blvd., Suite 210, Exton, PA 19341, United States	49% indirect ordinary share capital (held by Atkins Energy Government Group, Inc.)
Uranium Disposition Services, LLC	1020 Monarch St., STE 100, Lexington, KY 40513-1890, United States	26% indirect ordinary share capital (held by Atkins Energy Government Group, Inc.)
Washington River Protection Solutions, LLC	2425 Stevens Center Place, Richland, WA 99352, United States	40% indirect ordinary share capital (held by Atkins Nuclear Secured, LLC)
West Valley Environmental Services, LLC	4 Centre Dr., Orchard Park, New York NY 14127, United States	10% indirect ordinary share capital (held by Atkins Nuclear Performance Strategies, Inc.)
Connect Plus Services (unincorporated)	United Kingdom	32.5% indirect ownership interest (held by Atkins Limited)
EDP JV (unincorporated)	United Kingdom	40% indirect ownership interest (held by Atkins Limited)
Staffordshire Alliance	United Kingdom	33.3% indirect ownership interest (held by Atkins Limited)
East West Rail Phase 2 Alliance	United Kingdom	33.3% indirect ownership interest (held by Atkins Limited)
Atkins - TYP SA	Kingdom of Saudi Arabia	50% indirect ownership interest (held by WS Atkins & Partners Overseas Engineering Consultants)

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

14. Investments (continued)

SNC-Lavalin (GB) Holdings Limited owns 100% of the voting ordinary shares of WS Atkins Limited.

The investments are held at cost less impairment because their fair value cannot be measured reliably.

Subsidiary undertakings

WS Atkins Limited

	\$ CAN
Cost	
At 7 April 2017	-
Additions	3,524,979,104
Difference on exchange ¹	10,659,945
	<hr/>
Carrying value at 31 December 2017	3,535,639,049 <hr/>

Subsidiary undertakings have not been consolidated by SNC-Lavalin (GB) Holdings Limited as permitted by s.401 of the Companies Act 2006 as they are consolidated in the financial statements of SNC-Lavalin Group Inc.

There was no impairment or disposal of investments in current period.

¹SNC-Lavalin (GB) Holdings Limited ("SNC") acquired WS Atkins Limited ("Atkins") on 3 July 2017. As Atkins functional currency is the GBP and SNC's functional currency is the CAD, SNC is exposed to the effects of changes in the exchange rates in its net investment in a foreign operation, namely to the CAD/GBP currency risk. This risk is on a financial/economic perspective related to future dividend payments by WS Atkins Limited.

The objective of the hedge is to offset the variability in the GBP value of Atkins attributable to the risk designated as being hedged. The risk being hedged is the foreign exchange risk in the carrying value of a foreign currency denominated investment, which is WS Atkins Limited.

SNC-Lavalin (GB) Holdings Limited's interest bearing GBP listed Eurobond loan liability of £356,000,000 as at December 31, 2017 payable by SNC-Lavalin (GB) Holdings Limited to SNC-Lavalin (Guernsey) Holdings Ltd was designated as a hedging instrument in a fair value hedge against its direct investment in WS Atkins Limited, which is the hedged item. For the period ended December 31, 2017, foreign exchange loss arising on this loan liability of CAD \$10,659,945 offsets foreign exchange gain arising on the carrying value of this investment of CAD \$10,659,945 in profit or loss account.

15. Related party transactions

The company has taken advantage of the exemption under section 33, 1A of FR\$ 102 and has not disclosed transactions with other wholly-owned group undertakings, on the basis that consolidated financial statements of the ultimate parent undertaking are publicly available.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

16. Deferred tax

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and there is a legally enforceable right to settle tax assets and liabilities on a net basis. The offset amounts are as follows:

	Period ended 31 December 2017 \$ CAD
Deferred tax assets:	
- Deferred tax asset to be recovered after more than 12 months	9,939,811
- Deferred tax asset to be recovered within 12 months	-
Total deferred tax asset	9,939,811
Deferred tax liabilities:	
- Deferred tax liabilities to be recovered after more than 12 months	-
- Deferred tax liabilities to be recovered within 12 months	-
Deferred tax asset	9,939,811

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

a) Deferred tax assets

	Period ended 31 December 2017 \$ CAD
Other temporary differences	9,939,811
Total deferred tax asset	9,939,811

b) Analysis of movements during the period

	Period ended 31 December 2017 \$ CAD
Deferred tax asset at 1 January of prior year	-
Deferred tax charged to the income statement (note 8)	9,939,811
Deferred tax charge to equity	-
Deferred tax asset at 31 December	9,939,811

The rate of corporation tax in the UK as at 1 April 2017 was 19%. Further legislation to reduce the rate of UK corporation tax to 17% from 1 April 2020 had been enacted at the balance sheet date and the impact of these reductions have been reflected in the movement in deferred tax as at 31 December 2017.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

