

ZAIN BAHRAIN B.S.C.
MANAMA
KINGDOM OF BAHRAIN

INTERIM CONDENSED
FINANCIAL INFORMATION
MARCH 31, 2015

ZAIN BAHRAIN B.S.C.
MANAMA - KINGDOM OF BAHRAIN

<u>Commercial Registration No.</u>	50603
<u>Chairman</u>	Al Shaikh Ahmed Bin Ali Al Khalifa
<u>Directors</u>	Mr. Asaad Ahmed Al Banwan - Vice Chairman Al Shaikh Rashed Abdulrahman Mohamed Al Khalifa Mr. Jamal Shaker Al Alkazemi Mr. Waleed A M A Alroudan Mrs. Shaikha Khalid A A Albahar Mr. Ali Al Khaja – Acting Independent Director
<u>Chief Executive Officer</u>	Mr. Scott Gegnheimer
<u>General Manager</u>	Mr. Mohammed Zainalabedin
<u>Finance Director</u>	Mr. Ahmed Dief (Up to January 13, 2015) Mr. Mudasser Muhammad Ali (from February 1, 2015)
<u>Registered Office</u>	P.O. Box 266 Manama Kingdom of Bahrain
<u>Principal Bankers</u>	National Bank of Kuwait Bank of Bahrain and Kuwait National Bank of Bahrain National Bank of Abu Dhabi Ahli United Bank Ithmar Bank Arab Bank Khaleeji Commercial Bank Bank Muscat International Kuwait Finance House Bahrain Islamic Bank Al Baraka Islamic Bank Standard Chartered Bank
<u>Auditor</u>	Deloitte & Touche – Middle East P.O. Box 421 Manama Kingdom of Bahrain

ZAIN BAHRAIN B.S.C.
MANAMA - KINGDOM OF BAHRAIN

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REVIEW REPORT TO THE DIRECTORS

Zain Bahrain B.S.C.
Kingdom of Bahrain.

Introduction

We have reviewed the accompanying interim statement of financial position of Zain Bahrain B.S.C. (the "Company") as of March 31, 2015 and the related statement of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended. Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information 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 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 interim condensed financial information is not prepared, in all material respect, in accordance with International Accounting Standard 34.

Manama – Kingdom of Bahrain
May 4, 2015



Deloitte & Touche - Middle East
Partner Registration No. – 135

ZAIN BAHRAIN B.S.C.**STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2015**

		(Unaudited) March 31, 2015 BD '000	(Audited) December 31, 2014 BD '000	(Unaudited) March 31, 2014 BD '000
ASSETS	Notes			
Current assets				
Cash and banks	5	2,348	2,974	2,824
Accounts receivable and other assets	6	21,316	21,238	22,604
Inventories	7	2,504	2,128	3,781
		-----	-----	-----
Total current assets		26,168	26,340	29,209
		-----	-----	-----
Non-current assets				
Property, plant and equipment	8	69,674	69,806	63,761
Intangible assets	9	14,941	15,940	18,721
		-----	-----	-----
Total non-current assets		84,615	85,746	82,482
		-----	-----	-----
Total assets		110,783	112,086	111,691
		=====	=====	=====
LIABILITIES AND EQUITY				
Liabilities				
Current liabilities				
Accounts payable and other liabilities	10	23,094	25,669	33,769
Current portion of term loans	11	7,786	6,961	4,568
Deferred revenue		4,303	4,529	4,349
		-----	-----	-----
Total current liabilities		35,183	37,159	42,686
		-----	-----	-----
Non-current liabilities				
Non-current portion of term loans	11	16,509	14,971	19,832
Provisions		274	323	334
		-----	-----	-----
Total non-current liabilities		16,783	15,294	20,166
		-----	-----	-----
Total liabilities		51,966	52,453	62,852
		-----	-----	-----

The attached notes 1 to 16 form part of this interim condensed financial information.

ZAIN BAHRAIN B.S.C.STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2015 (CONTINUED)

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Equity			
Share capital	36,800	36,800	32,000
Share premium	3,032	3,032	100
Statutory reserve	9,969	9,867	9,561
Retained earnings	9,016	9,934	7,178
	-----	-----	-----
Total equity	58,817	59,633	48,839
	-----	-----	-----
Total liabilities and equity	<u>110,783</u>	<u>112,086</u>	<u>111,691</u>

The condensed interim financial information was approved and authorised for issue by the Directors on May 4, 2015 and signed on their behalf by:



Al Shaikh Ahmed Bin Ali Al Khalifa
Chairman



Mr. Asaad Ahmed Al Banwan
Vice Chairman

The attached notes 1 to 16 form part of this interim condensed financial information.

