



**Interim Consolidated Financial Statements
As at September 5, 2015 and September 6, 2014
(3rd Quarter)
(Unaudited)**

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Colabor Group Inc.
Consolidated Statements of Earnings

(Unaudited, in thousands of Canadian dollars, except data per share)

	Notes	2015-09-05 (84 days) \$	2014-09-06 (84 days) \$	2015-09-05 (252 days) \$	2014-09-06 (249 days) \$
Sales of goods		366,931	345,164	1,038,228	971,682
Operating expenses, excluding costs not relating to current operations, depreciation and amortization		<u>358,904</u>	<u>335,002</u>	<u>1,021,225</u>	<u>951,868</u>
Operating earnings before costs not relating to current operations, depreciation and amortization		<u>8,027</u>	<u>10,162</u>	<u>17,003</u>	<u>19,814</u>
Costs not relating to current operations	6	336	2,888	1,681	2,888
Impairment loss on equity investment				1,731	
Depreciation of property, plant and equipment		881	1,061	2,732	3,049
Amortization of intangible assets		<u>2,762</u>	<u>3,308</u>	<u>7,732</u>	<u>10,053</u>
		<u>3,979</u>	<u>7,257</u>	<u>13,876</u>	<u>15,990</u>
(loss)		<u>4,048</u>	<u>2,905</u>	<u>3,127</u>	<u>3,824</u>
Finance costs	7	<u>3,084</u>	<u>2,760</u>	<u>9,229</u>	<u>8,974</u>
Earnings (loss) before income taxes		<u>964</u>	<u>145</u>	<u>(6,102)</u>	<u>(5,150)</u>
Income taxes					
Current		133		395	
Deferred		<u>(32)</u>	<u>15,187</u>	<u>(2,047)</u>	<u>13,828</u>
		<u>101</u>	<u>15,187</u>	<u>(1,652)</u>	<u>13,828</u>
Earnings (loss)		<u>863</u>	<u>(15,042)</u>	<u>(4,450)</u>	<u>(18,978)</u>
Basic and diluted earnings (loss) per share	8	<u>\$ 0.03</u>	<u>\$ (0.56)</u>	<u>\$ (0.16)</u>	<u>\$ (0.70)</u>

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

Colabor Group Inc.
Consolidated Statements of Comprehensive Income (loss)

(Unaudited, in thousands of Canadian dollars)

	2015-09-05 (84 days)	2014-09-06 (84 days)	2015-09-05 (252 days)	2014-09-06 (249 days)
	\$	\$	\$	\$
Earnings (loss)	863	(15,042)	(4,450)	(18,978)
Other comprehensive income that will be subsequently reclassified to earnings				
Available-for-sale financial asset				
Gain (loss) for the period	88	42	(1,675)	(747)
Reclassification to earnings			1,731	
Cash flow hedges				
Loss for the period				(190)
Reclassification to earnings				268
Taxes on other comprehensive income that will be subsequently reclassified to earnings	(12)	(6)	(8)	76
	76	36	48	(593)
Other comprehensive income that will not be reclassified to earnings				
Remeasurement of pension obligation	153	(333)	(67)	(1,237)
Taxes on other comprehensive income that will not be reclassified to earnings	(41)	87	18	322
	112	(246)	(49)	(915)
Total other comprehensive income (loss)	188	(210)	(1)	(1,508)
Total comprehensive income (loss)	1,051	(15,252)	(4,451)	(20,486)

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

Colabor Group Inc.
Consolidated Statements of Changes in Equity

(Unaudited, in thousands of Canadian dollars)

