PHOTON CONTROL

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF

Photon Control Inc.

For the three months ended March 31, 2019 and 2018

The comparative interim three month figures were not audited or reviewed by the Company's independent auditor and were prepared by management. The December 31, 2018 comparative figures were audited by the Company's independent auditor wherein the auditor issued an unqualified opinion.

ACCURATE RELIABLE RESPONSIVE

PHOTON CONTROL INC.

Condensed Interim Consolidated Statements of Financial Position (Unaudited)

(In thousands of Canadian dollars)

		March 31, 2019		December 31, 2018
Assets				
Current assets				
Cash and cash equivalents	**$**	**37,264**	$	42,407
Trade and other receivables		**4,902**		4,065
Inventories		**4,876**		5,515
Prepaid expenses and deposits		**608**		468
Total current assets		**47,650**		52,455
Property and equipment (note 4)		**7,637**		6,297
Intangible assets (note 5)		**3,983**		4,215
Goodwill		**849**		849
Deferred tax assets		**1,146**		1,056
Total assets	**$**	**61,265**	$	64,872
Liabilities and Shareholders' Equity				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**3,844**	$	3,524
Income taxes payable		**1,247**		4,354
Current portion of contingent consideration		**1,148**		1,118
Current portion of lease liabilities (note 6)		**260**		-
Total current liabilities		**6,499**		8,996
Contingent consideration		**1,958**		2,211
Lease liabilities (note 6)		**1,432**		-
Total liabilities		**9,889**		11,207
Shareholders' equity				
Share capital (note 7)		**30,303**		30,833
Contributed surplus (note 7)		**4,607**		4,463
Accumulated other comprehensive loss		**(75)**		(125)
Retained earnings		**16,541**		18,494
Total shareholders' equity		**51,376**		53,665
Total liabilities and shareholders' equity	**$**	**61,265**	$	64,872

Subsequent event (note 14)

See accompanying notes to the unaudited condensed interim consolidated financial statements

Approved on behalf of the Board:

"Nigel Hunton", Director   “Ronan McGrath”, Director

PHOTON CONTROL INC.

Condensed Interim Consolidated Statements of Net Income and Comprehensive Income (Unaudited)
(In thousands of Canadian dollars, except number of shares and per share amounts)

	Three months ended March 31, 2019	March 31, 2018
Revenue (note 9)	**$ 8,032**	$ 13,854
Cost of sales	**3,802**	5,975
Gross profit	**4,230**	7,879
Operating expenses		
General and administrative	**1,525**	1,756
Engineering	**1,277**	856
Sales and marketing	**674**	570
Total operating expenses	**3,476**	3,182
Operating income	**754**	4,697
Finance income	**143**	84
Accretion expense on contingent consideration	**(143)**	(186)
Change in fair value of contingent consideration	**98**	(811)
Gain on sale of assets	**-**	166
Foreign exchange (loss) gain	**(586)**	1,059
	(488)	312
Income before taxes	**266**	5,009
Income taxes	**196**	2,127
Net income	**70**	2,882
Other comprehensive income (loss):		
(Item that may be reclassified to income in the future)		
Unrealized gain (loss) from foreign exchange translation of subsidiary	**50**	(10)
Total comprehensive income	**$ 120**	$ 2,872
Basic and diluted earnings per share		
Weighted average common shares, basic	**109,089,381**	110,861,571
Weighted average common shares, diluted	**109,568,962**	114,684,635
Basic earnings per share	**$ 0.00**	$ 0.03
Diluted earnings per share	**$ 0.00**	$ 0.03

See accompanying notes to the unaudited condensed interim consolidated financial statements

PHOTON CONTROL INC.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

(In thousands of Canadian dollars)

