WATANIYA PALESTINE MOBILE TELECOMMUNICATION PUBLIC SHAREHOLDING COMPANY

Unaudited Interim Condensed Financial Statements
For the Six Months Period Ended June 30, 2017

AND REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

(Translated from the Original Arabic Version)

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Report on review of interim financial statements

To the board of directors of Wataniya Palestine Mobile Telecommunication, Public Shareholding Company

We have reviewed the accompanying condensed interim statement of financial position of Wataniya Palestine Mobile Telecommunication, Public Shareholding Company (hereinafter the "Company") as at June 30, 2017 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income for the three and six months period ended June 30, 2017, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six-month period then ended. The Board of Directors is responsible for the preparation and presentation of this condensed interim financial statements in accordance with International Accounting Standard 34, 'Interim financial reporting'. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial statements performed by the independent auditor of the entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting'.

Other matters

The financial statements of the Company for the year ended December 31, 2016 and the condensed interim financial statements for the period ended June 30, 2016 were audited/reviewed by another auditor whose report, dated February 27, 2017 and July 21, 2016, respectively expressed an unmodified opinion on those statements.

Hazem Sababa
License number 115/2003
July 20, 2017
Ramallah Palestine

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INTERIM STATEMENT OF FINANCIAL POSITION
(All amounts in US Dollars)

	Note	As at June 30, 2017 (Unaudited)	As at December 31, 2016 (Audited)
ASSETS			
Non-current assets			
Property and equipment	(3)	25,578,999	27,469,533
Projects in progress	(4)	19,365,703	18,883,868
Intangible assets	(5)	134,226,699	139,111,200
Total non-current assets		**179,171,401**	**185,464,601**
Current assets			
Advances to contractors		8,766,296	5,417,874
Restricted cash		4,988,427	3,951,235
Inventory		2,351,598	3,463,535
Other current assets		2,845,859	1,808,979
Accounts receivable		12,746,557	11,276,707
Cash on hand and at banks	(6)	11,163,450	12,263,583
Total current assets		**42,862,187**	**38,181,913**
Total assets		**222,033,588**	**223,646,514**
EQUITY AND LIABILITIES			
Equity			
Share capital	(1)	258,000,000	258,000,000
Share premium	(1)	11,610,000	11,610,000
Accumulated losses		(202,819,849)	(201,444,884)
Net equity		**66,790,151**	**68,165,116**
Liabilities			
Non-current liabilities			
Provision for employees' indemnity		6,268,029	5,520,317
Interest-bearing loans and borrowings	(7)	40,793,172	44,300,352
Other non-current liability		58,906,580	54,346,654
Total non-current liabilities		**105,967,781**	**104,167,323**
Current liabilities			
Accounts payable		8,793,144	9,128,538
Current portion of interest-bearing loans and borrowings	(7)	19,500,000	19,500,000
Due to related parties		230,155	177,759
Deferred revenues		3,010,721	3,647,075
Other current liabilities		15,976,762	17,052,821
Accrued project costs		1,764,874	1,807,882
Total current liabilities		**49,275,656**	**51,314,075**
Total liabilities		**155,243,437**	**155,481,398**
Total equity and liabilities		**222,033,588**	**223,646,514**

- The above financial statements should be read in conjunction with accompanying notes on pages 8 to 16.

INTERIM STATEMENT OF PROFIT OR LOSS

(All amounts in US Dollars)

		For the three months period ended June 30,		For the six months period ended June 30,	
		2017	**2016**	**2017**	**2016**
	Note	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Revenue		21,259,237	20,913,462	41,461,181	41,424,102
Cost of service		(8,047,205)	(8,781,064)	(17,082,897)	(17,863,714)
Gross Profit		**13,212,032**	**12,132,398**	**24,378,284**	**23,560,388**
Finance revenue		70,400	78,414	143,356	185,773
Currency exchange gain (loss)		39,106	(41,969)	21,976	(57,909)
General and administrative expenses		(7,343,757)	(6,399,721)	(13,586,480)	(12,748,415)
Depreciation and amortization	(3,5)	(5,239,977)	(5,046,274)	(10,406,118)	(9,850,147)
Finance costs	(8)	(1,031,875)	(1,029,398)	(2,047,090)	(2,178,506)
Provision for doubtful accounts		46,578	1,085,084	121,107	2,116,213
		(13,459,525)	**(11,353,864)**	**(25,753,249)**	**(22,532,991)**
(Loss) Profit for the period		**(247,493)**	**778,534**	**(1,374,965)**	**1,027,397**
Basic and diluted earnings per share	(9)	(0.001)	0.003	(0.005)	0.004

- The above financial statements should be read in conjunction with accompanying notes on pages 8 to 16.