	Share capital	Convertible debenture conversion options	Contributed surplus	Shares held under stock-based compensation plans	Available-for- sale financial asset	Cash flow hedges	Deficit	Total equity
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at December 28, 2014	209,972	1,742	1,563	(381)	–	–	(112,074)	100,822
Loss for the period							(4,450)	(4,450)
Other comprehensive income (loss)								
Loss on available-for-sale financial asset					(1,675)			(1,675)
Reclassification to earnings					1,731			1,731
Remeasurement of pension obligation							(67)	(67)
Taxes on other comprehensive income					(8)		18	10
Total comprehensive income (loss)	–	–	–	–	48	–	(4,499)	(4,451)
Stock-based compensation plan expenses			196					196
Transactions with owners	–	–	196	–	–	–	–	196
Balance as at September 5, 2015	209,972	1,742	1,759	(381)	48	–	(116,573)	96,567
Balance as at January 1, 2014	208,622	1,742	1,326	(381)	–	(57)	(37,439)	173,813
Loss for the period							(18,978)	(18,978)
Other comprehensive income								
Loss on available-for-sale financial asset					(747)			(747)
Reclassification to earnings							268	268
Gain on cash flow hedge						(190)		(190)
Remeasurement of pension obligation							(1,237)	(1,237)
Taxes on other comprehensive income					97	(21)	322	398
Total comprehensive income (loss)	–	–	–	–	(650)	57	(19,893)	(20,486)
Dividends declared							(4,876)	(4,876)
Stock-based compensation plan expenses			139					139
Transactions with owners	–	–	139	–	–	–	(4,876)	(4,737)
Balance as at September 6, 2014	208,622	1,742	1,465	(381)	(650)	–	(62,208)	148,590

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

Colabor Group Inc.
Consolidated Statements of Cash Flows

(Unaudited, in thousands of Canadian dollars)

	Notes	2015-09-05 (84 days) \$	2014-09-06 (84 days) \$	2015-09-05 (252 days) \$	2014-09-06 (249 days) \$
Operating activities					
Earnings (loss) before income taxes		964	145	(6,102)	(5,150)
Depreciation of property, plant and equipment		881	1,061	2,732	3,049
Amortization of intangible assets		2,762	3,308	7,732	10,053
Gain on disposal of property, plant and equipment		(1)	(16)	(210)	(109)
Change in provisions		(339)	(197)	(1,082)	(892)
Impairment of equity investment in Colabor Investments Inc.				1,731	
Finance costs	7	3,084	2,760	9,229	8,974
Stock-based compensation plan expenses		91	74	196	139
		7,442	7,135	14,226	16,064
Income tax withholdings		(917)	(1,538)	(1,339)	(1,737)
Net changes in working capital	9	(3,470)	3,577	1,637	8,394
Cash flows from operating activities		<u>3,055</u>	<u>9,174</u>	<u>14,524</u>	<u>22,721</u>
Investing activities					
Business acquisitions, net of cash acquired	4			100	
Loans receivable variation		22		17	
Purchase of property, plant and equipment		(238)	(272)	(1,179)	(1,044)
Disposal of property, plant and equipment		1	21	287	154
Purchase of intangible assets		(245)	(539)	(2,919)	(2,316)
Cash flows from investing activities		<u>(460)</u>	<u>(790)</u>	<u>(3,694)</u>	<u>(3,206)</u>
Financing activities					
Bank borrowing	10	(2,623)	(6,421)	694	(23,801)
Lease payments		(94)	(320)	(376)	(382)
Dividends paid			(1,625)		(4,876)
Payment of balances of purchase price			(583)		(11,318)
Repayment of long-term debt					(15,000)
Issuance of long-term debt, net of related expenses					42,087
Finance costs paid	7	(2,655)	(2,398)	(7,969)	(7,545)
Cash flows from financing activities		<u>(5,372)</u>	<u>(11,347)</u>	<u>(7,651)</u>	<u>(20,835)</u>
Net change in bank overdraft		<u>(2,777)</u>	<u>(2,963)</u>	<u>3,179</u>	<u>(1,320)</u>
Bank overdraft, beginning of period		(2,826)	(5,185)	(8,782)	(6,828)
Bank overdraft, end of period		<u>(5,603)</u>	<u>(8,148)</u>	<u>(5,603)</u>	<u>(8,148)</u>

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

Colabor Group Inc.
Consolidated Statements of Financial Position

(Unaudited, in thousands of Canadian dollars)