	Three months ended March 31, 2019	Three months ended March 31, 2018 Restated (note 13)
Share capital		
Beginning of period	**$ 30,833**	$ 30,573
Exercise of stock options	**18**	34
Repurchase of common shares for cancellation	**(548)**	-
End of period	**30,303**	30,607
Contributed surplus		
Beginning of period	**4,463**	4,154
Exercise of stock options	**(1)**	(13)
Share-based payments	**145**	319
End of period	**4,607**	4,460
Accumulated other comprehensive loss		
Beginning of period	**(125)**	-
Unrealized gain (loss) from foreign exchange translation of subsidiary	**50**	(10)
End of period	**(75)**	(10)
Retained earnings		
Beginning of period	**18,494**	10,352
Adjustment on initial application of IFRS 16 (note 3)	**(72)**	-
Repurchase of common shares for cancellation	**(1,951)**	-
Net income for the period	**70**	2,882
End of period	**16,541**	13,234
Total shareholders' equity	**$ 51,376**	$ 48,291

See accompanying notes to the unaudited condensed interim consolidated financial statements

PHOTON CONTROL INC.

Condensed Interim Consolidated Statements of Cash Flows (Unaudited)

(In thousands of Canadian dollars)

	Three months ended March 31, 2019	Three months ended March 31, 2018
Operating activities		
Total comprehensive income for the period	**$ 120**	$ 2,872
Adjustments for		
Depreciation of property and equipment	**393**	341
Amortization of intangible assets	**243**	323
Share-based payments	**145**	319
Accretion expense on contingent consideration	**143**	186
Change in fair value of contingent consideration	**(98)**	811
Gain on sale of assets	**-**	(166)
Net change in non-cash working capital items		
Trade and other receivables	**(837)**	(7,091)
Inventories	**639**	(552)
Prepaid expenses and deposits	**(140)**	(69)
Deferred tax assets	**(90)**	-
Accounts payable and accrued liabilities	**320**	405
Income taxes payable	**(3,107)**	2,126
Net cash used in operating activities	**(2,269)**	(495)
Financing activities		
Repurchase of common shares for cancellation	**(2,499)**	-
Payment of contingent consideration	**(268)**	(328)
Payment of lease liabilities	**(63)**	-
Proceeds from exercise of stock options	**17**	21
Net cash used in financing activities	**(2,813)**	(307)
Investing activities		
Purchase of property and equipment	**(50)**	(374)
Purchase of intangible assets	**(11)**	(2)
Proceeds from sale of assets	**-**	200
Net cash used in investing activities	**(61)**	(176)
Net decrease in cash and cash equivalents	**(5,143)**	(978)
Cash and cash equivalents, beginning of period	**42,407**	34,345
Cash and cash equivalents, end of period	**$ 37,264**	$ 33,367
Supplementary information		
Income taxes paid	**$ 3,366**	$ -
Interest received	**122**	85
Interest paid	**50**	-

See accompanying notes to the unaudited condensed interim consolidated financial statements

1. Nature of business and continuing operations

Photon Control Inc. ("Photon Control" or the "Company") is listed on the Toronto Stock Exchange (the "TSX") under the trading symbol PHO, and is incorporated under the laws of British Columbia, Canada. The Company's head office is located at 130-13500 Verdun Place, Richmond, BC, Canada, V6V 1V2. The address of the Company's registered and records office is 595 Burrard Street, PO Box 49314, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, Canada, V7X 1L3.

These condensed interim consolidated financial statements of the Company for the three months ended March 31, 2019 and 2018 comprise the statements of the Company and its subsidiaries. The financial statements were authorized for issue by the Board of Directors on May 7, 2019.

Photon Control designs, manufactures and distributes a wide range of optical sensors and systems to measure temperature and position. These products are used by the world's largest Wafer Fabrication Equipment ("WFE") manufacturers and end users in the semiconductor and related industries.

2. Basis of presentation

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). The condensed interim consolidated financial statements have been prepared on a basis consistent with and should be read in conjunction with the most recent annual consolidated financial statements for the years ended December 31, 2018 and 2017, and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB.

This is the first set of the consolidated financial statements in which IFRS 16, Leases ("IFRS 16") has been applied. Changes to significant accounting policies are described in note 3.

