



Q217

# **ETRION CORPORATION**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
SIX MONTHS ENDED JUNE 30, 2017

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	Unaudited	

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF NET LOSS AND COMPREHENSIVE LOSS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000

		Three months ended		Six months ended	
		Q2-17	Q2-16	Q2-17	Q2-16
		(Restated)*		(Restated)*	
	Note				
<b>Continuing operations</b>					
Revenue	6	7,042	3,141	12,240	6,903
Operating expenses	7	(5,676)	(4,247)	(11,091)	(9,279)
<b>Gross profit (loss)</b>		<b>1,366</b>	<b>(1,106)</b>	<b>1,149</b>	<b>(2,376)</b>
General and administrative expenses	8	(2,402)	(1,239)	(4,807)	(2,833)
Impairment		-	(278)	-	(278)
Other income (loss)		3	(37)	32	(17)
<b>Operating loss</b>		<b>(1,033)</b>	<b>(2,660)</b>	<b>(3,626)</b>	<b>(5,504)</b>
Finance income	9	79	5,226	91	5,608
Finance costs	9	(5,358)	(5,318)	(10,245)	(10,596)
<b>Net finance costs</b>		<b>(5,279)</b>	<b>(92)</b>	<b>(10,154)</b>	<b>(4,988)</b>
<b>Loss before income tax</b>		<b>(6,312)</b>	<b>(2,752)</b>	<b>(13,780)</b>	<b>(10,492)</b>
Income tax (expense) recovery	10	(553)	(119)	(649)	793
<b>Loss for the period from continuing operations</b>		<b>(6,865)</b>	<b>(2,871)</b>	<b>(14,429)</b>	<b>(9,699)</b>
Income from discontinued operations, net of tax	4	-	4,314	-	2,595
<b>Net (loss) income for the period</b>		<b>(6,865)</b>	<b>1,443</b>	<b>(14,429)</b>	<b>(7,104)</b>
<b>Other comprehensive income (loss)</b>					
<b>Items that may be reclassified to profit and loss:</b>					
Gain (loss) on currency translation		1,327	(1,890)	2,918	(3,526)
Loss on cash flow hedges, net of tax	19	(175)	(227)	(715)	(2,244)
Loss on cash flow hedges, net of tax – discontinued operations		-	(2,645)	-	(8,033)
<b>Total other comprehensive income (loss)</b>		<b>1,152</b>	<b>(4,762)</b>	<b>2,203</b>	<b>(13,803)</b>
<b>Total comprehensive loss for the period</b>		<b>(5,713)</b>	<b>(3,319)</b>	<b>(12,226)</b>	<b>(20,907)</b>
<b>(Loss) income attributable to:</b>					
Common shareholders		(5,866)	2,438	(12,363)	(5,150)
Non-controlling interest	12	(999)	(995)	(2,066)	(1,954)
<b>Total comprehensive loss attributable to:</b>					
Common shareholders		(4,691)	(2,147)	(10,072)	(18,500)
Non-controlling interest	12	(1,022)	(1,172)	(2,154)	(2,407)
<b>Total comprehensive (loss) income attributable to common shareholders from:</b>					
Continuing operations		(4,691)	(3,816)	(10,072)	(13,063)
Discontinued operations		-	1,669	-	(5,437)
<b>Basic and diluted loss per share from continuing operations</b>	11	<b>\$(0.018)</b>	<b>\$(0.006)</b>	<b>\$(0.037)</b>	<b>\$(0.023)</b>
<b>Basic and diluted (loss) income per share from loss of the period</b>	11	<b>\$(0.018)</b>	<b>\$0.007</b>	<b>\$(0.037)</b>	<b>\$(0.015)</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

\* See Note 1 and Note 4 for details regarding the restatement as a result of discontinued operation.

## CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

AS AT JUNE 30, 2017

Expressed in US\$'000

		June 30 2017	December 31 2016
	Note		
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	210,798	189,599
Intangible assets	14	16,412	15,879
Deferred income tax assets	10	2,972	2,848
Trade and other receivables		8,458	5,964
<b>Total non-current assets</b>		<b>238,640</b>	<b>214,290</b>
<b>Current assets</b>			
Trade and other receivables		10,675	13,177
Cash and cash equivalents (including restricted cash)	15	61,952	61,174
<b>Total current assets</b>		<b>72,627</b>	<b>74,351</b>
<b>Total assets</b>		<b>311,267</b>	<b>288,641</b>
<b>Equity</b>			
<b>Attributable to common shareholders</b>			
Share capital	16	111,304	111,304
Contributed surplus		12,491	11,989
Other reserves		(15,049)	(17,340)
Accumulated deficit		(133,131)	(120,768)
<b>Total attributable to common shareholders</b>		<b>(24,385)</b>	<b>(14,815)</b>
<b>Non-controlling interest</b>	12	<b>(15,023)</b>	<b>(31,474)</b>
<b>Total equity</b>		<b>(39,408)</b>	<b>(46,289)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	18	305,179	269,350
Derivative financial instruments	19	9,459	8,347
Provisions		6,436	5,618
Other liabilities		3,058	22,521
<b>Total non-current liabilities</b>		<b>324,132</b>	<b>305,836</b>
<b>Current liabilities</b>			
Trade and other payables		7,380	10,671
Current tax liabilities	10	628	558
Borrowings	18	16,459	15,427
Derivative financial instruments	19	1,191	1,167
Other liabilities		885	1,271
<b>Total current liabilities</b>		<b>26,543</b>	<b>29,094</b>
<b>Total liabilities</b>		<b>350,675</b>	<b>334,930</b>
<b>Total equity and liabilities</b>		<b>311,267</b>	<b>288,641</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000

