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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 6-K**

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**REPORT OF A FOREIGN ISSUER  
PURSUANT TO RULE 13A-16 OR 15D-16  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**August 30, 2017**

**Commission File Number 001-36761**

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**Kenon Holdings Ltd.**

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**1 Temasek Avenue #36-01  
Millenia Tower  
Singapore 039192  
(Address of principal executive offices)**

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒      Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐      No ☒

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

EXHIBITS 99.1 AND 99.2 TO THIS REPORT ON FORM 6-K ARE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-201716) OF KENON HOLDINGS LTD. AND IN THE PROSPECTUSES RELATING TO SUCH REGISTRATION STATEMENT.

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Exhibits

[99.1 Press Release, dated August 30, 2017: Kenon Holdings Reports Q2 2017 Results and Additional Updates](#)

[99.2 Q2 2017 Summary Financial Information for Kenon, IC Power and Ooros and Reconciliation of Certain non-IFRS Financial Information](#)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KENON HOLDINGS LTD.

Date: August 30, 2017

By: /s/ Yoav Doppelt  
Name: Yoav Doppelt  
Title: Chief Executive Officer

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*IC Power continued to demonstrate significant profitable growth,  
along with the successful IPO of OPC and bond issuance of CDA*

**Kenon Holdings Reports Second Quarter 2017 Results and Additional Updates**

Singapore, August 30, 2017. Kenon Holdings Ltd. (NYSE: KEN, TASE: KEN) announces its results for Q2 2017 and additional updates on its businesses.

**Key Highlights**

**IC Power**

IC Power's revenues in Q2 2017 increased by 19% to \$522 million, as compared to \$440 million in Q2 2016.

IC Power's net income attributable to Kenon in Q2 2017 was \$16 million, as compared to net loss of \$4 million in Q2 2016. IC Power's net income attributable to Kenon (excluding finance expenses due to intercompany loans owing to Kenon)<sup>1</sup> during Q2 2017 was \$19 million as compared to nil during Q2 2016.

IC Power's Adjusted EBITDA<sup>2</sup> in Q2 2017 increased by 48% to \$130 million, as compared to \$88 million in Q2 2016.

In August 2017, OPC Energy Ltd. (formerly IC Power Israel Ltd.) ("OPC") completed an initial public offering in Israel, and a listing on the Tel Aviv Stock Exchange. In connection with the IPO, OPC issued new ordinary shares representing approximately 24.7% of the shares of OPC on a fully diluted basis for total consideration of NIS398.5 million (approximately \$111 million)<sup>3</sup>.

In August 2017, Cerro del Aguila S.A. ("CDA") issued senior unsecured notes in an aggregate principal amount of \$650 million. The notes accrue interest at a rate of 4.125%, and will mature in August 2027.

**Qoros**

In Q2 2017, a new China-based investor entered into an investment agreement with Qoros, Quantum and Wuhu Chery that provides for the new investor investing approximately RMB6.5 billion (approximately \$959 million<sup>4</sup>) in Qoros for a controlling interest, subject to conditions, including regulatory approvals and completion of regulatory processes.

To date, in connection with the contemplated investment, the new investor has advanced funds to Qoros in a total amount of RMB1 billion (approximately \$147 million) and, together with its affiliates, has also deposited substantial funds into certain designated accounts (which accounts are subject to contractual restrictions) in connection with the investment, including certain amounts that may be used to support certain funding needs of Qoros prior to the closing of the transaction, subject to certain contractual limitations.

In August 2017, Qoros debuted the first SUV from its Model Young product series at the Chengdu Motor Show.

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<sup>1</sup> Net income excluding finance expenses due to intercompany loans owing to Kenon is a non-IFRS measure. IC Power's finance expenses due to intercompany notes owing to Kenon were \$3 million and \$4 million in Q2 2017 and Q2 2016, respectively.

<sup>2</sup> Adjusted EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated August 30, 2017 for the definition of IC Power's Adjusted EBITDA and a reconciliation to IC Power's, and each of its segments', net income.

<sup>3</sup> Convenience translations of NIS amounts into US Dollars use a rate of 3.60:1.

<sup>4</sup> Convenience translations of RMB amounts into US Dollars use a rate of 6.78:1.

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## Discussion of Results for the Three Months Ended June 30, 2017

Kenon's consolidated results of operations from its operating companies essentially comprise the consolidated results of IC Power Ltd. ("IC Power"). The results of Qoros Automotive Co., Ltd. ("Qoros") and ZIM Integrated Shipping Ltd. ("ZIM") are reflected under results from associates.

See Exhibit 99.2 of Kenon's Form 6-K dated August 30, 2017, for summary consolidated financial information for Kenon, IC Power and Qoros and a reconciliation of non-IFRS measures to the nearest IFRS measure.

### IC Power

IC Power's segments are Generation and Distribution. IC Power's Generation business is further segmented by geography: Peru, Israel, Central America and Other.

The following discussion of IC Power's results of operations is derived from IC Power's consolidated financial statements.

#### **Summary Financial Information of IC Power by Segment**

<b>Three Months Ended June 30, 2017</b>							
(\$ millions)							
	<b>Generation</b>				<b>Distribution</b>	<b>Adjustments</b>	<b>Total</b>
	<b>Peru</b>	<b>Israel</b>	<b>Central America</b>	<b>Other<sup>1</sup></b>	<b>Guatemala</b>		
Revenues	171	84	86	41	140	-	522
Cost of Sales <sup>2</sup>	(94)	(68)	(68)	(26)	(111)	-	(367)
Net Income (loss)	50	(2)	(1)	(36)	4	13 <sup>3</sup>	28
Adjusted EBITDA	76	14	13	3	24	-	130

  

<b>Three Months Ended June 30, 2016</b>							
(\$ millions)							
	<b>Generation</b>				<b>Distribution</b>	<b>Adjustments</b>	<b>Total</b>
	<b>Peru</b>	<b>Israel</b>	<b>Central America</b>	<b>Other<sup>1</sup></b>	<b>Guatemala</b>		
Revenues	115	73	82	37	133	-	440
Cost of Sales <sup>2</sup>	(73)	(67)	(64)	(24)	(102)	-	(330)
Net Income (loss)	4	(5)	(1)	(15)	12	2	(3)
Adjusted EBITDA	37	5	14	7	25	-	88

1. IC Power's Other segment includes the results of certain of IC Power's generation assets. In addition, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including amortization of purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.

2. Excludes depreciation and amortization.

3. Includes \$9 million as a result of the net gain recorded by Inkia in connection with its retirement of fixed assets following the fire at the Kanan plant in April 2017.

*Revenues*—\$522 million in Q2 2017, as compared to \$440 million in Q2 2016. The increase was primarily due to (1) the commencement of commercial operations of CDA (Peru segment) in August 2016 and Samay I (Peru segment) in May 2016; (2) higher revenues in Kallpa as a result of the commencement of new PPAs during Q2 2017 and services granted to the system administrator; (3) higher revenues in OPC-Rotem due to new electricity tariffs introduced by the Israel Electricity Authority (the “EA”) in January 2017; and (4) higher revenues in Energuate as a result of the appreciation in the Guatemalan Quetzal against the US Dollar and an increase in the sales volume;

*Cost of sales*—\$367 million in Q2 2017, as compared to \$330 million in Q2 2016, primarily as a result of (1) the commencement of commercial operations of CDA and Samay I; and (2) higher costs in Energuate due to the appreciation in the Guatemalan Quetzal against the US Dollar and an increase in Energuate’s energy purchase expenses;

*Other income*—\$44 million in Q2 2017, as compared to \$3 million in Q2 2016. The increase was primarily due to (1) the recognition by CDA of \$40 million related to liquidated damages compensation from its EPC contractor for delays and unscheduled unavailability; and (2) an \$8 million net gain recorded by Kanan in connection with its retirement of fixed assets following the fire at the Kanan plant in April 2017 (as discussed further in “—*Update on Kanan Plant*”);

*Net income*—\$28 million in Q2 2017, as compared to a \$3 million net loss in Q2 2016. The increase was primarily a result of (1) the commencement of commercial operations of CDA and Samay I; and (2) the recognition of \$40 million of other income by CDA related to liquidated damages compensation (which had a net effect of \$28 million in net income after taxes), offset by higher finance expenses in the Other segment holding companies;

IC Power’s net income attributable to Kenon in Q2 2017 was \$16 million, as compared to net loss of \$4 million in Q2 2016; and

*Adjusted EBITDA*—\$130 million in Q2 2017, as compared to \$88 million in Q2 2016, primarily due to the factors discussed above.

A discussion of revenues, cost of sales, net income and Adjusted EBITDA for IC Power's generation business by segment for Q2 2017, as compared to Q2 2016, is as follows:

**Generation - Peru Segment**

Three Months Ended June 30, 2017					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
Kallpa	75	\$ 117	\$ 65	\$ 41	\$ 18
CDA	75	29	8	27 <sup>1</sup>	31
Samay I	75	25	21	8	1
<b>TOTAL</b>		<u>\$ 171</u>	<u>\$ 94</u>	<u>\$ 76</u>	<u>\$ 50</u>
Three Months Ended June 30, 2016					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
Kallpa	75	\$ 107	\$ 69	\$ 33	\$ 2
CDA	75	-	-	-	1
Samay I	75	8	4	4	1
<b>TOTAL</b>		<u>\$ 115</u>	<u>\$ 73</u>	<u>\$ 37</u>	<u>\$ 4</u>

1. In Q2 2017, CDA recognized \$40 million of other income related to liquidated damages compensation (consisting of compensation of \$32 million for delays in CDA's commencement of commercial operations and \$8 million of compensation for CDA's unscheduled unavailability). CDA's Adjusted EBITDA for Q2 2017 does not include the \$32 million in compensation described above.

*Revenues*—\$171 million in Q2 2017, as compared to \$115 million in Q2 2016. The increase is primarily a result of the contribution to revenues of CDA (\$29 million) and Samay I (\$17 million increase), and an increase in Kallpa's revenues, mainly due to \$6 million in revenues from regulatory services granted to the system administrator, and a \$3 million increase in revenues from capacity sales as a result of the commencement of new PPAs during Q2 2017;

*Cost of sales*—\$94 million in Q2 2017, as compared to \$73 million in Q2 2016. The increase is primarily a result of the contribution of cost of sales from CDA (\$8 million) and Samay I (\$17 million increase);

*Net income*—\$50 million in Q2 2017, as compared to \$4 million in Q2 2016, primarily as a result of (1) a \$31 million contribution from CDA (which includes the recognition of \$40 million of other income related to liquidated damages compensation from its EPC contractor for delays in the commercial operation (\$32 million) and unscheduled unavailability (\$8 million) of CDA, which has a net effect of \$28 million on net income after taxes); (2) an increase in Kallpa's margins due to the factors mentioned above; and (3) the recognition of a \$10 million finance expense by Kallpa in Q2 2016 (resulting from the premium paid in respect of certain Kallpa bonds redeemed in connection with Kallpa's \$350 million bond issuance in May 2016). These increases were partially offset by a \$5 million increase in Kallpa's tax expense as a result of higher profit before taxes; and

*Adjusted EBITDA*—\$76 million in Q2 2017, as compared to \$37 million in Q2 2016, primarily as a result of (1) a \$27 million contribution from CDA (including \$8 million in liquidated damages compensation incurred in Q2 2017, out of the \$40 million total liquidated damages compensation) and a \$4 million increase in the contribution from Samay I; and (2) an \$8 million increase in Kallpa's Adjusted EBITDA as discussed above.