The results for the three months ended March 31, 2019 and 2018 may not be indicative of the results that may be expected for the full year or any other period.

Use of critical accounting judgments and estimates

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The judgments, estimates and assumptions applied in the condensed interim consolidated financial statements, including key sources of estimation uncertainty, were the same as those applied in the last annual consolidated financial statements for the years ended December 31, 2018 and 2017, except for the change in significant accounting policy related to lessee accounting under IFRS 16, which is described in note 3.

3. Changes in significant accounting policies

Except as described below, the accounting policies applied in these condensed interim consolidated financial statements were the same as those applied in the most recent annual consolidated financial statements for the years ended December 31, 2018 and 2017.

The changes in significant accounting policies are also expected to be reflected in the consolidated financial statements of the Company for the year ending December 31, 2019.

(a) IFRS 16, Leases

At adoption

The Company adopted IFRS 16 with a date of initial application of January 1, 2019. IFRS 16 introduces a single, on-balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognized right-of-use-assets representing its rights to use the underlying assets and lease liabilities representing its obligations to make future lease payments. The Company has applied IFRS 16 with the modified retrospective approach, which did not require restatement of prior period financial information as it recognized the cumulative effect of initial application in retained earnings at January 1, 2019 and applied the standard prospectively. Accordingly, comparative information in the Company's condensed interim consolidated statements were not restated.

When transitioning to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases and applied IFRS 16 only to existing contracts that were previously identified as leases applying IAS 17, Leases and IFRIC 4, Determining Whether an Arrangement Contains a Lease. The Company has elected to not recognize right-of-use assets and lease liabilities for leases that have a term of twelve months or less and leases of low-value assets. The leases impacted by IFRS 16 were related to office premises previously accounted for as operating leases and disclosed as commitments.

Upon adoption of IFRS 16, the Company measured the right-of-use assets and lease liabilities at the present value of the lease payments as if it had applied IFRS 16 since the commencement date, using the incremental borrowing rate of 4.45% at the date of initial application. The adoption of IFRS 16 on January 1, 2019 resulted in the recognition of right-of-use assets of $1,683 and lease liabilities of $1,755, and a decrease in retained earnings of $72.

The following table provides a reconciliation of the Company's operating lease obligations at December 31, 2018, as previously disclosed in the Company's consolidated financial statements, to the lease obligations recognized on initial application of IFRS 16 at January 1, 2019:

(In thousands of Canadian dollars)

Operating lease commitments at December 31, 2018	**$**	**1,880**
Discounted using the incremental borrowing rate at January 1, 2019		(255)
Recognition exemption for short-term leases		(100)
Extension options reasonably certain to be exercised		230
Lease liabilities recognized at January 1, 2019	**$**	**1,755**

There was a change in the significant accounting policy upon adoption of IFRS 16, as described below.

Leases - accounting policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease by determining whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A right-of-use asset and lease liability are recognized at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimated restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, including periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the implicit interest rate in the lease. If the rate cannot be readily determined, the Company's incremental rate of borrowing is used. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) IFRIC 23, Uncertainty over Income Tax Treatments ("IFRIC 23")

The Company adopted IFRIC 23 with a date of initial application of January 1, 2019. The Company applied IFRIC 23 retrospectively and did not have any quantitative impacts upon adoption. There were no differences in the accounting of the Company's income tax treatments under its previous accounting policy and IFRIC 23.

