

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**  
**Société Anonyme**  
**5, rue Guillaume Kroll**  
**L-1882 Luxembourg**  
**RCS Luxembourg: B 148558**

**Annual accounts for the financial year ended 31 December 2014**  
**(with the report of the Réviseur d'Entreprises agréé thereon)**

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**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Management Report for the year ended 31 December 2014

General Information on Braas Monier Building Group S.A.

Braas Monier Building Group S.A. (formerly Monier Participations S.à r.l.) (hereafter the "Company") was incorporated on 7 October 2009 and is organised under the laws of Luxembourg as a Société Anonyme for an unlimited period. The registered office of the Company is established at 5, rue Guillaume Kroll, L-1882 Luxembourg.

The Company's financial year starts on 1 January and ends on 31 December of each year.

Braas Monier Building Group S.A. is the holding company of our Group, acting under the commercial name "Braas Monier" or "Braas Monier Building Group". Our business is primarily conducted by the relevant operating subsidiaries serving the local markets.

Braas Monier is a leading manufacturer and supplier of pitched roof products, including both roof tiles and roofing components, in Europe, parts of Asia and South Africa, based on volumes sold. We are one of the few manufacturers to sell both a comprehensive range of concrete and clay tiles for pitched roofs and complementary roofing components designed to cover various functional aspects of roof construction. In the market for roofing components, which is relatively fragmented and comprises generally local competitors, we believe we hold market-leading positions in respect of many of our roofing components products. We also manufacture and supply chimneys and energy systems. This market is highly fragmented and we believe we are the leading manufacturer and supplier of ceramic chimneys in Europe and steel chimneys in the United Kingdom. Our portfolio of industry-leading brands includes Braas, Monier, Bramac, Redland, Wierer and Coverland for roof tiles and roofing components, Klöber for roofing components and Schiedel for chimneys and energy systems.

Prior to the initial public offering of the Company on 25 June 2014 (the "IPO"), the Company served as intermediate holding company of the Braas Monier Building Group, until then headed by the Company's former sole shareholder, Monier Holdings S.C.A., Luxembourg. In its capacity as intermediate holding company, the Company, among others, had issued profit participating loan certificates ("PPLC's") to its former sole shareholder and, likewise, was the beneficiary of corresponding PPLC's issued by its (direct or indirect) subsidiaries. In preparation of the IPO, several preparatory steps were implemented, including the cancellation of the PPLC's. Following the IPO, as outlined above, the Company serves as holding company of the Group and benefits from interest payable on group-internal cash pool deposits (mainly IPO proceeds).

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Management Report for the year ended 31 December 2014 (continued)

### *Board of Directors*

The Company is supervised by the Board of Directors. Our Board of Directors is, pursuant to article 17.2 of the Articles of Association, vested with the broadest powers to act in the name of the Company and to take any actions necessary and useful to fulfil our Company's corporate purpose, with the exception of the powers reserved by law or by the Articles of Association to the general meeting of shareholders.

Until the Company changed its legal form with effect from 28 March 2014, it was managed by Monier Holdings GP S.A., Luxembourg, as sole manager. In the following, and until the date hereof (unless otherwise stated against their name), the individuals listed below served on the Board of Directors:

Francis Carpenter (Independent), Luxembourg, Grand Duchy of Luxembourg (since 4 June 2014)  
Jean-Pierre Clavel (Independent), Paris, France (since 4 June 2014)  
Pepyn Dinandt (Group CEO), Munich, Germany (since 28 March 2014)  
Winston Ginsberg, London, United Kingdom (since 4 June 2014)  
Guy Harles (Independent), Luxembourg, Grand Duchy of Luxembourg (since 4 June 2014)  
Joseph Knoll, London, United Kingdom (since 4 June 2014 until 26 January 2015)  
Pierre-Marie de Leener (Independent, Chairman), Saviese, Switzerland (since 4 June 2014)  
Torsten Murke, Frankfurt am Main, Germany (since 26 January 2015)  
Fabrice Nottin, London, United Kingdom (since 4 June 2014)  
Ole Oldenburg, Oberursel (Taunus), Germany (since 28 March 2014, until 4 June 2014)  
Werner Paschke (Independent), Luxembourg, Grand Duchy of Luxembourg (since 4 June 2014)  
Hanno Schultze Enden, Oberursel (Taunus), Germany (since 28 March 2014, until 4 June 2014)  
Gilles Vanel, Paris, France (since 4 June 2014, until 16 December 2014)

The Board of Directors has established the following two committees:

### *Audit Committee*

The Audit Committee oversees our auditing, accounting, financial reporting and internal control functions and issues recommendations with regard to, among other things, the appointment of an approved independent auditor and the approval of its services to the Board of Directors. As of the date hereof, the members of the Audit Committee are Werner Paschke (Chairman), Winston Ginsberg and Torsten Murke. Since the IPO the Audit Committee held three scheduled meetings.

### *Nomination & Remuneration Committee*

The Nomination and Remuneration Committee considers and recommends nominees for appointment as officers and for election as directors to the Board of directors. In addition, it makes recommendations concerning compensation and the Group's stock option program. As of the date hereof, the members of the Nomination and Remuneration Committee are Francis Carpenter (Chairman), Guy Harles and Pierre-Marie de Leener. Since the IPO the Nomination and Remuneration Committee held three scheduled meetings.

### *Financial Condition and Results of Operations*

Fiscal year 2014 was predominantly impacted by the IPO process and the financial implications of the respective shareholders resolutions. As a result of this process the Company records two major assets on its books, a 100% share of Braas Monier Building Group Holding S.à r.l. (which itself owns as direct and

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Management Report for the year ended 31 December 2014 (continued)

indirect subsidiaries the operational entities of the Group) and an intercompany receivable against Monier Finance S.à r.l. which predominantly represents the proceeds from the IPO which were transferred into the Group's cash pool.

Growth in building material industries is highly correlated to the overall development of the Gross Domestic Product in an economy. Global economy grew moderately in 2014 by 3.3% – the same growth rate as in 2013 – according to the latest update of the key world economic outlook projections of the International Monetary Fund (IMF) of January 2015. The year was influenced by several political conflicts which emerged regionally into military conflicts – especially in Ukraine, Middle East and Africa – and their negative economic implications. Global growth received a boost from the sharp drop in oil prices in the second half of 2014.

Due to our strong focus on European markets, the GDP development in major countries, such as Germany, the UK, France and Italy, notably influenced our business in 2014. Strong volume increases in the UK stood in contrast to significant declines in Italy and the new build sector in France.

### Result of Operations

The Company's income in 2014 results mainly from interest income from PPLC's (Profit Participating Loan Certificates) (before and until the IPO) and the interest on the Cash Pool with Braas Monier Group Services GmbH and Monier Finance S.à r.l. (as of and following the IPO). Total interest income amounts to EUR 11.2m. In addition the Company recharged costs to other Group entities in an amount of EUR 1.8m and received an extraordinary income of EUR 0.8m for the transfer of receivables for Deeds.

The Company was charged with EUR 17.0m mainly in conjunction with costs incurred for the public offering and the warehouse debt restructuring. Other operating charges of EUR 0.3m were incurred for director fees of the Company while another EUR 9.7m relates to interest expenses on the PPLC's (before the IPO).

### Equity

The Company has a strong equity position of EUR 497.8m due to the undertakings taken in consideration of the IPO in June 2014.

### Assets

Total assets increased in the financial year from EUR 404.4m to EUR 504.0m, mainly due to the proceeds from the IPO undertaken in June 2014.

Main assets of the Company are shares in affiliates of EUR 401m (mainly Braas Monier Building Group Holding S.à r.l.) and receivables against affiliate companies of EUR 102.0m which mainly represents the proceeds from the IPO that were placed in the Group's cash pool. Minor assets refer to other receivables of EUR 0.3m and cash of less than EUR 11k.

### Liabilities

The main liability positions are trade payables in an amount of EUR 2.3m, intercompany trade payables of EUR 2.6m and tax debts of EUR 1.3m.

**Braas Monier Building Group S.A.**  
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Management Report for the year ended 31 December 2014 (continued)

Research and Development

The Company does not undertake any Research and Development activity.

Acquisition of Company's own shares

The Company has not acquired own shares.

Existence of a Branch

The Company does not have any branches.

