

**Qatari German Company for
Medical Devices Q.S.C.**

**INTERIM CONDENSED
FINANCIAL STATEMENTS**

30 JUNE 2017

REPORT ON INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.S.C.

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Qatari German Company for Medical Devices Q.S.C. (the "Company") as at 30 June 2017 and the related interim condensed statement of income, interim condensed statement of comprehensive income, interim condensed statement of cash flows and interim condensed statement of changes in equity for the six months period then ended. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

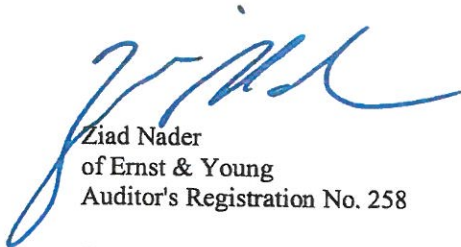
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial 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. Consequently, it 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 interim condensed financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standards.

Material uncertainty related to going concern

Without qualifying our opinion, we draw attention to Note 2 to the interim condensed financial statements which states that the Company has accumulated losses of QR 86,600,583, which exceeds 50% of the share capital as at 30 June 2017. Also, as at 30 June 2017, the Company's current liabilities exceeded its current assets. These conditions indicate the existence of a material uncertainty, which may cast doubt on the Company's ability to continue as a going concern. The Board of Directors confirmed its plan to call for extra ordinary general assembly for the shareholders to pass a resolution to continue the operations of the Company, and to enable the Company to continue as a going concern and meet its financial commitments when they fall due. Also, the management is taking measures of improving its operations within the next five year. The interim condensed financial statements, therefore, have been prepared on a going concern basis.


Ziad Nader
of Ernst & Young
Auditor's Registration No. 258

Date: 13 August 2017
Doha



Qatari German Company for Medical Devices Q.S.C.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

At 30 June 2017

	Notes	30 June 2017 QR (Reviewed)	31 December 2016 QR (Audited)
Assets			
Non-current assets			
Property, plant and equipment	4	135,015,808	136,726,730
Investment properties		12,590,000	12,590,000
Intangible assets		10,439,212	10,498,816
		<u>158,045,020</u>	<u>159,815,546</u>
Current assets			
Inventories	5	17,045,463	17,934,023
Accounts receivable and prepayments		10,619,156	10,123,945
Bank balances and cash	6	70,393	952,127
		<u>27,735,012</u>	<u>29,010,095</u>
Total assets		<u>185,780,032</u>	<u>188,825,641</u>
Equity and liabilities			
Equity			
Share capital		115,500,000	115,500,000
Legal reserve		30,343,120	30,343,120
Revaluation reserve		11,999,694	11,999,694
Accumulated losses		(86,600,583)	(82,283,123)
Total equity		<u>71,242,231</u>	<u>75,559,691</u>
Liabilities			
Non-current liabilities			
Employees' end-of-service benefits		859,996	924,432
Loans and borrowings	7	80,598,729	81,030,590
		<u>81,458,725</u>	<u>81,955,022</u>
Current liabilities			
Loans and borrowings	7	13,254,982	12,168,390
Accounts payable and accruals		4,806,826	4,749,251
Bank overdraft	6	15,017,268	14,393,287
		<u>33,079,076</u>	<u>31,310,928</u>
Total liabilities		<u>114,537,801</u>	<u>113,265,950</u>
Total equity and liabilities		<u>185,780,032</u>	<u>188,825,641</u>

Hamad Khamis A. Al-Kubaisi
Chairman of the Board of Directors

Khalid Ali Al-Mawlawi
Vice Chairman



The attached notes 1 to 12 form part of these interim condensed financial statements.

Qatari German Company for Medical Devices Q.S.C.
INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the six-month ended 30 June 2017

	<i>Note</i>	<i>Six-month ended</i>	
		<i>30 June 2017</i>	<i>30 June 2016</i>
		<i>QR</i>	<i>QR</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
Revenue		5,469,662	5,811,465
Direct costs		<u>(4,999,878)</u>	<u>(5,051,992)</u>
Gross profit		469,784	759,473
Other income		1,371,501	1,485,221
Selling and distribution expenses		(524,384)	(741,402)
General and administrative expenses		<u>(3,705,654)</u>	<u>(3,730,648)</u>
Operating loss for the period		(2,388,753)	(2,227,356)
Finance cost		<u>(1,928,707)</u>	<u>(1,795,444)</u>
Loss for the period		(4,317,460)	(4,022,800)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		<u>(4,317,460)</u>	<u>(4,022,800)</u>
Basic and diluted earnings per share	9	<u>(0.37)</u>	<u>(0.35)</u>

The attached notes 1 to 12 form part of these interim condensed financial statements.