	Attributable to common shareholders				Total	Non-controlling interest	Total equity
	Share capital	Contributed surplus	Other reserves	Accumulated deficit			
	<b>Note</b>						
<b>Balance at January 1, 2016</b>	<b>111,304</b>	<b>11,547</b>	<b>(37,782)</b>	<b>(78,039)</b>	<b>7,030</b>	<b>(626)</b>	<b>6,404</b>
Comprehensive loss:							
- Loss for the period	-	-	-	(5,150)	(5,150)	(1,954)	(7,104)
- Other comprehensive loss:							
Cash flow hedges (net of tax)	-	-	(9,933)	-	(9,933)	(453)	(10,386)
Currency translation	-	-	(3,417)	-	(3,417)	-	(3,417)
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>(13,350)</b>	<b>(5,150)</b>	<b>(18,500)</b>	<b>(2,407)</b>	<b>(20,907)</b>
Transactions with owners in their capacity as owners:							
- Written call options	-	-	134	-	134	-	134
- Share-based payments	-	76	-	-	76	-	76
Capital contributions						679	679
<b>Balance at June 30, 2016</b>	<b>111,304</b>	<b>11,623</b>	<b>(50,998)</b>	<b>(83,189)</b>	<b>(11,260)</b>	<b>(2,354)</b>	<b>(13,614)</b>
<b>Balance at January 1, 2017</b>	<b>111,304</b>	<b>11,989</b>	<b>(17,340)</b>	<b>(120,768)</b>	<b>(14,815)</b>	<b>(31,474)</b>	<b>(46,289)</b>
Comprehensive income (loss):							
- Loss for the period	-	-	-	(12,363)	(12,363)	(2,066)	(14,429)
- Other comprehensive income (loss):							
Cash flow hedges (net of tax)	-	-	(600)	-	(600)	(115)	(715)
Currency translation	-	-	2,891	-	2,891	27	2,918
<b>Total comprehensive income (loss)</b>	<b>-</b>	<b>-</b>	<b>2,291</b>	<b>(12,363)</b>	<b>(10,072)</b>	<b>(2,154)</b>	<b>(12,226)</b>
Transactions with owners in their capacity as owners:							
- Share-based payments	-	502	-	-	502	-	502
- Loans conversion and other	<b>12</b>	-	-	-	-	18,605	18,605
<b>Balance at June 30, 2017</b>	<b>111,304</b>	<b>12,491</b>	<b>(15,049)</b>	<b>(133,131)</b>	<b>(24,385)</b>	<b>(15,023)</b>	<b>(39,408)</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000

		Three months ended Q2-17	Q2-16 (Restated)*	Six months ended Q2-17	Q2-16 (Restated)*
	<b>Note</b>				
<b>Operating activities:</b>					
<b>Net (loss) income</b>		<b>(6,865)</b>	<b>1,443</b>	<b>(14,429)</b>	<b>(7,104)</b>
Less: income from discontinued operations, net of tax		-	4,314	-	2,595
<b>Loss for the period from continuing operations</b>		<b>(6,865)</b>	<b>(2,871)</b>	<b>(14,429)</b>	<b>(9,699)</b>
Adjustments for the following non-cash items:					
Depreciation and amortization	7/8	2,937	2,815	5,588	5,609
Impairment		-	278	-	278
Current income tax expense	10	356	1,598	644	2,123
Deferred income tax expense	10	197	(1,479)	5	(2,916)
Share-based payment expense	8/17	239	(167)	502	76
Interest expense	9	3,895	4,961	7,777	9,848
Interest expense relating to interest rate swap contracts	9	316	-	625	-
Amortization of transaction costs	9	139	143	271	281
Foreign exchange loss (gain)	9	883	(5,197)	1,429	(5,575)
Fair value changes on derivative financial instruments	9	(62)	(208)	(69)	(17)
Other income		(3)	(322)	(32)	(351)
Interest income		-	(34)	-	(34)
<b>Sub-total</b>		<b>2,032</b>	<b>(483)</b>	<b>2,311</b>	<b>(377)</b>
Changes in working capital:					
Decrease in trade and other receivables		(1,813)	2,017	8	2,410
Decrease in trade and other payables		1,091	(247)	(3,292)	(3,465)
Income tax paid		(48)	(880)	(586)	(880)
<b>Total cash flow from (used) in operating activities</b>		<b>1,262</b>	<b>407</b>	<b>(1,559)</b>	<b>(2,312)</b>
<b>Investing activities:</b>					
Purchases of property, plant and equipment	13	(12,957)	(19,491)	(20,573)	(20,203)
Purchases of intangible assets	14	(319)	(731)	(616)	(1,518)
<b>Total cash flow used in investing activities</b>		<b>(13,276)</b>	<b>(20,222)</b>	<b>(21,189)</b>	<b>(21,721)</b>
<b>Financing activities:</b>					
Interest paid	18	(2,686)	(6,472)	(5,266)	(9,124)
Interest relating to interest rate swap contracts		(684)	-	(684)	-
Interest income		-	34	-	34
Proceeds from borrowings	18	8,818	45,084	32,419	45,084
Repayment of borrowings		(6,064)	(3,367)	(6,064)	(3,367)
Contributions from non-controlling interest		-	2,054	156	2,054
<b>Total cash flow from (used in) financing activities</b>		<b>(616)</b>	<b>37,333</b>	<b>20,561</b>	<b>34,681</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(12,630)</b>	<b>17,518</b>	<b>(2,187)</b>	<b>10,648</b>
Effect of exchange rate changes on cash and cash equivalents		1,377	2,789	2,965	4,595
<b>Cash and cash equivalents at the beginning of the period</b>		<b>73,205</b>	<b>40,848</b>	<b>61,174</b>	<b>45,912</b>
<b>Cash and cash equivalents at the end of the period:</b>					
From continuing operations		61,952	61,155	61,952	61,155
From discontinued operations		-	5,411	-	5,411
<b>Cash and cash equivalents at the end of the period</b>		<b>61,952</b>	<b>66,566</b>	<b>61,952</b>	<b>66,566</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

\* See Note 1 and Note 4 for details regarding the restatement as a result of discontinued operation.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS AT AND FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000 unless otherwise stated

### 1. GENERAL INFORMATION

Etrion Corporation ("Etrion" or the "Company" or, together with its subsidiaries, the "Group") is incorporated under the laws of the Province of British Columbia, Canada. The address of its registered office is 1600-925 West Georgia Street, Vancouver, British Columbia V6Z 3L2, Canada. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden under the same ticker symbol, "ETX".