Risks and Opportunities

Due to its activities, the Company as such does not face significant operational risks. However, the Company and in particular its subsidiaries are conducting their business throughout the world and are exposed to numerous potential risks.

The risk management system (RM) of the Company covers financial, strategic, compliance as well as operational aspects. The major aim of the Company's RM is to minimize risks and take advantage of opportunities.

The Audit Committee as well as the Board of Directors regularly discuss the operational and financial results as well as the related risks.

The principal risks that could have a material impact on the Company are summarized below.

*Market and Business Related Risks*

The Group's business, results of operations and financial condition is materially affected by changes in the macroeconomic environment. The Group is subject to the cyclical nature of the building materials industry and operate in a seasonal industry, which may cause significant fluctuations in our results of operations.

*Financial Risks*

The Company is exposed to the following risks in connection with our financial instruments, which mainly comprise financial assets, other assets and liabilities:

- Exchange rate risks

The Group is exposed to exchange rate risks due to the number of subsidiaries in foreign non-Euro countries. The Group reduces the risks associated with the volatility of key currencies and the resulting economic exchange rate risks by having production facilities for tiles in all countries where substantial volumes are sold.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Management Report for the year ended 31 December 2014 (continued)

- Interest rate risks

The Group's exposure to market risk for changes in interest rates relates primarily to the debt obligations. The Senior Secured Notes, Revolving Credit Facility and Term Loan B are bearing interests at a floating rate, based on EURIBOR plus a margin. Roughly two thirds of the Group's variable interest exposure is hedged by using derivative instruments.

- Credit risks

The Group is exposed to credit risks from the Group's operating and financing activities. Defaults occur when individual business partners cannot meet their contractual obligations, which could result in a financial loss. To reduce the credit risk, financing transactions are generally only concluded with financial institutions with excellent credit ratings. There is no material credit risk from derivatives as of the balance sheet date. The maximum credit risk relating to non-derivative financial instruments corresponds to the amount of receivables. Outstanding receivables are monitored continuously at operational level.

### *Regulatory and Legal Risks*

The Group is subject to stringent environmental and health and safety laws, regulations and standards. Processes and procedures are established to minimize the exposure from these risks and the legal department of the Group monitors these risks permanently and reports regularly to the Senior Management.

### Overall Evaluation of the Group's Risk Situation

The occurrence of any of the events or circumstances described in these risks, individually or together with other circumstances, could have a material adverse effect on our business, results of operations and financial condition.

Risks to the Company as a going concern are not in sight.

### Material Opportunities

At the end of the reporting period macro conditions in some of the economic regions the Group operates were at a trough. An earlier recovery of these markets could improve the financials results faster than currently anticipated.

### Corporate Governance

As a Luxembourg société anonyme, the Company is subject to the corporate governance regime as set forth in particular in the Luxembourg law of 10 August 1915 on commercial companies, as amended. As a company whose shares are listed on a regulated market, the Company is further subject to the law of 24 May 2011 on the exercise of certain shareholder rights in listed companies.

*Disclosures pursuant to Article 11(1) and (3) of the Luxembourg law on takeovers of 19 May 2006.*

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Management Report for the year ended 31 December 2014 (continued)

The information required by article 10.1 of Directive 2004 / 25 EC on takeover bids which has been implemented by article 11 of the law of 19 May 2006 on takeovers, as amended, is set forth below:

- a) As at 31 December 2014, the Company's subscribed capital amounted to EUR 391.667k and was composed of 39,166,667 bearer shares with a nominal value of EUR 0.01 each. The subscribed capital is fully paid up. The Company's share capital may be increased or reduced by a resolution of the general meeting of shareholders of the Company adopted in the manner required for an amendment of its articles of association. The shareholders exercise their collective rights in the General Meeting of Shareholders. Each share entitles its holder to one vote. The right of a shareholder to participate in a General Meeting and to exercise the voting rights attached to its shares are determined with respect to the shares held by such shareholder on the 14th day before the respective General Meeting. Each shareholder can exercise its respective voting rights in person, through a proxy holder or in writing (the latter only if using voting forms provided by the Company).
- b) The Articles of Association of the Company do not contain restrictions on the transfer of shares, limitations on the holding of shares or the need to obtain the approval of the Company or other shareholders for the holding of shares.
- c) The following table sets forth information as of 31 December 2014 with respect to the beneficial ownership and voting rights of Braas Monier's shares by each person as notified to the Company to be the beneficial owner of more than 5% of Braas Monier's issued share capital pursuant to corresponding voting right notifications (in accordance with the German Securities Trading Act "Wertpapierhandelsgesetz" and the Luxembourg law of 11 January 2008 on transparency requirements, as amended):

	<b>Shares</b>	<b>% of issued shares</b>	<b>% of voting rights</b>
<b>Number of issued shares</b>	39,166,667	100%	100%
<b>Monier Holdings S.C.A.<sup>(A)</sup></b>	18,955,528	48.40%	48.40%
<b>Wellington Management Company LLP<sup>(B)</sup></b>	2,010,235	5.13%	5.13%

<sup>A)</sup> According to a notification received on 30 June 2014.

Monier Holdings S.C.A. is controlled by its general partner Monier Holdings GP S.A. which is jointly controlled by Lily (Lux) S.à r.l.<sup>1</sup>, TowerBrook Investors III, L.P., TowerBrook Investors III (Parallel), L.P., TowerBrook Investors III Executive Fund, L.P.<sup>2</sup> and York Global Finance 51 S.à r.l.<sup>3</sup>.

<sup>1</sup> Lily (Lux) S.à r.l. owns 20.2% of the shares of Monier Holdings GP S.A. Lily (Lux) Holdings S.à r.l. is the sole shareholder of Lily (Lux) S.à r.l. Lily, L.P. is the sole shareholder of Lily (Lux) Holdings S.à r.l. Apollo Management VII, L.P. is the manager of Lily, L.P. AIF VII Management, LLC is the general partner of Apollo Management VII, L.P. Apollo Management L.P. is the sole member of AIF VII Management, LLC. Apollo Management GP, LLC is the general partner of Apollo Management L.P. Apollo Management Holdings, L.P. is the sole member of Apollo Management GP, LLC. Apollo Management Holdings GP, LLC is the general partner of Apollo Management Holdings, L.P. Leon Black, Joshua Harris and Marc Rowan are the managers of Apollo Management Holdings GP, LLC and as such they jointly control Apollo Management Holdings GP, LLC, with each of them having an equal vote (i.e., 33.33%).

<sup>2</sup> TowerBrook Investors III, L.P. owns 14.2% of the shares of Monier Holdings GP S.A. TowerBrook Investors III Executive Fund, L.P. owns 0.4% of the shares of Monier Holdings GP S.A. TowerBrook Investors GP III, L.P. is the general partner of TowerBrook Investors III, L.P. and TowerBrook Investors III Executive Fund, L.P. TowerBrook Investors Ltd. is the general partner of TowerBrook Investors GP III, L.P. TowerBrook Investors III (Parallel), L.P. owns 6.5% of the shares of Monier Holdings GP S.A. TowerBrook Investors GP III (Parallel), L.P. is the general partner of TowerBrook Investors III (Parallel), L.P. TowerBrook Investors Ltd. is the general partner of TowerBrook Investors GP III (Parallel), L.P. Neal Moszkowski and Ramez Sousou jointly control TowerBrook Investors Ltd. They each hold approximately 50% of the voting rights in TowerBrook Investors Ltd.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Management Report for the year ended 31 December 2014 (continued)