ZAIN BAHRAIN B.S.C.STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

		<u>Three month period ended March 31, 2015 BD '000</u>	<u>Three month period ended March 31, 2014 BD '000</u>
	<u>Notes</u>		
Revenue	12	17,633	18,398
Cost of revenue		(2,714)	(3,497)
		-----	-----
Gross profit		14,919	14,901
Operating and administrative expenses		(7,556)	(7,117)
Depreciation and amortisation		(5,750)	(5,629)
Provision for doubtful debts		(349)	(408)
Provision for inventories		(75)	(299)
		-----	-----
Operating profit		1,189	1,448
Interest income		4	2
Other income		-	9
Other provision		-	(210)
Gain on currency revaluation		11	17
Finance costs		(180)	(186)
		-----	-----
Profit for the period		1,024	1,080
		-----	-----
Total comprehensive income for the period		1,024	1,080
		=====	=====
Basic earnings per share	13	Fils 3	Fils 3
		=====	=====


Al Shaikh Ahmed Bin Ali Al Khalifa
Chairman


Mr. Asaad Ahmed Al Banwan
Vice Chairman

The attached notes 1 to 16 form part of this interim condensed financial information.

ZAIN BAHRAIN B.S.C.STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

	<u>Share Capital</u> BD '000	<u>Share Premium</u> BD '000	<u>Statutory Reserve</u> BD '000	<u>Retained Earnings</u> BD '000	<u>Total</u> BD '000
Balance at December 31, 2013	32,000	100	9,453	11,486	53,039
Dividends	-	-	-	(5,280)	(5,280)
Total comprehensive income for the period	-	-	-	1,080	1,080
Transfer to statutory reserve	-	-	108	(108)	-
Balance at March 31, 2014	<u>32,000</u>	<u>100</u>	<u>9,561</u>	<u>7,178</u>	<u>48,839</u>
Balance at December 31, 2014	36,800	3,032	9,867	9,934	59,633
Dividends	-	-	-	(1,840)	(1,840)
Total comprehensive income for the period	-	-	-	1,024	1,024
Transfer to statutory reserve	-	-	102	(102)	-
Balance at March 31, 2015	<u>36,800</u>	<u>3,032</u>	<u>9,969</u>	<u>9,016</u>	<u>58,817</u>

The attached notes 1 to 16 form part of this interim condensed financial information.

STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

	<u>Three-month</u> <u>period ended</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>Three-month</u> <u>period ended</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Cash flows from operating activities:		
Profit for the period	1,024	1,080
Adjustments for:		
Depreciation and amortisation	5,750	5,629
Allowance for doubtful debts and slow moving inventories	424	707
Finance costs	180	186
Interest income	(4)	(2)
Gain on disposal of property, plant and equipment	-	(3)
Provision for employees' end of service indemnity	43	16
	-----	-----
Operating profit before working capital changes	7,417	7,613
Increase in inventories	(451)	(1,109)
Increase in accounts receivable and other assets	(427)	(2,368)
Decrease in accounts payable and accruals	(2,789)	(679)
Decrease in deferred revenue	(226)	(420)
	-----	-----
Cash generated from operating activities	3,524	3,037
Payment of employees' end of service indemnity	(92)	(12)
	-----	-----
Net cash from operating activities	3,432	3,025
	-----	-----
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,255)	(4,624)
Increase in intangible assets	(2,364)	(2,954)
Interest received	4	2
Proceeds from disposal of property, plant and equipment	-	3
	-----	-----
Net cash used in investing activities	(4,615)	(7,573)
	-----	-----
Cash flows from financing activities:		
Long term loans	2,363	4,400
Dividend paid	(1,619)	-
Interest paid	(187)	(184)
	-----	-----
Net cash from financing activities	557	4,216
	-----	-----

The attached notes 1 to 16 form part of this interim condensed financial information.

ZAIN BAHRAIN B.S.C.STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015 (CONTINUED)

	<u>Three-month</u> <u>period ended</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>Three-month</u> <u>period ended</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Net decrease in cash and cash equivalents	(626)	(332)
Cash and cash equivalents at beginning of the period	2,974	3,156
	-----	-----
Cash and cash equivalents at the end of the period (Note 5)	2,348	2,824
	=====	=====

The attached notes 1 to 16 form part of this interim condensed financial information.