Qatari German Company for Medical Devices Q.S.C.

INTERIM STATEMENT OF CASH FLOWS

For the six-month ended 30 June 2017

	<i>Notes</i>	<i>Six-month ended</i>	
		<i>30 June 2017</i>	<i>30 June 2016</i>
		<i>QR</i>	<i>QR</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
OPERATING ACTIVITIES			
Loss for the period		(4,317,460)	(4,022,800)
Adjustments for:			
Depreciation and amortisation		1,399,604	1,541,371
Loss on sale of property, plant and equipment		225,855	-
Provision for employees' end of service benefits		102,227	123,787
Finance cost		1,928,707	1,795,444
Operating loss before working capital changes		(661,067)	(562,198)
Working capital changes:			
Inventories		888,560	(1,835,011)
Accounts receivable and prepayments		(495,211)	(18,449)
Accounts payable and accruals		57,575	(76,980)
Cash used in operating activities		(210,143)	(2,492,638)
Employees' end of service benefits paid		(166,663)	(32,764)
Net cash flows used in operating activities		(376,806)	(2,525,402)
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	4	(4,933)	(750,636)
Proceeds on sale of property, plant and equipment		150,000	-
Net cash flows from (used in) investing activities		145,067	(750,636)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings	7	2,702,503	5,469,203
Repayments of loans and borrowings	7	(3,094,632)	(1,505,082)
Finance cost paid		(881,847)	(1,634,850)
Net cash flows (used in) from financing activities		(1,273,976)	2,329,271
NET DECREASE IN CASH AND CASH EQUIVALENTS			
		(1,505,715)	(946,767)
Cash and cash equivalents at 1 January	6	(13,441,160)	(13,619,082)
CASH AND CASH EQUIVALENTS AT 30 JUNE	6	<u>(14,946,875)</u>	<u>(14,565,849)</u>

The attached notes 1 to 12 form part of these interim condensed financial statements.

Qatari German Company for Medical Devices Q.S.C.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the six-month ended 30 June 2017

	Share capital QR	Legal reserve QR	Revaluation reserve QR	Accumulated losses QR	Total QR
At 1 January 2017 (<i>Audited</i>)	115,500,000	30,343,120	11,999,694	(82,283,123)	75,559,691
Loss for the period	-	-	-	(4,317,460)	(4,317,460)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(4,317,460)	(4,317,460)
At 30 June 2017 (<i>Reviewed</i>)	115,500,000	30,343,120	11,999,694	(86,600,583)	71,242,231
	Share capital QR	Legal reserve QR	Revaluation reserve QR	Accumulated losses QR	Total QR
At 1 January 2016 (<i>Audited</i>)	115,500,000	30,343,120	11,999,694	(54,439,412)	103,403,402
Loss for the period	-	-	-	(4,022,800)	(4,022,800)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(4,022,800)	(4,022,800)
At 30 June 2016 (<i>Reviewed</i>)	115,500,000	30,343,120	11,999,694	(58,462,212)	99,380,602

The attached notes 1 to 12 form part of these interim condensed financial statements.

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

1 CORPORATE INFORMATION

Qatari German Company for Medical Devices Q.S.C. (the "Company") is a Qatari Shareholding Company incorporated in the State of Qatar by virtue of Emiri Decree No. 39 issued on 15 October 2000, under the Commercial Registration No. 23349 dated 10 February 2001 and is currently listed on Qatar Exchange. The Company's registered office is located at P.O. Box 22556, Doha, State of Qatar and the principal place of business is in Abu Hammour, Doha, State of Qatar.

The principal activity of the Company is to manufacture single use disposable syringes.

These interim condensed financial statements of the Company for the six-month ended 30 June 2017 were authorized for issue by the Board of Directors on 13 August 2017.