INTERIM STATEMENT OF COMPREHENSIVE INCOME
(All amounts in US Dollars)

	For the three months period ended June 30,		For the six months period ended June 30,	
	2017	**2016**	**2017**	**2016**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
(Loss) profit for the period	(247,493)	778,534	(1,374,965)	1,027,397
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**(247,493)**	**778,534**	**(1,374,965)**	**1,027,397**

- The above financial statements should be read in conjunction with accompanying notes on pages 8 to 16.

INTERIM STATEMENT OF CHANGES IN EQUITY
For the six months period ended June 30, 2017
(All amounts in US Dollars)

	Share capital	Share premium	Accumulated losses	Net equity
Balance at January 1, 2017	258,000,000	11,610,000	(201,444,884)	68,165,116
Total comprehensive income for the period	-	-	(1,374,965)	(1,374,965)
Balance at June 30, 2017 (Unaudited)	**258,000,000**	**11,610,000**	**(202,819,849)**	**66,790,151**
Balance at January 1, 2016	258,000,000	11,610,000	(199,906,943)	69,703,057
Total comprehensive income for the period	-	-	1,027,397	1,027,397
Balance at June 30, 2016 (Unaudited)	**258,000,000**	**11,610,000**	**(198,879,546)**	**70,730,454**

- The above financial statements should be read in conjunction with accompanying notes on pages 8 to 16.

INTERIM STATEMENT OF CASH FLOWS
(All amounts in US Dollars)

	Note	For the six months period ended June 30, 2017 (Unaudited)	2016 (Unaudited)
Operating activities			
(Loss) profit for the period before tax		(1,374,965)	1,027,397
Adjustments:			
Depreciation	(3)	4,911,217	4,864,223
Impairment of property and equipment and intangible assets	(3,5)	143,092	-
Provision for employees' indemnity		951,078	1,065,222
Recovery for doubtful accounts		(121,107)	(2,116,213)
Loss (gain) on disposal of property and equipment		785	(977)
Finance revenues		(143,356)	(185,773)
Finance costs	(8)	2,047,090	2,178,506
Amortization	(5)	5,494,901	4,985,924
		11,908,735	**11,818,309**
Changes in operational assets and liabilities:			
Accounts receivable		(1,348,743)	(2,529,753)
Inventory		1,111,937	(392,572)
Other current assets		(1,049,611)	(1,259,193)
Accounts payable		(335,394)	(117,854)
Due to related parties		52,396	20,988
Deferred revenue		(636,354)	(56,692)
Other current liabilities		(1,076,059)	425,792
Transfers to provident fund		-	(272,489)
Employees' indemnity paid		(203,366)	(314,442)
Net cash flows provided by operating activities		**8,423,541**	**7,322,094**
Investing activities			
Purchase of property and equipment	(3)	(3,160,386)	(38,520)
Proceeds from disposal of property and equipment		11,033	27,957
Purchase of intangible assets	(5)	(625,607)	-
Increase in projects in progress		(524,843)	(5,733,843)
Advances to contractors		(3,348,422)	(1,690,056)
Interest received		156,087	173,769
Net cash flows used in investing activities		**(7,492,138)**	**(7,260,693)**
Financing activities			
Repayment of loans		(3,750,000)	(5,625,000)
Loan transaction costs paid		(218,149)	(262,487)
Interest paid		(1,586,121)	(1,681,683)
Other non-current liability		4,559,926	
Restricted cash		(1,037,192)	57,484
Net cash flows used in financing activities		**(2,031,536)**	**(7,511,686)**
Decrease in cash and cash equivalents		(1,100,133)	(7,450,285)
Cash and cash equivalents, beginning of the period		12,263,583	19,153,712
Cash and cash equivalents, end of the period	(6)	**11,163,450**	**11,703,427**

- The above financial statements should be read in conjunction with accompanying notes on pages 8 to 16.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (1) GENERAL

Wataniya Palestine Mobile Telecommunication Company (the Company), located in Ramallah, was registered and incorporated in Palestine on January 27, 2007 as a Private Limited Shareholding Company under registration No. 562499541. On October 25, 2010, the legal form of the Company was changed to a Public Shareholding Company under registration No. 562601328.