ZAIN BAHRAIN B.S.C.**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015****1. INCORPORATION AND ACTIVITIES:**

Zain Bahrain B.S.C. (the “Company”) is a Bahraini Joint Stock Company incorporated in the Kingdom of Bahrain on April 19, 2003 and registered with the Ministry of Industry and Commerce under Commercial Registration (CR) number 50603. The Company became a Bahraini Joint Stock Company effective December 4, 2014 and its shares were listed on the Bahrain Bourse. The Company is a subsidiary of Mobile Telecommunications Company K.S.C.P (“the Parent Company”), a Kuwaiti shareholding company listed on the Kuwait Stock Exchange.

The Company provides telecommunication services under various licenses issued by the Telecommunications Regulatory Authority (“TRA”) of the Kingdom of Bahrain. The initial periods of the licenses are 15 years. The Company is also involved in the sale of handsets and accessories in the Kingdom of Bahrain. The Company launched its services on December 28, 2003.

The address of the registered office is P.O. Box 266, Manama, Kingdom of Bahrain.

2. BASIS OF PREPARATION:

The interim condensed financial information has been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

The interim condensed financial information does not contain all information and disclosures required for full financial statements prepared in accordance with the International Financial Reporting Standards. For more details, please refer to the audited financial statements for the year ended December 31, 2014.

In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES:

The interim condensed financial information has been prepared under the historical cost convention.

The same accounting policies, presentation and methods of computation are followed in this interim condensed financial information as were applied in the preparation of the Company’s financial statements for the year ended December 31, 2014.

Standards affecting the disclosures and presentation in the current period

None of the revised Standards that have been adopted in the current period which are effective for annual periods beginning on or after January 1, 2015 have affected the disclosures and presentations in the financial information.

ZAIN BAHRAIN B.S.C.NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015**4. JUDGEMENTS AND ESTIMATES:**

The preparation of the interim condensed financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed financial information, the significant judgements made by management in applying the Company accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements as at and for the year ended December 31, 2014.

5. CASH AND BANKS:

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Short-term deposits	-	2,002	-
Cash at banks and on hand	2,348	972	2,824
	-----	-----	-----
Cash and cash equivalents	2,348	2,974	2,824
	=====	=====	=====

6. ACCOUNTS RECEIVABLE AND OTHER ASSETS:

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Accounts receivable:			
Due from post paid subscribers	18,598	18,552	16,905
Allowance for doubtful debts	(7,467)	(7,118)	(6,056)
	-----	-----	-----
Due from roaming partners	11,131	11,434	10,849
Due from distributors	3,613	3,472	3,290
Due from distributors	731	569	540
Interconnect receivable from other operators	979	1,896	2,557
	-----	-----	-----
	16,454	17,371	17,236
	-----	-----	-----

ZAIN BAHRAIN B.S.C.**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)**
FOR THE PERIOD ENDED MARCH 31, 2015**6. ACCOUNTS RECEIVABLE AND OTHER ASSETS: (CONTINUED)**

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Other assets:			
Accrued income	553	535	631
Prepaid expenses	2,519	1,483	2,701
Due from related parties (Note 15)	15	15	16
Advance paid to suppliers	384	506	1,700
Staff receivables	108	104	119
Other receivables	371	312	201
Portfolio under management	912	912	-
	-----	-----	-----
	4,862	3,867	5,368
	-----	-----	-----
	21,316	21,238	22,604
	=====	=====	=====

Due from roaming partners includes BD 2,090,751 (2013: BD 2,087,254) due from one roaming partner which is outstanding for more than a year.

7. INVENTORIES:

This caption comprises mobile telephone handsets and accessories, laptops, Subscribers' Identification Module (SIM) cards, recharge vouchers and calling cards.

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Handsets, accessories and others	3,207	2,756	4,475
Allowance for slow moving items	(703)	(628)	(694)
	-----	-----	-----
	2,504	2,128	3,781
	=====	=====	=====

Accessories include WIMAX and Customer Premises Equipment (CPE) which are used for WIMAX communication amounting to BD 912,797 (2013: BD 833,144).