<sup>3</sup> *York Global Finance 51 S.à r.l. owns 22.1% of the shares of Monier Holdings GP S.A. York European Opportunities Investments Master Fund, L.P. owns 26.97% of York Global Finance 51 S.à r.l. York European Opportunities Domestic Holdings, LLC is the general partner of York European Opportunities Investments Master Fund, L.P. York Credit Opportunities Investments Master Fund, L.P. owns 26.76% of York Global Finance 51 S.à r.l. York Credit Opportunities Domestic Holdings, LLC is the general partner of York Credit Opportunities Investments Master Fund, L.P. York Credit Opportunities Fund, L.P. owns 16.26% of York Global Finance 51 S.à r.l. York Credit Opportunities Domestic Holdings, LLC is the general partner of York Credit Opportunities Fund, L.P. York Select Master Fund, L.P. owns 8.82% of York Global Finance 51 S.à r.l. York Select Domestic Holdings, LLC is the general partner of York Select Master Fund, L.P. York Select, L.P. owns 7.28% of York Global Finance 51 S.à r.l. York Select Domestic Holdings, LLC is the general partner of York Select, L.P. York Multi-Strategy Master Fund, L.P. owns 6.07% of York Global Finance 51 S.à r.l. Dinan Management, LLC is the general partner of York Multi-Strategy Master Fund, L.P. York Capital Management, L.P. owns 3.11% of York Global Finance 51 S.à r.l. Dinan Management, LLC is the general partner of York Capital Management, L.P. York European Focus Master Fund, L.P. owns 1.92% of York Global Finance 51 S.à r.l. York European Focus Domestic Holdings, LLC is the general partner of York European Focus Master Fund, L.P. York European Strategies Trading Limited owns 1.92% of York Global Finance 51 S.à r.l. York Managed Holdings, LLC is the investment manager of York European Strategies Trading Limited. Jorvik Multi-Strategy Master Fund, L.P. owns 0.69% of York Global Finance 51 S.à r.l. Dinan Management, LLC is the general partner of Jorvik Multi-Strategy Master Fund, L.P. Permal York, Ltd. owns 0.19% of York Global Finance 51 S.à r.l. York Managed Holdings, LLC is the investment manager of Permal York, Ltd. York Capital Management Global Advisors, LLC controls York European Opportunities Domestic Holdings, LLC, York Credit Opportunities Domestic Holdings, LLC, York Select Domestic Holdings, LLC, Dinan Management, LLC, York European Focus Domestic Holdings, LLC and York Managed Holdings, LLC. James Dinan controls 100% of the voting rights held by York Capital Management Global Advisors, LLC.*

<sup>B)</sup> *According to a notification received on 23 December 2014.*

- d) The Company has not issued any securities granting special control rights to their holders.
- e) The control rights of any shares issued in connection with employee share plans are exercised directly by the respective employees.
- f) The Articles of Association of the Company do not contain any restrictions on voting rights.
- g) As at 31 December 2014, there are no agreements among the shareholders which are known to the Company that could result in restrictions on the transfer of shares or voting rights within the meaning of Directive 2004/109/EC (Transparency Directive).
- h) The members of the Board of Directors are appointed and may be dismissed by the General Meeting of the Shareholders duly convened with a simple majority of the shareholders present and voting (meaning 50% of the voting rights present at the General Meeting of the Shareholders plus one vote) in accordance with Article 13.1 and 13.2 in connection with Article 19.1 of the Articles of Association as well as Article 67 (2) of the Luxembourg law of 10 August 1915 on commercial companies, as amended. There is no quorum requirement. Each shareholder who holds at least 25% of the shares in the Company has the right to propose to each general meeting a list of up to three candidates to be appointed as directors of the Company by the general meeting of shareholders, which shall proceed to a vote on any such proposal. Any vote of the general meeting of shareholders on an amendment of the Articles of Association requires a quorum of at least 50% of the share capital and a majority of two thirds of the share capital represented or present in the meeting.
- i) The Board of Directors is vested with wide-ranging powers for the execution of all administrative tasks in the interests of the Company and to fulfil its corporate purpose. For information concerning the powers of the Board of Directors to issue and buy back shares, reference is made to note 32 of the consolidated Financial Statements.
- j) There are no significant agreements to which the Company is a party and which take effect, alter or terminate upon a change of control in the Company following a takeover bid.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Management Report for the year ended 31 December 2014 (continued)

- k) There are no agreements between the Company and members of the Board of Directors or employees providing for compensation to members of the Board of Directors or employees in the case of a takeover bid if the employment relationship is terminated without valid reason or due to a takeover offer.

### *Compliance with Corporate Governance Code*

Braas Monier Building Group S.A. is a Luxembourg société anonyme (S.A.), which is listed solely on a stock exchange in Germany. It is therefore not subject to the Luxembourg corporate governance regulations applicable to companies listed in Luxembourg. Furthermore, we are not required to comply with the respective German Corporate Governance Code applicable to listed German stock corporations.

Nevertheless, the Board of Directors have decided to comply, to a certain extent, with the recommendations of the German Corporate Governance Code regarding the principles of good corporate governance, as Braas Monier Building Group S.A. regards the German Corporate Governance Code to be an important foundation for responsible corporate governance. However, certain recommendations will only apply to the Company to the extent that they are consistent with applicable Luxembourg corporate law, German law and our corporate structure. This particularly applies to Braas Monier Building Group S.A.'s single board structure of a Board of Directors, whereas the recommendations of the German Corporate Governance Code assume a dual board structure for German stock corporations that differentiates between a company's management board and supervisory board.

In February 2002, the German Corporate Governance Code (hereinafter also "Code") was adopted by the competent Government Commission and continually updated with the goal of establishing principles for good corporate governance and bolstering trust in German companies. The Code is designed to make the German corporate governance system transparent and understandable. Its purpose is to promote the trust of international and national investors, customers, employees and the general public in the management and supervision of listed German stock corporations. It is available for review and download under <http://www.dcgk.de/en/code.html>. We have published our declaration of compliance in our annual report on the consolidated financial statements and will separately make it available on our website, [www.braas-monier.com](http://www.braas-monier.com).

### *Internal Control*

An Internal Control System at the Group was established as part of an internal control programme in 2011 and forms an essential element of the corporate governance system. The primary objectives of the ICS are to prevent the risk of significant errors in accounting reporting, uncover substantially incorrect valuations and ensure compliance with applicable regulations. It also helps to ensure that the Company is not exposed to excessive financial risks and that internal and external financial reporting is reliable.

The principles, processes and measures introduced are regularly supervised and enhanced. The Consolidation and Controlling department performs an annual Control Self Assessment to verify the effectiveness of the ICS and to identify areas of further improvement. The results of this assessment are regularly presented at year end to the Audit Committee.

The Consolidation and Controlling Department has overall responsibility for the accounting process, the preparation of the financial statements and the internal and external reporting.

**Braas Monier Building Group S.A.**  
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Management Report for the year ended 31 December 2014 (continued)

Report of Significant Events Occurring After the End of the Period Under Review

Mr. Joseph Knoll (York Capital Management) resigned from his mandate as Non-Executive Director of Braas Monier Building Group S.A. on his own accord with effect from 26 January 2015.

Also, with effect from 26 January 2015, Torsten Murke (BNP Paribas) was appointed Member of the Board of Directors of Braas Monier Building Group S.A., taking over the vacant position following the resignation of Gilles Vanel (BNP Paribas) on 16 December 2014. In accordance with Article 20 of the Articles of Association of Braas Monier Building Group S.A., this appointment has been made by the Board of Directors on a temporary basis until the Annual General Meeting on 13 May 2015.

Outlook for 2015

Global growth in 2015 is projected at 3.5% by the IMF – marginally higher than the growth rate of 3.3% in 2014, which should positively influence the building materials sector.

For 2015, we expect further strong growth for the UK and moderate growth in other European countries, such as Spain and Portugal, the Netherlands, Poland, Hungary and Turkey. A stable development is anticipated for Germany, Austria and also Italy, where the market should have reached its trough. France is expected to further decline, albeit at a much lower rate than in 2014, before reaching its low point in 2015.

Based on these assumptions, we expect consolidated revenues to grow by a mid-single-digit percentage figure. Based on this revenue growth and with a continuous focus on strict cost control this will further drive growth in the Company's profits.



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To the Shareholders of  
Braas Monier Building Group S.A.  
(formerly Monier Participations S.à r.l.)  
5, rue Guillaume Kroll  
L-1882 Luxembourg

## **REPORT OF THE REVISEUR D'ENTREPRISES AGREE**

### ***Report on the annual accounts***

Following our appointment by the sole shareholder's resolution dated 28 March 2014, we have audited the accompanying annual accounts of Braas Monier Building Group S.A. (formerly Monier Participations S.à r.l.) which comprise the balance sheet as at 31 December 2014 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Board of Directors' responsibility for the annual accounts***

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

### ***Responsibility of the Réviseur d'Entreprises agréé***

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

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

*Opinion*

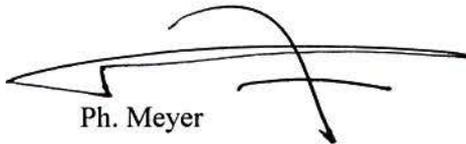
In our opinion, the annual accounts give a true and fair view of the financial position of Braas Monier Building Group S.A. as of 31 December 2014, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

***Report on other legal and regulatory requirements***

The management report, including the corporate governance statement, which is the responsibility of the Board of Directors, is consistent with the annual accounts and includes the information required by the law with respect to the corporate governance statement.