Etrion is an independent power producer that develops, builds, owns and operates solar power generation plants. The Company owns 114 megawatts ("MW") of installed solar capacity in Japan and Chile, including the remaining 4.2 MW from the Aomori solar park that achieved commercial operation in July 2017 (Note 23).

The Company has 13.2 MW of solar projects under construction as of the date of approval of this condensed consolidated interim financial statements and 200 MW of greenfield solar power projects which it is pursuing in Japan.

These condensed consolidated interim financial statements are presented in United States ("US") Dollars ("\$"), which is the Group's presentation currency.

Effective January 1, 2017, The Company's functional currency changed from the Euro ("€") to the Japanese yen ("¥"), following a change in the principal environment where the Group conducts its business. The change has been applied prospectively.

Management believes Japan presents the highest opportunity to create value in a low risk jurisdiction environment. As part of this strategy, the Company successfully completed the divestiture of its Italian assets in 2016 to fund the growth in Japan and reduce its corporate debt. Note 4.

However, since the Group is listed in both Canada (Primary) and Sweden (Secondary), certain financial information within the notes to these condensed consolidated interim financial statements has been presented in Canadian dollars ("CAD\$"). The Company's Board of Directors approved these condensed consolidated interim financial statements on August 4, 2017.

The Company has restated the disclosures for prior periods presented in the financial statements so that the disclosures relate to all operations that are continuing by the end of the three and six months ended June 30, 2017.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

#### (a) BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2016. Certain balances have been reclassified within these condensed consolidated interim financial statements. These condensed consolidated interim financial statements have been prepared on the basis of accounting policies, methods of computation and presentation consistent with those applied in the audited consolidated financial statements for the year ended December 31, 2016.

#### (b) GOING CONCERN

The Company's condensed consolidated interim financial statements for the three and six months ended June 30, 2017, have been prepared on a going concern basis, which assumes that the Group will be able to realize its assets and discharge its liabilities in the normal course of business as they become due in the foreseeable future. At June 30, 2017, the Group had cash and cash equivalents of \$62.0 million, \$40.8 million of which was unrestricted and held at the parent level (December 31, 2016: \$61.2 million and \$42.3 million, respectively) and working capital of \$46.1 million (December 31, 2016: \$45.3 million). During the three and six months ended June 30, 2017, the Group recognized a net loss of \$6.9 million and \$14.4 million, respectively (2016 net income: \$1.4 million and a net loss \$7.1 million). The Company's management is confident that the Group will be able to fund its working capital requirements for at least twelve months from the date of these condensed consolidated interim financial statements. These condensed consolidated interim financial statements for the three and six months ended June 30, 2017, do not include the adjustments that would result if the Group were unable to continue as a going concern.

#### (c) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

During the three and six months ended June 30, 2017, the Group did not adopt any new standards and interpretations or amendments thereto applicable for financial periods beginning on or after January 1, 2017.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS AT AND FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000 unless otherwise stated

### 3. ACCOUNTING ESTIMATES AND ASSUMPTIONS

In connection with the preparation of the Company's condensed consolidated interim financial statements, the Company's management has made assumptions and estimates about future events and applied judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. These assumptions, estimates and judgments are based on historical experience, current trends and other factors that the Company's management believes to be relevant at the time the condensed consolidated interim financial statements are prepared. The Company's management reviews the accounting policies, assumptions, estimates and judgments to assess that the financial statements are presented fairly in accordance with IFRS. However, because future events and their effects cannot be determined with certainty, actual results may differ from the assumptions and estimates, and such differences could be material. There has been no change to the critical accounting estimates and assumptions used in the preparation of the Company's condensed consolidated interim financial statements for the three and six months ended June 30, 2017, from those disclosed in the notes to the Company's audited consolidated financial statements for the year ended December 31, 2016.

### 4. DISCONTINUED OPERATION

In December 2016, the Group completed the sale of Etrion Spa and Helios ITA Srl (collectively the "Italian subsidiaries") to EF Solare Italia, a joint venture owned equally by Enel Green Power S.p.A. and Fondo Italiano per le Infrastrutture "F2i". Financial information relating to the discontinued operations for the three and six months ended June 30, 2016 is set out below.

#### (a) FINANCIAL PERFORMANCE

The financial performance presented is for the three and six months ended June 30, 2016.

	Three months ended Q2-16	Six months ended Q2-16
Revenue	13,464	19,605
Operating expenses	(670)	(2,041)
General and administrative expenses	(470)	(753)
Other income	360	368
Depreciation and amortization	(3,353)	(6,624)
Finance costs	(2,871)	(6,129)
<b>Income before income tax</b>	<b>6,460</b>	<b>4,426</b>
Net income tax expense	(2,146)	(1,831)
<b>Income from discontinued operation, net</b>	<b>4,314</b>	<b>2,595</b>



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS AT AND FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000 unless otherwise stated

### 5. SEGMENT REPORTING

The Board of Directors considers reportable segments from a geographical perspective and measures performance based on earnings before interest, tax, depreciation and amortization ("EBITDA") and reviews and monitors performance of the Group on this basis. The Company's management identified two reportable segments, solar energy Chile ("Solar Chile") and solar energy Japan ("Solar Japan"). While the Company's management has determined that the Company has only two reportable segments, the Company has decided to disclose additional information about its corporate activities as it believes that this information is useful for readers of the condensed consolidated interim financial statements. To ensure a consistent comparison to the new structure, the prior year segmented information has been restated. The Group's country of domicile is Canada. However, all revenues from external customers are derived from Japan and Chile. The Group's electricity production in Japan is sold to the Japanese public utilities, Tokyo Electric Power Company ("TEPCO") and Tohoku Electric Power Co., Inc. ("TOHOKU"), and in Chile to the spot electricity market and to a third party under a long-term power purchase agreement ("PPA"). **Note 6.** The Group's revenues, EBITDA and results from continuing operations are presented as follows (prior year's information has been restated to conform with the new structure):