## Generation - Israel Segment

Three Months Ended June 30, 2017					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
OPC-Rotem	61 <sup>1</sup>	\$ 79	\$ 62	\$ 14	\$ (2)
OPC-Hadera	76 <sup>1</sup>	5	6	-	-
<b>TOTAL</b>		<b>\$ 84</b>	<b>\$ 68</b>	<b>\$ 14</b>	<b>\$ (2)</b>

  

Three Months Ended June 30, 2016					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
OPC-Rotem	61 <sup>1</sup>	\$ 69	\$ 62	\$ 4	\$ (5)
OPC-Hadera	76 <sup>1</sup>	4	5	1	-
<b>TOTAL</b>		<b>\$ 73</b>	<b>\$ 67</b>	<b>\$ 5</b>	<b>\$ (5)</b>

1. Prior to OPC's IPO in August 2017, IC Power, through its subsidiary OPC, indirectly owned 80% of OPC-Rotem and 100% of OPC-Hadera. Following the OPC IPO, IC Power's indirect ownership in OPC-Rotem and OPC-Hadera was diluted to 61% and 76%, respectively.

*Revenues*—\$84 million in Q2 2017, as compared to \$73 million in Q2 2016, primarily as a result of a \$10 million increase in OPC-Rotem's revenues as a result of a 14% increase in OPC-Rotem's average energy selling price, due to new electricity tariffs introduced by the EA in January 2017, as well as the appreciation of the Israeli Shekel against the US Dollar; and

*Cost of sales*—\$68 million in Q2 2017, as compared to \$67 million in Q2 2016. The increase in electricity tariffs did not impact the price of OPC's natural gas supply;

*Net loss*—\$2 million in Q2 2017, as compared to \$5 million in Q2 2016, primarily as a result of the increase in OPC-Rotem's revenues. The improvement was partially offset by the increase in OPC-Rotem's finance expenses due to an increase in Israel's Consumer Price Index (which impacts interest expense on certain of OPC-Rotem's debt), as well as the appreciation of the Israeli Shekel against the US Dollar; and

*Adjusted EBITDA*—\$14 million in Q2 2017, as compared to \$5 million in Q2 2016, primarily due to OPC Rotem's results as described above.

## Generation - Central America Segment

Three Months Ended June 30, 2017					
Entity (Country)	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
ICPNH (Nicaragua)	61-65	24	18	4	-
Nejapa and Cenérigica (El Salvador)	100	30	23	5	2
Kanan (Panama)	100	19	18	2	(2)
Puerto Quetzal (Guatemala)	100	14	12	2	-
Guatemel (Guatemala)	100	3	1	-	-
Eliminations		(4)	(4)	-	(1)
<b>TOTAL</b>		<b>\$ 86</b>	<b>\$ 68</b>	<b>\$ 13</b>	<b>\$ (1)</b>



Three Months Ended June 30, 2016					
Entity (Country)	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
				(\$ millions)	
ICPNH (Nicaragua)	61-65	21	12	6	2
Nejapa and Cenérgica (El Salvador)	100	26	23	4	2
Kanan (Panama)	100	17	14	3	(4)
Puerto Quetzal (Guatemala)	100	16	14	1	-
Guatemel (Guatemala)	100	2	1	-	-
Eliminations		-	-	-	(1)
<b>TOTAL</b>		<b>\$ 82</b>	<b>\$ 64</b>	<b>\$ 14</b>	<b>\$ (1)</b>

*Revenues*—\$86 million in Q2 2017, as compared to \$82 million in Q2 2016. The increase in revenues was primarily due to an increase in the revenues of each of Nejapa, ICPNH and Kanan, primarily due to the increase in HFO prices, and an increase in revenues of Cenérgica from energy trading. These effects were partially offset by a \$2 million decrease in Puerto Quetzal's revenues, resulting from the termination and non-renewal of certain PPAs in Q2 2017;

*Cost of sales*—\$68 million in Q2 2017, as compared to \$64 million in Q2 2016, primarily as a result of (1) a \$6 million increase in ICPNH's cost of sales due to the increase in HFO prices; and (2) a \$4 million increase in Kanan's cost of sales mainly due to higher energy purchases related to the unavailability of generation units due to the fire on the Kanan plant;

*Net loss*—\$1 million in Q2 2017 and Q2 2016; and

*Adjusted EBITDA*—\$13 million in Q2 2017, as compared to \$14 million in Q2 2016.

#### Generation - Other Segment

Three Months Ended June 30, 2017					
Entity (Country)	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
				(\$ millions)	
COBEE (Bolivia)	100	11	5	6	2
Central Cardones (Chile)	87	3	-	2	-
Colmito (Chile)	100	6	5	1	-
CEPP (Dominican Republic)	97	7	5	1	1
JPPC (Jamaica)	100	13	11	2	1
Surpetroil (Colombia) <sup>1</sup>	60	-	-	-	-
RECSA (Guatemala)	100	1	-	-	-
IC Power Distribution Holdings (non-operating holdco)	100	-	-	-	(1)
Inkia & Other (non-operating holdcos)	100	-	-	(4)	(12)
IC Power, OPC & Other (non-operating holdcos)	100	-	-	(5)	(15)
Eliminations/Adjustments		-	-	-	(12)
<b>TOTAL</b>		<b>\$ 41</b>	<b>\$ 26</b>	<b>\$ 3</b>	<b>\$ (36)</b>

1. In April 2017, IC Power sold its 60% interest in Surpetroil.

Three Months Ended June 30, 2016

Entity (Country)	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
COBEE (Bolivia)	100	10	4	6	3
Central Cardones (Chile)	87	4	-	2	1
Colmito (Chile)	100	6	5	1	(1)
CEPP (Dominican Republic)	97	7	5	2	1
JPPC (Jamaica)	100	8	8	(1)	(1)
Surpetroil (Colombia)	60	2	2	-	(1)
RECSA (Guatemala)	100	-	-	1	-
IC Power Distribution Holdings (non-operating holdco)	100	-	-	-	(2)
Inkia & Other (non-operating holdcos)	100	-	-	(1)	(7)
IC Power, OPC & Other (non-operating holdcos)	100	-	-	(3)	(7)
Eliminations/Adjustments		-	-	-	(1)
<b>TOTAL</b>		<u>\$ 37</u>	<u>\$ 24</u>	<u>\$ 7</u>	<u>\$ (15)</u>

*Revenues*—\$41 million in Q2 2017, as compared to \$37 million in Q2 2016, primarily as a result of a \$5 million increase in JPPC's revenues due to an increase in HFO prices, partially offset by a \$2 million decrease in revenues due to the sale of Surpetroil in April 2017;

*Cost of sales*—\$26 million in Q2 2017, as compared to \$24 million in Q2 2016, primarily as a result of a \$3 million increase in JPPC's cost of sales as a result of higher HFO prices. This effect was partially offset by a \$2 million decrease in cost of sales due to the sale of Surpetroil;

*Net loss*—\$36 million in Q2 2017, as compared to \$15 million in Q2 2016, primarily due to a \$14 million increase in finance expenses in IC Power's holding companies, including (1) \$6 million of redemption fees related to the repayment of existing debt in connection with the issuance of NIS 320 million OPC bonds; (2) a \$5 million increase in finance expenses in connection with Inkia's interest expenses no longer being capitalized; and (3) a \$3 million increase in finance expenses related to the \$100 million Overseas Investment Peru facility (fully drawn in August 2016). IC Power also recorded \$5 million in other operating expenses due to the translation effect realized in relation to the Surpetroil sale. These effects were partially offset by an \$8 million net gain recorded by Kanan due to its retirement of fixed assets in connection with the fire at the Kanan plant in April 2017 (as discussed further in "—Update on Kanan Plant"); and

*Adjusted EBITDA*—\$3 million in Q2 2017, as compared to \$7 million in Q2 2016, primarily due to a \$3 million increase in administrative expenses in Inkia & Other and a \$2 million increase in IC Power, OPC & Other's administrative expenses due to higher legal fees.

## Distribution Segment

Three Months Ended June 30, 2017					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
DEORSA	93	\$ 63	\$ 50	\$ 13	\$ 2
DEOCSA	91	77	61	11	2
<b>TOTAL</b>		<b>\$ 140</b>	<b>\$ 111</b>	<b>\$ 24</b>	<b>\$ 4</b>

Three Months Ended June 30, 2016					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
DEORSA	93	\$ 61	\$ 45	\$ 14	\$ 7
DEOCSA	91	72	57	11	5
<b>TOTAL</b>		<b>\$ 133</b>	<b>\$ 102</b>	<b>\$ 25</b>	<b>\$ 12</b>

*Revenues*—\$140 million in Q2 2017, as compared to \$133 million in Q2 2016, primarily due to (1) a 5% appreciation in the Guatemalan Quetzal against the US Dollar; and (2) higher energy sales as a result of a 1% increase in the quantity of energy sold in Q2 2017, as compared to Q2 2016;

*Cost of sales*—\$111 million in Q2 2017, as compared to \$102 million in Q2 2016, primarily due to the appreciation in the Guatemalan Quetzal against the US Dollar and an increase in Energuate's energy purchase expenses, due to the increase in energy sold during Q2 2017 as compared to Q2 2016;

*Net income*—\$4 million in Q2 2017, as compared to \$12 million in Q2 2016, primarily due to expenses resulting from the Energuate refinancing; and

*Adjusted EBITDA*—\$24 million in Q2 2017, as compared to \$25 million in Q2 2016, primarily due to the factors discussed above.

## Capital Expenditures

IC Power's capital expenditures were \$56 million in Q2 2017, including \$18 million paid to CDA's EPC contractor to reconcile the construction costs to cover the cost of the 35 MW additional capacity (which exceeded the plant's planned installed capacity), \$21 million in capital expenditures for maintenance of existing facilities (which included \$7 million for Energuate) and \$17 million in capital expenditures for construction of the OPC-Hadera plant.

## Liquidity and Capital Resources

As of June 30, 2017, IC Power had cash and cash equivalents of \$292 million, short-term restricted cash of \$54 million, long-term restricted cash of \$75 million and total outstanding consolidated indebtedness of \$3,239 million, consisting of \$322 million of short-term indebtedness, including the current portion of long-term indebtedness, and \$2,917 million of long-term indebtedness.

In April 2017, IC Power loaned \$50 million to Kenon.

## Business Developments

### OPC Initial Public Offering

In August 2017, OPC completed an initial public offering in Israel, and a listing on the Tel Aviv Stock Exchange. In connection with the IPO, OPC issued new ordinary shares representing approximately 24.7% of the shares of OPC on a fully diluted basis for total consideration of NIS398.5 million (approximately \$111 million).

