

**FORMERXBC INC.
(formerly, Xebec Adsorption Inc.) et al.
Proposed Allocation Method
June 16, 2023**

Introduction & Restrictions

This document is subject to the following restrictions and limitations:

- Deloitte Restructuring Inc. ("**Deloitte**" or the "**Monitor**") has prepared the attached proposed allocation methodology (the "**Proposed Allocation Method**") for the net proceeds held by the Monitor in respect of Former XBC Inc. (formerly Xebec Adsorption Inc.) and the other Petitioners (collectively, "**Xebec**" or the "**Company**") as part of the ongoing proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") supervised by the Superior Court of Québec (the "**Court**").
- The CCAA proceedings were initiated by a First Day Initial Order rendered on September 29, 2022 (the "**Filing Date**"), pursuant to which, namely, Deloitte was appointed as Monitor. The First Day Initial Order has been extended, amended and restated by orders of the Court rendered from time to time, including by the Fifth Amended and Restated Initial Order dated March 27, 2023 (the "**Fifth ARIO**").
- This Proposed Allocation Method Report, including the Intercompany Transactions Report forming part thereof, was prepared by the Monitor pursuant to paras. 28 and 30 of the Fifth ARIO and will be submitted to the Court for approval on June 27, 2023.
- This Proposed Allocation Method Report was prepared by the Monitor with the assistance of Xebec Management and based on available information from Xebec and from the CCAA proceedings.
- The Monitor will hold a virtual Information Session in respect of the Proposed Allocation Method for interested stakeholders on June 20, 2023. A notice of said meeting has been sent to the parties to the service list in the CCAA proceedings and is posted on the Monitor's website, and a request to attend the meeting must be sent made to the Monitor prior to the session. Upon reception of such request, the Monitor will provide the electronic link to the virtual meeting.
- Readers should be cautioned that this report presents the Proposed Allocation Method, and not the final amounts available for distribution to creditors. In this report, the Proposed Allocation Method contains certain amounts that are estimates and accordingly will be subsequently adjusted based on future events, transactions and actual receipts and disbursements. The final allocation calculation will be presented to the Court in due time prior to a distribution to the creditors, as part of the filing of one or more plan(s) of arrangement or otherwise.
- Certain assumptions relate to the treatment and allocation of the proceeds paid directly to NBC, in its capacity as first ranking secured creditor, from the transaction pursuant to which Xebec Holding UK Limited ("**Xebec UK**") sold its shares of Tiger Filtration Limited, which are both non-Petitioners. These assumptions include settlement of potential third-party claim(s) against Xebec UK.
- Moreover, be advised that the Proposed Allocation Method does not currently take into account certain elements, including without limitation:
 - The fact that the Monitor obtained an opinion stating that EDC and NBC do not have a perfected security interest in the cash balances of certain Petitioners in the U.S., as was namely reported in the Seventh, Ninth and Tenth Reports of the Monitor. The potential effect of this is not considered in this Proposed Allocation Method Report, which is meant to establish the methodology to allocate the net proceeds between the Petitioners, and not to determine how the final allocated amounts should be distributed between the creditors of the respective Petitioners (including EDC in the estates where it has security);
 - The professional fees and costs to be incurred after September 30, 2023 to the end of the file, including with respect to the monetization of certain remaining assets, the determination of the various creditors' rights, the claims received as part of the Claims Process, the distributions to the various creditors (as part of one or more plan(s) of arrangement or otherwise), and the orderly wind-down of the various entities;
 - The impact of actuals costs in comparison with the projections for the period from May to September 30, 2023;
 - The potential impact of the final resolution of BLA's and the third-party claim(s) against Xebec UK;
 - The potential adjustments of the Petitioners' books and records; and
 - The potential impact of the foreign exchange rates on the calculation.

Introduction & Restrictions

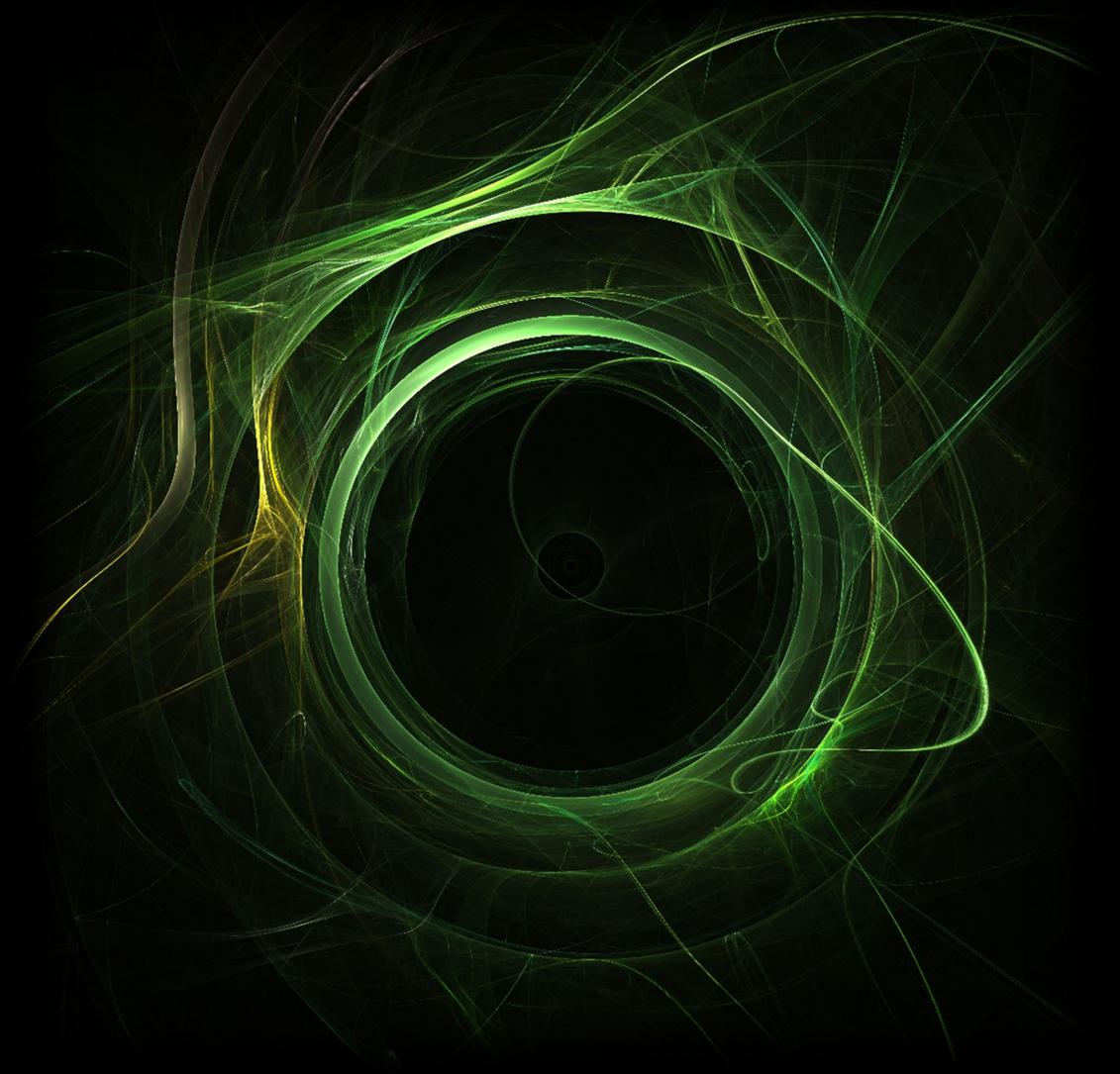
This document is subject to the following restrictions and limitations:

- The Proposed Allocation does not constitute an opinion and/or an admission whatsoever from the Monitor in respect to the potential recovery of any party and may not be interpreted or used as such.
- Without limiting the foregoing and in preparing the Proposed Allocation Method, the Monitor has been provided with, and has relied upon, unaudited financial information, the Petitioners' books and records and financial information prepared by the same and discussions with management ("**Management**") of the Petitioners (collectively, the "**Information**"). Except as described herein:
 - The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and
 - Some of the information referred to in this Proposed Allocation Method consists of estimates, forecasts and projections. An examination or review of the financial estimates, forecasts and projections has not been performed.
- Future oriented financial information referred to in this Proposed Allocation Method, including in respect of professional fees and restructuring costs, was prepared based on the cash flow projections for the period ending September 30, 2023 filed with the Court pursuant to Management's estimates and assumptions, and adding the theoretical amount of the Administration Charge for the period from and after October 1st, 2023 for which there are no cash flow projections yet. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
- Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Proposed Allocation Method concerning the Petitioners and their business is based on the Information, and not independent factual determinations made by the Monitor.
- Unless otherwise indicated, all amounts are presented in Canadian dollars. In addition, due to the fact that some information is presented in thousands of dollars, there might be some rounding differences that will not materially impact the final calculation.
- Unless otherwise indicated and where applicable, amounts were converted with the FX rate as at June 8, 2023 per the Bank of Canada.