2 GOING CONCERN

The Company has accumulated losses of QR 86,600,583, which exceeds 50% of the share capital as at 30 June 2017. Article 295 of Qatar Commercial Companies' Law No. 11 of 2015 requires that in such an event, the shareholders pass a resolution either to continue its operations or to dissolve the Company. Also, as at 30 June 2017, the Company's current liabilities exceeded its current assets by QR 5,344,064. These conditions indicate the existence of a material uncertainty, which may cast doubt on the Company's ability to continue as a going concern. In this regard, the Board of Directors confirmed its plan to call for extra ordinary general assembly for the shareholders to pass a resolution to continue the operations of the Company, and to enable the Company to continue as a going concern and meet its financial commitments when they fall due. Also, the management is taking measures of improving its operations within the next five year. The interim condensed financial statements, therefore, have been prepared on a going concern basis.

3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The interim condensed financial statements for the six-month ended 30 June 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting" and have been presented in Qatar Riyals, which is the Company's functional and presentation currency.

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

In preparing these interim condensed financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements as at and for the year ended 31 December 2016.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended 31 December 2016.

**3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

3.2 New and amended standards and interpretations

The following amendments to standards have been applied by the Company in preparation of these interim condensed financial statements. The amendments to the below standards did not have any material impact to the Company, but they may result in additional disclosures at year end:

- Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative
- Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrecognised Losses
- Annual Improvements Cycle - 2014-2016
Amendments to IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12

The adoption of the above amendments and improvements had no significant impact on the interim condensed financial statements.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's interim condensed financial statements are disclosed below.

<i>Topic</i>	<i>Effective date</i>
IFRS 9 Financial Instruments	January 2018
IFRS 15 Revenue from Contracts with Customers	January 2018
IFRS 2 Classification and Measurement of Share-based Payment Transactions — Amendments to IFRS 2	January 2018
IFRS 16 Leases	January 2019
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

4 PROPERTY, PLANT AND EQUIPMENT

	<i>Buildings on leasehold land QR</i>	<i>Machinery and equipment QR</i>	<i>Motor vehicles QR</i>	<i>Furniture, fixtures and equipment QR</i>	<i>Computer and software QR</i>	<i>Capital -in-work progress QR</i>	<i>Total QR</i>
Cost:							
At 1 January 2017	57,182,447	93,476,239	205,500	2,786,068	765,634	1,938,142	156,354,030
Additions	-	-	-	1,933	3,000	-	4,933
Disposals	-	-	-	-	-	(375,855)	(375,855)
At 30 June 2017	57,182,447	93,476,239	205,500	2,788,001	768,634	1,562,287	155,983,108
Accumulated depreciation:							
At 1 January 2017	10,668,003	6,491,858	172,533	1,662,416	632,490	-	19,627,300
Charge for the period	953,041	138,137	12,850	190,300	45,672	-	1,340,000
At 30 June 2017	11,621,044	6,629,995	185,383	1,852,716	678,162	-	20,967,300
Carrying amounts:							
At 30 June 2017 (<i>Reviewed</i>)	45,561,403	86,846,244	20,117	935,285	90,472	1,562,287	135,015,808

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	<i>Buildings on leasehold land QR</i>	<i>Machinery and equipment QR</i>	<i>Motor vehicles QR</i>	<i>Furniture, fixtures and equipment QR</i>	<i>Computers QR</i>	<i>Capital work-in- progress QR</i>	<i>Total QR</i>
Cost:							
At 1 January 2016	57,182,447	93,234,185	205,500	2,047,996	673,329	1,679,261	155,022,718
Additions	-	242,054	-	443,072	92,305	553,881	1,331,312
Transfers	-	-	-	295,000	-	(295,000)	-
At 30 June 2016	57,182,447	93,476,239	205,500	2,786,068	765,634	1,938,142	156,354,030
Accumulated depreciation:							
At 1 January 2016	8,761,921	6,009,560	146,833	1,296,058	540,426	-	16,754,798
Charge for the period	1,906,082	482,298	25,700	366,358	92,064	-	2,872,502
At 30 June 2016	10,668,003	6,491,858	172,533	1,662,416	632,490	-	19,627,300
Carrying amounts:							
At 30 June 2016 (<i>Reviewed</i>)	46,514,444	86,984,381	32,967	1,123,652	133,144	1,938,142	136,726,730