(In thousands of Canadian dollars)

4. Property and equipment

	Computers, office furniture and equipment	Laboratory equipment	Leasehold improvements	Production equipment	Right-of-use assets	Total
Cost						
Balance January 1, 2018	$ 1,024	$ 1,447	$ 3,967	$ 2,220	$ -	$ 8,658
Additions	363	58	74	332	-	827
Balance December 31, 2018	1,387	1,505	4,041	2,552	-	9,485
Adjustment on initial application of IFRS 16 (note 3)	-	-	-	-	1,683	1,683
Additions	21	-	-	29	-	50
Balance March 31, 2019	**$ 1,408**	**$ 1,505**	**$ 4,041**	**$ 2,581**	**$ 1,683**	**$ 11,218**
Accumulated Depreciation						
Balance January 1, 2018	$ 362	$ 386	$ 296	$ 684	$ -	$ 1,728
Depreciation for the period	173	219	532	536	-	1,460
Balance December 31, 2018	535	605	828	1,220	-	3,188
Depreciation for the period	44	45	134	101	69	393
Balance March 31, 2019	**$ 579**	**$ 650**	**$ 962**	**$ 1,321**	**$ 69**	**$ 3,581**
Net Book Value						
At December 31, 2018	$ 852	$ 900	$ 3,213	$ 1,332	$ -	$ 6,297
At March 31, 2019	**829**	**855**	**3,079**	**1,260**	**1,614**	**7,637**

(In thousands of Canadian dollars)

5. Intangible assets

		Acquired technologies		Computer software and other		Reacquired rights		Total
Cost								
Balance January 1, 2018	$	4,439	$	475	$	2,000	$	6,914
Additions		-		67		-		67
Balance December 31, 2018		4,439		542		2,000		6,981
Additions		-		11		-		11
Balance March 31, 2019	**$**	**4,439**	**$**	**553**	**$**	**2,000**	**$**	**6,992**
Accumulated Amortization								
Balance January 1, 2018	$	1,000	$	310	$	140	$	1,450
Amortization for the period		1,032		97		187		1,316
Balance December 31, 2018		2,032		407		327		2,766
Amortization for the period		181		15		47		243
Balance March 31, 2019	**$**	**2,213**	**$**	**422**	**$**	**374**	**$**	**3,009**
Net Book Value								
At December 31, 2018	$	2,407	$	135	$	1,673	$	4,215
At March 31, 2019		**2,226**		**131**		**1,626**		**3,983**

6. Lease liabilities

The Company's lease liabilities are for office premises. The carrying amount of the lease liabilities as at March 31, 2019 was $1,692 and the breakdown of contractual undiscounted cash flows for lease liabilities by maturities as at March 31, 2019 is presented below:

		March 31, 2019
Less than one year	**$**	**426**
One to five years		**1,349**
More than five years		**275**
Total	**$**	**2,050**

For the three months ended March 31, 2019, interest expense on lease obligations was $20 and lease expenses related to short-term leases were $18.

(In thousands of Canadian dollars)

7. Share capital

(a) Authorized

Unlimited number of common shares without par value

(b) Issued and outstanding

	Number of Common Shares	Share Capital	Contributed Surplus
Balance as at December 31, 2017	**110,853,718**	**$ 30,573**	**$ 4,154**
Issued upon exercise of stock options	424,484	479	(205)
Issued upon settlement of restricted share units	222,936	255	(255)
Repurchase of common shares for cancellation	(1,633,225)	(474)	-
Share-based payments	-	-	769
Balance as at December 31, 2018	**109,867,913**	**30,833**	**4,463**
Issued upon exercise of stock options	31,780	18	(1)
Repurchase of common shares for cancellation	(1,887,200)	(548)	-
Share-based payments	-	-	145
Balance as at March 31, 2019	**108,012,493**	**$ 30,303**	**$ 4,607**

On January 2, 2019, the Company announced that TSX accepted the Company's notice of intention to make a Normal Course Issuer Bid (the "NCIB") for its common shares through the facilities of TSX. This renewed the previous Normal Course Issuer Bid program that expired on January 3, 2019. On January 4, 2019, the Company was able to commence making purchases of up to a maximum aggregate of 5,490,000 Common Shares, which represented approximately 5% of the Company's issued and outstanding common shares at the time. The NCIB covers the period from January 4, 2019 to January 3, 2020.