Definitions

- **Proposed Allocation Method:** Proposed methodology of the allocation of (i) the Proceeds from transactions [page 10], (ii) the Intercompany Transactions [pages 11 to 14] and (iii) the Restructuring Costs, the Secured Debt Reimbursements and the DIP Financing receipts and repayments [pages 15 to 17], as described and illustrated in this Proposed Allocation Method Report..
- **Filing Date:** September 29, 2022, being the date of the First Day Initial Order rendered by the Court.
- **Petitioners / Debtors:** Debtors / petitioners subject to the protection of the Court as detailed in the Initial Order and in the Subsequent Amended and Restated orders rendered by the Court, including the Fifth ARIO. Refer to Appendix E for the naming convention and entity codes.
- **Management:** Management team of the Petitioners.
- **SISP:** Sale and Investment Solicitation Process ("SISP") approved by the Court.
- **Proceeds from transactions:** Proceeds (realization of the assets) from sale transactions, out of the ordinary course transactions since the Filing Date as part of the SISP and otherwise. This includes all of the sale transactions involving the Petitioners for which the proceeds were received by the Monitor, as well as the estimated impact of the BLA recovery from Xebec UK further to the Xebec UK transaction realized as part of the SISP and the subrogation of Xebec UK in the rights of NBC.
- **Intercompany Transactions:** The intercompany monetary transfers, intercompany sales and purchases (unpaid) and corporate overhead recharges since the Filing Date. This includes all Intercompany Transactions defined in the Fifth ARIO, other than the Restructuring Costs, the Secured Debt Reimbursements and the DIP Financing receipts and repayments which are dealt in a separate section.
- **KERP:** Key employee retention plan approved by the Court and paid to key employees and secured by a prior ranking charge.
- **EDC:** Export Development Canada, secured creditor on certain Petitioners (1st or 2nd ranking).
- **NBC:** National Bank Canada, secured creditor on all Petitioners (1st or 2nd ranking) and on Xebec UK and Tiger Filtration Limited.
- **Secured Debt Reimbursements:** The reimbursements of capital, interest and fees made to NBC since the Filing Date and the reimbursements of capital (after recharacterization of all amounts paid as capital reimbursements) made to EDC since the Filing Date, excluding reimbursements under the Interim Financing. This also includes the estimated impact of the reimbursement of Xebec UK as subrogated in the rights of NBC as well as the estimated future repayments of the outstanding letters of credit.
- **DIP Financing or Interim Financing:** The First DIP from EDC and NBC and the Second and Third DIP from EDC approved by the Court during the CCAA proceedings, for a total principal amount of \$8.95M CAD and secured by a prior ranking charge.
- **Restructuring Costs:** Include the professional fees (Petitioners' counsel in Canada, the U.S. and the foreign jurisdictions, Monitor, Monitor's counsel in Canada and in the U.S., NBC's counsel in Canada, in the U.S. and in the U.K., NBC's financial advisor, EDC's counsel in Canada and in the U.S, EDC's financial advisor), the fees of National Bank Financial as part of the SISP (monthly fee and Transaction Fee), the interest and fees on the DIP Financing, the KERP, as well as BLA and XSU disbursements since the month of May 2023.
- **Main Scenario:** Methodology recommended by the Monitor and Management to allocate as per the Proposed Allocation Method.
- **Alternate Scenario:** Alternate methodology analyzed by the Monitor and Management to allocate the professional fees forming part of the Restructuring Costs and the BLA corporate overhead and management costs.
- **Allocated net proceeds prior to distribution to creditors:** Calculated based on the Proposed Allocation Method in the Main Scenario. This is an estimate only, and is namely subject to future realized proceeds and disbursements to be allocated under the Proposed Allocation Method.

Xebec Proposed Allocation Method



Proposed Allocation Method – Main Sections

Overview of the methodology



Proceeds Allocation: Proceeds from transactions converted at the transaction date. Where multiple entities are part of a transaction, the allocation of proceeds is based on the transaction documents.

Intercompany Transactions: Adjustments to reflect Intercompany Transactions since the Filing Date (Monetary transfers, Interco sales & purchases and corporate overhead recharge).

Allocation of the Restructuring Costs, Secured Debt Reimbursements and DIP Financing receipts:

1. Restructuring Costs: Prorata result-based approach based on Proceeds from transactions
2. Secured Debt Reimbursements - NBC: Allocated between Petitioners on which NBC has 1st ranking security interest based on Proceeds from transactions
3. Secured Debt Reimbursements - EDC: Allocated between Petitioners on which EDC has a security interest based on Proceeds from transactions
4. DIP Financing receipts: Prorata result-based approach based on Proceeds from transactions

Impact of Xebec UK transaction, DIP Financing repayments and other Secured Debt Reimbursements:

1. Xebec UK transaction: The report assumes that Xebec UK, subrogated in the rights of NBC as secured creditor (in light of the repayment of the secured debt that it made as guarantor from the proceeds of the Xebec UK transaction), is repaid in order to allow for the consideration of additional Proceeds from transactions to BLA coming from its claim against Xebec UK, net of the amount estimated to pay the other known unsecured creditor on a prorata basis. This remains subject to a final resolution of the claims against Xebec UK and is not submitted to the approval of the Court at this stage.
2. DIP Financing repayments: Prorata result-based approach based on Proceeds from transactions
 - Shortfall allocation: Prorata result-based approach based on Proceeds from transactions to the Petitioners with sufficient funds available.
3. Secured Debt Reimbursements – NBC (EDC): Remaining letters of credit to be reimbursed (not covered by the Xebec UK transaction proceeds) and guaranteed by EDC. Allocated between Petitioners on which NBC has 1st ranking security interest based on Proceeds from transactions

Allocated net proceeds prior to distribution to creditors: Subject to future realized proceeds and disbursements to be allocated under the Proposed Allocation Method.

Proceeds from transactions

+ -

Post-filing Intercompany Transactions

+ -

Allocation of the Restructuring Costs, Secured Debt Reimbursements and DIP Financing receipts

+ -

Impact of Xebec UK transaction, DIP Financing repayments and other Secured Debt Reimbursements

=

Allocated net proceeds prior to distribution to creditors

Xebec – Proposed Allocation Method

Executive Summary – General Overview of the Proposed Allocation Method

XEBEC ADSORPTION INC. & AI.		Consolidated All Petitioners	EDC		EDC		EDC		EDC		EDC		EDC		Monitor's trust accounts	Xebec UK XUK	
Proposed Allocation Method As at June 8, 2023 - In thousands CAD			CDA	CAL	BLA	CAI	ACS	UEC	Petitioners XBC		TIT	NOR	GNR	AIR			XSU
Proceeds from transactions	 A	36,009	4,510	7,712	13,341	1,580	400	4,274	1,477	1,402	209	100	1,004	-	-	28,988	7,617
Proceed allocation %			12.52%	21.42%	37.05%	4.39%	1.11%	11.87%	4.10%	3.89%	0.58%	0.28%	2.79%	0.00%	0.00%		
Post-Filing Intercompany Transactions	 B	-	563	(156)	(7,166)	1,179	1,063	2,732	(60)	397	1,389	-	1,353	(1,307)	13	-	-
Allocations																	
Restructuring Costs & Secured Debt Reimbursements to be allocated	 C1	28,619	-	-	20,110	-	-	-	-	54	-	-	-	1,344	-	7,111	-
Restructuring Costs & Secured Debt Reimbursements - Allocation																	
Restructuring Costs		(24,620)	(3,084)	(5,274)	(9,114)	(1,081)	(275)	(2,924)	(1,009)	(959)	(144)	(70)	(686)	-	-	-	-
Restructuring Costs - Allocation %			12.52%	21.42%	37.05%	4.39%	1.11%	11.87%	4.10%	3.89%	0.58%	0.28%	2.79%	0.00%	0.00%		
NBC - Secured debt - Reimbursement		(1,866)	(378)	-	(1,119)	(133)	(34)	-	-	(118)	-	-	(84)	-	-	-	-
NBC - Secured debt - Fees and Interest		(138)	(28)	-	(83)	(10)	(2)	-	-	(9)	-	-	(6)	-	-	-	-
EDC - Secured debt - Reimbursement		(1,995)	-	(570)	(985)	-	-	(315)	(109)	-	(16)	-	-	-	-	-	-
Total - Allocated disbursements	 C2	(28,619)	(3,490)	(5,844)	(11,301)	(1,224)	(311)	(3,239)	(1,118)	(1,086)	(160)	(70)	(776)	-	-	-	-
DIP Financing receipts to be allocated	 C3	(8,950)	-	-	(8,950)	-	-	-	-	-	-	-	-	-	-	-	-
DIP Financing receipts - Allocation	 C4	8,950	1,121	1,916	3,314	393	100	1,062	369	347	53	25	250	-	-	-	-
Total - Allocation net impact	Σ C	-	(2,369)	(3,928)	3,173	(831)	(211)	(2,177)	(749)	(685)	(107)	(45)	(526)	1,344	-	7,111	-
Use of proceeds to cover Restructuring Costs (authorized by the Court)	D	(7,111)	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,111)	-
Net proceeds before DIP Financing and other Secured Debts reimbursements	Σ A to D	28,898	2,704	3,628	9,348	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,877	7,617
Net proceeds before DIP Financing and other Secured Debts reimbursements	 Net proceeds before DIP Financing and other Secured Debts reimbursements	28,898	2,704	3,628	9,348	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,877	7,617
Xebec UK transaction - Impact																	
Repayment of NBC secured debt																	
NBC --> Revolver		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,904)
NBC --> Mastercard		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48)
NBC --> EDC (guarantor) - LC Facility (drawn LCs)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(491)
NBC --> EDC (guarantor) - LC Facility (London RNG paid in trust to Monitor - Partial)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,176)
Total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,619)
Xebec UK transaction - BLA estimated impact																	
Pro forma repayment to Xebec UK (Subrogated in the rights of NBC)		(7,617)	-	-	(7,617)	-	-	-	-	-	-	-	-	-	-	-	-
Estimated proceeds to BLA (92.17%)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,021)
Other known unsecured creditors (7.83%)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(596)	(596)
Total		(7,617)	-	-	(7,617)	-	-	-	-	-	-	-	-	-	-	(596)	(7,617)
Available net proceeds - After UK Transaction Impact		21,281	2,704	3,628	1,731	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,281	-
Total DIP Financing repayments (incl. shortfall allocation)		(8,950)	(1,436)	(2,455)	(1,731)	(503)	(128)	(1,360)	(472)	(445)	(68)	(32)	(320)	-	-	(8,950)	-
Available net proceeds - After allocated DIP repayments		12,331	1,268	1,174	0	1,425	1,124	3,469	196	669	1,423	23	1,511	37	13	12,331	-
Outstanding letters of credit - estimated future repayment		(458)	(232)	-	-	(81)	(21)	-	-	(72)	-	-	(52)	-	-	(458)	-
Allocated net proceeds prior to distribution to creditors		11,873	1,036	1,174	0	1,343	1,103	3,469	196	597	1,423	23	1,459	37	13	11,873	-

Xebec – Proposed Allocation Method

Overview - Available Net Proceeds before DIP Financing and Other Secured Debts Reimbursements

