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The main characteristics of the derivative instruments are as follows:

	Swap Transactions		Cap Transactions	
	November 2010	December 2013	November 2010	December 2013
Effective date	29-Nov-2010	25-Feb-2014	25-Feb-2018	25-Feb-2021
Termination date	25-Feb-2018	25-Feb-2021	25-Aug-2025	25-Aug-2028
Current notional amount	US\$ 49,133,387	US\$ 19,410,815	—	—
Maximum notional amount	US\$ 56,732,737	US\$ 19,410,815	US\$ 39,289,122	US\$ 11,652,389
Fixed interest rate	3.63%	3.36%	4.75%	3.36%
Variable interest rate	US Libor- 6 months	US Libor- 6 months	US Libor- 6 months	US Libor- 6 months

11. Income tax and deferred income tax

The Company was granted a corporate income tax holiday of 10 years starting on the date of commercial operations, which was 21 December 2011.

The Company calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed statement of comprehensive income are:

	For the three months ended	
	March 31, 2015	March 31, 2014
Current income tax expense	\$ —	\$ —
Deferred income tax expense relating to origination and reversal of temporary differences	50,024	78,480
Income tax expense recognized in statement of comprehensive income	\$ 50,024	\$ 78,480

12. Fair value of financial instruments

The Company's main financial instruments are comprised of cash, notes and accounts receivable, notes and loans payable, accounts payable and accrued expenses. Management believes that the carrying amounts of cash, accounts receivable, and accounts payable approach their fair market value due to their short-term nature. The carrying amount of notes receivable from related parties approximates fair value as the notes were initially recorded at the estimated discounted cash flows.

In evaluating the fair value of loans payable at fixed rates the Company has considered the country risks, market conditions existing both at the date of the loans and those at the statement of financial position dates, and that there are not a significant number of comparable financings in its market. As of March 31, 2015 and December 31, 2014 the fair value of the loans, taking into account current market interest rates, are the following:

	Carrying amount		(Level 3) Fair value	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Ex-Im 1	\$ 138,241,125	\$ 141,632,725	\$ 139,862,371	\$ 143,339,434
CABEL 1	46,260,781	47,587,689	46,847,155	48,216,146
Ex-Im 2	25,846,897	23,091,223	26,632,261	23,891,784
CABEL 2	19,488,609	13,682,358	19,790,308	13,920,137
	\$ 229,837,412	\$ 225,993,995	\$ 233,132,095	\$ 229,367,501

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