17. Events after the reporting period

a) Payment of a final dividend by WS Atkins Limited on 31 January 2018

WS Atkins Limited paid a dividend of £40,000,000 on 31 January 2018. The dividend comprised £16,800,000 in the form of cash and £23,200,000 in the form of the assignment, to SNC-Lavalin (GB) Holdings Limited, of the benefit of existing loans made between the WS Atkins Limited and SNC-Lavalin Group Inc.

b) Declaration of an interim dividend by WS Atkins Limited on 14 June 2018

An interim dividend for the year 31 December 2018 was declared on 14 June 2018 subject to the completion of the sale of WS Atkins Insurance (Guernsey) Limited by Atkins ATK Investments Limited to SNC-Lavalin Group Inc. This completed on 9 August 2018 and the dividend was settled by the transfer of a promissory note issued by SNC-Lavalin Group Inc. with a value of £9,746,000.

c) Repayment of debts and interests

On 21 June 2018

SNC-Lavalin Group Inc. made a partial repayment to SNC Lavalin (GB) Holdings Limited on a new 2018 loan, comprising all accrued interest then due and payable in the amount of CAD \$61,036,720.

SNC Lavalin (GB) Holdings Limited made a repayment to SNC Lavalin (Guernsey) Holding Ltd, comprising all accrued interest then due and payable up to 15 January 2018 in the amount of CAD \$43,512,602 arising from the CAD Eurobond instrument.

SNC Lavalin (GB) Holdings Limited made a repayment to SNC Lavalin (Guernsey) Holding Ltd, comprising all accrued interest then due and payable in the amount of CAD \$17,524,118 (equivalent £10,700,638) arising from the GBP Eurobond instrument.

d) Capitalisation of SNC-Lavalin (GB) Holdings Limited

On 10 July 2018

SNC Lavalin (GB) Holdings Limited issued 57,500 ordinary shares of CAD \$0.10 each in favour of SNC-Lavalin (GB) Limited for the amount of CAD \$1,129,332,928. The amount of CAD \$5,750 was recorded as ordinary shares capital and the balance of CAD \$1,129,327,178 was recorded in the ordinary share premium account.

SNC-Lavalin (GB) Holdings Limited

Notes to the financial statements (continued) For the period ended 31 December 2017

17. Events after the reporting period (continued)

e) Repayment of debts and interests

On 16 July 2018

SNC-Lavalin Group Inc. made a final payment on behalf of SNC Lavalin (GB) Holdings Limited to SNC Lavalin (Guernsey) Holding Ltd, comprising full principal and all interest payable of the short term loans amounting to CAD \$383,484,810 (equivalent USD as per below):

Principal on loan A	224,603,616
Interest on loan A	13,909,257
Principal on loan B	50,260,164
Interest on loan B	<u>3,161,197</u>

USD \$291,934,234

SNC Lavalin (Guernsey) Holding Ltd purchased the USD Eurobond instrument dated 10 July 2018 in the amount of USD \$274,863,780. This Eurobond listed on TISE bear interests at the rate of 6-month US LIBOR + 4.80% per annum payable semi-annually on 15 January and 15 July in each year.

SNC Lavalin (GB) Holdings Limited made a partial repayment to SNC Lavalin (Guernsey) Holding Ltd, comprising principal of CAD \$316,658,047 and all accrued interest then due and payable of CAD \$44,403,014 for a total amount of CAD \$361,061,061 (equivalent USD \$274,863,780) under the CAD Eurobond instrument. The interest rate for this Eurobond was then revised at the rate of 6-month CDOR + 4.75%.

SNC Lavalin (GB) Holdings Limited made a partial repayment to SNC Lavalin (Guernsey) Holding Ltd, comprising principal of £141,000,000 and all accrued interest then due and payable of £9,978,412 for a total amount of £150,978,412 (equivalent CAD \$262,506,165) under the GBP Eurobond instrument by issuing a new non-interest bearing loan amounting to the CAD equivalent of £141,000,000 (CAD \$262,506,165). The interest rate for the GBP Eurobond was then revised at the rate of 6-month LIBOR + 4.60%.

SNC Lavalin (GB) Holdings Limited made a partial principal repayment to SNC Lavalin (Guernsey) Holding Ltd, of CAD \$483,341,953 under the CAD Eurobond instrument by issuing a new non-interest bearing loan for the same amount.

SNC Lavalin (Guernsey) Holding Ltd returned CAD \$745,848,118 of stated capital to SNC-Lavalin Group Inc. for consideration equal to the new CAD \$745,848,118 SNC Lavalin (GB) Holdings Limited non-interest bearing loans.

SNC-Lavalin Group Inc. contributed the new CAD \$745,848,118 SNC Lavalin (GB) Holdings Limited non-interest bearing loans to SNC Lavalin (GB) Limited for share consideration.