XEBEC ADSORPTION INC. & AI. Proposed Allocation Method As at June 8, 2023 - In thousands CAD			Consolidated All entities Petitioners	EDC		EDC					EDC					Monitor's trust accounts	Xebec UK XUK
				CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU		
Proceeds from transactions	A	36,009	4,510	7,712	13,341	1,580	400	4,274	1,477	1,402	209	100	1,004	-	-	28,988	7,617
Proceed allocation %			12.52%	21.42%	37.05%	4.39%	1.11%	11.87%	4.10%	3.89%	0.58%	0.28%	2.79%	0.00%	0.00%		
Post-Filing Intercompany Transactions																	
Net intercompany monetary transfers	B.1	-	971	334	(9,513)	1,532	976	6,357	395	925	1,811	-	2,210	(6,011)	13	-	-
Net intercompany transactions (sales and purchases)	B.2	-	(59)	74	909	(149)	248	(537)	(99)	159	83	-	(16)	(613)	-	-	-
Management fees - Corporate recharge (XSU) (5,394k)	B.3	-	(239)	(393)	(714)	(94)	-	(2,221)	(258)	(481)	(377)	-	(617)	5,394	-	-	-
Management fees - Corporate recharge (BLA) up to Apr 30 (2,152k)	B.4	-	(110)	(171)	2,152	(110)	(161)	(867)	(98)	(206)	(128)	-	(224)	(77)	-	-	-
Intercompany Transactions - Net	Σ B	-	563	(156)	(7,166)	1,179	1,063	2,732	(60)	397	1,389	-	1,353	(1,307)	13	-	-
Allocations																	
Restructuring Costs & Secured Debt Reimbursements to be allocated	C1	28,619	-	-	20,110	-	-	-	-	54	-	-	-	1,344	-	7,111	-
Restructuring Costs & Secured Debt Reimbursements - Allocation																	
Restructuring Costs		(24,620)	(3,084)	(5,274)	(9,114)	(1,081)	(275)	(2,924)	(1,009)	(959)	(144)	(70)	(686)	-	-	-	-
NBC - Secured debt - Reimbursement		(1,866)	(378)	-	(1,119)	(133)	(34)	-	-	(118)	-	-	(84)	-	-	-	-
NBC - Secured debt - Fees and Interest		(138)	(28)	-	(83)	(10)	(2)	-	-	(9)	-	-	(6)	-	-	-	-
EDC - Secured debt - Reimbursement		(1,995)	-	(570)	(985)	-	-	(315)	(109)	-	(16)	-	-	-	-	-	-
Total - Allocated disbursements	C2	(28,619)	(3,490)	(5,844)	(11,301)	(1,224)	(311)	(3,239)	(1,118)	(1,086)	(160)	(70)	(776)	-	-	-	-
DIP Financing receipts to be allocated	C3	(8,950)	-	-	(8,950)	-	-	-	-	-	-	-	-	-	-	-	-
DIP Financing receipts - Allocation	C4	8,950	1,121	1,916	3,314	393	100	1,062	369	347	53	25	250	-	-	-	-
Total - Allocation net impact	Σ C	-	(2,369)	(3,928)	3,173	(831)	(211)	(2,177)	(749)	(685)	(107)	(45)	(526)	1,344	-	-	-
Use of proceeds to cover Restructuring Costs (authorized by the Court)	D	(7,111)	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,111)	-
Net proceeds before DIP Financing and other Secured Debts reimbursements	Σ A to D	28,898	2,704	3,628	9,348	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,877	7,617

Breakdown of the Restructuring Costs as detailed in the Appendix A

Professional fees (Paid)	\$ (14,118)
Professional fees (Future)	(3,470)
Professional fees - Theoretical amount (Administration Charge)	(1,000)
KERP	(1,375)
NBF Transaction fee	(976)
DIP Financing - Interest and fees	(545)
Other restructuring expenses (BLA & XSU since May 2023)	(1,292)
Payroll (Since May 2023)	(1,700)
FX Rate variance, bank fees and other expenses (Trust accounts)	(144)
Total	(24,620)

Use of Net Proceeds to cover the Restructuring Costs

Note: Use of Net Proceeds held by the Monitor to cover Restructuring Costs as approved by the Court. These costs are subsequently allocated in the following section of the calculation.

Impact of the allocation of disbursements and collections

Note: In order to properly allocate to each entity its proper share of Restructuring Costs, Secured Debt Reimbursements and DIP Financing receipts, certain payments/collections are first reversed in their entirety followed by the appropriate allocation on a per entity basis.

Ex: BLA disbursed \$20M however should be impacted only for its specific share of these disbursements. The same logic applies for the DIP Financing collected to fund the disbursements subsequently allocated.



Proposed Allocation Method - Assumptions

Proceeds Allocation

Sale Transactions – Petitioners

- ✓ Proceeds from CCAA transactions paid to the Monitor.
- ✓ Converted in CAD as at each transaction date.
- ✓ Allocation of the Proceeds based on transaction documents.

Xebec UK transaction

- ✓ Assumes that Xebec UK, subrogated to the rights of NBC as secured creditor (in light of the repayment of the secured debt that it made as guarantor from the proceeds of the Xebec UK transaction), is repaid in order to allow for the consideration of additional net proceeds to BLA coming from its claim against Xebec UK, net of the amount estimated to pay the other known unsecured creditor on a prorata basis.
- ✓ This remains subject to a final resolution of the claims against Xebec UK and is not submitted to the approval of the Court at this stage.

Xebec UK - Estimated impact calculation		CAD
BLA - Long-term advances	92.2%	7,021,108
Other creditor(s)	7.8%	596,209
	100.0%	7,617,317

Completed Transactions			Transactions - Proceeds			
Entity Code	Buyer	Transaction Date	Orig. Cur.	Currency	FX	CAD
CDA	Sullair	21-Feb-23	3,337	USD	1.3516	4,510
CAL	Sullair	21-Feb-23	5,706	USD	1.3516	7,712
BLA	Ivys Energy Solutions	24-Feb-23	6,320	CAD	1.0000	6,320
CAI	Ivys Energy Solutions	24-Feb-23	1,580	CAD	1.0000	1,580
ACS	1396905 B.C. LTD	7-Feb-23	400	CAD	1.0000	400
UEC	EnergyLink	5-Apr-23	3,000	USD	1.3457	4,037
XBC	Total Energy Systems	23-Mar-23	1,081	USD	1.3671	1,477
TIT	Fluid-Aire Dynamics	20-Mar-23	1,026	USD	1.3674	1,402
NOR	Next Air & Gas	14-Mar-23	153	USD	1.3677	209
GNR	FSTQ	15-Feb-23	100	CAD	1.0000	100
AIR	Curtis Toledo	15-Mar-23	27	USD	1.3778	38
AIR	Curtis Toledo	15-Mar-23	5	USD	1.3778	7
AIR	Curtis Toledo	15-Mar-23	4	USD	1.3778	6
AIR	Curtis Toledo	15-Mar-23	81	USD	1.3778	112
AIR	Curtis Toledo	15-Mar-23	532	USD	1.3778	733
UEC	Air Products	22-Apr-23	175	USD	1.3483	236
AIR	Hoho Buys Cars	4-May-23	80	USD	1.3566	109
Sub-Total						28,988
XUK	Forum - Estimated impact to BLA	27-Jan-23	4,857	EUR	1.4457	7,021
HYB	HoSt (1 Euro transaction)	6-Feb-23	0	EUR	1.3442	0
Total						36,009

Potential and upcoming transactions

UEC	Biostream Assets	TBD	TBD	TBD
UEC	Western Midstream	TBD	TBD	TBD
XSU	Filters	TBD	TBD	TBD
IGT	Claims to Non-Petitioners	TBD	TBD	TBD
ITA	Claims to Non-Petitioners	TBD	TBD	TBD
BLA	London RNG	TBD	TBD	TBD



Proposed Allocation Method - Assumptions

Intercompany Transactions – Monetary Transfers

Net intercompany monetary transfers As at June 8, 2023 - In thousands CAD	Petitioners												
	CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU	XHU
Collections	-	106	11,010	-	-	400	162	234	320	-	-	6,111	-
Disbursements	(971)	(440)	(1,497)	(1,532)	(976)	(6,757)	(557)	(1,160)	(2,131)	-	(2,210)	(100)	(13)
Intercompany Monetary Transfers - Net	(971)	(334)	9,513	(1,532)	(976)	(6,357)	(395)	(926)	(1,811)	-	(2,210)	6,011	(13)

1 Net Intercompany Monetary Transfers

- ✓ Post-filing Intercompany Monetary Transfers made in accordance with (i) the ARIOs and (ii) with the protocol established by the Monitor.
- ✓ From September 29, 2022 to September 30, 2023 (including some projected transfers).
- ✓ Post-Filing monetary transfers have been reported in the Monitor's reports in accordance with the ARIOs.
- ✓ This summary does not include non-Petitioner monetary transfers. Refer to Appendix D for the details of these transactions.
- ✓ All advances in foreign currency were converted to CAD with the FX Rate as of June 8, 2023.

Entities	BENEFICIARY													TOTAL	
	CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU	XHU		
ISSUER															
CDA			29	341	-	-	-	-	-	-	-	601	-	-	971
CAL								67	-	-	-	373	-	-	440
BLA			67				400	13	-	216	-	800	-	-	1,497
CAI				1,532											1,532
ACS				976											976
UEC				6,683								74			6,757
XBC				13								544			557
TIT				618								541			1,159
NOR				461					234			1,436			2,131
GNR															-
AIR			9	385				82		3				1,730	2,210
XSU										100					100
XHU												13			13
			106	11,010			400	162	234	320				6,111	18,343

Note - This table should be read as follow :

- (1) UEC transferred to BLA several advances since the Filing Date to support the restructuring process.
- (2) AIR transferred to XSU several advances of funds to support the expenses of the US head office.