	2015-09-05	2014-12-27
	\$	\$
ASSETS		
Current		
Trade and other receivables	111,923	124,729
Recoverable tax assets	2,444	1,500
Inventory	88,385	92,693
Prepaid expenses	5,368	3,069
Loans receivable	133	
<i>Current assets</i>	<u>208,253</u>	<u>221,991</u>
Non-current		
Equity investment in Colabor Investments Inc.	1,128	2,803
Loans receivable	596	
Property, plant and equipment	14,609	16,419
Intangible assets	89,214	93,675
Goodwill	94,945	94,569
<i>Non-current assets</i>	<u>200,492</u>	<u>207,466</u>
Total assets	<u><u>408,745</u></u>	<u><u>429,457</u></u>
LIABILITIES AND EQUITY		
LIABILITIES		
Current		
Bank overdraft	5,603	8,782
Trade and other payables	101,221	110,193
Rebates payable	6,523	10,481
Balances of purchase price payable	998	869
Bank borrowing	10 2,500	6,000
Obligations under leases	273	445
Deferred revenue	1,287	14
Provisions	1,475	1,655
<i>Current liabilities</i>	<u>119,880</u>	<u>138,439</u>
Non-current		
Bank borrowing	10 92,621	88,076
Long-term debt	11 42,260	42,181
Convertible debentures	48,620	48,086
Obligations under leases	660	864
Pension obligation	1,346	1,406
Provisions	2,765	3,500
Deferred income tax liabilities	4,026	6,083
<i>Non-current liabilities</i>	<u>192,298</u>	<u>190,196</u>
Total liabilities	<u><u>312,178</u></u>	<u><u>328,635</u></u>
EQUITY		
Share capital	209,972	209,972
Deficit	(116,573)	(112,074)
Other components of equity	3,168	2,924
<i>Total equity</i>	<u>96,567</u>	<u>100,822</u>
Total liabilities and equity	<u><u>408,745</u></u>	<u><u>429,457</u></u>

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

The Board of Directors approved and authorized the publication of the interim consolidated financial statements on October 6, 2015.

On behalf of the Board,

/s/ Richard Lord
 Director

/s/ Robert Panet-Raymond
 Director

Colabor Group Inc.

Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

1. **NATURE OF OPERATIONS**

Colabor Group Inc. (hereafter the "Colabor") and its wholly-owned subsidiaries (hereafter the "subsidiaries", together Colabor and the subsidiaries are referred to as the "Company") distribute and market food and food-related products in Canada.

Sales of goods and operating profits are proportionately at their lowest in the first quarter and at their highest in the fourth quarter. Indeed, the fourth quarter has 33% more operating days than other quarters. In addition, the sales of the Company are seasonal. Thus, sales for the first quarter are lower compared to other quarters. However, costs incurred are distributed more evenly than sales throughout the year given the Company's fixed cost structure. The Company's operating margins generally increase as the year progresses. Accordingly, it would be more meaningful to compare earnings for an entire year or with the prior year's corresponding quarter than to compare two consecutive quarters.

Colabor, the parent company, is incorporated under the Canada Business Corporations Act. It is a Canadian company headquartered at 1620 De Montarville Boulevard, Boucherville, Quebec, J4B 8P4. The shares and convertible debentures of Colabor Group Inc. are listed on the Toronto Stock Exchange (TSX: GCL and TSX: GCL.DB.A).

2. **GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS**

These interim consolidated financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS") and prepared in accordance with IAS 34 Interim Financial Reporting, taking into account the accounting policies that the Company adopted for its consolidated financial statements for the year ended December 27, 2014. The accounting policies have been similarly applied throughout all periods presented in the financial statements. They do not include all the information and disclosures required by IFRS applicable for annual financial statements and, therefore, they should be read in conjunction with the annual audited consolidated financial statements for the year ended December 27, 2014

3. **SIGNIFICANT ACCOUNTING POLICIES**

Current standards, amendments and interpretations that are not yet effective

At the date of authorization of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company. Management anticipates that the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but management does not expect them to have a material impact on the Company's consolidated financial statements.

