

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC)
AND ITS SUBSIDIARIES
STATE OF KUWAIT

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2017
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONDENSED
CONSOLIDATED FINANCIAL INFORMATION

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AND ITS SUBSIDIARIES
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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To The Board of Directors
Metal and Recycling Company K.S.C. (Public) and its subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Metal and Recycling Company K.S.C. (Public) (the "Parent Company") and its subsidiaries (the "Group") as of March 31, 2017 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three month period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim consolidated 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 condensed consolidated financial Information Performed by the Independent Auditor of the Entity." A review of interim condensed consolidated 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 consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Emphasis of matters

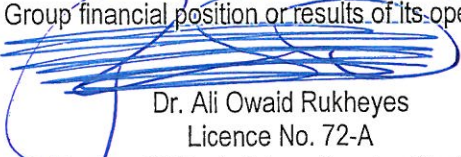
We draw attention to

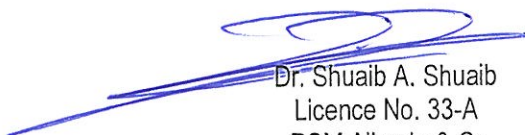
- Note (5) regarding amounts receivable related to a project for Kuwait Oil Company and the related claim, since the company have provided full provision against this balances
- Note (13) regarding right of utilization for a land held by an associate and the Parent Company.

Without modifying our conclusion with respect these matters.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim financial information is in agreement with the books of account of the Parent Company, We further report that, to the best of our knowledge and belief, We have not become aware of any violations of the Companies Law No, 1 of 2016 and its Executive Regulations or of the Parent Company's Memorandum of Incorporation and Articles of Association during the three month period ended March 31, 2017, that might have had a material effect on the Group financial position or results of its operation.



Dr. Ali Owaid Rukheyas
Licence No. 72-A
Member Of Nexia International – (England)
ALWaha Auditing Office

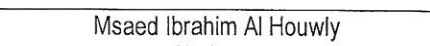

Dr. Shuaib A. Shuaib
Licence No. 33-A
RSM Albazie & Co.

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 AS OF MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

<u>ASSETS</u>	Note	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Current assets:				
Cash and cash equivalents	3	3,612,226	2,957,189	3,429,736
Time deposits		484,848	484,848	185,000
Murabaha investments	4	39,715	510,000	1,910,000
Accounts receivable and other debit balances	5	5,703,296	6,495,167	5,313,176
Inventories		1,881,831	1,588,474	950,424
Total current assets		11,721,916	12,035,678	11,788,336
Non current assets:				
Investments available for sale		183,495	183,495	263,563
Investment in an associate	6	4,921,172	4,921,172	4,909,890
Investment properties		2,605,000	2,605,000	2,755,500
Property, plant and equipment		2,147,247	2,074,482	2,338,671
Goodwill		361,113	361,113	313,615
Total non current assets		10,218,027	10,145,262	10,581,239
Total assets		21,939,943	22,180,940	22,369,575
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Due to banks	7	2,368	1,844	846,788
Term loans	8	700,000	800,000	800,000
Short term finance lease installment contract		1,730,000	1,730,000	1,730,000
Accounts payable and other credit balances		2,204,374	2,556,934	2,167,621
Total current liabilities		4,636,742	5,088,778	5,544,409
Non current liabilities:				
Provision for end of service indemnity		479,205	456,157	428,235
Total non current liabilities		479,205	456,157	428,235
Total liabilities		5,115,947	5,544,935	5,972,644
Equity:				
Share capital		8,255,650	8,255,650	8,255,650
Share premium		5,089,036	5,089,036	11,690,245
Statutory reserve		1,511,731	1,511,731	1,475,763
Voluntary reserve		487,860	487,860	487,860
Treasury shares	9	(1,056,623)	(1,056,623)	(1,056,623)
Foreign currency translation adjustments		11,958	11,958	11,958
Effect of change in a subsidiary's equity		(86,191)	(86,191)	(86,191)
Retained earnings (accumulated losses)		429,992	292,722	(6,584,407)
Equity attributable to Shareholders of the Parent Company		14,643,413	14,506,143	14,194,255
Non controlling interests		2,180,583	2,129,862	2,202,676
Total equity		16,823,996	16,636,005	16,396,931
Total liabilities and equity		21,939,943	22,180,940	22,369,575