#### ***Update on the Construction of the OPC-Hadera Plant***

OPC-Hadera is constructing a 148 MW (based on the plant's generation license) co-generation power plant in Israel. IC Power expects that the total cost of the OPC-Hadera plant will be approximately \$250 million.

Construction of the OPC-Hadera plant began in June 2016, and the plant is expected to commence commercial operations by early 2019. As of June 30, 2017, OPC-Hadera had invested an aggregate of \$102 million in the project and completed approximately 60% of the project.

In June 2017, OPC-Hadera made its second drawing under the NIS 1 billion (approximately \$261 million) loan agreement relating to the project, in the amount of NIS 160 million (approximately \$44 million).

#### ***Update on the Development of the Zomet Plant***

In August 2017, OPC announced that it had received a copy of a letter from the General Director of the Israel Antitrust Authority and Chairman of the Committee for the Reduction of Concentration (the "**Concentration Committee**") addressed to the Electricity Authority, stating that the Concentration Committee recommends not to grant a conditional license for the Zomet project, a 396 MW natural gas power plant project under development that OPC has entered into an agreement to purchase, subject to regulatory approvals. OPC is considering its options and is contemplating contesting the EA letter.

#### ***Issuance of Bonds by CDA***

In August 2017, CDA issued senior unsecured notes in an aggregate principal amount of \$650 million. The notes accrue interest at a rate of 4.125%, and will mature in August 2027. The proceeds of the bonds were used to repay certain of CDA's existing indebtedness, related costs and shareholder loans.

#### ***Merger of CDA and Kallpa***

In August 2017, Kallpa merged with CDA. Following the merger, CDA, the surviving entity, was renamed Kallpa Generación SA and has a total installed capacity of 1,608 MW, making it the leading power producer in Peru in terms of volume of energy generated.

#### ***OPC's Entry into Gas Supply Agreement***

In August 2017, OPC signed a non-binding memorandum of understanding ("**MOU**") for the purchase of natural gas with Energian Israel Ltd. ("**Energian**"). Pursuant to the MOU, OPC-Rotem and OPC-Hadera are committed to enter into agreements to purchase up to approximately 50% of their future natural gas requirements from Energian for a period of fifteen years (subject to adjustments based on their actual consumption of natural gas). In the MOU, Energian has indicated that its supply of gas is currently expected to commence in 2020.

OPC-Rotem and OPC-Hadera's entry into gas purchase arrangements with Energian is subject to reaching a binding agreement between OPC and Energian.

OPC-Rotem and OPC-Hadera currently purchase all of their natural gas from the Tamar Group pursuant to long-term gas supply agreements. These agreements permit OPC-Rotem and OPC-Hadera to purchase up to 50% of their gas supply from other suppliers.

#### ***Update on Kanan Plant***

In April 2017, Kanan's 92 MW power plant experienced a fire. As a result, Kanan's 37 MW barge and 55 MW barge were placed off-line, and Kanan wrote off \$48 million in assets.

Kanan has property and business interruption insurance for its power plants to protect against risks of direct physical loss or damage, including machinery breakdown, earthquakes and other risks associated with the operation of a plant. Kanan's management deems that this event is covered by the insurance policy and is seeking coverage for the costs of the outage, including repair and replacement costs and loss of profits, as appropriate. In Q3 2017, Kanan received advanced payments from its insurance company in the amount of approximately \$39 million.

Kanan is considering acquiring the Esperanza barge, a 124 MW barge, which is currently owned by another IC Power subsidiary, Puerto Quetzal, to replace the barges damaged in the fire. The Esperanza barge is expected to be relocated and operational during Q1 2018. Kanan has recorded a \$56 million account receivable for the price of the Esperanza barge (net of insurance deductibles). As a result, Kanan has recognized an \$8 million net gain (net of the \$48 million asset write-off discussed above).

#### *Update on Agua Clara Project*

IC Power is developing a 50 MW wind project in the Dominican Republic, which is expected to commence commercial operations in 2018. IC Power has entered into a PPA with a government entity for a period of 20 years, which is subject to the grant of a concession. In May 2017, IC Power was granted such concession. IC Power is in the process of selecting an EPC contractor and lenders for the project.

#### **Qoros**

##### *Third Party Investment*

In Q2 2017, Qoros, Quantum (2007) LLC ("**Quantum**"), which owns 50% of Qoros, Wuhu Chery Automobile Investment Company Limited ("**Wuhu Chery**"), which owns the other 50% of Qoros, and a new China-based investor, entered into an investment agreement that provides for the new investor investing approximately RMB6.5 billion (approximately \$959 million) in Qoros for a controlling interest in Qoros. The new investor's investment is subject to conditions which must be satisfied by a certain date, some of which are beyond the parties' control and which the parties may be unable to satisfy. These conditions include regulatory approvals and completion of regulatory processes, consents from lenders and further documentation, including entry into additional agreements. To date, in connection with the contemplated investment, the new investor has advanced funds to Qoros in a total amount of RMB1 billion (approximately \$147 million) and, together with its affiliates, has also deposited substantial funds into certain designated accounts (which accounts are subject to contractual restrictions) in connection with the investment, including certain amounts that may be used to support certain funding needs of Qoros prior to the closing of the transaction, subject to certain contractual limitations.

#### **Discussion of Results for the Three Months Ended June 30, 2017**

The following discussion of Qoros' results of operations below is derived from Qoros' consolidated financial statements.

##### **Revenues**

Revenues decreased by 55% to RMB272 million (\$40 million) in Q2 2017, as compared to RMB599 million (\$88 million) in Q2 2016. The decrease in revenues in Q2 2017 is due to a 40% decrease in car sales from approximately 5,100 cars in Q2 2016 to approximately 3,000 cars in Q2 2017, as well as an increase in incentives granted to dealerships in Q2 2017.

### **Cost of Sales**

Cost of sales decreased by 50% to RMB374 million (\$55 million) in Q2 2017, as compared to RMB741 million (\$109 million) in Q2 2016. The decrease in cost of sales is primarily due to the 40% decrease in car sales.

### **Selling, General and Administrative Expenses**

Selling, general and administrative expenses decreased by 61% to RMB101 million (\$15 million) in Q2 2017, as compared to RMB256 million (\$38 million) in Q2 2016. The decrease reflects a reduction in advertising, marketing and promotion expenses, office expenses and consulting fees, mainly due to the higher advertising, marketing and promotion expenses relating to the launch of the Qoros 5 SUV in Q2 2016, as well as due to cost-cutting measures that were implemented during the period.

### **Other Income**

Other income increased to RMB298 million (\$44 million) in Q2 2017, as compared to RMB11 million (\$2 million) in Q2 2016. In Q2 2017, Qoros recognized RMB263 million (\$39 million) of other income, due to recognition of the amortized balance under the license agreement with Chery (related to the upfront payment received from Chery in 2015 in connection with a license agreement for the use of Qoros' platform technology, under which agreement Qoros no longer has an obligation to perform) as other income.

### **Net Finance Costs**

Net finance costs decreased by 33% to RMB94 million (\$14 million) in Q2 2017, as compared to RMB140 million (\$21 million) in Q2 2016, primarily as a result of the conversion of shareholder loans into equity in June 2016, as well as interest expenses incurred in Q2 2016 due to a RMB75 million accrual of interest. These effects were partially offset by an RMB25 million (\$4 million) increase of net finance costs due to exchange rate fluctuations.

### **Loss for the Period**

Loss for the period decreased by 93% to RMB42 million (\$6 million) in Q2 2017, as compared to RMB582 million (\$86 million) in Q2 2016, primarily as a result of the increase in other income and cost-cutting measures.

### **Adjusted EBITDA<sup>5</sup>**

Qoros' negative Adjusted EBITDA improved to negative RMB125 million (negative \$18 million) in Q2 2017 from negative RMB211 million (negative \$31 million) in Q2 2016. The improvement in Adjusted EBITDA was mainly due to the decrease in selling, general and administrative expenses, as discussed above.

### **Liquidity**

As of June 30, 2017, Qoros had total loans and borrowings (excluding shareholder loans) of RMB5.2 billion (\$752 million) and current liabilities (excluding shareholder loans) of RMB3.5 billion (\$516 million), including trade and other payables of RMB2.6 billion (\$398 million), and current assets of RMB1.4 billion (\$206 million), including cash and cash equivalents of RMB258 million (\$38 million). Qoros uses a portion of its liquidity to make debt service payments. Qoros has principal payment obligations on its RMB3 billion (\$442 million) facility, RMB1.2 billion (\$177 million) facility and RMB700 million (\$103 million) facility. In July 2017, Qoros' lenders approved the rescheduling of principal payments under Qoros' RMB3 billion facility originally scheduled to be made in 2017 and 2018, with substantially all of the principal payments now scheduled to be made between 2019 and 2022. Qoros is in discussions with its lenders regarding the repayment schedule of its RMB1.2 billion facility.

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<sup>5</sup> Adjusted EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated August 30, 2017 for the definition of Qoros' Adjusted EBITDA and a reconciliation to its total loss for the applicable period. Qoros' Adjusted EBITDA excludes other income relating to license rights.

Qoros' principal sources of liquidity have been cash inflows received from financing activities, including long-term loans, short-term facilities, investment advances and capital contributions (in the form of equity contributions, or convertible or non-convertible shareholder loans), and cash flows from car sales. Qoros has fully utilized its RMB3 billion syndicated credit facility, RMB1.2 billion syndicated credit facility and its RMB700 million credit facility, and will require additional financing, including the renewal or refinancing of its working capital facilities or third-party investment, to fund its development and operations. The RMB3 billion syndicated credit facility contains financial covenants, including debt-to-asset and current ratio covenants, which covenants had been waived up to July 2020.

In March 2017, Kenon agreed to fund up to RMB777 million (\$114 million) to Qoros in two equal tranches, concurrent with a reduction in its back-to-back guarantees to Chery. The first tranche of loans were provided to Qoros in March 2017 in the amount of RMB388.5 million (\$57 million). In April 2017, Kenon funded a part of the second tranche in the amount of RMB100 million (\$15 million).

In June and August 2017, an investor that had committed to make an investment in Qoros, subject to certain conditions (see discussion above), advanced funds to Qoros in the amount of RMB1 billion (approximately \$147 million) and, together with its affiliates, has deposited substantial funds into certain designated accounts (which accounts are subject to contractual restrictions) in connection with the investment, including amounts that may be used to support certain funding needs of Qoros prior to the closing of the transaction, subject to certain contractual limitations.

Qoros actively manages its trade payables, accrued expenses and other operating expenses in connection with the management of its liquidity requirements and resources.

## **Business Updates**

### ***Launch of Model Young Product Series***

In August 2017, Qoros debuted the first SUV from its Model Young product series at the Chengdu Motor Show. The new Model Young series further extends Qoros' product series, adding to the current Qoros 3 and Qoros 5 product lines.