Three months ended	Q2-17				Q2-16			
	Solar Chile	Solar Japan	Corporate	Total	Solar Chile	Solar Japan	Corporate	Total
<b>Revenue</b>	<b>1,786</b>	<b>5,256</b>	-	<b>7,042</b>	<b>1,883</b>	<b>1,258</b>	-	<b>3,141</b>
Operating expenses (Opex)	(1,555)	(1,235)	-	(2,790)	(1,247)	(241)	-	(1,488)
General and administrative	(178)	(73)	(2,100)	(2,351)	(27)	(54)	(1,102)	(1,183)
Other income (expenses)	(5)	1	7	3	(45)	6	2	(37)
<b>EBITDA</b>	<b>48</b>	<b>3,949</b>	<b>(2,093)</b>	<b>1,904</b>	<b>564</b>	<b>969</b>	<b>(1,100)</b>	<b>433</b>
Impairment	-	-	-	-	-	-	(278)	(278)
Depreciation and amortization (D&A)	(1,345)	(1,543)	(49)	(2,937)	(2,392)	(369)	(54)	(2,815)
Finance income	-	79	-	79	75	-	5,151	5,226
Finance costs	(2,582)	(897)	(1,879)	(5,358)	(3,110)	(225)	(1,983)	(5,318)
<b>(Loss) income before income tax</b>	<b>(3,879)</b>	<b>1,588</b>	<b>(4,021)</b>	<b>(6,312)</b>	<b>(4,863)</b>	<b>375</b>	<b>1,736</b>	<b>(2,752)</b>
Income tax (expense) recovery	-	(403)	(150)	(553)	1,443	(117)	(1,445)	(119)
<b>Net (loss) income for the period</b>	<b>(3,879)</b>	<b>1,185</b>	<b>(4,171)</b>	<b>(6,865)</b>	<b>(3,420)</b>	<b>258</b>	<b>291</b>	<b>(2,871)</b>

Six months ended	Q2-17				Q2-16			
	Solar Chile	Solar Japan	Corporate	Total	Solar Chile	Solar Japan	Corporate	Total
<b>Revenue</b>	<b>4,387</b>	<b>7,853</b>	-	<b>12,240</b>	<b>4,687</b>	<b>2,216</b>	-	<b>6,903</b>
Operating expenses	(3,744)	(1,857)	-	(5,601)	(3,386)	(393)	-	(3,779)
General and administrative	(215)	(129)	(4,365)	(4,709)	(58)	(92)	(2,573)	(2,723)
Other income (expenses)	(5)	43	(6)	32	(45)	6	21	(18)
<b>EBITDA</b>	<b>423</b>	<b>5,910</b>	<b>(4,371)</b>	<b>1,962</b>	<b>1,198</b>	<b>1,737</b>	<b>(2,552)</b>	<b>383</b>
Impairment	-	-	-	-	-	-	(278)	(278)
Depreciation and amortization	(2,675)	(2,817)	(96)	(5,588)	(4,786)	(715)	(108)	(5,609)
Finance income	-	91	-	91	269	-	5,339	5,608
Finance costs	(5,215)	(1,606)	(3,424)	(10,245)	(6,202)	(472)	(3,922)	(10,596)
<b>(Loss) income before income tax</b>	<b>(7,467)</b>	<b>1,578</b>	<b>(7,891)</b>	<b>(13,780)</b>	<b>(9,521)</b>	<b>550</b>	<b>(1,521)</b>	<b>(10,492)</b>
Income tax (expense) recovery	-	(358)	(291)	(649)	2,834	(155)	(1,886)	793
<b>Net (loss) income for the period</b>	<b>(7,467)</b>	<b>1,220</b>	<b>(8,182)</b>	<b>(14,429)</b>	<b>(6,687)</b>	<b>395</b>	<b>(3,407)</b>	<b>(9,699)</b>

The Group's assets and liabilities can be presented as follows:

	June 30, 2017				December 31, 2016			
	Solar Chile	Solar Japan	Corporate	Total	Solar Chile	Solar Japan	Corporate	Total
Property, plant and equipment	85,421	125,248	129	210,798	87,907	101,555	137	189,599
Intangible assets	7,026	5,541	3,845	16,412	7,226	5,558	3,095	15,879
Cash and cash equivalents	2,248	18,935	40,769	61,952	4,121	14,767	42,286	61,174
Other assets	3,838	9,145	9,122	22,105	3,614	11,079	7,296	21,989
<b>Total assets</b>	<b>98,533</b>	<b>158,869</b>	<b>53,865</b>	<b>311,267</b>	<b>102,868</b>	<b>132,959</b>	<b>52,814</b>	<b>288,641</b>
Borrowings	151,421	124,609	45,608	321,638	148,900	93,769	42,108	284,777
Trade and other payables	1,240	5,259	881	7,380	639	6,328	3,704	10,671
Other liabilities	1,086	18,802	1,769	21,657	20,599	18,191	692	39,482
<b>Total liabilities</b>	<b>153,747</b>	<b>148,670</b>	<b>48,258</b>	<b>350,675</b>	<b>170,138</b>	<b>118,288</b>	<b>46,504</b>	<b>334,930</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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### 6. REVENUE

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
Feed-in Tariff ("FiT")	5,256	1,258	7,853	2,216
Spot market price	150	333	478	1,025
PPA agreement	1,319	1,298	3,320	3,267
Other utility income	317	252	589	395
<b>Total revenue</b>	<b>7,042</b>	<b>3,141</b>	<b>12,240</b>	<b>6,903</b>

In February, 2017, the Company connected the first two solar park sites of the Group's Aomori solar project in Japan, representing 5.3 MW of the 9.5 MW total planned capacity and started recognizing FiT revenues from these solar park sites.

Solar-related production is subject to seasonality over the year due to the variability of daily sun hours in the summer months versus the winter months.

### 7. OPERATING EXPENSES

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
Operating & Maintenance (O&M)	715	601	1,389	1,197
Purchased power	523	707	1,473	1,848
Personnel costs	303	144	603	288
D&A	2,888	2,761	5,492	5,501
Property tax	480	-	511	-
Insurance	141	75	261	171
Land lease	240	48	474	94
Transmission costs	195	(256)	611	(82)
Other operating expenses	191	167	277	262
<b>Total Opex</b>	<b>5,676</b>	<b>4,247</b>	<b>11,091</b>	<b>9,279</b>

O&M costs relate to fees paid in connection with the operation and maintenance activities of the Group's operating solar power projects in Japan and Chile. The Group outsources these O&M services to third parties.