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information


 Tarek Ibrahim Al-Mousa
 Vice Chairman and Chief Executive Officer


 Msaed Ibrahim Al Houwly
 Chairman

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME (UNAUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2017	2016
Revenues:			
Sales		1,647,299	1,371,046
Service revenue		2,130,328	1,346,277
		<u>3,777,627</u>	<u>2,717,323</u>
Costs:			
Cost of sales		(1,051,136)	(977,322)
Service cost		(1,831,662)	(1,199,951)
		<u>(2,882,798)</u>	<u>(2,177,273)</u>
Gross profit		<u>894,829</u>	<u>540,050</u>
Expenses and charges:			
Staff cost		277,157	209,628
General and administrative expenses		293,460	202,434
Selling and marketing expenses		6,887	7,280
Depreciation and amortization		100,050	53,702
Provision for doubtful debts		17,400	17,400
Total expenses and charges		<u>694,954</u>	<u>490,444</u>
Operating profit		199,875	49,606
Murabaha income		1,467	4,910
Interest income		5,967	3,557
Foreign exchange losses		(1,474)	(5,165)
Finance charges		(40,212)	(63,333)
Other income		40,154	80,652
Profit for the period before contribution to KFAS, NLST and Zakat		<u>205,777</u>	<u>70,227</u>
Contribution to KFAS		(1,306)	-
Contribution to NLST		(4,638)	(2,414)
Contribution to Zakat		(1,855)	(966)
Net profit for the period		<u>197,978</u>	<u>66,847</u>
Other comprehensive income		-	-
Total comprehensive income		<u>197,978</u>	<u>66,847</u>
Attributable to:			
Parent Company's Shareholders		137,270	16,802
Non-controlling interests		60,708	50,045
Net profit for the period		<u>197,978</u>	<u>66,847</u>
Earnings per share		Fils	Fils
	10	<u>1.84</u>	<u>0.22</u>

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

	Attributable to the Parent Company's shareholders										
	Share capital	Share premium	Statutory reserve	Voluntary reserve	Treasury shares	Foreign currency translation adjustments	Effect of change in a subsidiary's equity	Retained earnings (accumulated losses)	Subtotal	Non - controlling interests	Total
Balance as of January 1, 2017	8,255,650	5,089,036	1,511,731	487,860	(1,056,623)	11,958	(86,191)	292,722	14,506,143	2,129,862	16,636,005
Total comprehensive income for the period	-	-	-	-	-	-	-	137,270	137,270	60,708	197,978
Effect of subsidiary Write-off	-	-	-	-	-	-	-	-	-	(9,987)	(9,987)
Balance as of March 31, 2017	8,255,650	5,089,036	1,511,731	487,860	(1,056,623)	11,958	(86,191)	429,992	14,643,413	2,180,583	16,823,996
Balance as of January 1, 2016	8,255,650	11,690,245	1,475,763	487,860	(1,056,623)	11,958	(86,191)	(6,601,209)	14,177,453	2,152,631	16,330,084
Total comprehensive income for the period	-	-	-	-	-	-	-	16,802	16,802	50,045	66,847
Balance as of March 31, 2016	8,255,650	11,690,245	1,475,763	487,860	(1,056,623)	11,958	(86,191)	(6,584,407)	14,194,255	2,202,676	16,396,931

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2017
 (All amounts are in Kuwaiti Dinars)

	Three months ended March 31,	
	2017	2016
Cash flows from operating activities:		
Profit for the period before contribution to KFAS, NLST and Zakat	205,777	70,227
Adjustments for:		
Depreciation and amortization	121,926	125,372
Provision for doubtful debts	17,400	17,400
Murabaha income	(1,467)	(4,910)
Interest income	(5,967)	(3,557)
Finance charges	40,212	63,333
Provision for end of service indemnity	30,546	31,230
	<u>408,427</u>	<u>299,095</u>
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	755,383	590,504
Inventories	(293,357)	55,122
Accounts payable and other credit balances	(351,258)	(74,753)
Cash generated from operations	519,195	869,968
Payment for end of service indemnity	(7,498)	(22,288)
Net cash flows generated from operating activities	<u>511,697</u>	<u>847,680</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(194,691)	(35,812)
Net movement in Murabaha investment	470,285	-
Murabaha income received	1,467	4,910
Interest income received	5,967	3,557
Net cash flows generated from (used in) investing activities	<u>283,028</u>	<u>(27,345)</u>
Cash flows from financing activities:		
Net movement on due to banks	524	(361,812)
Net movement on term loans	(100,000)	-
Finance charges paid	(40,212)	(63,333)
Net cash flows used in financing activities	<u>(139,688)</u>	<u>(425,145)</u>
Net increase in cash and cash equivalents	655,037	395,190
Cash and cash equivalents at the beginning of the period	2,957,189	3,034,546
Cash and cash equivalents at end of the period (Note 3)	<u>3,612,226</u>	<u>3,429,736</u>