Proposed Allocation Method - Assumptions

Intercompany Transactions – Sales and Purchases

Net Intercompany transactions (sales and purchases) As at June 8, 2023 - In thousands CAD	Petitioners												
	CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU	XHU
Sales	17	91	1,291	51	260	99	-	160	83	-	-	-	-
Purchases	(76)	(17)	(381)	(199)	(12)	(636)	(99)	(1)	-	-	(16)	(613)	-
Intercompany transactions (sales and purchases) - Net	(59)	74	910	(148)	248	(537)	(99)	159	83	-	(16)	(613)	-

2 Net Intercompany transactions (Sales and Purchases)

- ✓ Post-filing Intercompany Transactions that are not monetary transfers and for which no payments were made since the Filing Date.
- ✓ From the Filing Date up to the date of this report.
- ✓ Example of transactions:
 - ✓ TIT → BLA: services rendered by Titus resources related to the Biostreams contract
 - ✓ BLA → UEC: Transfer of Biostreams inventory to UEC in December 2022
 - ✓ BLA → XSU: BLA has been selling products to a US based client through XSU.
- ✓ All unpaid intercompany transactions in foreign currency were converted to CAD with the FX Rate as of June 8, 2023

Entities	BUYER													TOTAL	
	CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU	XHU		
SELLER															
CDA		17	-	-	-	-	-	-	-	-	-	-	-	-	17
CAL	76		14	-	-	-	1	-	-	-	-	-	-	-	91
BLA	-	-		13	12	636	-	1	-	-	16	613	-	-	1,291
CAI	-	-	51		-	-	-	-	-	-	-	-	-	-	51
ACS	-	-	75	184		-	-	-	-	-	-	-	-	-	260
UEC	-	-	-	-	-		99	-	-	-	-	-	-	-	99
XBC	-	-	-	-	-	-		-	-	-	-	-	-	-	-
TIT	-	-	158	2	-	-	-		-	-	-	-	-	-	160
NOR	-	-	83	-	-	-	-	0		-	-	-	-	-	83
GNR	-	-	-	-	-	-	-	-	-		-	-	-	-	-
AIR	-	-	-	-	-	-	-	-	-	-		-	-	-	-
XSU	-	-	-	-	-	-	-	-	-	-	-		-	-	-
XHU	-	-	-	-	-	-	-	-	-	-	-	-		-	-
	76	17	381	199	12	636	99	1	-	-	16	613	-	2,051	

Note - This table should be read as follow :
 (1) BLA sold \$624K worth of inventories to XSU
 (2) TIT invoiced BLA for \$160k for services rendered by TIT resources on a BLA contract



Proposed Allocation Method - Assumptions

Intercompany Transactions – XSU Corporate Overhead

1 Corporate Overhead – XSU

- ✓ XSU - Cost center : Amounts allocated between Petitioners benefiting from XSU services and expenses paid on their behalf.
- ✓ **Payroll** includes finance (US) and operation employees servicing several entities.
 - ✓ Management prepared the allocation of the resources based on their responsibilities and the estimated efforts by entity.
- ✓ **Expenses** paid on behalf of other Petitioners include corporate and medical insurance premiums, employee plans, payroll, leases, and other expenses.
 - ✓ Allocation of the estimated expenses incurred since the Filing Date based on the average monthly expenses of each entity as identified by Management.
 - ✓ Detailed review of the main expenses for allocation by entity.
 - ✓ From the information available, review of invoices covering several months since the Filing Date.

Corporate overhead expenses - XSU					
Allocation of costs based on the average monthly expenses					
Entity Name (in USD unless otherwise indicated)	Code	Payroll	Expenses	Total	%
California Compression LLC	CAL	9,257	29,556	38,813	7.3%
CDA Systems, LLC	CDA	9,257	14,275	23,532	4.4%
Enerphase Industrial Solutions Inc.	AIR	9,257	51,600	60,857	11.4%
Nortekbelair Corporation	NOR	21,229	15,954	37,183	7.0%
The Titus Company	TIT	9,257	38,215	47,472	8.9%
XBC Flow Services - Wisconsin Inc.	XBC	9,257	16,231	25,489	4.8%
Xebec Systems USA LLC	UEC	53,984	165,113	219,096	41.2%
Xebec Adsorption Inc.	BLA	70,419	-	70,419	13.2%
Compressed Air International Inc.	CAI	9,257	-	9,257	1.7%
Subtotal		201,175	330,945	532,120	100%
Xebec Adsorption USA Inc.	XSU	-	27,859	27,859	
Other general expenses incurred by XSU since the Filing date	XSU	-	28,571	28,571	
Total - Average monthly expenses incurred		201,175	387,375	588,550	
Estimated expenses ⁽¹⁾		1,408,225	2,517,937	3,926,162	
FX Rate USD to CAD (average since filing for the same period)		1.3543	1.3543		
Corporate Overhead recharge to be allocated in CAD		1,907,176	3,410,071	5,317,247	CAD
Corporate Overhead recharge from BLA				77,251	CAD
Total XSU Overhead recharged				5,394,498	CAD

⁽¹⁾ For the period up to May (7 months) for the payroll and up to Mid-April (6.5 months) for the expenses consequent to the period covered by the Other Restructuring expenses and Payroll allocated in a separate section of the calculation.



Proposed Allocation Method - Assumptions

Intercompany Transactions – BLA Corporate Overhead

2 Corporate Overhead – BLA

- ✓ BLA (Head Office) corporate overhead expenses for the benefit of all entities : governance, finance (corporate team), general expenses for the group, specific expenses paid by BLA on behalf of other entities, insurances and other general expenses incurred for the group.
- ✓ These expenses specifically exclude the Restructuring Costs paid by BLA (which are allocated in a separate section).
- ✓ Allocation of Post-Filing Corporate overhead expenses identified by Management based on the methodology used in FY21 (weighted based on asset value, employees and sales).
- ✓ Expenses paid by BLA on behalf of other entities directly recharged.
- ✓ Non-Petitioners allocated corporate overhead expenses are part of BLA’s allocated expenses considering that they are assets of BLA and that these Non-Petitioners do not have the capacity to repay. Any recovery from the Non-Petitioners (e.g. XUK, IGT, ITA) is for the benefit of BLA.
- ✓ Refer to the Appendix B for a detailed allocation analysis.

Corporate Overhead expenses of BLA		Corporate Overhead expenses of BLA		
General costs to be allocated		Allocation of costs		Costs allocation
Category	CAD (000\$)	Entity Name	%	Entity
Marketing	186	Xebec Adsorption Inc.	24.5%	BLA
Investor Relation	2	Compressed Air International Inc.	2.5%	CAI
Integration	229	Applied Compression Systems Limited	3.5%	ACS
Legal	164	Xebec Adsorption USA Inc.	1.8%	XSU
IT	481	CDA Systems, LLC	2.7%	CDA
Finance/Accounting	665	Enerphase Industrial Solutions Inc.	5.3%	AIR
D&O Insurance	513	The Titus Company	4.8%	TIT
Corporate/Administration	1,696	Nortekbelair Corporation	2.7%	NOR
Head Office Rent	111	XBC Flow Services - Wisconsin Inc.	2.1%	XBC
Total	4,047	California Compression LLC	3.8%	CAL
Paid on behalf of other entities	189	Xebec Systems USA LLC (UEC)	19.8%	UEC
Total	4,236	Xebec Italy	0.4%	BLA
Xebec Adsorption Inc.	2,084	Hygear	13.4%	BLA
Petitioners recharged (excluding BLA)	2,152	Inmatec Germany	8.5%	BLA
Total	4,236	Inmatec Dubai	1.3%	BLA
		Tiger	2.6%	BLA
		Total	100%	
		Xebec Adsorption Inc.	51%	BLA
		Petitioners recharged (excluding BLA)	49%	Other
		Total	100%	



Proposed Allocation Method - Assumptions

Restructuring Costs, Secured Debt Reimbursements and DIP Financing receipts

Proposed Allocation Method	Petitioners												
	CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU	XHU
Proceeds %	12.52%	21.42%	37.05%	4.39%	1.11%	11.87%	4.10%	3.89%	0.58%	0.28%	2.79%	0.00%	0.00%

- 1 ✓ Restructuring Costs: includes actual and budgeted Restructuring Costs up to September 30, 2023, a theoretical amount of \$1M representing the amount of the Administrative Charge as well as BLA and XSU disbursements since the month of May 2023.
 - ✓ Professional fees are before sales tax considering sales tax refunds.
 - ✓ The allocation is made using the prorata result-based approach based on the Proceeds from transactions.
 - ✓ Refer to page 9 for the breakdown of the Restructuring Costs.

- 2 ✓ Secured Debt Reimbursements - EDC: Allocated between Petitioners on which EDC has a security interest based on Proceeds from transactions
 - ✓ EDC fees and interest payments have been recharacterized as capital reimbursements considering that EDC's secured debt is not expected to be fully reimbursed (application of the "Interest Stop Rule")

- 3 ✓ Secured Debt Reimbursements - NBC: Allocated between Petitioners on which NBC has 1st ranking security interest based on Proceeds from transactions

- 4 ✓ The allocation of the DIP Financing receipts is made using the prorata result-based approach based on Proceeds from transactions.
 - ✓ The DIP Financing repayments are allocated on the same basis in a separate section of the report.

Proposed Allocation Method - Assumptions



Impact of Xebec UK transaction, DIP Financing repayments and other Secured Debt Reimbursements