D&A relate to the Group's operating solar power projects producing electricity during the period.

### 8. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
Salaries and benefits	781	448	1,544	1,104
Board of directors fees	37	49	74	86
Share-based payments	239	(167)	502	76
Professional fees	654	454	1,171	703
Listing and marketing	370	103	441	177
D&A	49	54	96	108
Office lease	107	105	198	219
Office, travel and other	165	193	392	360
Write-off guarantees	-	-	389	-
<b>Total G&amp;A</b>	<b>2,402</b>	<b>1,239</b>	<b>4,807</b>	<b>2,833</b>

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### 9. FINANCE INCOME AND COSTS

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
<b>Finance income:</b>				
Changes in fair values of derivative financial instruments:				
- Ineffective portion reclassified from other comprehensive income	78	-	85	-
Foreign exchange gain	-	5,197	-	5,575
Other finance income	1	29	6	33
<b>Total finance income</b>	<b>79</b>	<b>5,226</b>	<b>91</b>	<b>5,608</b>
<b>Finance costs:</b>				
Interest rate expense:				
- Credit facilities and non-recourse loans <a href="#">Note 18</a>	3,007	2,928	6,062	5,744
- Interest rate swap contracts associated with non-recourse loans	316	-	625	-
- Corporate bond <a href="#">Note 18/20</a>	901	1,807	1,733	3,570
- Credit facility with non-controlling interest	66	440	131	871
- Amortization of transaction costs	149	162	295	316
<b>Changes in fair values of derivative financial instruments:</b>				
- Ineffective portion reclassified from other comprehensive income	16	12	16	136
- Written call option	-	148	-	215
Foreign exchange loss	883	-	1,429	-
Other finance costs	108	54	126	116
<b>Total finance costs before deducting amounts capitalized</b>	<b>5,446</b>	<b>5,551</b>	<b>10,417</b>	<b>10,968</b>
Amounts capitalized on qualifying assets				
<a href="#">Note 13</a>	(88)	(233)	(172)	(372)
<b>Total finance costs</b>	<b>5,358</b>	<b>5,318</b>	<b>10,245</b>	<b>10,596</b>
<b>Net finance costs</b>	<b>5,279</b>	<b>92</b>	<b>10,154</b>	<b>4,988</b>

The Group has four floating-rate credit facilities outstanding associated with its operating solar power projects and assets under construction in Japan. These credit facilities are hedged using interest rate swap contracts. In addition, the Group has a fixed-rate credit facility that financed the construction of its solar power plant in Chile. Refer to [Note 18](#) and [Note 19](#) for further details on the Group's credit facilities and derivative financial instruments.

Applicable borrowing costs have been capitalized as assets under construction within property, plant and equipment. [Note 13](#)

During the three and six months ended June 30, 2017, the Group recognized a net fair value loss of \$0.1 million and \$0.7 million, respectively (2016: \$0.2 million and \$2.2 million), net of tax, within other comprehensive income related to the effective portion of the Group's interest rate swap contracts.

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### 10. INCOME TAXES

#### (a) INCOME TAX EXPENSE

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
<b>Current income tax</b>				
Corporate income tax	(356)	(1,598)	(644)	(2,123)
<b>Total current income tax</b>	<b>(356)</b>	<b>(1,598)</b>	<b>(644)</b>	<b>(2,123)</b>
<b>Deferred income tax</b>				
Temporary differences	(197)	1,479	(5)	2,916
<b>Total deferred income tax</b>	<b>(197)</b>	<b>1,479</b>	<b>(5)</b>	<b>2,916</b>
<b>Total income tax expense</b>	<b>(553)</b>	<b>(119)</b>	<b>(649)</b>	<b>793</b>

During the three and six months ended June 30, 2017, the Group recognized an income tax expense of \$0.2 million and \$0.4 million, respectively (2016: \$0.1 million and \$0.2 million) associated with its solar power projects in Japan and an income tax expense of \$0.1 million and \$0.2 million (2016: \$1.4 million and \$1.8 million) associated with its management services subsidiaries. In addition, the Group recognized a deferred income tax expense of \$0.2 million and \$0.005 million, respectively (2016: deferred tax recovery of \$1.5 million and \$2.9 million) primarily due to the effect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

#### (b) CURRENT INCOME TAX LIABILITIES

	June 30 2017	December 31 2016
Corporate income tax	557	443
Provincial income tax	71	115
<b>Total current income tax liabilities</b>	<b>628</b>	<b>558</b>

### 11. LOSS PER SHARE

Basic and diluted loss per share is calculated by dividing the net loss for the period attributable to owners of the Company by the weighted average number of shares outstanding during the period. The calculation of basic and diluted loss per share is as follows:

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
<b>Loss attributable to common shareholders:</b>				
Loss from continuing operations	(5,865)	(1,876)	(12,363)	(7,745)
Income from discontinued operations	-	4,314	-	2,595
<b>Total (loss) income for the period attributable to common shareholders</b>	<b>(5,865)</b>	<b>2,438</b>	<b>(12,363)</b>	<b>(5,150)</b>

	Number of shares			
Weighted average number of thousand shares outstanding	334,094	334,094	334,094	334,094

Loss from continuing operations	<b>\$(0.018)</b>	<b>\$(0.006)</b>	<b>\$(0.037)</b>	<b>\$(0.023)</b>
Income from discontinued operations	-	<b>\$0.013</b>	-	<b>\$0.008</b>
<b>Total basic and diluted (loss) income per share attributable to common shareholders</b>	<b>\$(0.018)</b>	<b>\$0.007</b>	<b>\$(0.037)</b>	<b>\$(0.015)</b>

Diluted loss per share equals basic loss per share as, due to losses incurred in the three and six months ended June 30, 2017 and 2016, there is no dilutive effect from the existing stock options. [Note 17](#)

### 12. NON-CONTROLLING INTERESTS

The Group's subsidiaries in which there is a non-controlling interest ("NCI") are Shizukuishi Solar GK ("Shizukuishi"), Etrion Energy 1 GK ("Mito"), Etrion Energy 4 GK ("Komatsu"), Etrion Energy 5 GK ("Aomori"), all together the "Japanese entities", and PV Salvador, SpA ("Salvador").