The accompanying notes (1) to (16) form an integral part of the interim condensed consolidated financial information.

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

MARCH 31, 2017

(All amounts are in Kuwaiti Dinars)

1. Incorporation and activities

Metal and Recycling K.S.C. (Public) (the "Parent Company") is a Kuwaiti shareholding company (Public) registered in the State of Kuwait, and was incorporated based on Memorandum of Incorporation Ref. No. 113 / Volume 17 dated June 10, 1987 and its subsequent amendments, the latest of which was notarized in the commercial registration under Ref. No. 551 dated July 11, 2013. The Parent Company is also listed on the Kuwait Stock Exchange.

The main activities of the Parent Company are as follows:

- Purchase and sale of used and scrap machinery and vehicles and their spare parts and all kinds of metals and their derivatives as well as representing specialized companies in such activities.
- Purchase and sale of the scrap of houses, industrial and commercial projects, including household tools, machinery, metal construction and other local scrap.
- Shredding, classifying; storing and selling waste and scrap inside and outside Kuwait.
- Importing machinery and materials necessary for recycling, shredding and storing scrap.
- Carrying out all trade, export and production relating to the company's objectives inside and outside Kuwait.
- Establishing complementary industries to the trade and production of scrap.
- Management and development of areas of sale, purchase, production, and manufacture scrap and used materials and ancillary industries inside and outside State of Kuwait.
- Carrying out all demolishing and removal works for construction and representing companies in such field.
- Utilization of the company's surplus funds by investing in portfolios managed by specialized companies.
- Holding and managing auctions related to the objectives of the company locally and internationally and representing companies in such field.
- Developing, preparing, establishing, managing and operating industrial and professional areas.
- Incorporation and partial ownership of industrial companies and industrial management companies inside and outside State of Kuwait.
- Collection, transportation and utilization of trash waste, garbage and wreckage inside and outside State of Kuwait.
- Undertaking all kind of cleaning contracts and commitment for all agencies inside and outside State of Kuwait.
- Undertaking all kinds of services aiming at cleaning, developing and protecting the environment against pollution inside and outside State of Kuwait.
- Establishing, managing or maintaining all drainage and dumping centers and trading in the resulting materials inside and outside State of Kuwait.
- Establishing industries for recycling environmental waste, garbage and wreckage inside and outside Kuwait (with approval of the Public Authority for Industry).

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

MARCH 31, 2017

(All amounts are in Kuwaiti Dinars)

The address of the Parent Company's registered office is P.O. Box 4520, Safat 13045, State of Kuwait.

The Parent Company is a subsidiary of Agility for Public Warehousing Company, a Kuwaiti Shareholding Company listed in the Kuwait Stock Exchange (The Ultimate Parent Company).

The new Companies Law No. 1 of 2016 was issued on January 24, 2016 and it was published in the Official Gazette on February 1, 2016, which replaced the Companies Law No 25 of 2012 and its amendments. According to Article No. 5, the new Law will be effective retrospectively from November 26, 2012. The new Executive Regulations of Law No. 1 of 2016 was issued on July 12, 2016 and was published in the Official Gazette on July 17, 2016 which cancelled the Executive Regulations of Law No. 25 of 2012. The adoption of the new Companies Law and its executive regulations is not expected to have any effect on the reporting entity.

The interim condensed consolidated financial information were authorized for issue by the Parent Company's Board of Directors on May 11, 2017.

2. Basis of preparation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2016.

The interim condensed consolidated financial information does not include all the information and notes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the accompanying interim condensed consolidated financial information. Operating results for the period ended March 31, 2017 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2016. For further information, refer to the consolidated financial statements and notes thereto for the fiscal year ended December 31, 2016.