For the three months ended March 31, 2019, the Company re-purchased and cancelled 1,887,200 commons shares pursuant to the NCIB at a cost of $2,499. The Company's share capital was reduced by the average carrying value of the shares repurchased for cancellation. The excess paid over the average carrying value of stated capital was $1,951 and was recognized as a reduction to retained earnings.

(c) Stock options

For the three months ended March 31, 2019, the Company granted 210,000 stock options to employees of the Company (2018 - 250,000). The terms and conditions of the stock options are consistent with the Company's stock option plan and vest over three years with one-third of the stock options vesting on each of the first, second and third anniversaries of the grant date.

(In thousands of Canadian dollars)

A summary of the activity in the Company's Stock Option Plan is presented below:

	Number of options	Weighted average exercise price
Options outstanding, December 31, 2017	**3,413,500**	**$ 1.22**
Granted	920,000	1.97
Exercised	(453,250)	0.75
Forfeited	(808,000)	1.54
Options outstanding, December 31, 2018	**3,072,250**	**1.43**
Granted	210,000	1.25
Exercised	(32,500)	0.57
Forfeited	(162,500)	1.44
Options outstanding, March 31, 2019	**3,087,250**	**$ 1.43**

As at March 31, 2019, the Company had the following stock options outstanding, entitling the holders to purchase one common share for each stock option held as follows:

	Options Outstanding	Weighted average remaining term (years)	Options Exercisable	Weighted average remaining term (years)
$0.00 - 0.99	757,750	2.43	629,250	2.35
$1.00 - 1.99	1,859,500	3.62	802,416	3.38
$2.00 - 2.50	470,000	4.23	55,000	4.12
	3,087,250	**3.42**	**1,486,666**	**2.97**

The following weighted average assumptions were used in calculating the fair value of stock options granted during the period using the Black-Scholes model:

	Three months ended	
	March 31, 2019	**March 31, 2018**
Expected option life	**5 years**	5 years
Risk-free interest rate	**1.79%**	1.94%
Dividend yield	**0%**	0%
Volatility	**52%**	61%
Forfeiture rate	**30%**	0%

(In thousands of Canadian dollars)

(d) Restricted share units ("RSUs")

RSU transactions are summarized as follows:

	Number of RSUs
RSU outstanding, December 31, 2017	**391,000**
Granted	56,000
Settled	(232,000)
Forfeited	(86,000)
RSU outstanding, December 31, 2018 and March 31, 2019	**129,000**

(e) During the three months ended March 31, 2019, the Company recorded $145 (2018 - $319) of share-based payments relating to the fair value of the stock options and RSUs vesting during the period with a corresponding increase to contributed surplus.

8. Related party transactions

The remuneration of key management for the three months ended March 31, 2019 and 2018 is as follows:

	Three months ended			
		March 31, 2019		**March 31, 2018**
Cash-based payments	**$**	**190**	$	413
Share-based payments		**37**		195
Total	**$**	**227**	$	608

Cash-based payments include salaries, bonuses, consulting fees and other benefits.

(In thousands of Canadian dollars)

9. Segmented information

(a) Revenue

The Company carries on business in the semiconductor industry and all sales and costs are made in this segment. Revenue is disaggregated by primary geographical market as follows:

	Three months ended March 31, 2019	Three months ended March 31, 2018
Primary geographical markets		
United States	**$ 4,532**	$ 8,974
Asia	**3,500**	4,880
	$ 8,032	$ 13,854

(b) Assets:

The Company's property and equipment and intangible assets are located in Canada.

(c) Major customers:

Sales to the Company's three largest customers accounted for 86% of the Company's sales for the three months ended March 31, 2019 (2018 – 76%).