The non-controlling interest at June 30, 2017, of negative \$15.0 million (December 31, 2016: negative \$31.5 million), represents the value attributable to non-controlling interests in the Japanese project companies and Salvador.

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of Salvador, and the Japanese project companies, other than those imposed by the lending banks related to cash distributions.

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Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations:

	June 30, 2017			December 31, 2016		
	Current assets (liabilities)	Non-current assets (liabilities)	Net assets (Liabilities)	Current assets (liabilities)	Non-current assets (liabilities)	Net assets (Liabilities)
Shizukuishi	4,649	(6,120)	(1,471)	3,916	(5,485)	(1,569)
Mito	1,432	(216)	1,216	3,658	(3,016)	642
Aomori	5,802	(4,221)	1,581	(2,331)	3,469	1,138
Komatsu	2,627	(1,841)	786	531	1,258	1,789
Salvador	(6,882)	(45,982)	(52,864)	39	(110,555)	(110,516)
<b>Total net assets (liabilities)</b>	<b>7,628</b>	<b>(58,380)</b>	<b>(50,752)</b>	<b>5,813</b>	<b>(114,329)</b>	<b>(108,516)</b>

The summarized income statement for the Japanese entities and Salvador including the portion allocated to NCI for the three months ended June 30, is as follows:

	Q2-17			Q2-16		
	(Loss) income for the period	Comprehensive (loss) income for the period	Comprehensive (loss) income allocated to NCI	(Loss) income for the period	Comprehensive (loss) for the period	Comprehensive (loss) income allocated to NCI
Shizukuishi	542	486	64	(54)	(1,050)	(137)
Mito	243	310	40	328	(24)	(4)
Aomori	160	152	61	(13)	(13)	(5)
Komatsu	(19)	(172)	(25)	-	-	-
Salvador	(3,877)	(3,877)	(1,162)	(3,421)	(3,421)	(1,026)
<b>Total</b>	<b>(2,951)</b>	<b>(3,101)</b>	<b>(1,022)</b>	<b>(3,160)</b>	<b>(4,508)</b>	<b>(1,172)</b>

The summarized income statement for the Japanese entities and Salvador including the portion allocated to NCI for the six months ended June 30, is as follows:

	Q2-17			Q2-16		
	(Loss) income for the period	Comprehensive (loss) income for the period	Comprehensive (loss) income allocated to NCI	(Loss) income for the period	Comprehensive loss for the period	Comprehensive loss allocated to NCI
Shizukuishi	22	176	23	(115)	(2,703)	(354)
Mito	400	540	70	551	(319)	(42)
Aomori	307	385	155	(13)	(13)	(5)
Komatsu	(29)	(1,090)	(162)	-	-	-
Salvador	(7,466)	(7,466)	(2,240)	(6,688)	(6,688)	(2,006)
<b>Total</b>	<b>(6,766)</b>	<b>(7,455)</b>	<b>(2,154)</b>	<b>(6,265)</b>	<b>(9,723)</b>	<b>(2,407)</b>

The net change in participating non-controlling interests in operating entities is as follows:

	Salvador	Shizukuishi	Mito	Komatsu	Aomori	Total
<b>As at December 31, 2016</b>	<b>(32,224)</b>	<b>(193)</b>	<b>127</b>	<b>291</b>	<b>525</b>	<b>(31,474)</b>
Net (loss) income attributable to non-controlling interest	(2,240)	3	52	(4)	123	(2,066)
Other comprehensive (loss) income attributable to non-controlling interest	-	20	18	(158)	32	(88)
Loans conversion and other	18,605	-	-	-	-	18,605
<b>As at June 30, 2017</b>	<b>(15,859)</b>	<b>(170)</b>	<b>197</b>	<b>129</b>	<b>680</b>	<b>(15,023)</b>
Interest held by third parties	30%	13%	13%	15%	40%	

On January 13, 2017, Salvador signed an agreement whereby the shareholders waived the outstanding balance of the shareholders loans and accumulated interest of \$65.1 million and converted to share capital (\$19.5 million attributable to the 30% non-controlling interests).

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### 13. PROPERTY, PLANT AND EQUIPMENT

	Land	Solar power projects	Assets under construction	Other PPE	Total
<b>Cost:</b>					
<b>At December 31, 2016</b>	<b>2,577</b>	<b>189,929</b>	<b>12,210</b>	<b>4,187</b>	<b>208,903</b>
Additions	-	346	20,642	575	21,563
Reclassification	-	12,691	(12,691)	-	-
Disposals	-	-	-	(68)	(68)
Exchange differences	123	3,409	538	822	4,892
<b>At June 30, 2017</b>	<b>2,700</b>	<b>206,375</b>	<b>20,699</b>	<b>5,516</b>	<b>235,290</b>
<b>Accumulated depreciation:</b>					
<b>At December 31, 2016</b>	<b>-</b>	<b>18,374</b>	<b>-</b>	<b>930</b>	<b>19,304</b>
Depreciation	-	4,971	-	114	5,085
Reclassification	-	474	-	(474)	-
Disposals	-	-	-	(62)	(62)
Exchange differences	-	115	-	50	165
<b>At June 30, 2017</b>	<b>-</b>	<b>23,934</b>	<b>-</b>	<b>558</b>	<b>24,492</b>
<b>Net book value:</b>					
At December 31, 2016	2,577	171,555	12,210	3,257	189,599
At June 30, 2017	2,700	182,441	20,699	4,958	210,798