XEBEC ADSORPTION INC. & AI. Proposed Allocation Method As at June 8, 2023 - In thousands CAD	Consolidated All Petitioners	EDC														Monitor's trust accounts	Xebec UK XUK
		EDC		EDC		EDC		EDC		EDC		EDC		EDC			
		CDA	CAL	BLA	CAI	ACS	UEC	Petitioners XBC		TIT	NOR	GNR	AIR	XSU	XHU		
Net proceeds before DIP Financing and other Secured Debts reimbursements	28,898	2,704	3,628	9,348	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,877	7,617	
Xebec UK transaction - Impact																	
Repayment of NBC secured debt																	
NBC --> Revolver	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,904)	
NBC --> Mastercard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48)	
NBC --> EDC (guarantor) - LC Facility (drawn LCs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(491)	
NBC --> EDC (guarantor) - LC Facility (London RNG paid in trust to Monitor - Partial)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,176)	
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,619)	
Xebec UK transaction - BLA estimated impact																	
Pro forma repayment to Xebec UK (Subrogated in the rights of NBC)	(7,617)	-	-	(7,617)	-	-	-	-	-	-	-	-	-	-	-	-	
Estimated proceeds to BLA (92.17%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,021)	
Other known unsecured creditors (7.83%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(596)	(596)	
Total	(7,617)	-	-	(7,617)	-	-	-	-	-	-	-	-	-	-	(596)	(7,617)	
Available net proceeds - After UK Transaction Impact	21,281	2,704	3,628	1,731	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,281	-	
DIP Financing repayments - Allocation																	
NBC - First DIP	(1,500)	(188)	(321)	(555)	(66)	(17)	(178)	(62)	(58)	(9)	(4)	(42)	-	-	-	-	
EDC - First DIP	(1,500)	(188)	(321)	(555)	(66)	(17)	(178)	(62)	(58)	(9)	(4)	(42)	-	-	-	-	
EDC - Second DIP	(2,500)	(313)	(535)	(925)	(110)	(28)	(297)	(103)	(97)	(15)	(7)	(70)	-	-	-	-	
EDC - Third DIP	(3,450)	(432)	(739)	(1,279)	(151)	(38)	(409)	(142)	(134)	(20)	(10)	(96)	-	-	-	-	
Total	(8,950)	(1,121)	(1,916)	(3,314)	(393)	(100)	(1,062)	(369)	(347)	(53)	(25)	(250)	-	-	(8,950)	-	
Excess (shortfall) after DIP Financing repayments	12,331	1,583	1,712	(1,583)	1,535	1,152	3,767	299	767	1,438	30	1,581	37	13	12,331	-	
Shortfall allocation	-	(315)	(539)	1,583	(110)	(28)	(298)	(103)	(98)	(15)	(7)	(70)	-	-	-	-	
Total DIP Financing repayments (incl. shortfall allocation)	(8,950)	(1,436)	(2,455)	(1,731)	(503)	(128)	(1,360)	(472)	(445)	(68)	(32)	(320)	-	-	(8,950)	-	
Available net proceeds - After allocated DIP repayments	12,331	1,268	1,173	-	1,425	1,124	3,469	196	669	1,423	23	1,511	37	13	12,331	-	
Estimated outstanding letters of credit ("LC")																	
NBC (EDC as guarantor) - Letter of credit (London RNG) - Unpaid portion	(218)	(111)	-	-	(39)	(10)	-	-	(34)	-	-	(25)	-	-	(218)	-	
NBC (EDC as guarantor) - Letters of credit (Outstanding LCs)	(240)	(122)	-	-	(43)	(11)	-	-	(38)	-	-	(27)	-	-	(240)	-	
Outstanding letters of credit - estimated future repayment	(458)	(232)	-	-	(81)	(21)	-	-	(72)	-	-	(52)	-	-	(458)	-	
Allocated net proceeds prior to distribution to creditors	11,873	1,036	1,173	-	1,343	1,103	3,469	196	597	1,423	23	1,459	37	13	11,873	-	

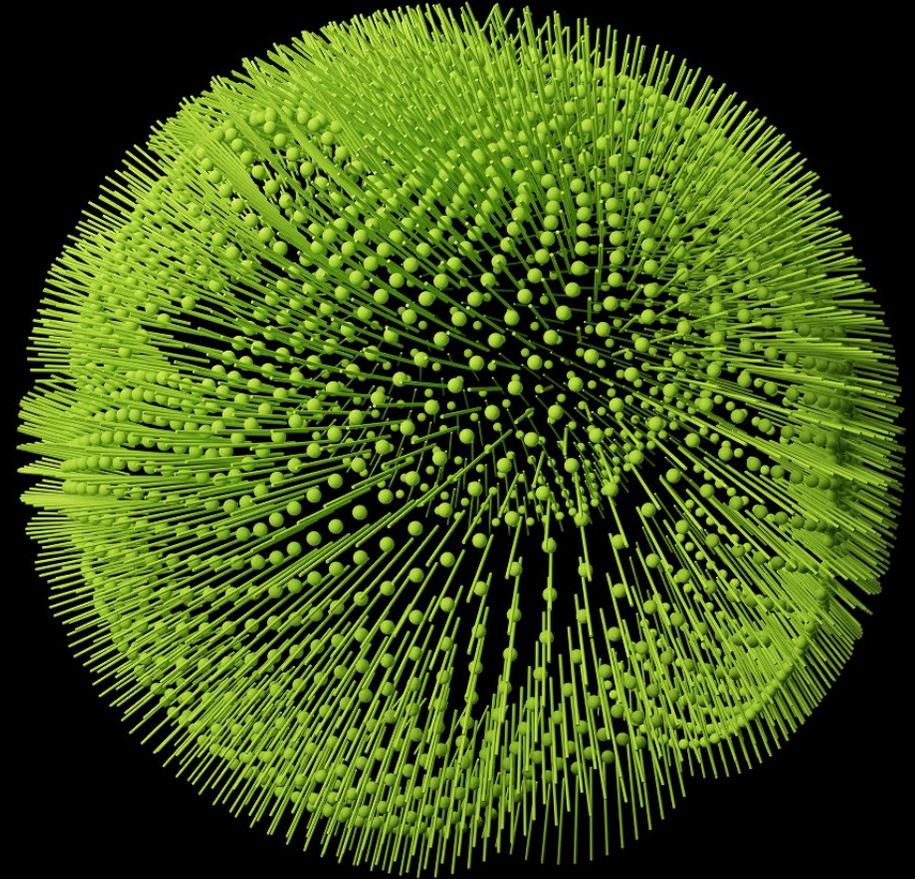


Proposed Allocation Method - Assumptions

Impact of Xebec UK transaction, DIP Financing repayments and other Secured Debt Reimbursements

- 1 ✓ Assumes that Xebec UK, subrogated in the rights of NBC as secured creditor is repaid by BLA, in order to allow for the consideration of additional net proceeds to BLA coming from its claim against Xebec UK, net of the amount estimated to pay the other known unsecured creditor on a prorata basis.
 - ✓ This remains subject to a final resolution of the claims against Xebec UK and is not submitted to the approval of the Court at this stage.
- 2 ✓ DIP Financing repayments: Prorata result-based approach based on Proceeds from transactions.
 - ✓ Shortfall allocation: Prorata result-based approach based on Proceeds from transactions to the Petitioners with sufficient funds available.
- 3 ✓ Secured Debt Reimbursements – NBC (EDC): Remaining letters of credit to be reimbursed (not covered by the Xebec UK transaction proceeds) and guaranteed by EDC. Allocated between Petitioners with sufficient funds available on which NBC has 1st ranking security interest, based on Proceeds from transactions.

Xebec Alternate Scenario



Proposed Allocation Method – Alternate Scenario Assumptions

Rational

Information on Alternate Scenario and rational:

- 1 ✓ To support the main assumptions forming part of the Main Scenario, the Monitor has considered alternate assumptions for certain key allocated disbursements.
- ✓ In consideration of the importance and to account for the main phases and efforts during the CCAA process, the Monitor has used alternate assumptions to allocate
 - the professional fees forming part of the Restructuring Costs, and
 - the corporate overhead and management costs of BLA.
- ✓ The alternate assumptions are “effort based” consequent to the transactions made during the CCAA proceedings. Refer to the next pages for the overview of the effort impact on each entity and the impact on the allocation %.
- ✓ For the other items being allocated, due to the absence of a direct impact from the “effort” and/or other form of allocation, and due to the low amounts for the costs portion, the allocation methodology remains the same.

Proposed Allocation Method – Alternate Scenario Assumptions

Corporate Overhead – BLA

Alternate allocation key :

- 1 Corporate Overhead BLA – Allocation on the basis of efforts deployed (refer to Appendix C for the detailed analysis)

Corporate overhead expenses (BLA) Allocation of costs - Alternate scenario	Costs Attribution	Base Allocation ⁽¹⁾	Effort matrix (Post-Filing)				Alternate allocation			
		%	Oct-Jan	Feb	Mar	Apr +	Oct-Jan	Feb	Mar	Apr +
Entity Name (in thousand CAD)										
Xebec Adsorption Inc.	BLA	24.5%	In	In	Out	In	24.5%	30.5%	0.0%	24.5%
Compressed Air International Inc.	CAI	2.5%	In	In	Out	In	2.5%	3.2%	0.0%	2.5%
Applied Compression Systems Limited	ACS	3.5%	In	Out	Out	In	3.5%	0.0%	0.0%	3.5%
Xebec Adsorption USA Inc.	XSU	1.8%	In	In	In	In	1.8%	2.3%	3.9%	1.8%
CDA Systems, LLC	CDA	2.7%	In	In	Out	In	2.7%	3.4%	0.0%	2.7%
Enerphase Industrial Solutions Inc.	AIR	5.3%	In	In	In	In	5.3%	6.6%	11.4%	5.3%
The Titus Company	TIT	4.8%	In	In	In	In	4.8%	6.0%	10.3%	4.8%
Nortekbelair Corporation	NOR	2.7%	In	In	In	In	2.7%	3.4%	5.8%	2.7%
XBC Flow Services - Wisconsin Inc.	XBC	2.1%	In	In	In	In	2.1%	2.6%	4.5%	2.1%
California Compression LLC	CAL	3.8%	In	In	Out	In	3.8%	4.7%	0.0%	3.8%
Xebec Systems USA LLC (UEC)	UEC	19.8%	In	In	In	In	19.8%	24.6%	42.2%	19.8%
Xebec Italy	BLA	0.4%	In	In	In	In	0.4%	0.6%	1.0%	0.4%
Hygear	BLA	13.4%	In	Out	Out	In	13.4%	0.0%	0.0%	13.4%
Inmatec Germany	BLA	8.5%	In	In	In	In	8.5%	10.6%	18.2%	8.5%
Inmatec Dubai	BLA	1.3%	In	In	In	In	1.3%	1.7%	2.8%	1.3%
Tiger	BLA	2.6%	In	Out	Out	In	2.6%	0.0%	0.0%	2.6%
Total		100%					100%	100%	100%	100%
Xebec Adsorption Inc.	BLA	51%					51%	43%	22%	51%
Petitioners being recharged (excluding BLA)	Other	49%					49%	57%	78%	49%
Total		100%					100%	100%	100%	100%

Proposed Allocation Method – Alternate Scenario Assumptions

Professional Fees

Alternate allocation key :