Luxembourg, 30 March 2015

KPMG Luxembourg  
Société coopérative  
Cabinet de révision agréé



Ph. Meyer

**Braas Monier Building Group S.A.**  
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Balance sheet for the year ended 31 December 2014

RCSL Nr. : B148558

Matricule : 20092426778

**BALANCE SHEET**

**Financial year from** 01 01/01/2014 **to** 02 31/12/2014 (in 03 EUR)

Braas Monier Building Group S.A.  
 5, rue Guillaume Kroll  
 L-1882 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
<b>B. Formation expenses</b>	1107	107	108
<b>C. Fixed assets</b>	1109	109	110
I. Intangible fixed assets	1111	111	112
1. Research and development costs	1113	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117	118
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible fixed assets under development	1123	123	124
II. Tangible fixed assets	1125	125	126
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130
		<b>401,658,266.32</b>	<b>377,682,387.96</b>

The notes in the annex form an integral part of the annual accounts

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Balance sheet for the year ended 31 December 2014 (continued)

		RCSL Nr. : B148558		Matricule : 20092426778		
	Reference(s)		Current year		Previous year	
3. Other fixtures and fittings, tools and equipment	1131	131		132		
4. Payments on account and tangible fixed assets under development	1133	133		134		
<b>III. Financial fixed assets</b>	1135	2.2.2,4	135	<b>401,658,266.32</b>	136	<b>377,682,387.96</b>
1. Shares in affiliated undertakings	1137	4	137	400,927,195.91	138	35,816,962.72
2. Amounts owed by affiliated undertakings	1139	4	139	731,070.41	140	341,865,425.24
3. Shares in undertakings with which the undertaking is linked by virtue of participating interests	1141		141		142	
4. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Securities and other financial instruments held as fixed assets	1145		145		146	
6. Loans and claims held as fixed assets	1147		147		148	
7. Own shares or own corporate units	1149		149		150	
<b>D. Current assets</b>	1151		151	<b>102,319,295.66</b>	152	<b>26,722,945.75</b>
<b>I. Inventories</b>	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work and contracts in progress	1157		157		158	
3. Finished goods and merchandise	1159		159		160	
4. Payments on account	1161		161		162	
<b>II. Debtors</b>	1163	2.2.3,5	163	<b>102,308,341.39</b>	164	<b>26,722,900.50</b>
1. Trade receivables	1165		165		166	
a) becoming due and payable within one year	1167		167		168	
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171	5.1	171	102,023,012.77	172	26,717,223.00
a) becoming due and payable within one year	1173	5.1.1	173	102,023,012.77	174	19,657.63
b) becoming due and payable after more than one year	1175	5.1.2	175		176	26,697,565.37
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Balance sheet for the year ended 31 December 2014 (continued)

		RCSL Nr. : B148558		Matricule : 20092426778		
	Reference(s)		Current year		Previous year	
4. Other receivables	1183	5.2	183	285,328.62	184	5,677.50
a) becoming due and payable within one year	1185	5.2.1	185	285,328.62	186	5,677.50
b) becoming due and payable after more than one year	1187		187		188	
III. Transferable securities and other financial instruments	1189		189		190	
1. Shares in affiliated undertakings and in undertakings with which the undertaking is linked by virtue of participating interests	1191		191		192	
2. Own shares or own corporate units	1193		193		194	
3. Other transferable securities and other financial instruments	1195		195		196	
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197		197	10,954.27	198	45.25
<b>E. Prepayments</b>	1199		199		200	
<b>TOTAL (ASSETS)</b>			201	<b>503,977,561.98</b>	202	<b>404,405,333.71</b>

**Braas Monier Building Group S.A.**  
(formerly Monier Participations S.à r.l.)

Balance sheet for the year ended 31 December 2014 (continued)

RCSL Nr. : B148558

Matricule : 20092426778

**LIABILITIES**

	Reference(s)		Current year		Previous year	
<b>A. Capital and reserves</b>	1301	<u>6</u>	301	<u>497,789.410.24</u>	302	<u>14,671.53</u>
I. Subscribed capital	1303	<u>6.1</u>	303	<u>391,666.67</u>	304	<u>12,500.00</u>
II. Share premium and similar premiums	1305	<u>6.2</u>	305	<u>510,676,177.10</u>	306	
III. Revaluation reserves	1307		307		308	
IV. Reserves	1309	<u>6.3</u>	309	<u>1,250.00</u>	310	<u>1,250.00</u>
1. Legal reserve	1311	<u>6.3.1</u>	311	<u>1,250.00</u>	312	<u>1,250.00</u>
2. Reserve for own shares or own corporate units	1313		313		314	
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves	1317		317		318	
V. Profit or loss brought forward	1319		319	<u>921.53</u>	320	<u>4,236.53</u>
VI. Profit or loss for the financial year	1321		321	<u>-13,280,605.06</u>	322	<u>-3,315.00</u>
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
IX. Temporarily not taxable capital gains	1327		327		328	
<b>B. Subordinated debts</b>	1329		329		330	
1. Convertible loans	1413		413		414	
a) becoming due and payable within one year	1415		415		416	
b) becoming due and payable after more than one year	1417		417		418	
2. Non convertible loans	1419		419		420	
a) becoming due and payable within one year	1421		421		422	
b) becoming due and payable after more than one year	1423		423		424	
<b>C. Provisions</b>	1331		331		332	
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335		336	
3. Other provisions	1337		337		338	
<b>D. Non subordinated debts</b>	1339	<u>2.2.6,7</u>	339	<u>6,188,151.74</u>	340	<u>404,390,662.18</u>
1. Debenture loans	1341		341		342	
a) Convertible loans	1343		343		344	
i) becoming due and payable within one year	1345		345		346	
ii) becoming due and payable after more than one year	1347		347		348	

The notes in the annex form an integral part of the annual accounts

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Balance sheet for the year ended 31 December 2014 (continued)

		RCSL Nr. : B148558		Matricule : 20092426778		
	Reference(s)		Current year		Previous year	
b) Non convertible loans	1349	349		350		
i) becoming due and payable within one year	1351	351		352		
ii) becoming due and payable after more than one year	1353	353		354		
2. Amounts owed to credit institutions	1355	355		356		
a) becoming due and payable within one year	1357	357		358		
b) becoming due and payable after more than one year	1359	359		360		
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361	361		362		
a) becoming due and payable within one year	1363	363		364		
b) becoming due and payable after more than one year	1365	365		366		
4. Trade creditors	1367	7.1	367	2,294,550.61	368	40,309.71
a) becoming due and payable within one year	1369	7.1.1	369	2,294,550.61	370	40,309.71
b) becoming due and payable after more than one year	1371		371		372	
5. Bills of exchange payable	1373		373		374	
a) becoming due and payable within one year	1375		375		376	
b) becoming due and payable after more than one year	1377		377		378	
6. Amounts owed to affiliated undertakings	1379	7.2	379	2,590,141.70	380	404,344,989.97
a) becoming due and payable within one year	1381	7.2.1	381	2,590,141.70	382	244,005.28
b) becoming due and payable after more than one year	1383	7.2.2	383	0.00	384	404,100,984.69
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385		386	
a) becoming due and payable within one year	1387		387		388	
b) becoming due and payable after more than one year	1389		389		390	
8. Tax and social security debts	1391	7.3	391	1,303,459.43	392	5,362.50
a) Tax debts	1393	7.3.1	393	1,303,459.43	394	5,362.50
b) Social security debts	1395		395		396	

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Balance sheet for the year ended 31 December 2014 (continued)

	RCSL Nr. : B148558		Matricule : 20092426778	
	Reference(s)	Current year	Previous year	
9. Other creditors	1397	397	398	
a) becoming due and payable within one year	1399	399	400	
b) becoming due and payable after more than one year	1401	401	402	
<b>E. Deferred income</b>	1403	403	404	
<b>TOTAL (LIABILITIES)</b>		405	406	
		<u>503,977,561.98</u>	<u>404,405,333.71</u>	

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Profit and loss account for the year ended 31 December 2014