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation for the period/year has been allocated in the interim condensed statement of comprehensive income is as follows:

	30 June 2017 QR (Reviewed)	30 December 2016 QR (Audited)
Direct cost	939,374	2,084,773
General and administrative expenses	400,626	787,729
	<u>1,340,000</u>	<u>2,872,502</u>

5 INVENTORIES

	30 June 2017 QR (Reviewed)	31 December 2016 QR (Audited)
Raw materials	8,422,133	10,046,328
Work-in-progress	1,563,059	1,932,255
Finished goods	4,026,718	4,129,526
Spare parts	2,412,029	2,418,879
Consumables	447,169	263,472
	<u>16,871,108</u>	<u>18,790,460</u>
Less: Provision for slow-moving inventories	(59,217)	(59,217)
Write-off of inventories	-	(1,028,779)
	<u>16,811,891</u>	<u>17,702,464</u>
Goods-in-transit	233,572	231,559
	<u>17,045,463</u>	<u>17,934,023</u>

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows comprise the following interim statement of financial position amounts:

	30 June 2017 QR (Reviewed)	31 December 2016 QR (Audited)
Bank balances	61,872	941,143
Cash on hand	8,521	10,984
	<u>70,393</u>	<u>952,127</u>
Bank overdraft	(15,017,268)	(14,393,287)
	<u>(14,946,875)</u>	<u>(13,441,160)</u>

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

7 LOANS AND BORROWINGS

	<i>30 June 2017 QR (Reviewed)</i>	<i>31 December 2016 QR (Audited)</i>
Term loan	79,113,288	78,686,960
Documentary credit facility	14,740,423	14,512,020
	<u>93,853,711</u>	<u>93,198,980</u>

Presented in the interim statement of financial position as follows:

Current	13,254,982	12,168,390
Non-current	80,598,729	81,030,590
	<u>93,853,711</u>	<u>93,198,980</u>

Movement in the loans and borrowings are as follows:

	<i>30 June 2017 QR (Reviewed)</i>	<i>31 December 2016 QR (Audited)</i>
At 1 January	93,198,980	88,765,590
Loan obtained during the period/ year	2,702,503	9,356,883
Loan repaid during the period/ year	(3,094,632)	(5,077,026)
Interest accrued (net of payment)	1,046,860	153,533
At 30 June/31 December	<u>93,853,711</u>	<u>93,198,980</u>

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

7 LOANS AND BORROWINGS (CONTINUED)

Details of loans and borrowings are as follows:

<i>Loan category</i>	<i>Facility outstanding amount</i>		<i>Year of maturity</i>	<i>Interest rate</i>	<i>Purpose of the facility</i>
	<i>30 June 2017</i>	<i>31 December 2016</i>			
	<i>QR (Reviewed)</i>	<i>QR (Audited)</i>			
Term loan	65,086,081	64,119,876	April 2023	%3	Rescheduled existing facilities by Qatar Development Bank, a related party
Term loan	8,067,506	7,947,890	April 2021	%3	Rescheduled existing facilities by Qatar Development Bank, a related party
Documentary credit facility	8,026,485	5,477,807	January 2017	%3	Financing of working capital obtained from Qatar Development Bank, a related party
Documentary credit facility	5,908,913	6,774,343	November 2019	%5	Re-scheduling and increase in the existing facility for working capital obtained from Qatar National Bank
Term loan	3,833,320	3,990,367	January 2023	%3	Financing of machinery purchases obtained from Qatar Development Bank, a related party
Term loan	2,126,381	2,628,828	August 2019	%5	Re-scheduling of the existing facility for warehouse construction obtained from Qatar National Bank
Documentary credit facility	488,725	1,701,975	November 2016	%3	Financing of working capital obtained from Qatar Development Bank, a related party
Documentary credit facility	316,300	557,894	December 2016	%3	Financing for warehouse construction obtained from Qatar Development Bank, a related party
	<u>93,853,711</u>	<u>93,198,980</u>			

The Company's loans and borrowings are secured against specific plant, property and equipment of the Company.