ZAIN BAHRAIN B.S.C.NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015**8. PROPERTY, PLANT AND EQUIPMENT:**

	<u>Freehold Land and Building</u> <u>BD '000</u>	<u>Network Equipment</u> <u>BD '000</u>	<u>Office Equipment</u> <u>BD '000</u>	<u>Furniture and Fixtures</u> <u>BD '000</u>	<u>Vehicles</u> <u>BD '000</u>	<u>Capital Work-in Progress</u> <u>BD '000</u>	<u>Total</u> <u>BD '000</u>
Cost:							
Balance at December 31, 2014	2,967	77,330	29,813	3,889	17	4,046	118,062
Additions	21	10	88	-	-	2,136	2,255
Transfer	-	1,181	1,210	76	-	(2,467)	-
Balance at March 31, 2015	2,988	78,521	31,111	3,965	17	3,715	120,317
Accumulated depreciation:							
Balance at December 31, 2014	693	23,499	20,629	3,418	17	-	48,256
Depreciation expense	9	1,691	656	31	-	-	2,387
Balance at March 31, 2015	702	25,190	21,285	3,449	17	-	50,643
Carrying amount:							
Balance at March 31, 2015	2,286	53,331	9,826	516	-	3,715	69,674
Balance at December 31, 2014	2,274	53,831	9,184	471	-	4,046	69,806

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

9. **INTANGIBLE ASSETS:**

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Cost:			
Balance at the beginning of the period / year	69,452	59,396	59,396
Additions	2,364	10,056	2,954
	-----	-----	-----
	71,816	69,452	62,350
	-----	-----	-----
Accumulated amortisation:			
Balance at the beginning of the period / year	53,512	40,230	40,230
Amortisation expense	3,363	13,282	3,399
	-----	-----	-----
Balance at the end of the period / year	56,875	53,512	43,629
	-----	-----	-----
Carrying amount at the end of the period /			
Year	14,941	15,940	18,721
	=====	=====	=====

Intangible assets consist of the following license fees:

- 9.1 Fees of BD 5,576,211 for the National Fixed Wireless Services ("NFWS") license obtained on January 8, 2007. This fee is amortised over the license period of 15 years. The net book value of the license at the end of the period amounts to BD 2,545,892 (December 31, 2014: BD 2,638,829).
- 9.2 Subscribers acquisition cost amounting to BD 64,905,114 (December 31, 2014: BD 62,540,450) comprises the subsidised cost of inventory items sold by the Company to its customers. These items are amortised over the contracted subsidy period which ranges from 1 to 4 years. The net book value of the subscribers acquisition cost at the period end amounts to BD 11,534,071 (December 31, 2014: BD 12,424,627).
- 9.3 Fees of BD 956,700 for the 4G Long Term Evolution ("4G LTE") license obtained on September 19, 2013. This fee is amortised over the license period of 15 years. The net book value of the license at the end of the period amounts to BD 861,030 (December 31, 2014: BD 876,975).

ZAIN BAHRAIN B.S.C.**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015****10. ACCOUNTS PAYABLE AND ACCRUALS:**

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Due to suppliers	7,553	8,569	10,324
Accrued expenses	4,585	5,399	7,144
Interconnection payable	1,437	2,822	3,400
Due to roaming partners	2,205	1,957	1,360
Accrued employees' benefits	422	909	515
Subscriber deposits	30	31	30
Dividend payable	221	-	5,692
Due to related parties (Note 15)	6,484	5,681	4,830
Directors' remuneration	51	188	439
Accrued interest	106	113	35
	----- 23,094 =====	----- 25,669 =====	----- 33,769 =====

11. LONG TERM LOANS:

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Long term loans	24,295	21,932	24,400
Less: current portion of term loans	(7,786)	(6,961)	(4,568)
	----- 16,509 =====	----- 14,971 =====	----- 19,832 =====

The Company has obtained three term loans facilities amounting to BD 10.5 million, BD 13 million and BD 7.5 million respectively from three commercial banks in the Kingdom of Bahrain. As at the reporting date, the Company has utilised BD 29.5 million (December 31, 2014: BD 26.2 million) out of the total loan facilities available. These loans carry interest rate of three months BIBOR plus 2.25% per annum. Loans are payable in 8, 7 and 8 semi-annual instalments respectively starting after one year from the loan agreement date. During the period, the Company repaid the instalment of BD 0.938 million (December 31, 2014: BD 5.268 million).