RCSL Nr. : B148558

Matricule : 20092426778

**PROFIT AND LOSS ACCOUNT**

**Financial year from** <sup>01</sup> 01/01/2014 **to** <sup>02</sup> 31/12/2014 *(in* <sup>03</sup> EUR)

Braas Monier Building Group S.A.  
 5, rue Guillaume Kroll  
 L-1882 Luxembourg

**A. CHARGES**

	Reference(s)	Current year	Previous year
<b>1. Use of merchandise, raw materials and consumable materials</b>	1601 _____ 601 _____	602 _____	
<b>2. Other external charges</b>	1603 _____ 8 _____	603 _____ 16,961,904.08 _____	604 _____ 63,599.27 _____
<b>3. Staff costs</b>	1605 _____ 605 _____	606 _____	
a) Salaries and wages	1607 _____ 607 _____	608 _____	
b) Social security on salaries and wages	1609 _____ 609 _____	610 _____	
c) Supplementary pension costs	1611 _____ 611 _____	612 _____	
d) Other social costs	1613 _____ 613 _____	614 _____	
<b>4. Value adjustments</b>	1615 _____ 615 _____	616 _____	
a) on formation expenses and on tangible and intangible fixed assets	1617 _____ 617 _____	618 _____	
b) on current assets	1619 _____ 619 _____	620 _____	
<b>5. Other operating charges</b>	1621 _____ 9 _____	621 _____ 312,499.66 _____	622 _____
<b>6. Value adjustments and fair value adjustments on financial fixed assets</b>	1623 _____ 623 _____	624 _____	
<b>7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities</b>	1625 _____ 625 _____	626 _____	
<b>8. Interest and other financial charges</b>	1627 _____ 10 _____	627 _____ 9,672,210.57 _____	628 _____ 26,639,253.52 _____
a) concerning affiliated undertakings	1629 _____ 10.1 _____	629 _____ 9,672,210.57 _____	630 _____ 26,639,253.52 _____
b) other interest and similar financial charges	1631 _____ 631 _____	632 _____	

The notes in the annex form an integral part of the annual accounts

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Profit and loss account for the year ended 31 December 2014 (continued)

RCSL Nr. : B148558	Matricule : 20092426778
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	Reference(s)	Current year	Previous year
<b>9. Share of losses of undertakings accounted for under the equity method</b>	1649	649	650
<b>10. Extraordinary charges</b>	1633	633	634
<b>11. Income tax</b>	1635            15	635            3,210.00	636            3,210.00
<b>12. Other taxes not included in the previous caption</b>	1637            15	637            65.00	638            105.00
<b>13. Profit for the financial year</b>	1639	639	640
<b>TOTAL CHARGES</b>		641            26,949,889.31	642            26,706,167.79

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Profit and loss account for the year ended 31 December 2014 (continued)

RCSL Nr. : B148558

Matricule : 20092426778

**B. INCOME**

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701	701	702
<b>2. Change in inventories of finished goods and of work and contracts in progress</b>	1703	703	704
<b>3. Fixed assets under development</b>	1705	705	706
<b>4. Reversal of value adjustments</b>	1707	707	708
a) on formation expenses and on tangible and intangible fixed assets	1709	709	710
b) on current assets	1711	711	712
<b>5. Other operating income</b>	1713	11	1,763,227.86
<b>6. Income from financial fixed assets</b>	1715	12	10,824,596.23
a) derived from affiliated undertakings	1717	12.1	10,824,596.23
b) other income from participating interests	1719		26,702,852.79
<b>7. Income from financial current assets</b>	1721	13	328,302.63
a) derived from affiliated undertakings	1723	13.1	328,302.63
b) other income from financial current assets	1725		
<b>8. Other interest and other financial income</b>	1727		
a) derived from affiliated undertakings	1729		
b) other interest and similar financial income	1731		
<b>9. Share of profits of undertakings accounted for under the equity method</b>	1745		
<b>10. Extraordinary income</b>	1733	14	753,157.53
<b>13. Loss for the financial year</b>	1735		13,280,605.06
<b>TOTAL INCOME</b>		737	26,949,889.31
			738
			26,706,167.79

The notes in the annex form an integral part of the annual accounts

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014

### **Note 1 - General information**

Braas Monier Building Group S.A. (formerly Monier Participations S.à r.l.) (hereafter the "Company") was incorporated on 7 October 2009 and is organised under the laws of Luxembourg as a Société Anonyme for an unlimited period.

The registered office of the Company is established at 5, rue Guillaume Kroll, L-1882 Luxembourg.

The Company's financial year starts on 1 January and ends on 31 December of each year.

On 24 March 2014 the Company changed its denomination by way of notarial deed to Braas Monier Building Group S.à r.l..

On 28 March 2014 the Company changed its legal form from a private limited liability company (société à responsabilité limitée) into a public limited liability company (société anonyme). Together with the foregoing changes, the Company's name was changed to Braas Monier Building Group S.A..

The purpose of the Company is the holding of participations in any form whatsoever in Luxembourg and foreign companies and in any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, management, control and development of its portfolio.

The Company may in particular hold directly or indirectly participations in any form in companies acting as manufacturer or supplier of pitched roof products, including both roof tiles and roofing components, as well as any other form of roofing materials, components, chimneys, related products and building materials generally.

The Company may further guarantee, grant security, grant loans or otherwise assist the companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Company.

The Company may raise funds especially through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type.

The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it considers useful for the pursuing of these purposes.

The Company also prepares consolidated financial statements, which are subject to publication as prescribed by the law. The copies of the consolidated financial statements are available at the registered office of the Company at 5, rue Guillaume Kroll, L-1882 Luxembourg.

# **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

## **Note 1 - General informations (cont. and end)**

Following the IPO, we are unaware of the fact that our previous sole shareholder Monier Holdings S.C.A. will draw up consolidated accounts for the year ended 31 December 2014 of the largest body of undertakings of which the Company might form a part as a subsidiary undertaking.

## **Note 2 - Principles, rules and valuation methods**

### **2.1 General principles**

The annual accounts are prepared in conformity with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg. The accounting policies and valuation principles are, apart from those enforced by the law, determined and implemented by the management body.

Due to the Stock market launch of the Company during the financial year, the Company does not benefit as in previous years from the exemption of Article 35 of the amended law of 19 December 2002. Therefore figures of the year end 2013 have been reclassified to ensure comparability of the figures for the year ended 31 December 2014.

The significant valuation rules of the Company can be summarised as follows:

#### **2.2.1 Formation expenses**

The formation expenses are fully amortised during the year in which they are incurred.

#### **2.2.2 Financial fixed assets**

Financial fixed assets such as shares in affiliated undertakings, participating interests, loans to these undertakings, securities held as fixed assets, other loans are valued at their historical acquisition cost including the incidental costs of acquisition. Loans granted to affiliated undertakings or other companies and defined as financial fixed assets are valued at their nominal value.

If the Board of Directors determines that a durable impairment has occurred in the value of a financial asset, a value adjustment is made in order to reflect that loss. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

#### **2.2.3 Debtors**

Debtors are recorded at their nominal value. A value adjustment is made when their recovery is partly or completely in doubt. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

# **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

## **Note 2 - Principles, rules and valuation methods (cont.)**

### **2.2.4 Derivative financial instruments**

The Company may, from time to time, enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. The Company records initially derivative financial instruments at cost.

At each balance sheet date, unrealized losses are recognized in the profit and loss account whereas gains are accounted for when realized. In the case of hedging of an asset or a liability which is not recorded at fair value, unrealized gains or losses are deferred until the recognition of the realized gains or losses on the hedged item.

### **2.2.5 Foreign currency translation**

The Company maintains its books and records in EUR.

All transactions expressed in currency other than EUR are translated into EUR at the exchange rate prevailing at the date of the realisation.

The formation expenses and the fixed assets other than the long-term loans classified as financial assets and expressed in another currency than EUR are translated in EUR at the exchange rate prevailing at the date of their acquisition. At the balance sheet date, these fixed assets are maintained at their historical exchange rate.

Cash is translated at the exchange rate prevailing at the balance sheet date. Exchange gains and losses resulting from this conversion are accounted in the profit and loss account for the period.

Other assets and liabilities are translated separately respectively at the lower (assets) or at the higher (liabilities) of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation.

In the case there is an economic link between an asset and a liability, they are translated in total and only the unrealised net exchange losses are accounted for in the profit and loss account.