The Model Young SUV shares its technology platform with Chery. The platform is compatible with different powertrain solutions, including Internal Combustion Engine (ICE) and Battery Electric Vehicles (BEV).

### ***Car Sales***

In Q2 2017, Qoros sold approximately 3,000 vehicles, representing a decrease of approximately 40% as compared to Q2 2016.

### ***Dealerships***

As of June 30, 2017, Qoros' dealership network included 111 points of sales, of which 74 were full-service dealer stores, 10 additional points of sales under construction and memorandums of understanding with respect to the potential development of 10 additional points of sales.

## **ZIM**

### ***Discussion of ZIM's Results for Q2 2017***

In Q2 2017, ZIM's revenues increased by 22% to approximately \$746 million, as compared to approximately \$612 million in Q2 2016, driven by an increase in freight rates and in the quantities of cargo carried. ZIM carried approximately 659 thousand TEUs in Q2 2017, a 7% increase as compared to Q2 2016, in which ZIM carried approximately 617 thousand TEUs.

ZIM's operating expenses in Q2 2017 increased by 8% to \$650 million, as compared to \$602 million in Q2 2016. The increase was primarily driven by (i) a \$32 million increase in bunker expenses and (ii) a \$20 million increase in expenses related to cargo handling.

ZIM's net profit attributable to ZIM's owners in Q2 2017 was \$0.3 million, as compared to a net loss attributable to ZIM's owners of \$75 million in Q2 2016.

ZIM publishes its results on its website. For more information, see [www.ZIM.com](http://www.ZIM.com). This website, and any information referenced therein, is not incorporated by reference herein.

### **Additional Kenon Updates and Information**

#### ***Changes in Kenon's Management***

In July 2017, Kenon announced that Mr. Yoav Doppelt, chief executive officer ("CEO") of Kenon, will step down as CEO of Kenon with effect from September 1, 2017. Mr. Doppelt will remain as executive chairman of the board of directors of IC Power, and will continue to serve as a director of OPC and as a director of ZIM.

Mr. Barak Cohen, currently Vice President of Business Development and Investor Relations of Kenon, and Mr. Robert L. Rosen, currently General Counsel of Kenon, were appointed by the Board to serve as co-CEOs of Kenon with effect from September 1, 2017. Messrs. Cohen and Rosen have been actively involved in the management of Kenon since its spin-off from Israel Corporation Ltd. in 2015, and are committed to lead Kenon in the implementation of its strategy to realize the value of its businesses for its shareholders.

#### ***Kenon's (Unconsolidated) Liquidity and Capital Resources***

In April 2017, IC Power loaned \$50 million to Kenon.

As of June 30, 2017, cash, gross debt, and net debt<sup>6</sup> (a non-IFRS financial measure, which is defined as gross debt minus cash) of Kenon (unconsolidated) were \$72 million, \$283 million (including \$50 million owed to IC Power) and \$211 million, respectively.

Kenon has fully drawn its \$200 million credit facility from Israel Corporation Ltd. As of June 30, 2017, \$233 million was outstanding under the facility, including interest and fees.

#### ***Kenon's Back-to-Back Guarantees in Respect of Qoros Debt***

In March 2017, Kenon funded RMB388 million (approximately \$57 million) to Qoros, reducing Kenon's back-to-back guarantee obligations to Chery from RMB850 million (approximately \$125 million) to RMB425 million (approximately \$63 million).

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<sup>6</sup> Kenon's gross debt and net debt do not include Kenon's back-to-back guarantee obligations in respect of Qoros' indebtedness as discussed herein and shareholder loans from Kenon's major shareholder Ansonia Holdings Singapore B.V.



In April 2017, Kenon funded an additional RMB100 million (approximately \$15 million) to Qoros, further reducing Kenon's back-to-back guarantee obligations to Chery from RMB425 million to approximately RMB320 million (approximately \$46 million).

Set forth below is an overview of Kenon's back-to-back guarantee obligations, after giving effect to the reduction of the back-to-back guarantees discussed above.

	<u>Timing</u>	<u>Amount of Loans to Qoros</u>	<u>Amount of Guarantee Obligations Prior to Loan</u>	<u>Release of Kenon Guarantees to Chery</u>	<u>Remaining Guarantee Obligations Post-Loan</u>
<b>First Tranche Loans</b>	Completed in March 2017	RMB388.5 million	RMB850 million (plus interest and fees) <sup>1</sup>	RMB425 million (plus certain interest and fees)	RMB425 million (plus certain interest and fees)
<b>Second Tranche Loans</b>					
<i>April Disbursement</i>	Completed in April 2017	RMB100 million	RMB425 million (plus interest and fees)	RMB105 million (plus interest and fees)	RMB320 million (plus interest and fees)
<i>Remaining Disbursements</i>	At Kenon's discretion	RMB288.5 million	RMB320 million (plus interest and fees)	RMB320 million (plus interest and fees)	—
<b>Total</b>		RMB777 million	—	RMB850 million (plus interest and fees)	—

1. Kenon's major shareholder Ansonia has committed to fund RMB25 million (approximately \$4 million) of Kenon's back-to-back guarantee obligations in certain circumstances.

#### **Investors' Conference Call**

Kenon's management will host a conference call for investors and analysts on August 30, 2017. To participate, please call one of the following teleconferencing numbers:

Singapore: 3158-3851  
US: 1-888-668-9141  
Israel: 03-918-0609  
UK: 0-800-917-5108  
International: +65-3158-3851

The call will commence at 9:00 am Eastern Time, 6:00 am Pacific Time, 2:00 pm UK Time, 4:00 pm Israel Time and 9:00 pm Singapore Time.

## **About Kenon**

Kenon is a holding company that operates dynamic, primarily growth-oriented businesses. The companies it owns, in whole or in part, are at various stages of development, ranging from established, cash-generating businesses to early stage development companies. Kenon's businesses consist of:

- IC Power (100% interest) – a leading owner, developer and operator of power generation and distribution facilities in the Latin American, Caribbean and Israeli power markets;
- Qoros (50% interest) – a China-based automotive company;
- ZIM (32% interest) – an international shipping company; and
- Primus Green Energy, Inc. (91% interest) – an early stage developer of alternative fuel technology.

Kenon remains committed to its strategy to realize the value of its businesses for its shareholders. In connection with this strategy, Kenon may provide its shareholders with direct access to its businesses, which may include spin-offs, listings, offerings, distributions or monetization of its businesses. Kenon is actively exploring various ways to materialize this strategy in a rational and expeditious manner. For further information on Kenon's businesses and strategy, see Kenon's publicly available filings, which can be found on the SEC's website at [www.sec.gov](http://www.sec.gov). Please also see <http://www.kenon-holdings.com> for additional information.

## **Caution Concerning Forward-Looking Statements**

*This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to statements about (i) with respect to IC Power, statements with respect to the expected installed capacity, cost and timing of the completion of IC Power's OPC-Hadera and Agua Clara projects, statements with respect to the Zomet project, including OPC's contemplated strategy with respect to the EA letter, the use of proceeds of CDA's bond issuance, IC Power's strategy to recoup the costs associated with the Kanan outage from its insurance coverage and the scope of such coverage, the expected acquisition of the Esperanza barge and the timing of its relocation and entry into operation, and the MOU with Energian, including the expected effective date of OPC-Rotem and OPC-Hadera's gas supply agreement with Energian and the portion of natural gas OPC-Rotem and OPC-Hadera may receive pursuant to such agreement, (ii) with respect to Qoros, statements with respect to Qoros' liquidity requirements and sources of funding and plans to continue to seek financing, the agreement by Qoros' lenders to waive certain financial covenants under Qoros' RMB3 billion debt facilities and reschedule amortization payments under Qoros' debt facilities, Qoros' strategy to expand its dealer network, statements with respect to the third party investment in Qoros by a China-based investor, including the expected terms and conditions of the investment and the amount and availability of funds in designated accounts, and statements with respect to Qoros' future models and product series, (iii) with respect to Kenon, statements with respect to changes in Kenon's management, Kenon's strategy, the new co-CEOs' commitment to this strategy and Mr. Doppelt's future role with Kenon and its operating companies, and (iv) other non-historical matters. These statements are based on Kenon's management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Kenon's control, which could cause the actual results to differ materially from those indicated in such forward-looking statements. Such risks include (i) with respect to IC Power, risks relating to IC Power's failure to complete the development of the OPC-Hadera and Agua Clara projects on a timely basis, within the expected budget, or at all, the risk that IC Power may be unable to complete the Zomet acquisition, complete the project as initially contemplated or receive the conditional license to commence the project, risks related to IC Power's ability to recover the costs of the Kanan outage from its insurance coverage, risks relating to the potential transfer of the Esperanza barge from Puerto Quetzal to Kanan and potential delays in the barge's relocation and entry into operation, IC Power's use of the proceeds of the CDA bond issuance, the risk that OPC-Rotem and OPC-Hadera are unable to execute their natural gas supply agreements with Energian and that Energian may be unable to provide natural gas to OPC-Rotem and OPC-Hadera as contemplated, (ii) with respect to Qoros, risks relating to changes in events and circumstances with respect to Qoros and its ability to obtain financing, changes which may affect Qoros' ability to obtain the final documentation in connection with its agreements with its lenders as discussed above, Qoros' ability to execute its strategy to expand its dealer network, Qoros' ability to satisfy the closing conditions contemplated in the agreement with the China-based third party investor for new investment, Qoros' ability to utilize funds in the designated account in connection with the contemplated third-party investment, or otherwise complete that investment on the terms contemplated and Qoros' ability to develop its new product series (iii) with respect to Kenon, changes in events and circumstances which may affect its strategy and risks related to the change in management and Mr Doppelt's future role with Kenon and its operating companies and (iv) other risks and factors, including those risks set forth under the heading "Risk Factors" in Kenon's Annual Report on Form 20-F filed with the SEC and other filings. Except as required by law, Kenon undertakes no obligation to update these forward-looking statements, whether as a result of new information, future events, or otherwise.*

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**Financial Information for the Second Quarter Ended June 30, 2017 of Kenon, IC Power and Qoros**