During the six months ended June 30, 2017, the Group capitalized as assets under construction \$20.4 million (2016: \$17.1 million) of incurred capital expenditures associated with the solar power projects in Japan. In February 2017, the Group's 9.5 MW Japanese solar power project (Aomori) achieved commercial operation date for two of its four sites and the Company reclassified the associated construction costs to solar power project in accordance with the Group's accounting policies. In addition, during 2017, the Group capitalized \$0.2 million (2016: \$0.4 million) of borrowing costs associated with credit facilities obtained to finance the construction of Aomori and Komatsu projects. [Note 9](#) and [Note 18](#)

### 14. INTANGIBLE ASSETS

	Licenses and permits	Internally generated development costs and other	Total
<b>Cost:</b>			
<b>At December 31, 2016</b>	<b>15,751</b>	<b>4,294</b>	<b>20,045</b>
Additions	-	616	616
Exchange differences	302	304	606
<b>At June 30, 2017</b>	<b>16,053</b>	<b>5,214</b>	<b>21,267</b>
<b>Accumulated amortization:</b>			
<b>At December 31, 2016</b>	<b>2,984</b>	<b>1,182</b>	<b>4,166</b>
Amortization	477	74	551
Exchange differences	41	97	138
<b>At June 30, 2017</b>	<b>3,502</b>	<b>1,353</b>	<b>4,855</b>
<b>Net book value:</b>			
At December 31, 2016	12,767	3,112	15,879
At June 30, 2017	12,551	3,861	16,412

During the six months ended June 30, 2017, general and administrative expenses of \$0.6 million (2016: \$1.5 million) representing internally-generated costs of \$0.6 million (2016: \$ 1.0 million) and third-party costs of \$ nil (2016: \$0.5 million) were capitalized during the period within intangible assets as they directly related to the Group's development activities in Japan.

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### 15. CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents (including restricted cash) are held in banks in with high and medium grade credit ratings assigned by international credit agencies. The fair value of cash and cash equivalents approximates their carrying value due to short maturities. Included within cash and cash equivalents is restricted cash relating to the Group's solar power projects as follows:

	June 30 2017	December 31 2016
Unrestricted cash at parent level	40,769	42,286
Restricted cash at project level	21,183	18,888
<b>Total</b>	<b>61,952</b>	<b>61,174</b>

Restricted cash relates to cash and cash equivalents held at the project level that are restricted by the lending banks for future repayment of interest and principal and working capital requirements related to each project. Restricted cash and cash equivalents can be distributed from the Group's projects, subject to approval from the lending banks, through repayment of shareholder loans, payment of interest on shareholder loans or dividend distributions.

### 16. SHARE CAPITAL

The Company has authorized capital consisting of an unlimited number of common shares, of which 334,094,324 are issued and outstanding at June 30, 2017 (December 31, 2016: 334,094,324). In addition, the Company is authorized to issue an unlimited number of preferred shares, issuable in series, none of which have been issued. The common shares of the Company have no par value, are all of the same class, carry voting rights, and entitle shareholders to receive dividends as and when declared by the Board of Directors. No dividends were declared during the six months ended June 30, 2017 and 2016. Restricted Share Unit (RSUs) exercised during the six months ended June 30, 2017 were settled in cash. **Note 17**

### 17. SHARE-BASED PAYMENTS

The Company maintains an equity-settled stock option awards scheme for employees, consultants, directors and officers. All outstanding stock options have a contractual term ranging from five to ten years and generally vest over a period of three years with the exercise price set equal to the market price at the date of grant. In addition, the Company maintains a RSU award plan for employees, consultants, directors and officers. RSUs have a contractual term of approximately four years and have time-based and performance-based vesting conditions that are market and non-market based.

During the three and six months ended June 30, 2017, the Group recognized share-based payment expenses of \$0.2 million and \$0.5 million, respectively (2016: \$0.2 million (credit) and \$0.1 million) related to its stock option and RSU award schemes. **Note 8.**

Changes in the Company's outstanding stock options and RSUs are as follows:

	Number of share options	Weighted average exercise price CAD\$
<b>At December 31, 2016</b>	<b>3,202,000</b>	<b>0.43</b>
Expired	(564,000)	0.52
Forfeited	(77,000)	0.34
<b>At June 30, 2017</b>	<b>2,561,000</b>	<b>0.42</b>
<b>Stock options exercisable:</b>		
<b>At December 31, 2016</b>	<b>3,202,000</b>	<b>0.43</b>
<b>At June 30, 2017</b>	<b>2,561,000</b>	<b>0.42</b>

The Company recognizes an expense within general and administrative expenses when stock options are granted to employees, consultants, directors and officers using the fair value method at the date of grant. Share-based compensation is calculated using the Black-Scholes option pricing model for stock options and the grant date share fair value for RSUs with service and non-market performance conditions. For RSUs with market-based performance conditions share-based compensation is calculated using an adjusted grant date share fair value calculated with a valuation model that incorporates all the variables included in the market vesting conditions.

	Number of RSUs
<b>At December 31, 2016</b>	<b>30,018,607</b>
Exercised	(55,980)
Expired	(141,156)
Forfeited	(210,977)
<b>At June 30, 2017</b>	<b>29,610,494</b>



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### 18. BORROWINGS

	Corporate bond	Project loans	Total
<b>At January 1, 2017</b>	<b>42,108</b>	<b>242,669</b>	<b>284,777</b>
Proceeds from loans	-	32,419	32,419
Repayment of loans and interest	(1,653)	(9,692)	(11,345)
Accrued interest	1,733	6,062	7,795
Amortization of transaction costs	146	159	305
Exchange difference	3,274	4,413	7,687
<b>At June 30, 2017</b>	<b>45,608</b>	<b>276,030</b>	<b>321,638</b>
- Current portion	690	15,769	16,459
- Non-current portion	44,918	260,261	305,179

At June 30, 2017, the Group was not in breach of any of the imposed operational and financial covenants associated with its corporate borrowings and non-recourse project loans.

#### (a) CORPORATE BORROWINGS

At June 30, 2017, the Group had €40 million of corporate bonds outstanding. The bond was issued by the Company in April 2014 at 8.0% annual interest with a 5-year maturity. The carrying amount of the corporate bond as at June 30, 2017, including accrued interest net of transaction costs, was \$45.6 million (December 31, 2016: \$42.1 million).

