

# REGISTRAR

Registered number: 07646259

**HUDSON ENERGY HOLDINGS UK LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**



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## HUDSON ENERGY HOLDINGS UK LIMITED

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## HUDSON ENERGY HOLDINGS UK LIMITED

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### COMPANY INFORMATION

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<b>Director</b>	J Brown
<b>Registered number</b>	07646259
<b>Registered office</b>	201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ
<b>Independent auditor</b>	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ

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## **HUDSON ENERGY HOLDINGS UK LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Introduction**

The directors present their Strategic report for the year ended 31 March 2020.

#### **Business review**

The Company's principal activity during the year was that of a holding company, whilst the group's principal activity during the year continued to be that of the supply of electricity to the commercial market and of electricity and gas to the residential market.

The results of operations for the financial year ended 31 March 2020 were in line with the expectations of the directors. On 6 June 2019, Just Energy Group, Inc. (the Company's ultimate parent company) announced that it was undertaking a formal review process to evaluate strategic alternatives. An outcome of this strategic review was the decision to sell the UK business. Consequently, on 9 October 2019, Just Energy Group Inc. announced the sale of Hudson Energy Supply UK Limited, the Company's wholly owned subsidiary, to Shell Energy Retail Limited. The Directors of the Company believe this is the best outcome for the company and its staff.

The sale of Hudson Energy Supply UK Limited closed on 29 November 2019. As part of the sale, 100% of the shares in Just Energy (Ireland) Limited were transferred from Hudson Energy Supply UK Limited to Hudson Energy Holdings UK Limited resulting in a new wholly own subsidiary under the Company.

On 6 November 2019, Just Energy(Ireland) Limited entered into an agreement to sell substantially all of the assets to Flogas Natural Gas Limited. The transaction closed on 31 December 2019. The Company's group received €0.4 million (£0.3 million), representing 75% of the purchase price, in cash at closing and estimates receiving an additional €0.2 million (£0.2 million), representing 25% of the purchase price, five months after closing.

As part of the group reconstruction, Just Energy Group, Inc. acquired £13,391,636 in new shares of Hudson Energy Holdings UK Limited and Hudson Energy Holdings UK Limited acquired an additional £2,000,000 in new shares of Hudson Energy Supply UK Limited, Hudson Energy Holdings UK Limited made a capital contribution of £9,869,673 to Just Energy (Ireland) Limited.

#### **Principal risks and uncertainties**

The principal risk facing the company is the performance of Hudson Energy Supply UK Limited. The following risks affecting the group are not intended to be an exhaustive list, as some future risks may be yet unknown and other risks, currently regarded as immaterial, could turn out to be material: commodity price risk; earnings seasonality and volatility; supply counterparty risk; legal and regulatory risk; retail risk; and business operations risk.

#### **Financial key performance indicators**

The Company and group's key performance indicators includes gross profit, profit for the year as well as EBITDA.

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Other key performance indicators**

The group's other key performance indicators include growth in customer base. These performance indicators are disclosed in the financial statements of Hudson Energy Supply UK Limited before sale of the same and in the financial statement of Just Energy (Ireland) Limited.

**Post balance sheet events**

In early 2020, the world was faced with the COVID-19 outbreak with many businesses putting in place a business continuity plan for working from home. While the Company is continually assessing its risk in relation to the outbreak, it does not expect the outbreak to have a material effect on its operations as a holding company.

After a strategic review, the parent company of the group has decided to focus more on its operations in North America and as a result is divesting from its international operations. As mentioned above, for the Company's subsidiary Just Energy Ireland, substantially all its assets were sold. The Company is in the process of winding down the subsidiary and consider the investment of £9,869,673 not recoverable and has been included in these financial statements as an exceptional expense.

Also, the group has decided to sell its German operations as well and the intercompany account balances between the Company and German operations have been written off in these financial statements.

This report was approved by the board and signed on its behalf.



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**J Brown**  
Director

Date: April 22, 2021

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## HUDSON ENERGY HOLDINGS UK LIMITED

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### DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2020

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The Director presents his report and the financial statements for the year ended 31 March 2020.

#### Director's responsibilities statement

The Director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

#### Directors

The Directors who served during the year were:

J Brown

P McCullough (resigned 20 August 2019)

J Pickren (resigned 30 April 2019)

P R Hellings (appointed 30 April 2019, resigned 29 November 2019)

#### Financial instruments

The Company's wholly owned subsidiary, Hudson Energy Supply UK Limited, has entered into a variety of derivative financial instruments as part of the business of purchasing and selling gas and electricity and full details can be found in that Company's financial statements. The directors consider there to be no further financial risk management objectives and policies material to an understanding of the Company.

Additional information on the exposure of the Company to price risk, credit risk, liquidity risk and cash flow risk is deemed immaterial for an assessment of the assets, liabilities, financial position and profit or loss of the Company.