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

12. **REVENUE:**

This caption represents revenue from airtime, data, subscription, handsets, accessories and SIM card starter pack sales, net of roaming expense. Revenue from sale of handsets, accessories and other items amounts to BD 749,119 (March 31, 2014: BD 394,383).

13. **BASIC EARNINGS PER SHARE:**

	<u>Three month period ended March 31, 2015 BD '000</u>	<u>Three month period ended March 31, 2014 BD '000</u>
Profit for the period	1,024	1,080
<i>Number of shares</i>	----- '000	----- '000
Weighted average number of shares in issue	368,000	320,000
	----- <u>Fils per share</u>	----- <u>Fils per share</u>
Basic and diluted earnings per share	3	3
	=====	=====

Basic and diluted earnings per share are same since the Company has not issued any instrument that would have a diluting effect.

14. **SEGMENT INFORMATION:**

The Company operates in telecommunication and related services business and its activities are organised into three main business segments; mobile operation, fixed broadband operation and trading of handsets and accessories. Management considers that these business activities are not separate operating units. The Company carries out its activities in the Kingdom of Bahrain.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

15. RELATED PARTIES:

Transactions with related parties mainly with Zain Group Holding S.P.C. included in the statement of profit or loss and other comprehensive income are as follows:

	<u>Three month period ended March 31, 2015 BD '000</u>	<u>Three month period ended March 31, 2014 BD '000</u>
Office rent and maintenance costs	245	259
Site and outlet rent	12	12
Management fee	535	563
Royalty fee	89	89
	=====	=====
	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2015</u>	<u>2014</u>
	<u>BD '000</u>	<u>BD '000</u>
<u>Related party balances</u>		<u>(Unaudited)</u>
Zain Group Holding-Bahrain S.P.C.	(6,484)	(5,681)
Zain – Jordan	-	-
Zain – Kingdom of Saudi Arabia	-	-
Sudanese Mobile Telephone Company Ltd	13	13
Mobile Telecommunication Company - Kuwait	-	-
Zain – South Sudan	1	1
Zain – Lebanon	1	-
	-----	-----
	(6,469)	(5,666)
	=====	=====
		(4,814)
		=====

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

15. RELATED PARTIES: (CONTINUED)

Amounts due from / to related parties are presented in Notes 6 and 10 as follows:

	<u>(Unaudited)</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>(Audited)</u> <u>December 31,</u> <u>2014</u> <u>BD '000</u>	<u>(Unaudited)</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Due from related parties (Note 6)	15	15	16
	=====	=====	=====
Due to related parties (Note 10)	6,484	5,681	4,830
	=====	=====	=====

Compensation of key management personnel:

Remuneration of Directors and other members of key management during the period were as follows:

	<u>Three month</u> <u>period ended</u> <u>March 31,</u> <u>2015</u> <u>BD '000</u>	<u>Three month</u> <u>period ended</u> <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Short term benefits	309	325
Other long term benefits	19	36
	-----	-----
	328	361
	=====	=====

The above compensations were in the form of salaries, allowances and accrued bonus of BD 50,710.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

16. **CONTINGENT LIABILITIES AND COMMITMENTS:**

(i) **Contingent liabilities:**

	(Unaudited) <u>March 31,</u> <u>2015</u> <u>BD '000</u>	(Audited) <u>December 31,</u> <u>2014</u> <u>BD '000</u>	(Unaudited) <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Letters of guarantee	754 =====	930 =====	908 =====

(ii) **Capital commitment:**

Capital commitments outstanding at the reporting dates are as follows:

	(Unaudited) <u>March 31,</u> <u>2015</u> <u>BD '000</u>	(Audited) <u>December 31,</u> <u>2014</u> <u>BD '000</u>	(Unaudited) <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Capital expenditures	12,401 =====	14,552 =====	19,789 =====

(iii) **Commitments under operating leases:**

Commitments under operating leases, which substantially comprise properties on which telecommunication equipment have been installed, are presented as follows:

	(Unaudited) <u>March 31,</u> <u>2015</u> <u>BD '000</u>	(Audited) <u>December 31,</u> <u>2014</u> <u>BD '000</u>	(Unaudited) <u>March 31,</u> <u>2014</u> <u>BD '000</u>
Within one year	7,734	6,957	6,017
After one year, but not more than five years.	4,018	4,022	3,880
	----- 11,752 =====	----- 10,979 =====	----- 9,897 =====

(iv) Other contingent financial commitments outstanding at the reporting date are BD 356,000 (2014: BD 305,000).