IFRS 9 Financial Instruments

In July 2014, the IASB published IFRS 9 to replace IAS 39 Financial Instruments: Recognition and Measurement (IAS 39). The improvements introduced by IFRS 9 include a logical model for financial asset classification and measurement, a single, forward-looking "expected loss" impairment model based on expected credit losses, and a substantially reformed approach to hedge accounting. This standard applies to fiscal years beginning on or after January 1, 2018; early adoption is permitted. The Company has not yet determined the effect of the adoption of this standard on its consolidated financial statements.

Colabor Group Inc.

Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB published IFRS 15, which replaces IAS 18 Revenue, IAS 11 Construction Contracts and some revenue-related interpretations. IFRS 15 establishes a new control-based revenue recognition model, changes the basis for deciding when revenue is recognized at a point in time or over time, provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. IFRS 15 is effective for reporting periods beginning on or after January 1, 2017; early adoption is permitted.

In July 2015, the IASB has decided to postpone the standard's effective date to January 1st, 2018. The Company has not yet determined the effect of the adoption of this standard on its consolidated financial statements.

4. BUSINESS COMBINATION

Acquisition of La Poissonnerie Marcotte (1980) Inc. assets

During the first quarter of 2015, the Company remeasured the allocation of the purchase price of La Poissonnerie Marcotte (1980) Inc. (hereafter ("Marcotte")), acquired on September 10, 2014. The preliminary allocation of the purchase price as at December 27, 2014 was changed as follows:

	Change in balances
	\$
Working capital	(226)
Property, plant and equipment	(250)
Goodwill	376
Change in acquisition cost and fair value of the consideration received	(100)
Net cash flows on acquisition and fair value of portion received in cash	(100)

5. SEGMENT REPORTING

The Company has two reportable segments: distribution to food service enterprises (Distribution Segment) and distribution to food distributors (Wholesale Segment). These operating segments are monitored and strategic decisions are made on the basis of segment operating results. Management does not take assets and liabilities into account in the analysis of the various segments.

Segment information can be analyzed as follows:

	2015-09-05 (84 days)		
	Distribution Segment	Wholesale Segment	Total
	\$	\$	\$
Segment sales of goods	255,940	172,347	428,287
Segment operating expenses			
Cost of goods sold	222,398	164,447	386,845
Employee remuneration	18,272	2,344	20,616
Other expenses	9,841	1,556	11,397
	250,511	168,347	418,858
Segment earnings	5,429	4,000	9,429

Colabor Group Inc.
Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

5. SEGMENT REPORTING (Continued)

	2014-09-06 (84 days)		
	Distribution	Wholesale	Total
	Segment	Segment	
	\$	\$	\$
Segment sales of goods	234,960	161,674	396,634
Segment operating expenses			
Cost of goods sold	203,323	152,448	355,771
Employee remuneration	17,067	2,248	19,315
Other expenses	8,771	1,477	10,248
	<u>229,161</u>	<u>156,173</u>	<u>385,334</u>
Segment earnings	<u>5,799</u>	<u>5,501</u>	<u>11,300</u>
	2015-09-05 (252 days)		
	Distribution	Wholesale	Total
	Segment	Segment	
	\$	\$	\$
Segment sales of goods	719,712	485,950	1,205,662
Segment operating expenses			
Cost of goods sold	627,500	461,287	1,088,787
Employee remuneration	54,359	7,312	61,671
Other expenses	29,300	4,410	33,710
	<u>711,159</u>	<u>473,009</u>	<u>1,184,168</u>
Segment earnings	<u>8,553</u>	<u>12,941</u>	<u>21,494</u>
	2014-09-05 (249 days)		
	Distribution	Wholesale	Total
	Segment	Segment	
	\$	\$	\$
Segment sales of goods	661,350	448,001	1,109,351
Segment operating expenses			
Cost of goods sold	573,894	423,065	996,959
Employee remuneration	50,135	7,019	57,154
Other expenses	26,856	4,291	31,147
	<u>650,885</u>	<u>434,375</u>	<u>1,085,260</u>
Segment earnings	<u>10,465</u>	<u>13,626</u>	<u>24,091</u>