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**HUDSON ENERGY HOLDINGS UK LIMITED**

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**DIRECTOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Disclosure of information to auditor**

The Director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Post balance sheet events**

Given the importance of post balance sheet events, this has been discussed in the strategic report.

This report was approved by the board and signed on its behalf.



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**J Brown**  
Director

Date: April 22, 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUDSON ENERGY HOLDINGS UK LIMITED

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**Opinion**

We have audited the financial statements of Hudson Energy Holdings UK Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

**Emphasis of Matter – Departure from Going Concern Basis of Accounting**

*In forming our opinion, which is not modified in respect of this matter, we draw attention to the basis of preparation applied to these financial statements, which is a basis other than that of a going concern. As explained in note 2.5 to the financial statements, the group management intends to cease trading and therefore does not consider it to be appropriate to adopt the going concern basis of preparation in these financial statements.*

**Other information**

The Director is 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. 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.

We have nothing to report in this regard.



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## HUDSON ENERGY HOLDINGS UK LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUDSON ENERGY HOLDINGS UK LIMITED (CONTINUED)

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#### Opinion 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

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 material misstatements in the Strategic report or the Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of directors

As explained more fully in the Director's responsibilities statement set out on page 4, the Director is 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 Director determines 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 Director is 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 Director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### 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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

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**HUDSON ENERGY HOLDINGS UK LIMITED**

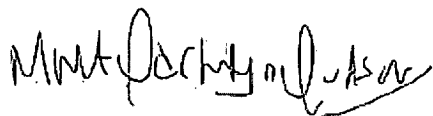
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUDSON ENERGY HOLDINGS UK LIMITED  
(CONTINUED)**

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**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.



Martin Herron BA (Hons) ACA (Senior statutory auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants

Statutory Auditors

Moorgate House

201 Silbury Boulevard

Milton Keynes

Buckinghamshire

MK9 1LZ

Date: 26 April 2021

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**HUDSON ENERGY HOLDINGS UK LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

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		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Administrative expenses		<b>(5,624)</b>	(5,206,181)
Exceptional administrative expenses	6	<b>(1,045,772)</b>	-
<b>Operating loss</b>		<b>(1,051,396)</b>	(5,206,181)
Tax on loss		-	-
<b>Loss for the financial year</b>		<b>(1,051,396)</b>	(5,206,181)

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

The notes on pages 12 to 18 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	7	-	-
		<u>-</u>	<u>-</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	2,626,349	1,160,103
		<u>2,626,349</u>	<u>1,160,103</u>
Creditors: amounts falling due within one year	9	(18,299)	(1,022,620)
		<u>(18,299)</u>	<u>(1,022,620)</u>
<b>Net current assets</b>		<b>2,608,050</b>	<b>137,483</b>
<b>Total assets less current liabilities</b>		<b>2,608,050</b>	<b>137,483</b>
<b>Net assets</b>		<b>2,608,050</b>	<b>137,483</b>
<b>Capital and reserves</b>			
Called up share capital	10	18,742,387	5,350,751
Profit and loss account	11	(16,134,337)	(5,213,268)
		<u>2,608,050</u>	<u>137,483</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



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**J Brown**  
Director

Date: April 22, 2021

The notes on pages 12 to 18 form part of these financial statements.

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**HUDSON ENERGY HOLDINGS UK LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 April 2018</b>	<b>5,350,751</b>	<b>(7,087)</b>	<b>5,343,664</b>
Loss for the year	-	(5,206,181)	(5,206,181)
<b>At 1 April 2019</b>	<b>5,350,751</b>	<b>(5,213,268)</b>	<b>137,483</b>
Loss for the year	-	(1,051,396)	(1,051,396)
Capital contribution to subsidiary	-	(9,869,673)	(9,869,673)
Shares issued during the year	13,391,636	-	13,391,636
<b>At 31 March 2020</b>	<b>18,742,387</b>	<b>(16,134,337)</b>	<b>2,608,050</b>

The notes on pages 12 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**1. General information**

Hudson Energy Holdings UK Limited is a private company, limited by shares and incorporated in England and Wales with registration number 07646259. The registered office is as listed in the Company Information page.

The Company's principal activity during the year was that of a holding company.

The financial statements are presented in Sterling, which is also the functional currency of the company. The figures in the financial statements have been rounded to the nearest £1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

**2.2 Financial reporting standard 101 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Just Energy Group, Inc. as at 31 March 2020, which has been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and these financial statements may be obtained from that Company's website at <http://www.justenergygroup.com/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.3 Impact of new international reporting standards, amendments and interpretations**

**IFRS 16**

There are no material adjustments required to be made to the Company's financial statements as a result of the application of IFRS 16.

The Company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2018.