The Company was formed with an authorized share capital of 5,000,000 shares with USD 1 par value each. During 2008, the Company's authorized and paid-in share capital was increased to 170,000,000 shares with USD 1 par value each. The Company's General Assembly in its extraordinary meeting held on October 25, 2010 resolved to increase the Company's authorized share capital to 258,000,000 shares with USD 1 par value each. The existing shareholders Wataniya International FZ - LLC (WIL) and Palestine Investment Fund, PLC (PIF) subscribed for 49,300,000 shares through capitalizing a portion of the shareholders' loans and the related accrued interest. The remaining 38,700,000 shares were offered to the public at an offer price of USD 1.3 per share, resulting in a share premium of USD 11,610,000. The public offering took place during the period from November 7, 2010 to December 2, 2010.

On March 14, 2007, the Company entered into a license agreement (the License) with the Ministry of Telecommunications and Information Technology (the MTIT) to provide 2G and 3G mobile services in the West Bank and Gaza. The term of the License shall be fifteen years from the effective date being the date on which the MTIT makes the frequencies available to the Company. The effective date was originally set on August 6, 2008. On December 16, 2009, the MTIT approved the Company's request to determine September 10, 2009 as the effective date, instead of August 6, 2008, since it represents the date on which only 2G frequencies were allocated. On March 16, 2015, the MTIT approved to extend the terms of the license period for additional five years.

The Company started its operations on November 1, 2009.

The Company's main activities are offering, managing, and selling wireless telecommunication services, as well as constructing and operating wireless telecommunication stations and telephone networks.

The interim condensed financial statements of the Company as of June 30, 2017 were authorized for issue in accordance with the Board of Directors resolution on July 18, 2017.

The accompanying interim condensed financial statements were reviewed and not audited.

NOTE (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim condensed financial statements of the Company for the six months period ended June 30, 2017 have been prepared in accordance with International Accounting Standard 34, "Interim financial reporting".

The interim condensed financial statements have been prepared under the historical cost basis.

The interim condensed financial statements are presented in United States Dollar, which is the functional currency of the Company.

The interim condensed financial statements do not include all information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2016. The results for the period ended June 30, 2017 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2017.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(All amounts in US Dollars)

Changes in accounting policies and disclosures

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the presentation of the annual financial statement as of December 31, 2016.

(a) New and amended standards adopted by the Company for the first time and effective for the financial year starting on or after January 1, 2017, those standards did not have significant impact on the Company's financial statements.

- Amendment on IAS 12 "Income taxes": effective on 1 January 2017. This amendment addresses measurement and accounting for deferred tax assets.
- Amendment to IAS 7 "Cash flows statement": effective on 1 January 2017. This amendment requires additional disclosures for changes in financing activities.

(b) New standards and interpretations are not mandatory for the financial year commencing on January 1, 2017 but have not been early adopted by the Company:

- IFRS 9 'Financial instruments': effective on 1 January 2018. This standard addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting and also introduces a new impairment model. The standard must be applied for financial years beginning on or after 1 January 2018.
- IFRS 15, "Revenue from Contracts with Customers", effective from 1 January 2018. This standard will replace IAS 18 which covers goods and services contracts and IAS 11 which covers construction contracts. Based on the new standard, revenues are recognised upon the transfer of control of the goods or services to the customer - thus the idea of control replaces the idea of risks and returns.
- IFRS 16, 'Leases' Effective 1 January 2019. This standard will replace IAS 17 "Leases", and requires the lessor to record the future lease liabilities of all leases including "the right to use the asset".

Use of estimates

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The Company's management continually evaluate its estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The areas involving a higher degree of judgement or complexity are described below:

<u>Interconnection revenue and costs:</u>

The Company's management uses certain estimates to determine the amount of interconnection revenues, costs, receivables and payables.

<u>Useful life of tangible and intangible assets:</u>

The Company's management reassesses the useful lives of tangible and intangible assets, and adjusts if applicable, at each financial year-end.

<u>Impairment of accounts receivable:</u>

The Company provides services to broad based clients, mainly on credit terms. Estimates, based on the Company's historical experience, are used in determining the level of debts that the Company believes will not be collected.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(All amounts in US Dollars)

Risk management

The Company manages various risks through a strategy that identifies those risks and the procedures to mitigate them by applying a reporting systems aiming to review and adopt appropriate risk mitigating procedures. In addition, the business units are responsible for identifying risks associated with their operations and to apply and monitor appropriate control procedures. The overall responsibility of managing and monitoring the risks of the Company rests with the Board of Directors. The interim condensed financial statements do not include all information and disclosures required in the annual financial statements under risk management, and should be read in conjunction with the Company's annual financial statements as at December 31, 2016 which were prepared under the international financial reporting standards.