- 2 Professional Fees – Allocation on the basis of efforts deployed

Entity code	Alternate Scenario - Based on Effort					Allocation - Based on Proceeds			
	Before	Jan	Jan	Feb	Mar	Apr +	General	Jan	Feb
BLA	In	In	In	Out	In	37.0%	48.3%	31.4%	0.0%
CAI	In	In	In	Out	In	4.4%	5.7%	7.9%	0.0%
ACS	In	In	Out	Out	In	1.1%	1.4%	0.0%	0.0%
XSU	In	In	In	In	In	0.0%	0.0%	0.0%	0.0%
CDA	In	In	In	Out	In	12.5%	16.3%	22.4%	0.0%
AIR	In	Out	Out	In	In	2.8%	0.0%	0.0%	12.0%
TIT	In	Out	Out	In	In	3.9%	0.0%	0.0%	16.8%
NOR	In	Out	Out	In	In	0.6%	0.0%	0.0%	2.5%
XBC	In	Out	Out	In	In	4.1%	0.0%	0.0%	17.7%
CAL	In	In	In	Out	In	21.4%	27.9%	38.3%	0.0%
UEC	In	Out	Out	In	In	11.9%	0.0%	0.0%	51.1%
Hygear	In	In	In	In	In	0.0%	0.0%	0.0%	0.0%
TIGER	In	In	Out	Out	In	0.0%	0.0%	0.0%	0.0%
GNR	In	In	Out	Out	In	0.3%	0.4%	0.0%	0.0%
						100%	100%	100%	100%

Proposed Allocation Method – Alternate Scenario

Sensitivity Analysis – Main Scenario vs Alternate Scenario

XEBEC ADSORPTION INC. & AI. Main Scenario vs Alternate Scenario As at June 8, 2023 - In thousands CAD	Consolidated All entities Petitioners	EDC		EDC			EDC			EDC			XUK		
		CDA	CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR		XSU	XHU
Allocated net proceeds prior to distribution to creditors															
Main Scenario	11,873	1,036	1,173	-	1,343	1,103	3,469	196	597	1,423	23	1,459	37	13	-
Alternate Scenario	11,873	1,087	1,257	-	1,365	1,179	3,337	170	561	1,408	36	1,425	37	13	-
Variance compared to main scenario - Favorable (Unfavorable)	-	51	83	-	21	75	(132)	(26)	(36)	(16)	13	(34)	-	-	-
Variance - Bridge between scenarios - Favorable (Unfavorable) on the Alternate Scenario															
Corporate recharge (BLA)	-	7	8	116	6	23	(90)	(11)	(22)	(13)	-	(24)	-	-	-
Professional fees	-	(94)	(160)	576	(33)	40	(172)	(60)	(57)	(9)	10	(41)	-	-	-
Net variance before shortfall allocation	-	(87)	(152)	692	(27)	63	(262)	(71)	(79)	(22)	10	(65)	-	-	-
Shortfall allocation variance	-	138	235	(692)	48	12	130	45	43	6	3	31	-	-	-
Total variance	-	51	83	-	21	75	(132)	(26)	(36)	(16)	13	(34)	-	-	-

Observations

- ✓ This alternative method is much more granular and imprecise, and more complex than the Main Scenario.
- ✓ Nominal variance with the Main Scenario for each Petitioner.
- ✓ For these reasons, the Monitor recommends the approval of the Main Scenario as the Proposed Allocation Method.

Xebec Monitor's Recommendation



Proposed Allocation Method Report

Monitor's Recommendation and Conclusion

The Monitor respectfully submits that the Court should approve the Proposed Allocation Method set forth in the Proposed Allocation Report.

The Proposed Allocation Method is the result of a detailed analysis and significant efforts deployed by the Monitor, with the assistance of the Petitioners.

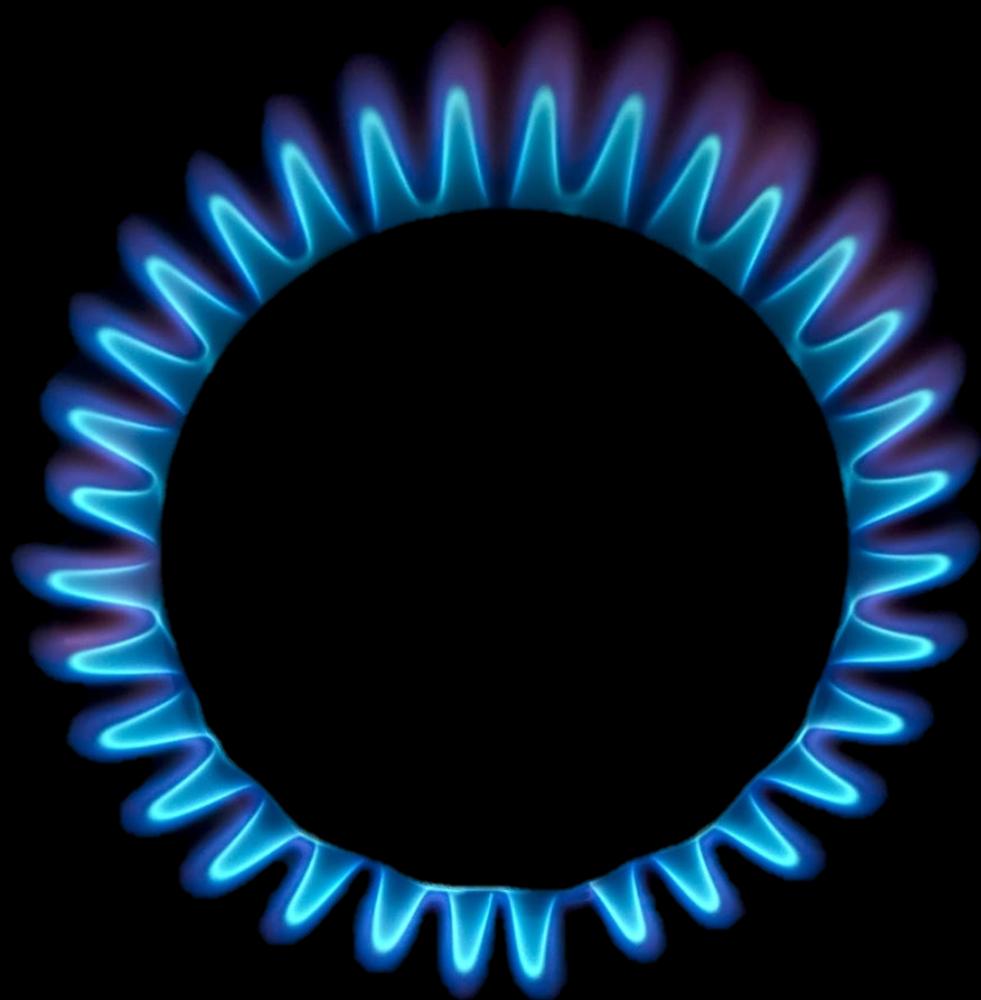
It is a fair, just and equitable methodology prepared based on the specifics of this particular file and is as extensive as possible in the circumstances, without being overly granular.

Moreover, the absence of significant variances between the Alternate Scenario and the Main Scenario demonstrates the equitable nature of the Proposed Allocation Method.

The approval of the Proposed Allocation Method will allow the Petitioners to reach a significant milestone in the CCAA Proceedings, with a view of progressing towards one or more plans of arrangement to their respective creditors, followed by distributions, as applicable.

Next steps will include the completion of the ongoing claims process, the determination of the final allocated amounts by Petitioner, using the Proposed Allocation Method, and the determination of how these final allocated amounts should be distributed to the creditors of the respective Petitioners, namely the unsecured creditors with proven claims in the estates where EDC has no security and EDC and/or the unsecured creditors with proven claims in the estates where EDC has security. These steps are expected to lead to the filing of one or more plan(s) of arrangement by the end of September 2023