### **2.2.6 Debts**

Debts are recorded at their repayment value.

### **2.2.7 Tax**

The tax liability estimated by the Company for the financial years for which the Company has not been assessed yet, is recorded under the caption "Non-subordinated debts". The advance payments are disclosed in the assets of the balance sheet under "Debtors".

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 2 - Principles, rules and valuation methods (cont.)**

#### **2.2.8 Substance of the reported balance sheet and profit and loss account**

In preparing these annual accounts, the Board of Managers considered the amendments of the Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings introduced by the Law of 10 December 2010 and their impact on the 2014 annual accounts.

However, considering the Law of 30 July 2013 which, consistently with the Law of 19 December 2002 as applied on 2010 confirms that the application of the principle of substance over form is optional, the Board of Managers decided to maintain its accounting policy and to report consistently with previous years the instruments with equity features in liabilities.

### **Note 3 - Restructuring of Monier Group**

The Company decided beginning of April 2014 to fully refinance the senior secured credit facilities agreement, dated 26 February 2007. For this purpose the Company entered into a new Senior Facilities Agreement, between others with Braas Monier Building Group S.A. and BNP Paribas, replacing the former one.

During the year the Group decided to pursue with the elimination of the Unsustainable Priority Senior Debt (the “Warehouse Debt Restructuring”) transferred on 16 October 2009 from the Company to Monier Special Holdings S.à r.l. and to further redeem and cancel the PPLCs 1 and PPLCs 2 issued back in 2009 for an amount of EUR 300,009,998.00 respectively EUR 300,000,001.00. Within this context, Monier Special Holdings S.à r.l. used part of the Unsustainable Priority Senior Debt (the “Warehouse Debt”) to partially repay and cancel the PPLCs 2 subscribed by the Company.

Within the context of the Warehouse debt restructuring Monier Special Holdings S.à r.l. redeemed and cancelled the receivables against LR (Italy) S.r.l with a book value of EUR 35,816,961.72 that have been repaid on 19 December 2013 in the context of the Italian Warehouse debt restructuring.

On 26 March 2014, within this context of the French Warehouse debt restructuring, Monier Special Holdings S.à r.l. redeemed and cancelled a portion of the PPLCs 2 for an aggregate redemption price of EUR 54,464,828.00 to the Company corresponding to the book value of the French Warehouse Debt against Monier S.A.S. and Financière Gaillon 7.

On 26 May 2014 Monier Special Holdings S.à r.l. redeemed and cancelled the remaining PPLCs 2 to the Company by transferring the remainder of the Warehouse Debt valued at EUR 310,601,905.19 as well as a receivable of EUR 2,569,879.96 towards Monier Holdings S.C.A. and a cash pooling agreement receivable from Braas Monier Group Services GmbH of EUR 11,644,432.11 (see below).

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 3 - Restructuring of Monier Group (cont. and end)**

The Company as Sole Partner of Braas Monier Building Group Holding S.à r.l. then contributed into the non-share contribution account of Braas Monier Building Group Holding S.à r.l. the Warehouse Debt for an aggregate value of EUR 310,601,905.19.

The Warehouse Debt included an amount of face value EUR 104,653,590.00 owed by Braas Monier Building Group Holding S.à r.l. that extinguished by way of confusion.

On 5 June 2014, the Company (transferee), Monier Holdings S.C.A. (transferor), Braas Monier Building Group Holding S.à r.l. and Braas Monier Group Services GmbH entered into a transfer deed (as amended on 6 June 2014) under which the transferor agreed to transfer to the transferee for a consideration price of EUR 1:

- an interest free loan amounting to EUR 500,000.00 owed by Braas Monier Building Group Holding S.à r.l. to the transferor;
- a cash deposit agreement owed by Braas Monier Group Services GmbH of EUR 11,644,432.11;
- several short term liabilities for an aggregate amount of EUR 141,378.46 (including a rollover loan agreement dated 14 April 2010);
- receivables of EUR 230,936.11 held by the transferor against Braas Monier Building Group Holding S.à r.l..

On 6 June 2014, the Company fully redeemed the PPLCs 1 with nominal value EUR 300,009,998.00 due to Monier Holdings S.C.A. and the interests through the conversion of the PPLCs as well as a receivable held towards Monier Holdings S.C.A. of EUR 2,569,879.96 into equity.

Finally, on 25 June 2014, the Group listed its shares through the Company on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the sub-segment thereof with additional post-admission obligations (*Prime Standard*) to get better access to the capital markets and to further improve its capital structure (the “IPO”).

After the closing of the Restructuring 2014, the board of directors believes that the Group has secured a stable and long-term financial platform.

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

**Note 4 - Financial fixed assets**

The development of financial fixed assets during the financial year is as follows:

	Shares in affiliated undertakings	Amounts owed by affiliated undertakings	Total
	EUR	EUR	EUR
Cost at beginning of the year	35,816,962.72	341,865,425.24	<b>377,682,387.96</b>
Acquisition (contribution in kind)	365,066,733.19	730,936.11	<b>365,797,669.30</b>
Acquisition (incorporation)	43,500.00	-	<b>43,500.00</b>
Capitalisation of the year	-		
Redemptions	-	(341,865,290.94)	<b>(341,865,290.94)</b>
Cost at end of the year	400,927,195.91	731,070.41	<b>401,658,266.32</b>
Value adjustments at beginning of the year	-	-	-
Value adjustments of the year	-	-	-
Value adjustments at end of the year	-	-	-
<b>Net book value at end of year</b>	<b>400,927,195.91</b>	<b>731,070.41</b>	<b>401,658,266.32</b>

*Shares in affiliated undertakings*

On 21 March 2014, the Company incorporated a Luxembourg société en commandite par actions under the name of “BMBG Bond Finance S.C.A.” with an initial share capital of EUR 31,000.00 (the “SCA”).

At the same date, the Company also incorporated, a Luxembourg société à responsabilité limitée named “BMBG Bond Finance GP S.à r.l.” with an initial share capital of EUR 12,500.00, which latter shall act as general partner of the SCA.

On 26 March 2014, the Company resolved to increase the equity basis of Braas Monier Building Group Holding S.à r.l. by an amount of EUR 54,464,828.00 by way of a contribution without issuance of shares. This increase has been done through a contribution in kind of receivables held against Financière Gaillon 7 SAS and Monier SAS.

On 26 May 2014, Monier Special Holdings S.à r.l. redeemed and cancelled the remaining PPLCs 2 to the Company by transferring the remainder of the Warehouse Debt valued at EUR 310,601,905.19.

**Braas Monier Building Group S.A.**  
**(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

**Note 4 - Financial fixed assets (cont.)**

The Company, acting as Sole Partner of Braas Monier Building Group Holding S.à r.l., then contributed into the non-share contribution account of said entity the Warehouse Debt for an aggregate value of EUR 310,601,905.19.

As at 31 December 2014, the companies in which the Company owns at least twenty per cent of the share capital, or in which it is the member having unlimited liability, can be detailed as follows:

Name of the company	Registered office	% of ownership	Shareholder's equity (excluding Result of the year)	Result of the year	Year end date	Net book value as at 31/12/2014
			EUR	EUR		EUR
Braas Monier Building Group Holding S.à r.l. (formerly Monier Group S.à r.l.)	5, rue Guillaume Kroll, L-1882 Luxembourg	100%	224,918,313.08	(27,218,844.93)	31/12/2014	400,883,695.91
BMBG Bond Finance GP S.à r.l.	5, rue Guillaume Kroll, L-1882 Luxembourg	100%	12,500.00	(12,193.65)	31/12/2014	12,500.00
BMBG Bond Finance S.C.A.	5, rue Guillaume Kroll, L-1882 Luxembourg	100%	31,000.00	(30,017.41)	31/12/2014	31,000.00

The Board of Directors is of the opinion that as at 31 December 2014 there is no permanent diminution in value of the shares held in the companies. Accordingly, no value adjustment has been recorded (in 2013: nil).

*Amounts owed by affiliated undertakings*

On 16 October 2009, the Company acquired the Pledged MCPECs, the Pledged Claims, the Unsustainable Priority Senior Debt and the Second Lien Debt and transferred on the same day the Unsustainable Priority Senior Debt and the Second Lien Debt to Monier Special Holdings S.à r.l. in exchange for the PPLCs 2 (see note 3).