Fair value of financial instruments

The table below presents a comparison between the book values and the fair values of the financial instruments as classified on June 30, 2017 and December 31, 2016:

	Book value		**Fair value**	
Financial Assets	**June 30, 2017**	**December 31, 2016**	**June 30, 2017**	**December 31, 2016**
Cash on hand and cash at banks	11,163,450	12,263,583	11,163,450	12,263,583
Restricted cash	4,988,427	3,951,235	4,988,427	3,951,235
Accounts receivable	12,746,557	11,276,707	12,746,557	11,276,707
Other current assets	41,128	261,692	41,128	261,692
	28,939,562	**27,753,217**	**28,939,562**	**27,753,217**
Financial Liabilities				
Interest-bearing loans and borrowings	60,293,172	63,800,352	60,293,172	63,800,352
Other non-current liability	58,906,580	54,346,654	58,906,580	54,346,654
Accounts payable	8,793,144	9,128,538	8,793,144	9,128,538
Due to related parties	230,155	177,759	230,155	177,759
Other current liabilities	14,199,324	16,267,159	14,199,324	16,267,159
Accrued project cost	1,764,874	1,807,882	1,764,874	1,807,882
	144,187,249	**145,528,344**	**144,187,249**	**145,528,344**

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- The fair values of accounts receivable, other financial assets, cash and cash equivalents, accounts payable, due to related parties, accrued project costs and other financial liabilities largely approximate their carrying amounts due to the short-term maturities of these instruments.
- The fair value of other current assets was calculated after excluding prepaid expenses.
- The fair value of other current liabilities was calculated after excluding the due to VAT and employees vacations provision.
- The fair value of interest-bearing loans and borrowings and non-current liabilities is estimated by discounting future cash flows using rates currently available for debt

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(All amounts in US Dollars)

Fair value hierarchy
The Company uses the following hierarchy for determining and disclosing the fair value of its financial instruments:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (3) PROPERTY AND EQUIPMENT

	Network equipment	Network infrastructure	Computers	Office equipment	Furniture and fixtures	Leasehold improvements	Others	Total
2017								
Cost								
Balance at January 1, 2017	**57,614,789**	**22,182,433**	**17,398,250**	**2,187,916**	**2,034,416**	**6,852,362**	**34,924**	**108,305,090**
Additions	1,877,220	395,115	365,292	184,016	42,605	296,138	-	3,160,386
Disposals	(35)	(10,794)	(1,572)	-	-	-	-	(12,401)
Balance at June 30, 2017	**59,491,974**	**22,566,754**	**17,761,970**	**2,371,932**	**2,077,021**	**7,148,500**	**34,924**	**111,453,075**
Accumulated depreciation:								
Balance at January 1, 2017	**42,902,293**	**14,753,535**	**14,204,539**	**1,733,674**	**1,500,523**	**5,707,749**	**33,244**	**80,835,557**
Impairment loss	30,221	92,546	68	2,723	2,327	-	-	127,885
Depreciation for the period	3,468,618	491,305	551,338	105,729	71,103	222,794	330	4,911,217
Disposals	(3)	(347)	(233)	-	-	-	-	(583)
Balance at June 30, 2017	**46,401,129**	**15,337,039**	**14,755,712**	**1,842,126**	**1,573,953**	**5,930,543**	**33,574**	**85,874,076**
Net book value:								
As at June 30, 2017	**13,090,845**	**7,229,715**	**3,006,258**	**529,806**	**503,068**	**1,217,957**	**1,350**	**25,578,999**
As at December 31, 2016	**14,712,496**	**7,428,898**	**3,193,711**	**454,242**	**533,893**	**1,144,613**	**1,680**	**27,469,533**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (4) PROJECTS IN PROGRESS

Details**:**

	June 30, 2017	December 31, 2016
Balance, beginning of the period	18,883,868	30,049,245
Additions	3,000,241	1,841,876
Transferred to property and equipment and intangible assets	(2,153,404)	(8,236,219)
Cost adjustment	(365,002)	(4,771,034)
Balance, end of the period	**19,365,703**	**18,883,868**

NOTE (5) INTANGIBLE ASSETS

Details:

	License *	Software	Total
Cost			
Balance at January 1, 2017	**184,871,337**	**33,277,388**	**218,148,725**
Additions during the period	-	625,607	625,607
Balance at June 30, 2017	**184,871,337**	**33,902,995**	**218,774,332**
Accumulated Amortization			
Balance at January 1, 2017	**63,272,934**	**15,764,591**	**79,037,525**
Amortization for the period	2,996,246	2,498,655	5,494,901
Impairment loss	-	15,207	15,207
Balance at June 30, 2017	**66,269,180**	**18,278,453**	**84,547,633**
Net Book Value			
As at June 30, 2017	**118,602,157**	**15,624,542**	**134,226,699**
As at December 31, 2016	**121,598,403**	**17,512,797**	**139,111,200**

(*) The Company started amortizing the License on November 1, 2009 being the date on which it commenced its operations. During 2014, the Ministers' Council formed a committee to review the value of the License in the light of the losses incurred by the Company. During 2015 and based on committee's recommendations, the MTIT issued a presidential decree which granted the Company an extension of useful life of the License by additional 5 years.