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**Appendix A**

**Summary Kenon consolidated financial information**

**Kenon Holdings Ltd**  
**Unaudited Condensed Consolidated Statements of Financial Position**

	As of	
	June 30,	December 31
	2017	2016
	\$ millions	
<b>Current assets</b>		
Cash and cash equivalents	366	327
Short-term investments and deposits	54	71
Trade receivables, net	278	284
Other current assets, including derivatives instruments	102	50
Income tax receivable	2	11
Inventories	82	92
<b>Total current assets</b>	<b>884</b>	<b>835</b>
<b>Non-current assets</b>		
Investments in associated companies	188	208
Restricted cash	75	36
Income tax receivable and tax claims	107	100
Deposits, loans and other receivables, including derivative instruments	62	60
Deferred taxes, net	24	25
Property, plant and equipment, net	3,507	3,497
Goodwill and intangible assets, net	364	377
<b>Total non-current assets</b>	<b>4,327</b>	<b>4,303</b>
<b>Total assets</b>	<b>5,211</b>	<b>5,138</b>
<b>Current liabilities</b>		
Loans and debentures	322	483
Trade payables	226	286
Other payables, including derivative instruments	90	91
Guarantee deposits from customers	61	57
Provisions	43	119
Income tax payable	19	9
<b>Total current liabilities</b>	<b>761</b>	<b>1,045</b>
<b>Non-current liabilities</b>		
Loans, excluding current portion	1,912	1,973
Debentures, excluding current portion	1,258	857
Derivative instruments	47	45
Deferred taxes, net	233	225
Trade payables	39	44
Other non-current liabilities	56	55
<b>Total non-current liabilities</b>	<b>3,545</b>	<b>3,199</b>
<b>Total liabilities</b>	<b>4,306</b>	<b>4,244</b>
<b>Equity</b>		
Share capital	1,267	1,267
Shareholder transaction reserve	27	27
Translation reserve	(3)	(22)
Capital reserve	12	12
Accumulated deficit	(614)	(603)
Equity attributable to owners of the Company	689	681
Non-controlling interests	216	213
<b>Total equity</b>	<b>905</b>	<b>894</b>
<b>Total liabilities and equity</b>	<b>5,211</b>	<b>5,138</b>

**Kenon Holdings Ltd**  
**Unaudited Condensed Consolidated Statements of Profit or Loss**

	For the six months ended		For the three months ended	
	June 30 2017	June 30 2016	June 30 2017	June 30 2016
	\$ millions		\$ millions	
Revenue	1,059	853	522	440
Cost of sales and services (excluding depreciation)	(734)	(625)	(366)	(330)
Depreciation	(85)	(72)	(41)	(39)
<b>Gross profit</b>	<b>240</b>	<b>156</b>	<b>115</b>	<b>71</b>
Selling, general and administrative expenses	(76)	(63)	(43)	(34)
Impairment of assets	(20)	(72)	-	(72)
Other income	64	7	51	5
Other expenses	(8)	(2)	(7)	(1)
<b>Operating profit/(loss)</b>	<b>200</b>	<b>26</b>	<b>116</b>	<b>(31)</b>
Financing expenses	(134)	(84)	(72)	(47)
Financing income	18	8	8	4
<b>Financing expenses, net</b>	<b>(116)</b>	<b>(76)</b>	<b>(64)</b>	<b>(43)</b>
Provision of financial guarantees	-	(129)	-	(129)
Share in losses of associated companies, net of tax	(22)	(108)	-	(67)
<b>Profit/(loss) before income taxes</b>	<b>62</b>	<b>(287)</b>	<b>52</b>	<b>(270)</b>
Incomes taxes	(51)	(19)	(31)	(8)
<b>Profit/(loss) for the period</b>	<b>11</b>	<b>(306)</b>	<b>21</b>	<b>(278)</b>
<b>Attributable to:</b>				
Kenon's shareholders	(11)	(315)	9	(280)
Non-controlling interests	22	9	12	2
<b>Profit/(loss) for the period</b>	<b>11</b>	<b>(306)</b>	<b>21</b>	<b>(278)</b>
<b>Basic/Diluted (loss)/profit per share attributable to Kenon's shareholders (in dollars):</b>				
Basic/Diluted (loss)/profit per share	(0.21)	(5.88)	0.17	(5.20)

**Kenon Holdings Ltd and subsidiaries**  
**Unaudited Condensed Consolidated Statements of Cash Flows**

	For the six months ended	
	June 30 2017	June 30 2016
	\$ millions	
<b>Cash flows from operating activities</b>		
Profit/(loss) for the period	11	(306)
Adjustments:		
Depreciation and amortization	92	78
Financing expenses, net	116	76
Share in losses of associated companies, net of tax	22	108
Provision of financial guarantees	-	129
Impairment of assets	20	72
Bad debt expense	2	3
Other capital (gains)/loss, net	(8)	-
Share-based payments	-	1
Income taxes	51	19
	<b>306</b>	<b>180</b>
Change in inventories	9	(35)
Change in trade and other receivables	6	(46)
Change in trade and other payables	(83)	5
Change in provisions and employee benefits	(2)	(40)
	<b>236</b>	<b>64</b>
Income taxes paid, net	(34)	(21)
<b>Net cash provided by operating activities</b>	<b>202</b>	<b>43</b>

**Kenon Holdings Ltd and subsidiaries**  
**Unaudited Condensed Consolidated Statements of Cash Flows, continued**

	For the six months ended	
	June 30 2017	June 30 2016
	\$ millions	
<b>Cash flows for investing activities</b>		
Proceeds from sale of property, plant and equipment	2	-
Short-term deposits and loans, net	(22)	230
Business combinations, less cash acquired	-	(206)
Investment in associated company	-	(89)
Acquisition of property plant and equipment	(96)	(199)
Acquisition of intangible assets	(2)	(4)
Interest received	3	3
Sale of securities held for trade and available for sale, net	-	6
Payment to release financial guarantee	(72)	-
Energuate purchase adjustment	10	-
Sale of subsidiary, net	1	-
Payment of deferred acquisition consideration	-	(1)
<b>Net cash used in investing activities</b>	<b>(176)</b>	<b>(260)</b>
<b>Cash flows from financing activities</b>		
Dividend paid to non-controlling interests in a subsidiary	(15)	(18)
Proceeds from issuance of shares to holders of non-controlling interests in subsidiaries	-	2
Receipt of long-term loans and issuance of debentures	661	603
Repayment of long-term loans and debentures	(397)	(374)
Short-term credit from banks and others, net	(142)	13
Payment of consent fee and early prepayment fee	(6)	(26)
Bond issuance expenses	(11)	(10)
Interest paid	(91)	(59)
<b>Net cash (used in)/provided by financing activities</b>	<b>(1)</b>	<b>131</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>25</b>	<b>(86)</b>
Cash and cash equivalents at the beginning of the period	327	384
Effect of exchange rate fluctuations on balances of cash and cash equivalents	14	3
<b>Cash and cash equivalents at end of the period</b>	<b>366</b>	<b>301</b>



## Information regarding reportable segments

Information regarding activities of the reportable segments are set forth in the following table.

	IC Power <sup>1</sup>		Qoros <sup>3</sup>	Other	Adjustments	Total				
	Generation <sup>2</sup>	Distribution								
	\$ Millions									
For the six months ended June 30, 2017										
Total sales	779	280	—	—	—	1,059				
Adjusted EBITDA <sup>4</sup>	229	48	—	(9)	—	268				
Depreciation and amortization	81	11	—	1	—	93				
Financing income	(5)	(9)	—	(9)	5	(18)				
Financing expenses	108	16	—	15	(5)	134				
Other items:										
Impairment of assets	20	—	—	—	—	20				
Other income	(45)	—	—	—	—	(45)				
Share in (profits)/losses of associated companies	—	—	23	(1)	—	22				
	159	18	23	6	—	206				
Profit/(loss) before taxes	70	30	(23)	(15)	—	62				
Income taxes	36	14	—	1	—	51				
Profit/(loss) for the period	34	16	(23)	(16)	—	11				

1. The total assets and liabilities of IC Power are \$5.0 billion and \$4.1 billion at June 30, 2017, respectively.

2. Includes holding company.

3. Associated company.

4. Adjusted EBITDA is a non-IFRS measure.

	IC Power <sup>1</sup>		Qoros <sup>3</sup>	Other	Adjustments	Total				
	Generation <sup>2</sup>	Distribution <sup>2</sup>								
	\$ Millions									
For the six months ended June 30, 2016										
Total sales	621	232	—	—	—	853				
Adjusted EBITDA <sup>4</sup>	149	39	—	(12)	—	176				
Depreciation and amortization	71	7	—	—	—	78				
Financing income	(3)	(2)	—	(8)	5	(8)				
Financing expenses	65	13	—	11	(5)	84				
Other items:										
Impairment of investment in associated company	—	—	—	72	—	72				
Provision of financial guarantees	—	—	—	129	—	129				
Share in losses of associated companies	—	—	71	37	—	108				
	133	18	71	241	—	463				
Profit/(loss) before taxes	16	21	(71)	(253)	—	(287)				
Income taxes	13	6	—	—	—	19				
Profit/(loss) for the period	3	15	(71)	(253)	—	(306)				

1. The total assets and liabilities of IC Power are \$4.9 billion and \$4.1 billion at June 30, 2016, respectively.

2. Includes holding company.

3. Associated company.

4. Adjusted EBITDA is a non-IFRS measure.

	IC Power <sup>1</sup>		Qoros <sup>3</sup>	Other	Adjustments	Total
	Generation <sup>2</sup>	Distribution				
	\$ Millions					
For the three months ended June 30, 2017						
Total sales	382	140	—	—	—	522
Adjusted EBITDA <sup>4</sup>	106	24	—	(6)	—	124
Depreciation and amortization	37	7	—	—	—	44
Financing income	(3)	(2)	—	(6)	3	(8)
Financing expenses	61	7	—	7	(3)	72
Other items:						
Impairment of assets	—	—	—	—	—	—
Other income	(36)	—	—	—	—	(36)
Share in (profits)/losses of associated companies	—	—	3	(3)	—	—
	59	12	3	(2)	—	72
Profit/(loss) before taxes	47	12	(3)	(4)	—	52
Income taxes	24	7	—	—	—	31
Profit/(loss) for the period	23	5	(3)	(4)	—	21

1. The total assets and liabilities of IC Power are \$5.0 billion and \$4.1 billion at June 30, 2017, respectively.

2. Includes holding company.

3. Associated company.

4. Adjusted EBITDA is a non-IFRS measure.

	IC Power <sup>1</sup>		Qoros <sup>3</sup>	Other	Adjustments	Total
	Generation <sup>2</sup>	Distribution <sup>2</sup>				
	\$ Millions					
For the three months ended June 30, 2016						
Total sales	307	133	—	—	—	440
Adjusted EBITDA <sup>4</sup>	63	25	—	(6)	—	82
Depreciation and amortization	36	5	—	—	—	41
Financing income	(3)	—	—	(5)	4	(4)
Financing expenses	42	4	—	5	(4)	47
Other items:						
Impairment of investment in associated company	—	—	—	72	—	72
Provision of financial guarantees	—	—	—	129	—	129
Share in losses of associated companies	—	—	46	21	—	67
	75	9	46	222	—	352
Profit/(loss) before taxes	(12)	16	(46)	(228)	—	(270)
Income taxes	3	4	—	1	—	8
Profit/(loss) for the period	(15)	12	(46)	(229)	—	(278)

1. The total assets and liabilities of IC Power are \$4.9 billion and \$4.1 billion at June 30, 2016, respectively.

2. Includes holding company.

3. Associated company.

4. Adjusted EBITDA is a non-IFRS measure.

Information regarding associated companies

	Carrying amounts of investment in associated companies as of		Equity in the net (losses)/ earnings of associated companies for the six months ended		Equity in the net (losses)/ earnings of associated companies for the three months ended	
	June 30 2017	December 31 2016	June 30 2017	June 30 2016	June 30 2017	June 30 2016
	\$ millions		\$ millions		\$ millions	
ZIM	84	82	1	(37)	3	(21)
Qoros	95	117	(23)	(71)	(3)	(46)
Others	9	9	—	—	—	—
	188	208	(22)	(108)	—	(67)