#### (b) NON-RECOURSE PROJECT LOANS

##### *Japanese subsidiaries*

During the six months ended June 30, 2017, the Group's Japanese subsidiaries with solar power projects under construction drew down a total of ¥3,433 million (\$30.6 million) and ¥267 million (\$2.4 million) under the senior financing agreements and under the VAT credit facility, respectively (2016: ¥4,710 and ¥299, respectively). At June 30, 2017, the combined undrawn gross amount under all the Japanese credit facilities amounted to ¥2,360 million (\$21.0 million) (2016: nil). At June 30, 2017, the fair value of the non-recourse project loans approximated their carrying values as the loans bear floating interest rates. All the Japanese interest rate swap contracts qualified for hedge accounting at June 30, 2017, and December 31, 2016.

On March 24, 2017, Shizukuishi received a cash reimbursement of ¥501 million (\$4.5 million) from the Japanese tax authorities associated with VAT credits accumulated during the construction of its solar power plant. On June 30, 2017, the Company's subsidiary repaid ¥435 million (\$3.8 million) to the lender bank in relation to the associated VAT credit facility.

##### *Chilean subsidiaries*

The non-recourse project loan obtained by the Group's Chilean subsidiary, Salvador, to finance Project Salvador matures in 2033. The repayment of this credit facility is secured principally by the proceeds from the sale of electricity in the spot market. The loan is accounted for using the amortized cost method based on the effective interest rate. At June 30, 2017, there were no undrawn

amounts under the Overseas Private Investment Corporation ("OPIC") senior credit facility. The fair value of this credit facility equals its carrying amount, as the interest rates approximate the market rates.

On March 9, 2017, Etrion signed an amendment to the existing senior finance agreement with the OPIC, Salvador's lender, whereby all scheduled interest and principal payments between May 31, 2017 and May 31, 2018 will be deferred and due May 31, 2018, if the debt is not restructured or period extended by that date. The deferred interest and principal payments will accrue additional interest rate at the level of existing interest rate. All defaults resulting from financial covenants and ratios calculations during this period will be waived.

### 19. DERIVATIVE FINANCIAL INSTRUMENTS

	June 30 2017	December 31 2016
<b>Derivative financial liabilities:</b>		
Interest rate swap contracts		
- Current portion	1,191	1,167
- Non-current portion	9,459	8,347
<b>Total derivative financial liabilities</b>	<b>10,650</b>	<b>9,514</b>

#### *Interest rate swap contracts*

The Group enters into interest rate swap contracts in order to hedge against the risk of variations in the Group's cash flows as a result of floating interest rates on its non-recourse project loans in Japan. The fair value of these interest rate swap contracts is calculated as the present value of the estimated future cash flows, using the notional amount to maturity as per the interest rate swap contracts, the observable TIBOR interest rate forward yield curves and an appropriate discount factor.

At June 30, 2017, all of the Group's derivative financial instruments qualified for hedge accounting with fair value movements accounted for within equity, except for the ineffective portion that is recorded into finance income/costs.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS AT AND FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Expressed in US\$'000 unless otherwise stated

### 20. RELATED PARTIES

For the purposes of preparing the Company's condensed consolidated interim financial statements, parties are considered to be related if one party has the ability to control the other party, under ordinary control, or if one party can exercise significant influence over the other party in making financial and operational decisions. The Company's major shareholder is the Lundin family, which collectively owns through various trusts approximately 24.3% of the Company's common shares (2016: 24.3%).

#### RELATED PARTY TRANSACTIONS

During the three and six months ended June 30, 2017, and 2016, the Group entered into the following transactions with related parties:

	Three months ended		Six months ended	
	Q2-17	Q2-16	Q2-17	Q2-16
<b>General and administrative expenses:</b>				
Lundin Services BV	2	5	5	8
Lundin Petroleum AB	7	7	13	14
Lundin SA	30	29	60	29
<b>Finance costs:</b>				
Lundin family:				
- Interest expense	138	222	265	442
- Transaction costs	12	12	22	23
<b>Total transactions with related parties</b>	<b>189</b>	<b>275</b>	<b>365</b>	<b>516</b>

Amounts outstanding to related parties at June 30, 2017 and 2016 are as follows:

	June 30 2017	December 31 2016
<b>Current liabilities:</b>		
Lundin Services BV:		
General and administrative expenses	1	1
Lundin family share in corporate bond	105	98
Key management personnel	-	500
<b>Total current liabilities</b>	<b>106</b>	<b>599</b>
<b>Non-current liabilities:</b>		
Lundin family share in corporate bond	6,869	6,323
<b>Total non-current liabilities</b>	<b>6,869</b>	<b>6,323</b>
<b>Total amounts outstanding</b>	<b>6,975</b>	<b>6,922</b>

There were no amounts outstanding from related parties at June 30, 2017 and 2016.

### 21. COMMITMENTS

#### Contractual commitments

The Group enters into engineering, procurement and construction agreements with large international contractors that design, construct, operate and maintain utility-scale solar photovoltaic power plants. As of June 30, 2017, the Group had a contractual obligation over one year to acquire construction services in the amount of \$24.4 million related to the construction of the 9.5 MW Aomori and the 13.2 MW Komatsu solar power projects in Japan. This contractual obligation will be funded from existing cash available at the project company level and/or from the Group's unrestricted cash balance upon financial close.

### 22. CONTINGENT LIABILITIES

On August 10, 2015, the Group received a litigation notice from a former employee alleging unreconciled labor-related differences. The Company's directors believe the claim is without merit, and the Group intends to vigorously defend itself. Given the stage of the legal process, the Company is unable to make a reliable estimate of the financial effects of the litigation and has not included a provision for liability under IAS 37 Provisions, Contingent Liabilities and Contingent Assets, in these condensed consolidated interim financial statements.

### 23. SUBSEQUENT EVENTS

#### Aomori final completion

In July, 2017, the Company connected the remaining two solar park sites of the Group's Aomori solar project in Japan, representing 4.2 MW of the 9.5 MW total planned capacity.