**2.4 Exemption from preparing consolidated financial statements**

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

**2.5 Going concern**

The directors have evaluated the future business and holdings of the Company and based on the results, the Company has made decisions to divest of its investment and focus on other markets. Accordingly, the going concern basis was not utilised in the preparation of these accounts. These financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such costs were committed at the balance sheet date. The directors do not consider that there would be any material differences to the reported results of the Company if the going concern basis of preparation had been applied to these financial statements.

**2.6 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.7 Revenue recognition**

**Dividend income**

Dividend income is recognised when the right to receive payment is established.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)****2.8 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**2.9 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

The Company's impairment test is based on fair value less costs to sell calculations that use the EBITDA multiple model. The EBITDA is derived from actual figures and the EBITDA multiple is sourced from external sources of information.

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment.

Impairment will be provided based on the expected loss model.

**2.11 Creditors**

Short term creditors are measured at the transaction price.

**2.12 Financial instruments**

The Company only enters into financial instruments transactions that result in the recognition of financial assets and liabilities like loans to and from related parties.

**3. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<b>3,000</b>	<b>3,000</b>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.



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## HUDSON ENERGY HOLDINGS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 4. Employees

The average monthly number of employees, including the Director, during the year was as follows:

	2020 No.	2019 No.
Directors	<u>4</u>	<u>4</u>

#### 5. Director's remuneration

No Directors received remuneration from Hudson Energy Holdings UK Limited. Directors' remuneration is borne by the subsidiary in which the director performs most of their duties.

#### 6. Exceptional items

	2020 £	2019 £
Loss on disposal of investments (Note 7)	533,755	-
Impairment of intercompany balances (Note 8)	497,017	-
Impairment of Investments (Note 7)	15,000	-
	<u>1,045,772</u>	<u>-</u>

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**HUDSON ENERGY HOLDINGS UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**7. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
Additions	2,015,000
At 31 March 2020	2,015,000
<b>Impairment</b>	
Impairment of investments	15,000
Disposal of investments	2,000,000
At 31 March 2020	2,015,000
<b>Net book value</b>	
At 31 March 2020	-
At 31 March 2019	-

Included in additions to investments is £2,000,000 relating to the Company's subsidiary entity, Hudson Energy Supply UK Limited. As in note 6, on 29 November 2019 Hudson Energy Holdings UK Limited sold the subsidiary to a third party realising a loss.

Also included in additions is £15,000 which represented an investment in Just Energy Ireland Limited, which is an ex subsidiary company of Hudson Energy Supply UK Limited that was transferred on sale.

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## HUDSON ENERGY HOLDINGS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 8. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	2,615,235	1,148,989
Other debtors	11,114	11,114
	<u>2,626,349</u>	<u>1,160,103</u>

Impairments included in or netted from intercompany are shown in note 6.

#### 9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	18,299	1,022,620

There are no contract liabilities, or impairments included in or netted from the above balances.

#### 10. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
18,742,387 (2019 - 5,350,751) Ordinary shares of £1.00 each	<u>18,742,387</u>	<u>5,350,751</u>

As part of the group reconstruction, Just Energy Group, Inc. acquired £13,391,636 in new shares of Hudson Energy Holdings UK Limited.

#### 11. Reserves

##### Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**12. Capital disclosures**

The Company defines capital as shareholder's equity. The company's objectives when managing capital are to maintain flexibility by:

- (i) enabling it to operate efficiently;
- (ii) providing liquidity and access to capital for growth opportunities; and
- (iii) providing returns and generating predictable cash flow for dividend payments to shareholders.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather promotes year over year sustainable and profitable growth. The Company's capital management objectives have remained unchanged from the prior year.

During the year, as part of the group restructure, the Company made a capital contribution of £9,869,673 to Just Energy Ireland as described in the strategic report.

**13. Related party transactions**

The Company has taken advantage of the exemption contained in FRS 101 and has not disclosed transactions with any member of the Just Energy Group, Inc. group.

**14. Post balance sheet events**

After a strategic review, the parent company of the group has decided to focus more on its operations in North America and as a result is divesting from its international operations. As mentioned in the strategic report, the Company's subsidiary Just Energy Ireland has substantially sold all its assets. In early 2020, the world was faced with the COVID-19 outbreak with many businesses putting in place a business continuity plan for working from home. While the Company is continually assessing its risk in relation to the outbreak, it does not expect the outbreak to have a material effect on its operations as a holding company.

**15. Controlling party**

The parent Company and ultimate controlling party is Just Energy Group, Inc., a company incorporated in Canada. Copies of that Company's consolidated financial statements may be obtained from its website at <http://www.justenergygroup.com/>

The registered office of Just Energy Group, Inc. is located at 100 King Street West, Suite 2630, Toronto ON, M5X 1E1.