Colabor Group Inc.
Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

5. SEGMENT REPORTING (Continued)

The following table presents a reconciliation of the Company's total operating segment earnings and key financial data as presented in its interim consolidated financial statements:

	2015-09-05 (84 days) \$	2014-09-06 (84 days) \$	2015-09-05 (252 days) \$	2014-09-06 (249 days) \$
Sales of goods				
Total segment earnings	428,287	396,634	1,205,662	1,109,351
Elimination of intersegment earnings	(61,356)	(51,470)	(167,434)	(137,669)
Company sales of goods	<u>366,931</u>	<u>345,164</u>	<u>1,038,228</u>	<u>971,682</u>
Earnings				
Total segment earnings	9,429	11,300	21,494	24,091
Employee remuneration not allocated	(1,187)	(1,065)	(3,686)	(3,415)
Other expenses not allocated	(215)	(73)	(805)	(862)
Costs not relating to current operations	(336)	(2,888)	(1,681)	(2,888)
Impairment loss on equity investment			(1,731)	
Depreciation of property, plant and equipment	(881)	(1,061)	(2,732)	(3,049)
Amortization of intangible assets	(2,762)	(3,308)	(7,732)	(10,053)
Company operating earnings	4,048	2,905	3,127	3,824
Finance costs	(3,084)	(2,760)	(9,229)	(8,974)
Company earnings (loss) before taxes	<u>964</u>	<u>145</u>	<u>(6,102)</u>	<u>(5,150)</u>

6. COSTS NOT RELATING TO CURRENT OPERATIONS

	2015-09-05 (84 days) \$	2014-09-06 (84 days) \$	2015-09-05 (252 days) \$	2014-09-06 (249 days) \$
Costs of internal restructuring of operations				
Disbursed costs	321	569	1,638	569
Provisions for onerous contracts		130		130
Direct costs relating to realized, unrealized and potential business acquisitions	15	424	23	424
Litigation settlements (a)		1,651		1,651
Others		114	20	114
	<u>336</u>	<u>2,888</u>	<u>1,681</u>	<u>2,888</u>

(a) On July 3, 2014, the Company finalized an agreement to settle litigation under which it was the subject of a motion for partial cancellation of an arbitration award in June 2009 and an appeal of a 2013 Superior court ruling. The Company has reached agreement with the counterparty to definitively conclude all outstanding cases. Under this settlement, the Company recognized a \$1,172,000 charge to earnings in the third quarter. Additionally, residual legal fees were incurred, primarily as a result of the settlement with the CRA.

Colabor Group Inc.
Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

7. FINANCE COSTS AND FINANCE COSTS PAID

	2015-09-05 (84 days)	2014-09-06 (84 days)	2015-09-05 (252 days)	2014-09-06 (249 days)
	\$	\$	\$	\$
Interest on bank borrowings	1,035	868	3,050	3,450
Interest on long-term debt	985	913	2,956	2,761
Effective interest on debentures	835	822	2,503	2,436
Accretion expense on onerous contracts provision	54	56	167	174
Accretion expense on balance of purchase price	53		129	
Other	122	101	424	153
Finance costs	<u>3,084</u>	<u>2,760</u>	<u>9,229</u>	<u>8,974</u>
Non-cash portion of effective interest on long-term debt and debentures included in finance costs	(204)	(190)	(613)	(817)
Credit facility renewal costs or change in credit facilities				31
Amortization of prepaid finance costs included in finance costs	(118)	(116)	(351)	(469)
Accretion expense on onerous contracts provision	(54)	(56)	(167)	(174)
Accretion expense on balance of purchase price	(53)		(129)	
Finance costs paid	<u><u>2,655</u></u>	<u><u>2,398</u></u>	<u><u>7,969</u></u>	<u><u>7,545</u></u>

8. DATA PER SHARE

Earnings (loss) per share

The following table presents the basic and earnings (loss) diluted loss per share:

	2015-09-05 (84 days)	2014-09-06 (84 days)	2015-09-05 (252 days)	2014-09-06 (249 days)
	\$	\$	\$	\$
<i>Earnings (loss)</i>	<u>863</u>	<u>(15,042)</u>	<u>(4,450)</u>	<u>(18,978)</u>
Weighted average number of outstanding shares used to calculate basic and diluted loss per share	<u>27,453,960</u>	<u>27,062,315</u>	<u>27,453,960</u>	<u>27,062,315</u>
<i>Basic and diluted earnings (loss) per share</i>	<u>\$ 0.03</u>	<u>\$ (0.56)</u>	<u>\$ (0.16)</u>	<u>\$ (0.70)</u>

Shares that were hypothetically issued after the conversion of convertible debentures, the exercise of stock options and the release of the shares regarding the PSU plan were not included in the calculation of diluted net earnings (loss) per share because they had an antidilutive effect.

Dividends

During the period ended September 5, 2014, the Company declared dividends of \$0.06 per share on March 13, 2014, on May 1st, 2014 and on July 17, 2014 for a total amount of \$4,876,000.

Colabor Group Inc.
Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

9. NET CHANGE IN WORKING CAPITAL

Net change in working capital between the two period-ends taking into account the working capital assumed on the business combinations and disposal of a wholly-owned subsidiary:

	2015-09-05 (84 days)	2014-09-06 (84 days)	2015-09-05 (252 days)	2014-09-06 (249 days)
	\$	\$	\$	\$
Trade and other receivables	6,590	(1,519)	11,716	(3,839)
Inventory	4,865	(1,674)	4,272	(1,293)
Prepaid expenses	1,123	(117)	(2,321)	(2,604)
Trade and other payables	(12,873)	7,363	(9,218)	16,493
Rebates payable	(4,136)	(1,303)	(3,958)	(1,258)
Deferred revenue	1,003	894	1,273	1,094
Pension obligation	(42)	(67)	(127)	(199)
	<u>(3,470)</u>	<u>3,577</u>	<u>1,637</u>	<u>8,394</u>

10. BANK BORROWING

Average bank borrowing

The Company, based on the nature of its business agreements, is subject to significant fluctuations on its daily bank borrowing. The daily average bank borrowing was a measure used in the past to respect certain ratios and conditions. For the periods ended September 5, 2015 and September 6, 2014, the average bank borrowing was respectively \$105,451,000 and \$91,269,000 for the quarter and \$101,219,000 and \$92,448,000 for the year to date.

11. LONG-TERM DEBT

Under the terms of the agreement, the average rate of long-term debt was increased in January 2015 for the remaining duration of the debt, from 9.1% in January 2014 to 9.8% in January 2015.

Debt, 9.8%, maturing on February 1, 2018, issued on January 31, 2014

	2015-09-05	
	Par value	Book value
	\$	\$
Balance, beginning of period	42,500	42,181
Non-cash portion of effective interest on long-term debt		79
Balance, end of period	<u>42,500</u>	<u>42,260</u>

Debt, 9.1%, maturing on February 1, 2018, issued on January 31, 2014

	2014-12-27	
	Par value	Book value
	\$	\$
Balance, beginning of period	42,500	42,087
Non-cash portion of effective interest on long-term debt		94
Balance, end of period	<u>42,500</u>	<u>42,181</u>

Colabor Group Inc.
Notes to Consolidated Financial Statements

(Unaudited, amounts in the tables are in thousands of Canadian dollars, except data per share)

12. EMPLOYEE REMUNERATION

Stock option plan

On June 2, 2015, the Company issued 955,000 stock options for common shares of the Group. The weighted average fair value of the options granted in 2015 of \$0.40 per option has been estimated at the grant date using a binomial option pricing model on the basis of the weighted averages of the following assumptions for options granted during the period:

Risk-free interest rate	0.92 %
Expected volatility of share	50 %
Expected annual dividend	\$ 0.00
Expected life	5.5 years
Share price on grant date	\$ 1.06
Exercise price on grant date	\$ 1.04

The underlying expected volatility has been determined on the basis of historical data relating to the Group's common shares since 2011.