3. Cash and cash equivalents

	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Cash on hand and at banks	2,493,767	2,047,610	2,127,161
Short term bank deposits	1,118,459	909,579	1,302,575
	<u>3,612,226</u>	<u>2,957,189</u>	<u>3,429,736</u>

Short term bank deposits carry an average interest rate of 1% to 1.375% per annum (December 31, 2016 - 1% to 1.375% per annum, March 31, 2016 – 1% to 1.375% per annum) and these deposits have an average maturity of 90 days.

4. Murabaha investments

Murabaha carry an average interest rate of 1% to 1.43% per annum (December 31, 2016 - 1% to 1.43% per annum, March 31, 2016 - 1% to 1.43% per annum)

Murabaha amounting to KD 29,715 (December 31, 2016: KD 500,000, March 31, 2016: KD1,000,000) are pledged against certain letter of guarantee in favor of the Group (Note 14).

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
 MARCH 31, 2017

(All amounts are in Kuwaiti Dinars)

5. Accounts receivable and other debit balances

	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Trade receivables	8,979,954	9,725,127	9,863,903
Provision for doubtful debts	(7,741,584)	(7,724,184)	(7,221,032)
	1,238,370	2,000,943	2,642,871
Due from related parties (Note 11)	456,359	456,359	159,930
Amount pledged against letter of guarantees	166,850	564,678	-
Advance to suppliers	1,643,378	1,647,541	1,157,777
Refundable deposits	199,000	269,546	19,016
Retentions	267,563	267,563	261,680
Others	1,731,776	1,288,537	1,071,902
	<u>5,703,296</u>	<u>6,495,167</u>	<u>5,313,176</u>

The impaired receivables include balances of KD 5,229,407 relating to a project for Kuwait Oil Company. The collection of these receivables is dependent on a claim of KD 11,926,556 raised by the Parent Company along with its joint project partner due to variations and time extensions relating to the project executed for Kuwait Oil Company and current discussions are ongoing between the two companies to estimate the value of the additional works and variation orders related to the period of the project.

6. Investment in an associate

This represents an investment of 40 % in Real Estate Development Company – W.L.L., which is engaged in the management and development of different kinds of real estate, the main projects that the company specialized in is the project of managing real estate which is located in Amghara and Mina Abdullah utilized by the parent company under contract with the Public Authority for Industry. This contract has been renewed as stated in Note (13).

The group do not recognize the group share of result from investment in associate for the period ended in March 31, 2017, as no interim financial information was available to the associate.

7. Due to banks

Due to banks represents overdraft facilities and carrying an average interest rate ranging from 1.5% to 2% per annum (December 31, 2015: 1.5% to 2% per annum, March 31, 2015: 1.5% to 2% per annum) over the Central Bank of Kuwait discount rate and repayable on demand.

8. Term loans

Term loans represent loans granted by local banks carrying an interest rate ranging from 1.5% to 2% per annum (December 31, 2015 : 1.5% to 2% per annum, March 31, 2015: 1.5% to 2% per annum) over the Central Bank of Kuwait discount rate and repayable on June 28, 2017.

9. Treasury shares

	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Number of shares (shares)	7,779,046	7,779,046	7,779,046
Percentage of paid up shares (%)	9.43%	9.43%	9.43%
Market value (KD)	575,649	505,638	560,819
Cost (KD)	1,056,623	1,056,623	1,056,623

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

MARCH 31, 2017

(All amounts are in Kuwaiti Dinars)

10. Earnings per share shares attributable to shareholders of the Parent Company

There are no potential dilutive ordinary shares. The information necessary to calculate basic earnings (loss) per share based on the weighted average number of shares outstanding during the period as follows:

	Three months ended March 31,	
	2017	2016
Net profit for the period attributable to Parent Company' Shareholders (KD)	137,270	16,802
	Share	Share
<u>Number of outstanding shares:</u>		
Number of issued and fully paid shares	82,556,507	82,556,507
Less: Weighted average number of treasury shares (share)	(7,779,046)	(7,779,046)
Weighted average number of shares out standing	74,777,461	74,777,461
	Fils	Fils
Earnings per share attributable to shareholders of the Parent Company	1.84	0.22