Contributions of Principal Operations to Loss attributable to Kenon's Shareholders

	Six Months ended June 30,		Three Months ended June 30,	
	2017	2016	2017	2016
	\$ millions		\$ millions	
IC Power	28	9	16	(4)
Qoros	(23)	(71)	(3)	(46)
ZIM	1	(37)	3	(21)
Impairment of ZIM	-	(72)	-	(72)
Provision of Financial Guarantees	-	(129)	-	(129)
Other	(17)	(15)	(7)	(8)
<b>Loss attributable to Kenon's shareholders</b>	<b>(11)</b>	<b>(315)</b>	<b>9</b>	<b>(280)</b>

## Appendix B

### Summary IC Power unaudited consolidated financial information

#### IC Power's Consolidated Statement of Income

	Six Months ended June 30,		Three Months ended June 30,	
	2017	2016	2017	2016
	\$ millions	\$ millions	\$ millions	\$ millions
Sales	1,059	853	522	440
Cost of sales (excluding depreciation and amortization)	(734)	(625)	(367)	(330)
Depreciation and amortization	(85)	(72)	(40)	(39)
<b>Gross profit</b>	<b>240</b>	<b>156</b>	<b>115</b>	<b>71</b>
General, selling and administrative expenses	(66)	(51)	(37)	(27)
Asset write-off	(20)	—	—	—
Other income	56	5	44	3
<b>Operating income</b>	<b>210</b>	<b>110</b>	<b>122</b>	<b>47</b>
Financing expenses	(124)	(78)	(68)	(46)
Financing income	14	5	5	3
<b>Financing expenses, net</b>	<b>(110)</b>	<b>(73)</b>	<b>(63)</b>	<b>(43)</b>
<b>Income before taxes</b>	<b>100</b>	<b>37</b>	<b>59</b>	<b>4</b>
Taxes on income	(50)	(19)	(31)	(7)
<b>Net income for the period</b>	<b>50</b>	<b>18</b>	<b>28</b>	<b>(3)</b>
<b>Attributable to:</b>				
Equity holders of the company	28	9	16	(4)
Non-controlling interest	22	9	12	1
<b>Net income for the period</b>	<b>50</b>	<b>18</b>	<b>28</b>	<b>(3)</b>
Operating Income	210	110	122	47
Depreciation and amortization	91	77	43	41
Asset write-off	20	—	—	—
Settlement over liquidated damages	(32)	—	(32)	—
Net gain on Kanan write-off	(8)	—	(8)	—
Working capital adjustment	(10)	—	—	—
Realization of translation effect	5	—	5	—
<b>Adjusted EBITDA<sup>1</sup></b>	<b>276</b>	<b>187</b>	<b>130</b>	<b>88</b>

1. Adjusted EBITDA is a non-IFRS measure.

Summary Data from IC Power's Unaudited Consolidated Statement of Cash Flows

	Six Months Ended June 30,		Three Months Ended June 30,	
	2017	2016	2017	2016
	(\$ millions)			
Cash flows provided by operating activities	\$ 214	\$ 55	\$ 108	\$ 58
Cash flows used in investing activities	(103)	(177)	(47)	(121)
Cash flows used in financing activities	(52)	(6)	(54)	(71)
Increase (decrease) in cash and cash equivalents	59	(128)	7	(134)
Cash and cash equivalents at the end of the period	292	234	292	234
Investments in property, plant and equipment	(96)	(199)	(56)	(100)
Total depreciation and amortization	92	77	44	41

Summary Data from IC Power's Consolidated Statement of Financial Position

	As of		
	June 30, 2017	June 30, 2016	December 31, 2016
	(\$ millions)		
Total financial liabilities <sup>1</sup>	\$ 3,239	\$ 2,946	\$ 3,072
Total monetary assets <sup>2</sup>	(346)	(319)	(308)
Total equity attributable to the owners	667	610	622
Total equity	880	817	833
Total assets	4,967	4,711	4,840

1. Including loans from banks and others and debentures.
2. Including cash and cash equivalents, short-term deposits and restricted cash.

## Appendix C

### Definition of IC Power's Adjusted EBITDA and non-IFRS reconciliation

This press release, including the financial tables, presents Adjusted EBITDA, net debt and net financial liabilities, which are financial metrics considered to be “non-IFRS financial measures.” Non-IFRS financial measures should be evaluated in conjunction with, and are not a substitute for, IFRS financial measures. The non-IFRS financial information presented herein should not be considered in isolation from or as a substitute for operating income, net income or per share data prepared in accordance with IFRS.

IC Power defines “Adjusted EBITDA” as for each period for each entity as net income (loss) before depreciation and amortization, financing expenses, net, income tax expense (benefit), asset write-off, settlement over liquidated damages, net gain on Kanan write-off, working capital adjustment, and release of accumulated translation adjustment. Adjusted EBITDA is not recognized under IFRS or any other generally accepted accounting principles as a measure of financial performance and should not be considered as a substitute for net income or loss, cash flow from operations or other measures of operating performance or liquidity determined in accordance with IFRS. Adjusted EBITDA is not intended to represent funds available for dividends or other discretionary uses because those funds may be required for debt service, capital expenditures, working capital and other commitments and contingencies. Adjusted EBITDA presents limitations that impair its use as a measure of our profitability since it does not take into consideration certain costs and expenses that result from our business that could have a significant effect on our net income, such as financial expenses, taxes, depreciation, capital expenses and other related charges.

Set forth below is a reconciliation of IC Power's, and each of its segments', net income to Adjusted EBITDA for the periods presented. Other companies may calculate Adjusted EBITDA differently, and therefore this presentation of Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies.

Six Months Ended June 30, 2017						
(\$ millions)						
	Generation				Distribution	Total
	Peru	Israel	Central America	Other <sup>1</sup>	Guatemala	
Net income for the period	72	9	7	(54)	16	50
Depreciation and amortization <sup>2</sup>	35	15	14	17	11	92
Financing expenses, net	39	15	6	43	7	110
Income tax expense	26	3	5	2	14	50
Asset Write-off	-	-	-	20	-	20
Settlement over liquidated damages	(32)	-	-	-	-	(32)
Net gain on Kanan write-off	-	-	1	(9)	-	(8)
Working capital adjustment	-	-	-	(10)	-	(10)
Release of accumulated translation adjustment	-	-	-	5	-	5
<b>Adjusted EBITDA</b>	<b>140</b>	<b>42</b>	<b>33</b>	<b>14</b>	<b>48</b>	<b>277</b>

1. In addition to the results of certain of IC Power's generation assets, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.
2. Includes depreciation and amortization expenses from general, selling and administrative expenses.

**Three Months Ended June 30, 2017**

(\$ millions)

	Generation				Distribution	Total
	Peru	Israel	Central America	Other	Guatemala	
<b>Net income for the period</b>	<b>50</b>	<b>(2)</b>	<b>-</b>	<b>(24)</b>	<b>4</b>	<b>28</b>
Depreciation and amortization <sup>2</sup>	17	7	6	7	6	43
Financing expenses, net	21	9	4	22	7	63
Income tax expense	20	-	2	2	7	31
Settlement over liquidated damages	(32)	-	-	-	-	(32)
Net gain on Kanan write-off	-	-	1	(9)	-	(8)
Release of accumulated translation adjustment	-	-	-	5	-	5
<b>Adjusted EBITDA</b>	<b>76</b>	<b>14</b>	<b>13</b>	<b>3</b>	<b>24</b>	<b>130</b>

1. In addition to the results of certain of IC Power's generation assets, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.
2. Includes depreciation and amortization expenses from general, selling and administrative expenses.

**Six Months Ended June 30, 2016**

(\$ millions)

	Generation				Distribution	Total
	Peru	Israel	Central America	Other <sup>1</sup>	Guatemala	
<b>Net income for the period</b>	<b>20</b>	<b>8</b>	<b>3</b>	<b>(28)</b>	<b>15</b>	<b>18</b>
Depreciation and amortization <sup>2</sup>	25	13	16	17	7	78
Financing expenses, net	23	7	7	26	10	73
Income tax expense	8	-	3	2	6	19
<b>Adjusted EBITDA</b>	<b>76</b>	<b>28</b>	<b>29</b>	<b>17</b>	<b>38</b>	<b>188</b>

1. In addition to the results of certain of IC Power's generation assets, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.
2. Includes depreciation and amortization expenses from general, selling and administrative expenses.

**Three Months Ended June 30, 2016**

(\$ millions)

	Generation				Distribution	Total
	Peru	Israel	Central America	Other <sup>1</sup>	Guatemala	
<b>Net income for the period</b>	<b>4</b>	<b>(5)</b>	<b>-</b>	<b>(14)</b>	<b>12</b>	<b>(3)</b>
Depreciation and amortization <sup>2</sup>	13	7	10	7	4	41
Financing expenses, net	18	5	3	13	4	43
Income tax expense	2	(2)	1	1	5	7
<b>Adjusted EBITDA</b>	<b>37</b>	<b>5</b>	<b>14</b>	<b>7</b>	<b>25</b>	<b>88</b>

1. In addition to the results of certain of IC Power's generation assets, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.
2. Includes depreciation and amortization expenses from general, selling and administrative expenses.

## Appendix D

### Summary operational information of IC Power's generation assets

The following table sets forth summary operational information regarding each of IC Power's operating companies and associate in its power generation business as of August 30, 2017, according to segment:

Segment	Country	Entity	Ownership Percentage (Rounded)	Fuel	Installed Capacity (MW) <sup>1</sup>	Proportionate Capacity <sup>2</sup>	Type of Asset
Peru	Peru	Kallpa <sup>3</sup>	75%	Natural Gas, hydroelectric	1,608	1,206	Greenfield
	Peru	Samay I	75%	Diesel and Natural Gas	632	474	Greenfield
Israel	Israel	OPC-Rotem	61%	Natural Gas and Diesel	466 <sup>4</sup>	284	Greenfield
	Israel	OPC-Hadera <sup>5</sup>	76%	Natural Gas	18	14	Acquired
Central America	Nicaragua	Corinto	65%	HFO	71	46	Acquired
	Nicaragua	Tipitapa Power	65%	HFO	51	33	Acquired
	Nicaragua	Amayo I	61%	Wind	40	24	Acquired
	Nicaragua	Amayo II	61%	Wind	23	14	Acquired
	Guatemala	Puerto Quetzal	100%	HFO	179	179	Acquired
	El Salvador	Nejapa	100%	HFO	140	140	Original Inkia Asset
	Panama	Kanan <sup>6</sup>	100%	—	—	—	—
Other	Bolivia	COBEE	100%	Hydroelectric, Natural Gas	228	228	Original Inkia Asset
	Chile	Central Cardones	87%	Diesel	153	133	Acquired
	Chile	Colmito	100%	Natural Gas and Diesel	58	58	Acquired
	Dominican Republic	CEPP	97%	HFO	67	65	Original Inkia Asset
	Jamaica	JPPC	100%	HFO	60	60	Original Inkia Asset
	Panama	Pedregal <sup>7</sup>	21%	HFO	54	11	Original Inkia Asset
	Total Operating Capacity				<b>3,848</b>	<b>2,969</b>	

- Reflects 100% of the capacity of each of IC Power's assets, regardless of ownership interest in the entity that owns each such asset.
- Reflects the proportionate capacity of each of IC Power's assets, as determined by IC Power's ownership interest in the entity that owns each such asset.
- Kallpa merged with CDA in August 2017, with the surviving entity renamed Kallpa Generación SA.
- Based on OPC-Rotem's generation license.
- OPC-Hadera also holds a conditional license for the construction of a cogeneration power station in Israel. This station is being developed as a greenfield project (at an expected cost of \$250 million, including the acquisition price of OPC-Hadera), based upon a plant with 148 MW of capacity (based on the plant's generation license). Construction commenced in June 2016 and commercial operations are expected to commence by early 2019.
- Kanan's barges (representing 92 MW) have been placed offline and the assets have been written off as a result of a fire that occurred in April 2017.
- Although Pedregal is located in Central America, it is a minority investment. Therefore, from an income statement perspective, it is not part of the Central America segment and Pedregal is only reflected in IC Power's share in income of associate.