Appendices



Appendix A

Detailed Calculation – Main Scenario

XEBEC ADSORPTION INC. & AI.		Consolidated All Petitioners	EDC													Monitor's trust accounts	Xebec UK XUK
Proposed Allocation Method As at June 8, 2023 - In thousands CAD			CDA	CAL	BLA	CAI	ACS	UEC	Petitioners			NOR	GNR	AIR	XSU		
<u>Proceeds from transactions - Allocation</u>																	
Proceeds from transactions		28,988	4,510	7,712	6,320	1,580	400	4,274	1,477	1,402	209	100	1,004	-	-	28,988	7,617
Xebec UK Transaction estimated impact from BLA		7,021	-	-	7,021	-	-	-	-	-	-	-	-	-	-	-	-
Total Proceeds	A	36,009	4,510	7,712	13,341	1,580	400	4,274	1,477	1,402	209	100	1,004	-	-	28,988	7,617
Allocation %		100.00%	12.52%	21.42%	37.05%	4.39%	1.11%	11.87%	4.10%	3.89%	0.58%	0.28%	2.79%	0.00%	0.00%		
<u>Post-Filing Intercompany Transactions</u>																	
Net intercompany monetary transfers		B.1	-	971	334	(9,513)	1,532	976	6,357	395	925	1,811	-	2,210	(6,011)	13	-
Net intercompany transactions (sales and purchases)		B.2	-	(59)	74	909	(149)	248	(537)	(99)	159	83	-	(16)	(613)	-	-
Management fees - Corporate recharge (XSU) (5,394k)		B.3	-	(239)	(393)	(714)	(94)	-	(2,221)	(258)	(481)	(377)	-	(617)	5,394	-	-
Management fees - Corporate recharge (BLA) up to Apr 30 (2,152k)		B.4	-	(110)	(171)	2,152	(110)	(161)	(867)	(98)	(206)	(128)	-	(224)	(77)	-	-
Intercompany Transactions - Net	Σ B	-	563	(156)	(7,166)	1,179	1,063	2,732	(60)	397	1,389	-	1,353	(1,307)	13	-	-
<u>Allocations</u>																	
<u>Restructuring Costs & Secured Debt Reimbursements to be allocated</u>																	
Aggregate disbursements to be allocated - From Petitioners		C.1	21,508	-	-	20,110	-	-	-	54	-	-	-	1,344	-	-	-
Aggregate disbursements to be allocated - From Proceeds		C.2	7,111	-	-	-	-	-	-	-	-	-	-	-	-	7,111	-
Total to be allocated	Σ C	28,619	-	-	20,110	-	-	-	-	54	-	-	-	1,344	-	7,111	-
<u>Restructuring Costs & Secured Debt Reimbursements - Allocation</u>																	
<u>Disbursements - Paid</u>																	
Professional fees			(14,118)	(1,769)	(3,025)	(5,227)	(620)	(157)	(1,676)	(579)	(550)	(82)	(39)	(394)	-	-	-
KERP			(1,328)	(166)	(284)	(492)	(58)	(15)	(158)	(54)	(52)	(8)	(4)	(37)	-	-	-
DIP Financing - Interest and fees			(545)	(68)	(117)	(202)	(24)	(6)	(65)	(22)	(21)	(3)	(2)	(15)	-	-	-
EDC - Secured debt - reimbursement			(1,007)	-	(288)	(497)	-	-	(159)	(55)	-	(8)	-	-	-	-	-
NBC - Secured debt - reimbursement			(1,866)	(378)	-	(1,119)	(133)	(34)	-	(118)	-	-	-	(84)	-	-	-
EDC - Secured debt - Fees and Interest (Capital reimbursement)			(988)	-	(282)	(488)	-	-	(156)	(54)	-	(8)	-	-	-	-	-
NBC - Secured debt - Fees and Interest			(138)	(28)	-	(83)	(10)	(2)	-	(9)	-	-	-	(6)	-	-	-
NBF Transaction charge			(976)	(122)	(209)	(361)	(43)	(11)	(116)	(40)	(38)	(6)	(3)	(27)	-	-	-
Total - Paid	D.1	(20,966)	(2,531)	(4,205)	(8,469)	(888)	(225)	(2,330)	(804)	(788)	(115)	(48)	(563)	-	-	-	-
<u>Disbursements - Future</u>																	
Professional fees			(3,470)	(435)	(743)	(1,285)	(152)	(39)	(412)	(142)	(135)	(20)	(10)	(97)	-	-	-
KERP			(47)	(6)	(10)	(17)	(2)	(1)	(6)	(2)	(2)	-	-	(1)	-	-	-
Other restructuring expenses			(1,292)	(162)	(277)	(478)	(57)	(14)	(153)	(53)	(50)	(8)	(4)	(36)	-	-	-
Payroll			(1,700)	(213)	(364)	(629)	(75)	(19)	(202)	(70)	(66)	(10)	(5)	(47)	-	-	-
Total - Future	D.2	(6,509)	(816)	(1,394)	(2,409)	(286)	(73)	(773)	(267)	(253)	(38)	(19)	(181)	-	-	-	-
<u>Other items to be allocated</u>																	
Professional fees - Theoretical amount (Administration Charge)			(1,000)	(125)	(214)	(370)	(44)	(11)	(119)	(41)	(39)	(6)	(3)	(28)	-	-	-
FX Rate variance, bank fees and other expenses (Trust accounts)			(144)	(18)	(31)	(53)	(6)	(2)	(17)	(6)	(6)	(1)	-	(4)	-	-	-
Total - Other items to be allocated	D.3	(1,144)	(143)	(245)	(423)	(50)	(13)	(136)	(47)	(45)	(7)	(3)	(32)	-	-	-	-
Total - Allocated disbursements	Σ D	(28,619)	(3,490)	(5,844)	(11,301)	(1,224)	(311)	(3,239)	(1,118)	(1,086)	(160)	(70)	(776)	-	-	-	-
<u>DIP Financing receipts to be allocated</u>																	
DIP Financing receipts - To be allocated		E	(8,950)	-	-	(8,950)	-	-	-	-	-	-	-	-	-	-	-
DIP Financing receipts - Allocation		F	8,950	1,121	1,916	3,314	393	100	1,062	369	347	53	25	250	-	-	-
Total - Allocation net impact	Σ C to F	-	(2,369)	(3,928)	3,173	(831)	(211)	(2,177)	(749)	(685)	(107)	(45)	(526)	1,344	-	-	-
<u>Use of proceeds to cover Restructuring Costs (authorized by the Court)</u>		G	(7,111)	-	-	-	-	-	-	-	-	-	-	-	-	(7,111)	-
Net proceeds before DIP Financing and other Secured Debts reimbursement	Σ A to G	28,898	2,704	3,628	9,348	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,877	7,617

Appendix A – cont'd

Detailed Calculation – Main Scenario



XEBEC ADSORPTION INC. & AI. Proposed Allocation Method As at June 8, 2023 - In thousands CAD	Consolidated All Petitioners	EDC		EDC			EDC		EDC		EDC			Monitor's trust accounts	Xebec UK XUK	
		CDA		CAI	ACS	UEC	Petitioners		NOR	GNR	AIR	XSU	XHU			
		CAL	BLA	CAI	ACS	UEC	XBC	TIT	NOR	GNR	AIR	XSU	XHU			
Net proceeds before DIP Financing and other Secured Debts reimbursements	28,898	2,704	3,628	9,348	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,877	7,617
Xebec UK transaction - Impact																
Repayment of NBC secured debt																
NBC --> Revolver	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,904)
NBC --> Mastercard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48)
NBC --> EDC (guarantor) - LC Facility (drawn LCs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(491)
NBC --> EDC (guarantor) - LC Facility (London RNG paid in trust to Monitor - Partial)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,176)
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,619)
Xebec UK transaction - BLA estimated impact																
Pro forma repayment to Xebec UK (Subrogated in the rights of NBC)	(7,617)	-	-	(7,617)	-	-	-	-	-	-	-	-	-	-	-	-
Estimated proceeds to BLA (92.17%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,021)
Other known unsecured creditors (7.83%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(596)	(596)
Total	(7,617)	-	-	(7,617)	-	-	-	-	-	-	-	-	-	-	(596)	(7,617)
Available net proceeds - After UK Transaction Impact	21,281	2,704	3,628	1,731	1,928	1,252	4,829	668	1,114	1,491	55	1,831	37	13	21,281	-
DIP Financing repayments - Allocation																
NBC - First DIP	(1,500)	(188)	(321)	(555)	(66)	(17)	(178)	(62)	(58)	(9)	(4)	(42)	-	-	-	-
EDC - First DIP	(1,500)	(188)	(321)	(555)	(66)	(17)	(178)	(62)	(58)	(9)	(4)	(42)	-	-	-	-
EDC - Second DIP	(2,500)	(313)	(535)	(925)	(110)	(28)	(297)	(103)	(97)	(15)	(7)	(70)	-	-	-	-
EDC - Third DIP	(3,450)	(432)	(739)	(1,279)	(151)	(38)	(409)	(142)	(134)	(20)	(10)	(96)	-	-	-	-
Total	(8,950)	(1,121)	(1,916)	(3,314)	(393)	(100)	(1,062)	(369)	(347)	(53)	(25)	(250)	-	-	(8,950)	-
Excess (shortfall) after DIP Financing repayments	12,331	1,583	1,712	(1,583)	1,535	1,152	3,767	299	767	1,438	30	1,581	37	13	12,331	-
Shortfall allocation	-	(315)	(539)	1,583	(110)	(28)	(298)	(103)	(98)	(15)	(7)	(70)	-	-	-	-
Total DIP Financing repayments (incl. shortfall allocation)	(8,950)	(1,436)	(2,455)	(1,731)	(503)	(128)	(1,360)	(472)	(445)	(68)	(32)	(320)	-	-	(8,950)	-
Available net proceeds - After allocated DIP repayments	12,331	1,268	1,173	-	1,425	1,124	3,469	196	669	1,423	23	1,511	37	13	12,331	-
Estimated outstanding letters of credit ("LC")																
NBC (EDC as guarantor) - Letter of credit (London RNG) - Unpaid portion	(218)	(111)	-	-	(39)	(10)	-	-	(34)	-	-	(25)	-	-	(218)	-
NBC (EDC as guarantor) - Letters of credit (Outstanding LCs)	(240)	(122)	-	-	(43)	(11)	-	-	(38)	-	-	(27)	-	-	(240)	-
Outstanding letters of credit - estimated future repayment	(458)	(232)	-	-	(81)	(21)	-	-	(72)	-	-	(52)	-	-	(458)	-
Allocated net proceeds prior to distribution to creditors	11,873	1,036	1,173	-	1,343	1,103	3,469	196	597	1,423	23	1,459	37	13	11,873	-

Appendix B

BLA Corporate Overhead – Detailed Allocation

Corporate overhead expenses (BLA) Allocation of costs		Allocation of general corporate overhead costs ⁽¹⁾					Direct ⁽²⁾	Total
Entity Name (in thousand CAD)	Costs Attribution	Sales	Headcount	Assets	Average	\$	\$	\$
Xebec Adsorption Inc.	BLA	17.1%	23.3%	33.1%	24.5%	992	-	992
Compressed Air International Inc.	CAI	4.1%	2.4%	1.1%	2.5%	103	8	111
Applied Compression Systems Limited	ACS	2.0%	4.6%	3.9%	3.5%	141	20	161
Xebec Adsorption USA Inc.	XSU	0.8%	3.4%	1.2%	1.8%	73	4	77
CDA Systems, LLC	CDA	3.6%	1.8%	2.7%	2.7%	110	-	110
Enerphase Industrial Solutions Inc.	AIR	7.9%	5.6%	2.5%	5.3%	216	8	224
The Titus Company	TIT	6.3%	4.6%	3.6%	4.8%	195	11	206
Nortekbelair Corporation	NOR	3.9%	3.4%	0.8%	2.7%	110	17	127
XBC Flow Services - Wisconsin Inc.	XBC	3.0%	2.0%	1.4%	2.1%	85	13	98
California Compression LLC	CAL	6.0%	3.0%	2.4%	3.8%	154	18	172
Xebec Systems USA LLC (UEC)	UEC	23.0%	13.7%	22.7%	19.8%	801	67	866
Xebec Italy	BLA	0.2%	0.0%	1.2%	0.4%	18	-	18
Hygear	BLA	7.0%	17.1%	16.1%	13.4%	543	18	563
Inmatec Germany	BLA	10.1%	10.0%	5.6%	8.5%	345	-	345
Inmatec Dubai	BLA	2.1%	1.2%	0.7%	1.3%	54	-	54
Tiger	BLA	2.8%	4.0%	1.1%	2.6%	107	5	112
Total		100%	100%	100%	100%	4,047	189	4,236
Xebec Adsorption Inc.	BLA	39%	56%	58%	51%	2,059	23	2,084
Petitioners recharged (excluding BLA)	Other	61%	44%	42%	49%	1,988	166	2,152
Total		100%	100%	100%	100%	4,047	189	4,236

Note

- 1 General overhead costs were allocated based on the methodology used by Xebec Management in FY21.
- 2 Some expenses incurred by BLA on behalf of other entities (such as insurances, employee benefits, etc.) are specifically charged back to these entities.