10. Financial instruments and fair values

Measurement categories, fair values and valuation methods

The Company's financial assets and liabilities, with the exception of contingent consideration liability, are measured using amortized costs which approximates fair value due to the nature of these instruments:

	March 31, 2019		December 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets	**$ 42,166**	**$ 42,166**	$ 46,472	$ 46,472
Financial liabilities	**3,844**	**3,844**	3,524	3,524

(In thousands of Canadian dollars)

Fair value hierarchy

The following financial assets and liabilities are measured at fair value on a recurring basis using quoted prices in active markets for identifiable assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3):

			Fair Value	
March 31, 2019	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**
Financial liabilities				
Contingent consideration	$ 3,106	$ -	$ -	$ 3,106

			Fair Value	
December 31, 2018	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**
Financial liabilities				
Contingent consideration	$ 3,329	$ -	$ -	$ 3,329

The Company used a discounted cash flow valuation technique in calculating the fair value of the contingent consideration. This valuation technique included inputs relating to estimated cash outflows under the arrangement and the use of a discount rate appropriate to the Company (20%). The fair value measurements are sensitive to the discount rate used in calculating the fair values. A 1% increase in the discount rate would reduce the fair value of the contingent consideration by $33. During the three months ended March 31, 2019, the Company recorded accretion expense of $143 (2018 - $186) in relation to contingent consideration, reflecting the change in fair value of liability that is attributable to market risk.

Financial risk factors

The Company is exposed to a number of risks. These risks include credit risk, liquidity risk and market risk. The Company has established policies and procedures to manage these risks, with the objective of minimizing the adverse effects that changes in the variable underlying these risks could have on the Company's consolidated financial statements.

Credit risk

The following table provides information regarding the aging of trade and other receivables as at March 31, 2019 and December 31, 2018:

	Neither past due nor impaired	**Aged 1 - 30 days**	**Aged 31 - 60 days**	**Aged 61 - 90 days**	**Aged 90 + days**
As at March 31, 2019	**77%**	**17%**	**2%**	**4%**	**0%**
As at December 31, 2018	98%	2%	0%	0%	0%

(In thousands of Canadian dollars)

As at March 31, 2019, 23% (December 31, 2018 – 2%) of the Company's trade and other receivables was past due. The definition of items that are past due was determined by reference to the Company's standard credit terms, net of any provisions for losses. At each period end, the Company reviews the collectability of outstanding receivables. Specific accounts are only written off once all collection efforts have been explored or when legal bankruptcy has occurred. During the three months ended March 31, 2019, the Company did not incur any bad debt expense (2018 - $14).

Liquidity risk

As at March 31, 2019 and December 31, 2018, the Company had an $80 credit card facility with a Canadian Chartered bank.

Market risk

Foreign exchange risk

At March 31, 2019, the Company held net current monetary assets in United States dollars ("USD") equal to $25,246 (December 31, 2018 - $27,095). The Company estimates the impact of a 10% change in the Canadian dollar exchange rate on its net current monetary assets to be $2,525 (December 31, 2018 - $2,710).

Interest rate risk

The Company is exposed to interest rate risk by virtue of holding cash and cash equivalents.

11. Expenses by nature

	Three months ended			
		March 31, 2019		**March 31, 2018**
Wages and employee benefits	**$**	**2,650**	$	2,703
Depreciation of property and equipment		**393**		341
Amortization of intangible assets		**243**		323
Share-based payments		**145**		319
Cost of sales and other		**3,847**		5,471
Total	**$**	**7,278**	$	9,157

12. Capital risk management

The Company considers shareholders' equity as capital, the book value of which totaled $51,376 at March 31, 2019 (December 31, 2018 - $53,665).

13. Restatement to comparative financial information

As described in the most recent annual consolidated financial statements for the years ended December 31, 2018 and 2017, the Company restated its comparative financial information related to a previously unreported liability of income taxes owing to a foreign jurisdiction. As a result, the Company restated its condensed interim consolidated statement of changes in shareholders' equity for the three months ended March 31, 2018. This resulted in a decrease of $1,581 in retained earnings as at January 1, 2018. For further details, please refer to the consolidated financial statements for the years ended December 31, 2018 and 2017.

14. Subsequent event

During the period from April 1, 2019 to May 7, 2019, the Company re-purchased 1,618,760 common shares pursuant to the NCIB at a cost of $2,200.