## Appendix E

### Summary Unaudited Financial Information of IC Power's Subsidiaries and Associated Company

Entity	Three Months Ended June 30, 2017					
	Ownership Interest (%)	Sales	Cost of Sales	Adjusted EBITDA <sup>1</sup>	Outstanding Debt <sup>2</sup>	Net Debt <sup>3</sup>
(\$ millions)						
<b>GENERATION</b>						
<b>Peru segment</b>						
Kallpa	75	\$ 117	\$ 65	\$ 41	\$ 412	\$ 372
CDA	75	29	8	27	585	568
Samay I	75	25	21	8	349	314
<b>Israel segment</b>						
OPC-Rotem	61	79	62	14	392	367
OPC-Hadera	76	5	6	—	119	58
<b>Central America segment</b>						
ICPNH <sup>4</sup>	61-65	24	18	4	79	68
Puerto Quetzal	100	14	12	2	19	14
Nejapa	100	23	17	4	3	(7)
Cenérigica	100	7	6	1	—	(1)
Kanan	100	19	18	2	41	33
Guatemala	100	3	1	—	—	(2)
<b>Other segment</b>						
COBEE	100	11	5	6	83	66
Central Cardones	87	3	—	2	33	29
Colmito	100	6	5	1	16	15
CEPP	97	7	5	1	11	10
JPPC	100	13	11	2	2	(3)
Surpetroil <sup>5</sup>	60	—	—	—	—	(1)
RECSA	100	1	—	—	5	4
<b>Holdings<sup>6</sup></b>						
IC Power Distribution Holdings	100	—	—	—	—	—
Inkia & Other <sup>7</sup>	100	—	—	(4)	448	422
IC Power & Other <sup>8</sup>	100	—	—	(5)	201	140
<b>DISTRIBUTION</b>						
DEORSA	93	63	50	13	183	176
DEOCSA	91	77	61	11	258	251
<b>Eliminations</b>		(4)	(4)	-	-	-
<b>TOTAL</b>		<b>\$ 522</b>	<b>\$ 367</b>	<b>\$ 130</b>	<b>\$ 3,239</b>	<b>\$ 2,893</b>

1. Adjusted EBITDA for each entity for the period is defined as net income (loss) before depreciation and amortization, financing expenses, net, income tax expense (benefit), asset write-off, settlement over liquidated damages, net gain on Kanan write-off, working capital adjustment and release of accumulated translation adjustment.

2. Includes short-term and long-term debt and excludes loans and notes owed to Kenon.

3. Net debt is defined as total debt attributable to each of IC Power's subsidiaries, excluding debt owed to Kenon, minus the cash and short term deposits and restricted cash of such companies. Net debt is not a measure of liabilities in accordance with IFRS. The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries.

4. Through ICPNH, IC Power indirectly holds 65% interests in Corinto and Tipitapa Power and 61% interests in Amayo I and Amayo II.

5. In April 2017, IC Power sold its 60% interest in Surpetroil.

6. In addition to the results of certain of IC Power's generation assets, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.

7. Outstanding debt includes \$448 million of debt of Inkia.

8. Includes \$12 million of IC Power's outstanding debt, \$90 million of OPC's bonds and \$99 million of debt of IC Power's subsidiary Overseas Investment Peru. OPC's net debt as of June 30, 2017 is \$61 million.

The following tables set forth a reconciliation of net income (loss) to Adjusted EBITDA for IC Power's subsidiaries for the three months ended June 30, 2017:

	<u>Kallpa</u>	<u>CDA</u>	<u>Samay I</u>	<u>OPC-Rotem</u> (\$ millions)	<u>OPC-Hadera</u>	<u>ICPN</u>	<u>Puerto Quetzal</u>
Net income (loss)	\$ 18	\$ 31	\$ 1	\$ (2)	\$ —	\$ —	\$ —
Depreciation and amortization	9	5	3	8	(1)	2	2
Finance expenses, net	7	10	4	9	—	2	—
Income tax expense (benefit)	7	13	—	(1)	1	—	—
Settlement over liquidated damages	—	(32)	—	—	—	—	—
<b>Adjusted EBITDA</b>	<b>\$ 41</b>	<b>\$ 27</b>	<b>\$ 8</b>	<b>\$ 14</b>	<b>\$ —</b>	<b>\$ 4</b>	<b>\$ 2</b>
	<u>Nejapa</u>	<u>Cenέργica</u>	<u>Kanan</u>	<u>Guatemala</u> (\$ millions)	<u>COBEE</u>	<u>Central Cardones</u>	<u>Colmito</u>
Net income (loss)	\$ 2	\$ —	\$ (2)	\$ —	\$ 2	\$ —	\$ —
Depreciation and amortization	1	—	1	—	2	1	1
Finance expenses, net	—	—	2	—	1	1	—
Income tax expense	1	1	—	—	1	—	—
Net gain on Kanan write-off	—	—	1	—	—	—	—
<b>Adjusted EBITDA</b>	<b>\$ 4</b>	<b>\$ 1</b>	<b>\$ 2</b>	<b>\$ —</b>	<b>\$ 6</b>	<b>\$ 2</b>	<b>\$ 1</b>
	<u>CEPP</u>	<u>JPPC</u>	<u>Surpetroil<sup>1</sup></u>	<u>RECSA</u>	<u>IC Power Distribution Holdings</u>	<u>Inkia &amp; Other</u>	<u>IC Power &amp; Other</u>
				(\$ millions)			
Net income (loss)	\$ 1	\$ 1	\$ —	\$ —	\$ (1)	\$ (12)	\$ (15)
Depreciation and amortization	—	1	—	—	—	2	—
Finance expenses, net	—	—	—	—	1	9	10
Income tax expense (benefit)	—	—	—	—	—	1	—
Net gain on Kanan write-off	—	—	—	—	—	(9)	—
Working capital adjustment	—	—	—	—	—	—	—
Release of accumulated translation adjustment	—	—	—	—	—	5	—
<b>Adjusted EBITDA</b>	<b>\$ 1</b>	<b>\$ 2</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (4)</b>	<b>\$ (5)</b>

1. In April 2017, IC Power sold its 60% interest in Surpetroil.

	DEOCSA	DEORSA (\$ millions)	IC Power Total
Net income (loss)	\$ 2	\$ 2	\$ 28
Depreciation and amortization	3	3	43
Finance expenses, net	3	4	63
Income tax expense	3	4	31
Settlement over liquidated damages	—	—	(32)
Net gain on Kanan write-off	—	—	(8)
Release of accumulated translation adjustment	—	—	5
<b>Adjusted EBITDA</b>	<b>\$ 11</b>	<b>\$ 13</b>	<b>\$ 130</b>

The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries as of June 30, 2017.

	Kallpa	CDA	Samay I	OPC- Rotem	OPC- Hadera	ICPNH	Puerto Quetzal	Nejapa	Cenέργica	Kanan
	(\$ millions)									
Total debt	\$ 412	\$ 585	\$ 349	\$ 392	\$ 119	\$ 79	\$ 19	\$ 3	\$ —	\$ 41
Cash	40	17	35	25	61	11	5	10	1	8
<b>Net Debt</b>	<b>\$ 372</b>	<b>\$ 568</b>	<b>\$ 314</b>	<b>\$ 367</b>	<b>\$ 58</b>	<b>\$ 68</b>	<b>\$ 14</b>	<b>\$ (7)</b>	<b>\$ (1)</b>	<b>\$ 33</b>

  

	Guatemel	COBEE	Central Cardones	Colmito	CEPP	JPPC	Surpetroil <sup>1</sup>	RECSA	IC Power Distribution Holdings	Inkia & Other
	(\$ millions)									
Total debt	\$ —	\$ 83	\$ 33	\$ 16	\$ 11	\$ 2	\$ -	\$ 5	\$ —	\$ 448
Cash	2	17	4	1	1	5	1	1	—	26
<b>Net Debt</b>	<b>\$ (2)</b>	<b>\$ 66</b>	<b>\$ 29</b>	<b>\$ 15</b>	<b>\$ 10</b>	<b>\$ (3)</b>	<b>\$ (1)</b>	<b>\$ 4</b>	<b>\$ —</b>	<b>\$ 422</b>

1. In April 2017, IC Power sold its 60% interest in Surpetroil.

	IC Power & Other	DEOCSA	DEORSA	Total IC Power
	(\$ millions)			
Total debt	\$ 201	\$ 258	\$ 183	\$ 3,239
Cash	61	7	7	346
<b>Net debt</b>	<b>\$ 140</b>	<b>\$ 251</b>	<b>\$ 176</b>	<b>\$ 2,893</b>

The following table sets forth summary financial information for IC Power's generation subsidiaries and associates for the three months ended June 30, 2016:

Three Months Ended June 30, 2016						
Entity	Ownership Interest (%)	Sales	Cost of Sales	Adjusted EBITDA <sup>1</sup> (\$ millions)	Outstanding Debt <sup>2</sup>	Net Debt <sup>3</sup>
<b>GENERATION</b>						
<b>Peru segment</b>						
Kallpa	75	\$ 107	\$ 69	\$ 33	\$ 417	\$ 402
CDA	75	—	—	—	597	583
Samay I	75	8	4	4	339	324
<b>Israel segment</b>						
OPC-Rotem	80	69	62	4	373	326
OPC-Hadera	100	4	5	1	—	(16)
<b>Central America segment</b>						
ICPNH <sup>4</sup>	61-65	21	12	6	92	78
Puerto Quetzal	100	16	14	1	19	11
Nejapa	100	21	18	3	—	(11)
Cenérstica	100	5	5	1	—	(2)
Kanan	100	17	14	3	60	55
Guatemel	100	2	1	—	—	(1)
<b>Other segment</b>						
COBEE	100	10	4	6	69	44
Central Cardones	87	4	—	2	40	35
Colmito	100	6	5	1	17	16
CEPP	97	7	5	2	12	9
JPPC	100	8	8	(1)	7	4
Surpetroil	—	2	2	—	3	3
RECSA	100	—	—	1	3	2
<b>Holdings<sup>5</sup></b>						
IC Power Distribution Holdings	100	—	—	—	119	119
Inkia & Other <sup>6</sup>	100	—	—	(1)	448	374
IC Power, OPC & Other <sup>7</sup>	100	—	—	(3)	66	21
<b>DISTRIBUTION</b>						
DEORSA	93	61	45	14	103	96
DEOCSA	91	72	57	11	159	152
<b>TOTAL</b>		<b>\$ 440</b>	<b>\$ 330</b>	<b>\$ 88</b>	<b>\$ 2,943</b>	<b>\$ 2,624</b>

1. "Adjusted EBITDA" for each entity for the period is defined as net income (loss) before depreciation and amortization, financing expenses, net, and income tax expense (benefit).
2. Includes short-term and long-term debt and excludes loans and notes owed to our parent company.
3. Net debt is defined as total debt attributable to each of IC Power's subsidiaries, excluding debt owed to our parent company, minus the cash and short term deposits and restricted cash of such companies. Net debt is not a measure of liabilities in accordance with IFRS. The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries.
4. Through ICPNH, IC Power indirectly holds 65% interests in Corinto and Tipitapa Power and 61% interests in Amayo I and Amayo II.
5. Outstanding debt includes \$448 million of debt of Inkia.
6. Includes \$12 million of IC Power's outstanding debt and \$54 million of OPC's debt.

The following tables set forth a reconciliation of net income (loss) to Adjusted EBITDA for IC Power's subsidiaries for the three months ended June 30, 2016:

	Kallpa	CDA	Samay I	OPC (\$ millions)	AIE	ICPNH	Puerto Quetzal
Net income (loss)	\$ 2	\$ 1	\$ 1	\$ (5)	\$ —	\$ 2	\$ —
Depreciation and amortization	12	—	1	6	1	2	1
Finance expenses, net	17	—	1	5	—	2	—
Income tax expense (benefit)	2	(1)	1	(2)	—	—	—
<b>Adjusted EBITDA</b>	<b>\$ 33</b>	<b>\$ —</b>	<b>\$ 4</b>	<b>\$ 4</b>	<b>\$ 1</b>	<b>\$ 6</b>	<b>\$ 1</b>

	Nejapa	Cenέργica	Kanan	Guatamel	COBEE	Central Cardones	Colmito
	(\$ millions)						
Net income (loss)	\$ 1	\$ 1	\$ (4)	\$ —	\$ 3	\$ 1	\$ (1)
Depreciation and amortization	1	—	6	—	1	1	1
Finance expenses, net	—	—	1	—	1	—	1
Income tax expense	1	—	—	—	1	—	—
<b>Adjusted EBITDA</b>	<b>\$ 3</b>	<b>\$ 1</b>	<b>\$ 3</b>	<b>\$ —</b>	<b>\$ 6</b>	<b>\$ 2</b>	<b>\$ 1</b>

	CEPP	JPPC	Surpetroil	RECSA	IC Power Distribution Holdings	Inkia & Other	IC Power & Other
	(\$ millions)						
Net income (loss)	\$ 1	\$ (1)	\$ (1)	\$ —	\$ (2)	\$ (7)	\$ (7)
Depreciation and amortization	1	1	1	1	—	—	—
Finance expenses, net	—	—	—	—	2	5	4
Income tax expense (benefit)	—	(1)	—	—	—	1	—
<b>Adjusted EBITDA</b>	<b>\$ 2</b>	<b>\$ (1)</b>	<b>\$ —</b>	<b>\$ 1</b>	<b>\$ —</b>	<b>\$ (1)</b>	<b>\$ (3)</b>

	DEOCSA	DEORSA	IC Power Total
	(\$ millions)		
Net income (loss)	\$ 5	\$ 7	\$ (3)
Depreciation and amortization	2	2	41
Finance expenses, net	2	2	43
Income tax expense	2	3	7
<b>Adjusted EBITDA</b>	<b>\$ 11</b>	<b>\$ 14</b>	<b>\$ 88</b>

The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries as of June 30, 2016.

	Kallpa	CDA	Samay I	OPC	AIE	ICPNH	Puerto Quetzal	Nejapa	Cenέργica	Kanan
	(\$ millions)									
Total debt	\$ 417	\$ 597	\$ 339	\$ 373	\$ —	\$ 92	\$ 19	\$ —	\$ —	\$ 60
Cash	15	14	15	47	16	14	8	11	2	5
<b>Net Debt</b>	<b>\$ 402</b>	<b>\$ 583</b>	<b>\$ 324</b>	<b>\$ 326</b>	<b>\$ (16)</b>	<b>\$ 78</b>	<b>\$ 11</b>	<b>\$ (11)</b>	<b>\$ (2)</b>	<b>\$ 55</b>

	Guatamel	COBEE	Central Cardones	Colmito	CEPP	JPPC	Surpetroil	RECSA	IC Power Distribution Holdings	Inkia & Other
	(\$ millions)									
Total debt	\$ —	\$ 69	\$ 40	\$ 17	\$ 12	\$ 7	\$ 3	\$ 3	\$ 119	\$ 448
Cash	1	25	5	1	3	3	—	1	—	74
<b>Net Debt</b>	<b>\$ (1)</b>	<b>\$ 44</b>	<b>\$ 35</b>	<b>\$ 16</b>	<b>\$ 9</b>	<b>\$ 4</b>	<b>\$ 3</b>	<b>\$ 2</b>	<b>\$ 119</b>	<b>\$ 374</b>

	IC Power & Other	DEOCSA	DEORSA	Total IC Power
	(\$ millions)			
Total debt	\$ 66	\$ 159	\$ 103	2,943
Cash	45	7	7	319
<b>Net debt</b>	<b>21</b>	<b>152</b>	<b>96</b>	<b>2,624</b>

**Appendix F****Summary of Qoros' Unaudited Condensed Consolidated Financial Information****Qoros' Condensed Consolidated Statement of Profit or Loss**

<i>In millions of RMB</i>	<i>For the six months ended</i>		<i>For the three months ended</i>	
	<i>June 30</i>	<i>June 30</i>	<i>June 30</i>	<i>June 30</i>
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
Revenue	677	1,111	272	599
Cost of sales	(850)	(1,352)	(374)	(741)
<b>Gross profit</b>	(173)	(241)	(102)	(142)
Other income	308	31	298	11
Research and development expenses	(80)	(82)	(42)	(51)
Selling, general and administrative expenses	(200)	(402)	(101)	(256)
Other expenses	(9)	(7)	(1)	(4)
<b>(Loss)/Profit from operation</b>	(154)	(701)	52	(442)
Finance income	6	50	1	23
Finance costs	(177)	(239)	(95)	(163)
<b>Net finance cost</b>	(171)	(189)	(94)	(140)
<b>Loss for the period</b>	(325)	(890)	(42)	(582)

*Qoros' Consolidated Statement of Financial Position*

	<i>At June 30</i>	<i>At December 31</i>
<i>In millions of RMB</i>	<i>2017</i>	<i>2016</i>
<b>Assets</b>		
Property, plant and equipment	4,102	4,219
Intangible assets	4,310	4,323
Prepayments for purchase of equipment	7	1
Lease prepayments	197	199
Trade and other receivables	92	92
Pledged deposits	—	8
Equity-accounted investees	2	2
<b>Non-current assets</b>	<b>8,710</b>	<b>8,844</b>
Inventories	222	322
VAT recoverable	856	808
Trade and other receivables	37	60
Prepayments	19	13
Available for sale financial assets	—	100
Pledged deposits	35	36
Cash and cash equivalents	258	465
<b>Current assets</b>	<b>1,427</b>	<b>1,804</b>
<b>Total assets</b>	<b>10,137</b>	<b>10,648</b>
<b>Equity</b>		
Paid-in capital	10,425	10,425
Reserves	53	53
Accumulated losses	(10,358)	(10,032)
<b>Total equity</b>	<b>120</b>	<b>446</b>
<b>Liabilities</b>		
Loans and borrowings	4,337	4,249
Deferred income	167	412
Trade and other payables	111	112
Provision	58	56
<b>Non-current liabilities</b>	<b>4,673</b>	<b>4,829</b>
Loans and borrowings	2,724	2,641
Trade and other payables	2,605	2,685
Deferred income	15	47
<b>Current liabilities</b>	<b>5,344</b>	<b>5,373</b>
<b>Total liabilities</b>	<b>10,017</b>	<b>10,202</b>
<b>Total equity and liabilities</b>	<b>10,137</b>	<b>10,648</b>

## Appendix G

### *Definition of Qoros' Adjusted EBITDA and non-IFRS Reconciliation*

This press release presents the Adjusted EBITDA of Qoros, which is a financial metric considered to be a “non-IFRS financial measure.” Non-IFRS financial measures should be evaluated in conjunction with, and are not a substitute for, IFRS financial measures. The non-IFRS financial information presented herein should not be considered in isolation from or as a substitute for operating income, net income or per share data prepared in accordance with IFRS.

Qoros defines “Adjusted EBITDA” for each period as net loss for the period, excluding net finance costs, depreciation and amortization and other income relating to license rights. Adjusted EBITDA is not recognized under IFRS or any other generally accepted accounting principles as a measure of financial performance and should not be considered as a substitute for net income or loss, cash flow from operations or other measures of operating performance or liquidity determined in accordance with IFRS. Adjusted EBITDA is not intended to represent funds available for dividends or other discretionary uses because those funds may be required for debt service, capital expenditures, working capital and other commitments and contingencies. Adjusted EBITDA presents limitations that impair its use as a measure of our profitability since it does not take into consideration certain costs and expenses that result from our business that could have a significant effect on our net income, such as financial expenses, taxes, depreciation, capital expenses and other related charges.

Qoros believes that the disclosure of Adjusted EBITDA provides transparent and useful information to investors and financial analysts in their review of Qoros' operating performance and in the comparison of such operating performance to the operating performance of other companies in the same industry or in other industries that have different capital structures, debt levels and/or income tax rates.

Set forth below is a reconciliation of Qoros' net loss to Adjusted EBITDA for the periods presented. Other companies may calculate Adjusted EBITDA differently, and therefore this presentation of Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies.

<i>In millions of RMB</i>	<i>For the six months ended</i>		<i>For the three months ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>	<i>30 June 2017</i>	<i>30 June 2016</i>
Net loss for the period	(325)	(890)	(42)	(582)
Net finance costs	171	189	94	140
Depreciation and Amortization	203	359	86	231
Other income – license rights	(270)	-	(263)	-
<b>Adjusted EBITDA</b>	<b>(221)</b>	<b>(342)</b>	<b>(125)</b>	<b>(211)</b>