11. Related party disclosures

The Group has entered into various transactions with related parties, i.e. ultimate Parent Company, Board of Directors, key management personnel, associate, entities under common control and other related parties in the normal course of its business. Prices and terms of payment are approved by Group's management. Significant related party balances and transactions are as follows:

Balance included in consolidated statement of financial position

	The Parent Company	Entities under common control	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Accounts receivable and other debit balances (Note 5)	3,659	452,700	456,359	456,359	159,930
Accounts payable and other credit balances	412,095	-	412,095	411,532	453,020

	Three months ended March 31,	
	2017	2016
<u>Compensation to key management personnel:</u>		
Salaries and other short term benefits	65,117	60,601
Terminal benefits	1,860	1,661

12. Segment information

The Group is organized into functional divisions to manage its various lines of business. The Group operates mainly in the State of Kuwait. For the purposes of segment reporting, the Group's management has allocated its products and services into the following operating segments:

A. Metal Shredding and used spare parts department

This represents importing machines and material necessary for shredding, sorting and selling waste scrap inside and outside State of Kuwait.

METAL AND RECYCLING COMPANY K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
 MARCH 31, 2017

(All amounts are in Kuwaiti Dinars)

B. Commercial department

This represents purchase and sale of used and scrap machinery, vehicles and tanks and their spare parts and all kind of materials and other products derived from their materials.

C. Waste plastic recycling department

This represents recycling of waste, plastic, rubbles, and environmental waste and trading in the recycled materials.

D. Shear and Baler

This represents cutting and shearing of metals and other associated activities.

Financial details of the above operating segments are as follows:

	March 31, 2017		December 31, 2016 (Audited)		March 31, 2016	
	Segment assets	Segment liabilities	Segment assets	Segment liabilities	Segment assets	Segment liabilities
Metal Shredding and used spare parts department	7,595,446	-	10,605,433	-	10,865,828	-
Commercial department	868,631	-	224,024	-	190,706	-
Waste plastic recycling department	1,471,117	-	1,668,813	-	1,165,324	-
Shear and baler	1,965,125	-	461,204	-	-	-
Unallocated assets and liabilities	10,039,624	5,115,947	9,221,466	5,544,935	10,147,717	5,972,644
	<u>21,939,943</u>	<u>5,115,947</u>	<u>22,180,940</u>	<u>5,544,935</u>	<u>22,369,575</u>	<u>5,972,644</u>

	Three months ended March 31,			
	2017		2016	
	Segment revenue	Segment results	Segment revenue	Segment results
Metal Shredding and used spare parts department	1,051,398	394,488	1,218,927	324,449
Commercial Department	120,240	42,208	21,393	2,456
Waste Plastic Recycling Department	203,639	115,368	130,726	66,820
Shear and Baler Department	272,022	44,099	-	-
Others	2,130,328	(398,185)	1,346,277	(326,878)
	<u>3,777,627</u>	<u>197,978</u>	<u>2,717,323</u>	<u>66,847</u>

13. Right of utilization

The Parent Company's operations are undertaken on land held by an associate, for which the right of utilization contract was renewed on June 19, 2013 with the Public Authority for 5 years ending on May 13, 2018.

14. Contingent liabilities

At March 31, 2017, the Group is contingently liable in respect of the following:

	March 31, 2017	December 31, 2016 (Audited)	March 31, 2016
Letters of guarantee	7,232,422	7,250,527	5,628,991
Letters of credit	-	24,133	-
	<u>7,232,422</u>	<u>7,274,660</u>	<u>5,628,991</u>

Certain letters of guarantee amounting to KD 29,715 are secured by murabaha investment (Note 4).

MARCH 31, 2017

(All amounts are in Kuwaiti Dinars)

15. Fair value measurement

Fair value measurement hierarchy is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As of March 31, fair value approximates its carrying value.

16. The General Assembly

The shareholders' Ordinary General Assembly has not been held till the date of the interim condensed consolidated financial information and accordingly, the consolidated financial statements for the year ended December 31, 2016 has have not yet been approved. The interim condensed consolidated financial information for the period ended March 31, 2017 do not include any adjustments which might be required if the consolidated financial statements for the year ended December 31, 2016 have been approved by the shareholders' Ordinary General Assembly.

The shareholders' Ordinary General Assembly held on June 12, 2016 approved the consolidated financial statements for the financial year ended December 31, 2015 and also approved not to distribute dividends for the financial year ended December 31, 2015.