NOTE (6) CASH ON HAND AND AT BANKS

Details:

	June 30, 2017	December 31, 2016
Cash on hand	193,300	117,530
Cash at banks and short term deposits	10,970,150	12,146,053
	11,163,450	**12,263,583**

As of June 30, 2017, the Company has nine short-term deposits amounting to USD 8,424,890 (2016: ten deposits amounting to USD 11,926,261) at local banks with an average interest rate of 3.46% (2016: 2.92%).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (7) INTEREST BEARING LOANS AND BORROWINGS

Details:

	June 30, 2017	December 31, 2016
Shareholders' loans		
Wataniya International FZ - LLC (WIL)	2,850,000	2,850,000
Palestine Investment Fund, PLC (PIF)	2,150,000	2,150,000
Accrued interest (WIL)	1,225,268	1,141,442
Accrued interest (PIF)	923,881	860,644
	7,149,149	**7,002,086**
Third parties' loans		
Local banks' loans	37,650,000	39,300,000
IFC loan	23,100,000	25,200,000
	60,750,000	**64,500,000**
Less: transaction costs directly attributable to third parties' loans (*)	(7,605,977)	(7,701,734)
	60,293,172	**63,800,352**
Non-current portion	40,793,172	44,300,352
Current portion	19,500,000	19,500,000
	60,293,172	**63,800,352**

(*) This item represents legal and other fees directly attributable to loans and borrowings that were incurred in relation to the loan agreements with respective financial institutions.

NOTE (8) FINANCE COSTS

Details:

	June 30, 2017	June 30, 2016
Interest on loans and borrowings	1,733,184	1,824,135
Amortization of transaction costs	313,906	354,371
	2,047,090	**2,178,506**

NOTE (9) BASIC AND DILUTED EARNINGS PER SHARE

Details:

	June 30, 2017	June 30, 2016
(Loss) gain for the period	(1,374,965)	1,027,397
Weighted average number of shares (Share)	258,000,000	258,000,000
Basic and diluted loss per share	**(0.005)**	**0.004**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(All amounts in US Dollars)

NOTE (10) COMMITMENTS AND CONTINGENCIES

As at financial statements date, the Company has outstanding contractual commitments resulting from purchases, services and construction contracts as well as its license.

Following is a summary of the outstanding commitments:

	June 30, 2017	December 31, 2016
Contracts and purchase orders	46,905,437	12,360,970
License *	159,653,346	159,653,346

∗ The Company entered into a license agreement with MTIT for a total price of USD 354,000,000. The unpaid portion of the license cost, net of the related non-current liability, of USD 159,653,346 represents the unrecognized liability in the financial statements resulting from MTIT not fulfilling its obligations in relation with granting the Company access to Gaza and 3G frequencies. In addition, the Company's management changed the estimated useful life of the License from 15 years to 20 years.

The Company entered into an agreement to lease the office building on January 27, 2007. During 2012, the Company renewed the contract for additional 5 years for a total amount of USD 2,633,046 with an option to renew the contract. The Company has renewed the contract for additional five years during February 2017.

Following is the future minimum rentals payable under non-cancellable operating lease:

	June 30, 2017	December 31, 2016
Within one year	466,156	458,152
After one year but not more than five years	1,742,522	1,974,241
	2,208,678	**2,432,393**

NOTE (11) RELATED PARTY TRANSACTIONS

Related parties represent associated companies, shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Balances with related parties included in the interim statement of financial position were as follows:

	Nature of relationship	June 30, 2017	December 31, 2016
Interest-bearing loans and borrowings	Shareholder	5,000,000	5,000,000
Accrued interest	Shareholder	2,149,149	2,002,086
Due to related parties	Shareholder	4,790,081	177,759
Accrued key management personnel compensation	Key management	2,980,709	2,445,467
Accounts Receivables	Shareholder	-	1,727

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(All amounts in US Dollars)

Transactions with related parties included in the interim statement of profit or loss were as follows:

	June 30, 2017	June 30, 2016
Finance costs	147,063	156,656
Key management personnel compensation	535,242	479,394
Revenue from shareholders	11,984	10,987