- In 2016, the Company entered into a restructured agreement with their existing facilities with the purpose to convert the conventional facility to Islamic facility. The revised facility have a tenor of 7 years inclusive of grace period of 2 years from 10 April 2016 (approval date) with no principal or profit to be paid during the grace period. Payments will be paid in 20 quarterly installments over a period of 5 years after grace period.
- In 2016, the Company entered into a restructured agreement with their existing facilities to one new Islamic account with tenor of 5 years, inclusive of 2 years grace period starting from 10 April 2016 (date of approval). No principal or profit to be paid during the grace period and payments will be paid in 12 quarterly installments over a period of 3 years after grace period.
- Loans where maturity has expired were all classified under current liabilities and are due and demandable. The Company are in the process of negotiation for the restructuring of these loans.

8 SEGMENT INFORMATION

For management purposes, the Company is organized into one business unit based on its nature of activities, as the Company's operations pertain only to the manufacturing of disposable syringes. Decisions about resource allocation and monitoring of performance are based on the single business unit identified by the management.

The Company does not have any foreign operations as of the reporting period end (31 December 2016: None).

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

9 LOSS PER SHARE

Basic earnings per share is calculated by dividing the loss for the period by the weighted average number of ordinary shares outstanding during the period.

	<i>Six-month ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Loss for the period	<u>(4,317,460)</u>	<u>(4,022,800)</u>
Weighted average number of shares outstanding during the period	<u>11,550,000</u>	<u>11,550,000</u>
Basic and diluted earnings per share (QR)	<u>(0.37)</u>	<u>(0.35)</u>

There were no potentially dilutive shares outstanding at any time during the period and therefore, the diluted earnings per share is equal to the basic earnings per share.

10 RELATED PARTY DISCLOSURES

Related parties consist of major shareholders, related companies 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.

Related party transactions included in the interim statement of comprehensive income for the period are as follows:

	<i>Six-month ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Finance costs	<u>1,858,651</u>	<u>1,709,085</u>
<i>General and amortisation expenses:</i>		
Bank charges and commission	<u>73,656</u>	<u>86,358</u>

Compensation of key management personnel

The compensation of key management personnel during the period were as follows:

	<i>Six-month ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Salaries and other short-term benefits	<u>246,575</u>	<u>263,823</u>
End-of-service benefits	<u>7,770</u>	<u>6,248</u>
	<u>254,345</u>	<u>270,071</u>

Related party balances

The payables to related parties pertain to the loans and borrowings of the Company as disclosed in Note 7. These amounts are secured by the assets owned by the Company, with interests based on prevailing market rates and settlement normally occurs in cash.

Qatari German Company for Medical Devices Q.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2017

11 COMMITMENTS AND CONTINGENT LIABILITIES

Operating lease commitments

	30 June 2017 QR (Reviewed)	31 December 2016 QR (Audited)
Future minimum lease payments:		
Not later than one year	11,527	11,527
Later than one year and not later than five years	46,108	46,108
Later than five years	97,980	109,507
	<u>155,615</u>	<u>167,142</u>

Contingent liabilities

	30 June 2017 QR (Reviewed)	31 December 2016 QR (Audited)
Guarantees (tenders, performance bonds and miscellaneous)	<u>2,730,042</u>	<u>2,695,907</u>

12 CLASSIFICATION AND FAIR VALUES

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties on an arm's length basis. The accompanying interim condensed financial statements have been prepared under the historical cost convention, modified to include the measurement at fair value of investment properties.

The carrying values of certain financial assets and liabilities as recorded could be different from the fair value. However, in the opinion of the management, the fair values of these financial assets and liabilities are not considered to significantly differ from their carrying values, as most of these items are short-term in nature.

Fair value hierarchy:

The table below analyses assets carried at fair value, by valuation method. The different levels have been defined as follows:

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

At 30 June 2017	Level 1 QR (Reviewed)	Level 2 QR (Reviewed)	Level 3 QR (Reviewed)	Total QR (Reviewed)
Investment properties	-	12,590,000	-	12,590,000
At 31 December 2016	Level 1 QR (Audited)	Level 2 QR (Audited)	Level 3 QR (Audited)	Total QR (Audited)
Investment properties	-	12,590,000	-	12,590,000

During the six-month period ended 30 June 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements 31 December 2016: None).