As described above, Monier Special Holdings S.à r.l. redeemed and cancelled the PPLCs 2 on 26 May 2014 for an amount of EUR 310,610,905.19.

**Braas Monier Building Group S.A.**  
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Notes to the annual accounts for the year ended 31 December 2014 (continued)

**Note 4 - Financial fixed assets (cont. and end)**

As at 31 December 2014 the remaining loans granted to affiliated undertakings can be detailed as follows:

Description	Issuer	Acquisition cost	Nominal value 31.12.2014	Nominal value 31.12.2013	Net book value 31.12.2014	Net book value 31.12.2013
		EUR	EUR	EUR	EUR	EUR
Profit Participating Loan Certificates ("PPLCs")	Monier Special Holdings S.à r.l.	300,000,000.00	-	341,760,990.94	-	341,760,990.94
Advance to Braas Monier Building Group Holding S.à r.l.	-	730,936.11	730,936.11	-	730,936.11	-
Monier Management Equity Plan (MEP) Rollover Loans	Various borrowers	104,300.00	-	104,300.00	-	104,300.00
Cash Deposit and borrowing agreement	Braas Monier Group Services GmbH	134.30	134.30	134.30	134.30	134.30
<b>Totals</b>		<b>300,835,370.41</b>	<b>731,070.41</b>	<b>341,865,425.24</b>	<b>731,070.41</b>	<b>341,865,425.24</b>

**Note 5 - Debtors**

**5.1 Amounts owed by affiliated undertaking**

**5.1.1 becoming due and payable within one year**

As at year end the position amounts to EUR 102,023,012.77 (in 2013: EUR 19,657.63). On 11 April 2014 the Company entered as Cash Pool Participant into a new cash pooling agreement with Monier Finance S.à r.l. as Cash Pool Master, with the objective to optimize control over liquidity and cash flow within the Monier Group. Any positive or negative balance of the cash Pool participant bears interest.

The interest is calculated as sum of the local reference rate plus an interest of 17 basis points for positive balances or 450 basis points for negative balances. The Cash pool with Monier Finance amounts to EUR 89,280,122.62.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 5.1.1 - becoming due and payable within one year (cont. and end)**

As at 23 May 2014, the Board of Directors of the Company decided, by approval of the WarehouseCo Debt Restructuring and related transactions, to allocate the WarehouseCo receivable against Braas Monier Building Group Services GmbH in an aggregate amount of EUR 11,644,432.11 to the other receivables of the Company. During the year EUR 221,171.60 of interest accrued into the Cash Pool. The Cash Pool with Braas Monier Building Group Services GmbH amounts to EUR 11,865,603.71 as at year end.

The position contains furthermore a receivable from invoices of the IPO that have been recharged to affiliated undertakings of EUR 877,286.44.

### **5.1.2 becoming due and payable after more than one year**

As at 31 December 2013, this item contained interest accrued on PPLC's for EUR 26,697,565.37. Following the redemption of the PPLC's the position is now nil.

## **5.2 Other receivables**

### **5.2.1 becoming due and payable within one year**

As at 31 December 2014, this item is composed as follows:

	<b>2014</b>	<b>2013</b>
	<b>EUR</b>	<b>EUR</b>
VAT receivable	276,336.12	-
Advances of corporate income tax	8,782.50	5,572.50
Advances of net worth tax	210.00	105.00
Interest accrued on the roll-over loan	-	-
<b>Other receivables - becoming due and payable within one year</b>	<b>285,328.62</b>	<b>5,677.50</b>

## **Note 6 - Capital and reserves**

### **6.1 Subscribed capital**

The subscribed capital amounts to EUR 391,666.67 and is represented by 39,166,667 shares with a nominal value of EUR 0.01 each, fully paid.

**Braas Monier Building Group S.A.**  
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Notes to the annual accounts for the year ended 31 December 2014 (continued)

**Note 6.1 – Subscribed capital (cont.)**

As at year end the share capital of the Company amounts to EUR 391,666.67.

The evolution of the share capital during the financial year has been as follows:

	<b>2014</b>
	<b>EUR</b>
<b>Subscribed Capital at the beginning of the financial year</b>	<b>12,500.00</b>
Increase of Capital during the year	410,166.67
Redemptions of Capital during the year	31,000.00
<b>Subscribed Capital at the end of the financial year</b>	<b>391,666.67</b>

On 28 March 2014, the Company's share capital has been increased from EUR 12,500.00, by an amount of EUR 18,500.00 up to the amount of EUR 31,000.00 by issuance of new ordinary shares resulting in a total of 3,100,000 shares, fully paid up. Following the increase of capital and change of legal form, the Sole Shareholder decided to substitute all 3,100,000 units (*parts sociales*) to shares (*actions*).

On 6 June 2014, the extraordinary general meeting resolved to reduce the share capital of the Company by an amount of EUR 31,000.00 through cancellation of the existing 3,100,000 registered shares. The counter-value of the cancelled shares has been allocated in its entirety to the share premium.

In addition, the extraordinary general meeting resolved to increase the Company's share capital to EUR 350,000.00 by issuance of 35,000,000 new ordinary shares in form of bearer shares, with a nominal of EUR 0.01 each.

All of the 35,000,000 new shares have been subscribed by Monier Holdings S.C.A. at a total price of EUR 411,034,835.77, out of which EUR 350,000.00 is allocated to the share capital and EUR 410,684,835.77 to the share premium.

On 24 June 2014, the extraordinary general meeting resolved to increase the share capital of the Company by an amount of EUR 41,666.67 through the issuance of 4,166,667 new ordinary shares in bearer form, with a nominal value of EUR 0.01 each. All of the 4,166,667 new shares were subscribed by BNP Paribas S.A. at an aggregate subscription price of EUR 41,666.67, which is allocated to the nominal share capital of the Company and EUR 99,958,341.33 to the share premium.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 6 – Capital and reserves (cont. and end)**

#### **6.2 Share premium and similar premiums**

As at year end the share premium and similar premiums amounts to EUR 510,676,177.10.

The evolution of the share premium during the financial year has been as follows:

	<b>2014</b>
	<b>EUR</b>
<b>Share premium at the beginning of the financial year</b>	-
Increase of Share premiums during the year	410,717,835.77
Redemptions of share premiums during the year	-
<b>Share premium at the end of the financial year</b>	<b>410,717,835.77</b>

On 28 March 2014, the extraordinary general meeting of the sole shareholders resolved to increase the share premium by EUR 2,000.00.

As described above, on 6 June 2014, the extraordinary general meeting resolved to reduce the share capital of the Company by an amount of EUR 31,000.00 and to allocate it to the share premium. Moreover it has been resolved, to allocate the claim held by Monier Holdings S.C.A. of EUR 410,684,835.77 to the share premium.

The evolution of the capital surplus account during the financial year has been as follows:

	<b>2014</b>
	<b>EUR</b>
<b>Capital surplus contributions at the beginning of the financial year</b>	-
Increase of non-share contributions during the year	99,958,341.33
Redemptions of non-share contributions during the year	-
<b>Capital surplus at the end of the financial year</b>	<b>99,958,341.33</b>

On 24 June 2014, the general meeting of shareholders resolved to approve the contribution to the capital surplus account of the Company an aggregate amount of EUR 99,958,341.33, contributed by BNP Paribas S.A..

#### **6.3 Reserves**

##### **6.3.1 Legal reserve**

In accordance with Luxembourg company law, the Company is required to transfer 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 on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

**Braas Monier Building Group S.A.**  
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Notes to the annual accounts for the year ended 31 December 2014 (continued)

**Note 7 - Non subordinated debts**

**7.1 Trade creditors**

**7.1.1 becoming due and payable within one year**

This item is composed of the following amounts:

	<b>2014</b>	<b>2013</b>
	<b>EUR</b>	<b>EUR</b>
Accruals	1,301,623.78	29,959.20
Suppliers	992,926.83	10,350.51
<b>Trade creditors becoming due and payable within one year</b>	<b>2,294,550.61</b>	<b>40,309.71</b>

**7.2 Amounts owed to affiliated undertakings**

**7.2.1 becoming due and payable within one year**

This item is composed of the following amounts:

	<b>2014</b>	<b>2013</b>
	<b>EUR</b>	<b>EUR</b>
Cash advance of Braas Monier Building Group Holding S.à r.l.	1,421,273.39	208,965.15
Payable to BMBG Services GmbH & BMBG Holding S.à r.l.	1,113,855.65	-
Payable to Monier Special Holdings S.à r.l.	55,011.66	-
Interest accrued on roll-over loan	-	19,657.63
Advance due to Monier Holdings SCA	-	15,382.50
Transfer Deed Monier Holdings SCA	1.00	-
<b>Amounts becoming due and payable within one year</b>	<b>2,590,141.70</b>	<b>244,005.28</b>

**7.2.2 becoming due and payable after more than one year**

As at 31 December 2013, this item mainly contained PPLC's and related interests for an amount of EUR 403,996,684.69. Following the redemption of the PPLC's, the position is now nil.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 7 – Non subordinated debts (cont. and end)**

#### **7.3 Tax and social security debts**

##### **7.3.1 Tax debts**

The tax debts amount to EUR 1,303,459.43 (in 2013: EUR 5,362.50). They are mainly composed of value added tax liabilities towards the administration and non-deductible VAT.