Appendix C

BLA Corporate Overhead – Detailed Allocation – Alternate scenario

Corporate overhead expenses (BLA) Allocation of costs - Alternate scenario		Base Allocation ⁽¹⁾	Effort matrix (Post-Filing)				Alternate allocation				Allocation by month based on effort					
Entity Name (in thousand CAD)	Costs Attribution	%	Before Jan	Feb	Mar	Apr +	Before Jan	Feb	Mar	Apr +	Jan	Feb	Mar	Other	Direct	Total
Xebec Adsorption Inc.	BLA	24.5%	In	In	Out	In	24.5%	30.5%	0.0%	24.5%	156	103	-	675	-	934
Compressed Air International Inc.	CAI	2.5%	In	In	Out	In	2.5%	3.2%	0.0%	2.5%	16	11	-	70	8	105
Applied Compression Systems Limited	ACS	3.5%	In	Out	Out	In	3.5%	0.0%	0.0%	3.5%	22	-	-	96	20	138
Xebec Adsorption USA Inc.	XSU	1.8%	In	In	In	In	1.8%	2.3%	3.9%	1.8%	12	8	12	50	4	85
CDA Systems, LLC	CDA	2.7%	In	In	Out	In	2.7%	3.4%	0.0%	2.7%	17	11	-	75	-	103
Enerphase Industrial Solutions Inc.	AIR	5.3%	In	In	In	In	5.3%	6.6%	11.4%	5.3%	34	23	36	147	8	248
The Titus Company	TIT	4.8%	In	In	In	In	4.8%	6.0%	10.3%	4.8%	31	20	33	133	11	228
Nortekbelair Corporation	NOR	2.7%	In	In	In	In	2.7%	3.4%	5.8%	2.7%	17	11	18	75	17	139
XBC Flow Services - Wisconsin Inc.	XBC	2.1%	In	In	In	In	2.1%	2.6%	4.5%	2.1%	13	9	14	58	13	108
California Compression LLC	CAL	3.8%	In	In	Out	In	3.8%	4.7%	0.0%	3.8%	24	16	-	104	18	163
Xebec Systems USA LLC (UEC)	UEC	19.8%	In	In	In	In	19.8%	24.6%	42.2%	19.8%	126	83	134	545	67	955
Xebec Italy	BLA	0.4%	In	In	In	In	0.4%	0.6%	1.0%	0.4%	3	2	3	12	-	20
Hygear	BLA	13.4%	In	Out	Out	In	13.4%	0.0%	0.0%	13.4%	85	-	-	369	18	473
Inmatec Germany	BLA	8.5%	In	In	In	In	8.5%	10.6%	18.2%	8.5%	54	36	58	235	-	383
Inmatec Dubai	BLA	1.3%	In	In	In	In	1.3%	1.7%	2.8%	1.3%	8	6	9	37	-	60
Tiger	BLA	2.6%	In	Out	Out	In	2.6%	0.0%	0.0%	2.6%	17	-	-	73	5	95
Total		100%					100%	100%	100%	100%	637	339	317	2,754	189	4,236
Xebec Adsorption Inc.	BLA	51%					51%	43%	22%	51%	324	147	70	1,401	23	1,965
Petitioners being recharged (excluding BLA)	Other	49%					49%	57%	78%	49%	313	192	247	1,353	166	2,271
Total		100%					100%	100%	100%	100%	637	339	317	2,754	189	4,236

Appendix D

Non-Petitioners Intercompany Transactions – Detail

Non-Petitioners Intercompany Sales & Purchases						
Seller	Purchaser	Invoice Date	Amount	Currency	FX Rate	Converted Amount
TIGER	BLA	10-Oct-22	18,367	GBP	1.6809	30,872
TIGER	BLA	12-Oct-22	6,063	GBP	1.6809	10,192
TIGER	TIT	21-Oct-22	65	GBP	1.6809	109
TIGER	TIT	8-Nov-22	542	GBP	1.6809	912
TIGER	TIT	8-Nov-22	1,628	GBP	1.6809	2,737
BLA	HYB	16-Dec-22	2,113	EUR	1.4622	3,090
BLA	HYB	17-Jan-23	76,602	EUR	1.4622	112,008
BLA	ITA	19-Jan-23	56,251	EUR	1.4622	82,249

Non-Petitioners Intercompany Monetary Transfers						
Issuer	Beneficiary	Transfer Date	Amount	Currency	FX Rate	Converted Amount
TIT	TIGER	16-Nov-22	491	USD	1.3582	667
TIGER	BLA	20-Dec-22	150,000	EUR	1.4622	219,330
BLA	GVH	20-Dec-22	150,000	EUR	1.4622	219,330
IGT	BLA	22-Dec-22	50,000	EUR	1.4622	73,110

NOTES

- ✓ This list represent solely the transactions with non-petitioners involving petitioners and do not include any transactions between non-petitioners.
- ✓ The transactions on December 20, 2022 between Tiger → BLA → GVH represent an advance of funds that was made by Tiger to GVH which transited via an account of BLA to take advantage of more favorable exchange rate and to accelerate the transfer of funds.

Appendix E

Group Naming Convention and Entity Codes

Naming convention - Xebec Group		
Legal names	Entity Code	Petitioners
FormerXBC Inc. (formerly, Xebec Adsorption Inc.)	BLA	Petitioner
11941666 Canada Inc. (formerly, Xebec RNG Holdings Inc.)	GNR	Petitioner
1224933 Ontario Inc. (formerly, Compressed Air International Inc.)	CAI	Petitioner
Applied Compression Systems Limited	ACS	Petitioner
FormerXBC Holding USA Inc. (formely, Xebec Holding USA Inc.)	XHU	Petitioner
Enerphase Industrial Solutions Inc.	AIR	Petitioner
CDA Systems, LLC	CDA	Petitioner
FormerXBC Adsorption USA Inc. (formely, Xebec Adsorption USA Inc.)	XSU	Petitioner
FormerXBC Pennsylvania Company (formerly, The Titus Company)	TIT	Petitioner
FormerXBC NOR Corporation (formely, Nortekbelair Corporation)	NOR	Petitioner
FormerXBC Flow Services - Wisconsin Inc. (formerly, XBC Flow Services - Wisconsin Inc.)	XBC	Petitioner
California Compression LLC	CAL	Petitioner
FormerXBC Systems USA, LLC (formerly, Xebec Systems USA LLC)	UEC	Petitioner
Tiger Filtration Limited	TIGER	Non-Petitioner
Xebec Holding UK Limited	XUK	Non-Petitioner
Inmatec Gas Technology FZC-LLC	IGT	Non-Petitioner
Inmatec GaseTechnologie GmbH & Co. KG	IGG	Non-Petitioner
Xebec Komplementär GmbH / Xebec Complimentar GmbH	XKG	Non-Petitioner
Xebec Italy S.r.l.	ITA	Non-Petitioner
Xebec Europe B.V.	EUR	Non-Petitioner
Green Vision Holding B.V.	GVH	Non-Petitioner
HyGear B.V.	HYB	Non-Petitioner
HyGear Technology and Services B.V.	HYT	Non-Petitioner
HyGear Operations B.V.	HYO	Non-Petitioner
HyGear Fuel Cell Systems B.V.	HYF	Non-Petitioner
HyGear Hydrogen Plant B.V.	HYH	Non-Petitioner
Buse HyGear Limited	BHY	Non-Petitioner
GNR Québec Capital Management Inc. / Gestion GNR Québec Capital Inc.	GNR1	Non-Petitioner
GNR Québec Capital S.E.C. / GNR Québec Capital L.P.	GNR2	Non-Petitioner
GNR Bromont Management Inc. / Gestion GNR Bromont Inc.	GNR3	Non-Petitioner
GNR Bromont S.E.C. / GNR Bromont L.P.	GNR4	Non-Petitioner
Xebec Deutschland GmbH	DEU	Non-Petitioner
Xebec Adsorption Asia PTE LTD	ASIA	Non-Petitioner
Xebec Adsorption (Shanghai) Co. Ltd.	SHG	Non-Petitioner

Appendix F

Monitor's trust account reconciliation

XEBEC ADSORPTION INC. & AI.		
Breakdown of net proceeds and transactions from the Monitor's trust accounts		
<i>In \$000s CAD, as of June 8, 2023</i>		
	Petitioners	Amounts
PROCEEDS FROM TRANSACTIONS		
Transactions - Part of the SISF process		
1396905 B.C. LTD	ACS	400
FSTQ	GNR	100
Sullair	CDA & CAL	12,222
Ivys Energy Solutions	BLA & CAI	7,900
Next Air & Gas	NOR	209
Curtis Toledo	AIR	895
Fluid-Aire Dynamics	TIT	1,402
Total Energy Systems	XBC	1,477
EnergyLink	UEC	4,037
		28,643
Closed transactions - Remaining Other Assets		
Air Products	UEC	236
Enerphase - Vehicle Fleet sales	AIR	109
Total proceeds	A	28,988
PAYMENTS MADE TO THE BENEFICIARIES OF THE CCAA CHARGES AND OTHER DISBURSEMENTS		
Professionnal fees		1,489
Interest and fees on DIP Financing		31
Transaction Fee		975
KERP		432
Interest revenues (net of bank fees)		(39)
Foreign exchange loss (gain)		178
	B	3,066
DIP Facility - Reimbursement to NBC		1,500
DIP Facility - Reimbursement to EDC		1,500
Second DIP Facility - Reimbursement to EDC		2,500
Third DIP Facility - Reimbursement to EDC		3,450
	B	8,950
Outstanding balance as of May 18, 2023	C=(A-B)	16,972
UPCOMING DISBURSEMENTS FROM THE TRUST ACCOUNTS		
KERP		45
Professional Fees - Theoretical amount of the Administration Charge		1,000
Funds from net proceeds - Transfer to the operation accounts		3,000
Other potential distribution related to the Xebec UK Transaction		596
	D	4,641
Outstanding balance after priority charges	E=(C-D)	12,331
POTENTIAL TRANSACTIONS - OTHER REMAINING ASSETS		
Biostream Assets	UEC	TBD
Western Midstream	UEC	TBD
Filters	XSU	TBD
Claims to Non-Petitionners	IGT	TBD
Claims to Non-Petitionners	ITA	TBD
London RNG	BLA	TBD
Total proceeds from transactions to be completed	F	-
Estimated net proceeds and transactions from the Monitor's trust accounts	G=(E+F)	12,331



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