### **Note 8 - Other external charges**

The other external charges are composed of the following items:

	<b>2014</b> <b>EUR</b>	<b>2013</b> <b>EUR</b>
IPO* general fees	10,448,374.87	-
IPO* financial fees	2,569,001.05	-
IPO* bank fees	2,000,000.14	-
Other fees	753,510.30	38,395.14
IPO* legal fees	631,201.96	-
Auditor fees	357,294.40	10,984.00
Other fees (acquisitions)	115,518.48	-
Legal fees	87,002.88	14,220.13
<b>Other external charges</b>	<b>16,961,904.08</b>	<b>63,599.27</b>

\*IPO abbreviation for initial public offering (see note 3).

The other external charges are mainly composed of IPO costs and costs in relation with the restructuring (warehouse debt restructuring).

The other fees are composed of fees for the annual shareholder meeting (EUR 440,000), accounting fees (EUR 116,083.48), representation and reception expenses (EUR 68,087.21) and other fees like for example CSSF fees, fiscals fees, non recurrent accounting fees, bank fees, etc. of EUR 129,339.61.

### **Note 9 - Other operating charges**

The other operating charges are composed of director fees of the Company amounting to EUR 312,499.66 (in 2013: nil).

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 10 - Interest and other financial charges**

#### **10.1 concerning affiliated undertakings**

This item amounts to EUR 9,672,210.57 (in 2013: EUR 26,639,253.52) and is mainly composed of the interest expenses on the PPLCs 1 of EUR 9,669,961.57 (in 2013: EUR 26,633,966.10), interest on a loan granted by Monier Holdings S.C.A. to the Company of EUR 1,738.33 (in 2013: 5,287.42).

### **Note 11 - Other operating income**

The Company recharged IPO related costs of EUR 1,763,227.86 to the group companies and its subsidiaries.

### **Note 12 - Income from financial fixed assets**

#### **12.1 derived from affiliated undertakings**

The item amounts to EUR 10,824,596.23 (in 2013: 26,702,852.79) and is mainly composed of interest income on the PPLCs for EUR 10,822,488.95 (in 2013: 26,697,565.37) and other interests on loans of EUR 2,107.28 (in 2013: 5,287.42).

### **Note 13 - Income from financial current assets**

#### **13.1 - derived from affiliated undertakings**

This item amounts to EUR 328,302.63 and contains the interest on the Cash pool with Braas Monier Building Group Services GmbH of EUR 221,171.60 (in 2013: nil) as well as the interest on the cash pool with Monier Finance S.à r.l. of EUR 107,131.03 (in 2013: nil).

### **Note 14 - Extraordinary income**

Pursuant to the Assignment Deeds dated 5 and 6 June 2014 between the Company as Transferee and Monier Holdings S.C.A. as Transferor, the Company has booked EUR 753,157.53 as net extraordinary income resulting from the transfers of receivables pursuant to above mentioned Deeds.

### **Note 15 - Tax status**

The Company is subject in Luxembourg to the applicable general tax regulations.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 16 - Related Parties**

Related parties of Braas Monier Building Group S.A. are:

- Monier Holdings S.C.A. and Monier Holdings GP S.A., the sole direct shareholder of the Group (until 25 June 2014), and new shareholders following the IPO;
- Consenting first lien lenders who control Monier Holdings GP S.A.;
- Companies founded in the course of the implementation of the Management Equity Program;
- Other consolidated affiliates of the Group;
- Joint ventures in which the Company or any of its subsidiaries is a venture partner;
- Members of the Board of Directors and
- Associates.

The main interactions between the Company and its related parties are listed below:

The restructuring and related transaction with related parties are disclosed in the note 3.

Transactions regarding shares in affiliated undertakings and on amounts owned by affiliated undertakings are disclosed in note 4 and 5.1.

Transactions regarding amounts owned to affiliated undertakings are disclosed in note 7.2.

The Company and the members of the administrative, management and supervisory bodies implemented a stock option plan for the executives and certain employees of the Group or its subsidiaries or affiliates (please refer to note 17).

The independent Directors that offer their services for the company receive directors fees (please refer to note 9). Guy Harles, who serves as director on the Company's board of directors is a partner of Arendt & Medernach. Arendt & Medernach provides the Company with legal services in relation to Luxembourg law, including in connection with the IPO.

The transactions between the Company and its former sole shareholder are described in the note 3.

## **Braas Monier Building Group S.A.** **(formerly Monier Participations S.à r.l.)**

Notes to the annual accounts for the year ended 31 December 2014 (continued)

### **Note 17 - Off balance sheet Commitments**

#### *Pledges*

In context of the issuance of the senior secured floating rate note due 2020 issued by the SCA, the Company pledged and assigned some of its assets as per Pledge Agreements from 17 April 2014 in favour of BNP Paribas S.A. acting for itself and as security trustee for the benefit of the Secured Parties. The pledged assets consist of the followings:

- Bank accounts
- Shares
- Receivables

The Company as Pledgor has agreed to pledge its bank account with Société Générale Bank & Trust S.A. in favour of BNP Paribas S.A..

The Company also agreed to pledge its shares and related assets in favour of the BNP Paribas, as first-priority pledge for the due and full payment and discharge of all of the Secured Obligations.

Moreover the Company as Pledgor, Monier Special Holdings S.à r.l. as Debtor and BNP Paribas S.A. as Security Agent have agreed, for the purpose of creating a security interest for the payment and discharge of all of the Secured Obligations to pledge all receivables of the Company.

#### *Stock Option Plan*

The board of directors of the Company has resolved on 15 September 2014 to implement a stock option plan for the executives and certain employees of the Company or its subsidiaries or affiliates.

The purpose of this Plan is to align the interests of the Participants with the interest of the shareholders of the Company to create long-term sustainable growth of the Company's value in order to achieve ambitious clearly defined Performance Targets.

**Braas Monier Building Group S.A.**  
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Notes to the annual accounts for the year ended 31 December 2014 (continued)

**Note 17 – Off balance sheet Commitments (cont. and end)**

The Options issued under the Plan entitle the holders of the Options to purchase par value bearer ordinary shares of the Company (Shares) in accordance with the terms and conditions of this Plan.

The Plan comprises up to four annual grants of an aggregate maximum value of EUR 2,245,000 per annual grant (each such grant, a Tranche).

For the first Tranche, that was granted on 30 September 2014, the exercise price of one Option (i.e. the price to be paid for one share in connection with the exercise of an Option, the Exercise Price) shall equal the closing price of one share on the Frankfurt Stock Exchange on the day that the shares were first traded on such exchange (i.e. EUR 22.30 on 25 June 2014).

For the remaining Tranches, the Exercise Price of one Option shall equal the closing price of a Share on the Frankfurt Stock Exchange on the last trading day prior to the grant date in each case in Euro.

Depending on the achievement of ambitious performance hurdles the granted stock options vest after a performance period of 3 years. Then, each option entitles the option's holder to purchase one share of the Company at exercise price (strike price) within an exercise period of 3 years.

**Note 18 - Subsequent events**

On 15 January 2015, Braas Monier Building Group Holding S.à r.l., a subsidiary of Braas Monier Building Group S.A., consummated an agreement signed on 31 October 2014 to take over 100% of Spanish and Portuguese roof tile companies Cobert Tejas Iberica, S.L.U. in Spain and CT-Cobert Telhas, S.A. in Portugal.