
**Al Soor Fuel Marketing Company K.S.C.P.
and its Subsidiary**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
(UNAUDITED)**

31 MARCH 2018

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AL SOOR FUEL MARKETING COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Soor Fuel Marketing Company K.S.C.P. (the "Parent Company") and its subsidiary (collectively the "Group") as at 31 March 2018 and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three month period then ended. The 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 ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

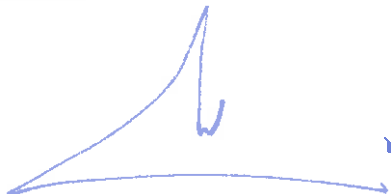
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial 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 consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated 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, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three month period ended 31 March 2018 that might have had a material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER
LICENCE NO. 207-A
EY
AL AIBAN, AL OSAIMI & PARTNERS

14 May 2018
Kuwait

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)

For the period ended 31 March 2018

	Notes	Three months ended 31 March	
		2018 KD	Restated* 2017 KD
Sales		38,247,462	36,969,741
Cost of sales	9	(35,057,754)	(33,873,932)
Operating expenses		(2,270,753)	(2,070,597)
Gross profit		918,955	1,025,212
Other income		979,432	778,257
Rental income		66,930	62,340
Net investment income	3	72,513	144,330
Administrative expenses		(688,754)	(740,487)
Provision for impairment of receivables		(92,887)	-
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES (KFAS), PROVISION FOR NATIONAL LABOUR SUPPORT TAX (NLST) AND ZAKAT		1,256,189	1,269,652
Contribution to KFAS		(11,306)	(11,519)
NLST		(31,405)	(31,997)
Zakat		(12,562)	(12,799)
PROFIT FOR THE PERIOD		1,200,916	1,213,337
BASIC AND DILUTED EARNINGS PER SHARE	4	2.99 fils	3.03 fils

* Certain amounts shown here do not correspond to the interim condensed consolidated information statements as at 31 March 2017 and reflect adjustments made as detailed in Note 13.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 31 March 2018

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2018</i>	<i>Restated*</i>
	<i>KD</i>	<i>2017</i>
		<i>KD</i>
Profit for the period	1,200,916	1,213,337
Other comprehensive income for the period:		
<i>Items that will not be reclassified subsequently to interim condensed consolidated statement of income:</i>		
Net fair value gain on financial assets at fair value through other comprehensive income	2,408,006	1,823,868
Other comprehensive income for the period	2,408,006	1,823,868
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,608,922	3,037,205

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 31 March 2017 and reflect adjustments made as detailed in Note 13.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

At 31 March 2018

	Notes	31 March 2018 KD	(Audited) 31 December 2017 KD	Restated* 31 March 2017 KD
ASSETS				
Non-current assets				
Property and equipment		20,488,118	19,410,690	17,595,150
Intangible assets		12,756,059	12,929,500	13,449,824
Investment properties		4,385,122	4,392,672	4,415,323
Investment in associates		1,927,375	1,927,375	2,009,085
Financial assets at fair value through other comprehensive income	5	24,959,588	21,590,352	22,223,037
		<u>64,516,262</u>	<u>60,250,589</u>	<u>59,692,419</u>
Current assets				
Inventories		654,802	725,189	655,729
Accounts receivable and prepayments		10,180,621	9,795,752	6,656,467
Cash, bank balances and term deposits	6	17,400,285	28,039,213	15,885,695
		<u>28,235,708</u>	<u>38,560,154</u>	<u>23,197,891</u>
TOTAL ASSETS		<u>92,751,970</u>	<u>98,810,743</u>	<u>82,890,310</u>
EQUITY AND LIABILITIES				
Equity				
Share capital		40,470,758	40,470,758	40,470,758
Statutory reserve		4,616,484	4,616,484	4,248,824
Voluntary reserve		4,616,484	4,616,484	4,248,824
Treasury shares	7	(760,279)	(760,279)	(760,279)
Cumulative change in fair values reserve		8,509,223	6,103,229	6,889,992
Retained earnings		12,413,117	11,210,189	11,677,711
TOTAL EQUITY		<u>69,865,787</u>	<u>66,256,865</u>	<u>66,775,830</u>
LIABILITIES				
Non-current liability				
Employees' end of service benefits		789,479	760,442	662,033
Current liabilities				
Accounts payable and accruals		22,096,704	13,971,951	15,452,447
Term loan		-	17,821,485	-
TOTAL LIABILITIES		<u>22,886,183</u>	<u>32,553,878</u>	<u>16,114,480</u>
TOTAL EQUITY AND LIABILITIES		<u>92,751,970</u>	<u>98,810,743</u>	<u>82,890,310</u>

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 31 March 2017 and reflect adjustments made as detailed in Note 13.

Turaif Mohammad Baqer Al Awadhi
(Chairman)



Talal Ahmad Al-Khars
(Vice Chairman & CEO)

The attached notes 1 to 13 form part of these interim condensed consolidated financial information.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2018

	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Cumulative change in fair value reserve KD	Retained earnings KD	Total KD
Balance at 1 January 2018 (Audited)	40,470,758	4,616,484	4,616,484	(760,279)	6,103,229	11,210,189	66,256,865
Profit for the period	-	-	-	-	-	1,200,916	1,200,916
Other comprehensive income for the period	-	-	-	-	2,408,006	-	2,408,006
Total comprehensive income for the period	-	-	-	-	2,408,006	1,200,916	3,608,922
Net realized gain transferred to retained earnings on disposal of investments at fair value through other comprehensive income	-	-	-	-	(2,012)	2,012	-
Balance at 31 March 2018	40,470,758	4,616,484	4,616,484	(760,279)	8,509,223	12,413,117	69,865,787
Balance at 1 January 2017 (Audited)	40,470,758	4,248,824	4,248,824	(760,279)	429,074	10,626,717	59,263,918
Transition adjustment on early adoption of IFRS 9	-	-	-	-	4,637,050	(162,343)	4,474,707
Restated balance at 1 January 2017	40,470,758	4,248,824	4,248,824	(760,279)	5,066,124	10,464,374	63,738,625
Profit for the period	-	-	-	-	-	1,213,337	1,213,337
Other comprehensive income for the period	-	-	-	-	1,823,868	-	1,823,868
Total comprehensive income for the period	-	-	-	-	1,823,868	1,213,337	3,037,205
Balance at 31 March 2017	40,470,758	4,248,824	4,248,824	(760,279)	6,889,992	11,677,711	66,775,830

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 31 March 2017 and reflect adjustments made as detailed in Note 13.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For period ended 31 March 2018

	Notes	Three months ended 31 March	
		2018 KD	Restated* 2017 KD
OPERATING ACTIVITIES			
Profit for the period before KFAS, NLST and Zakat		1,256,189	1,269,652
Non-cash adjustments to reconcile profit for the period to net cash flows:			
Net investment income	3	(72,513)	(144,330)
Depreciation and amortisation		497,427	452,410
Provision for employees' end of service benefits		40,724	34,395
Provision for impairment of receivables		92,887	-
		1,814,714	1,612,127
Changes in the working capital:			
Inventories		70,387	525
Accounts receivable and prepayments		(477,756)	128,790
Accounts payable and accruals		8,122,152	2,506,943
Cash flows from operations		9,529,497	4,248,385
Employees' end of service benefits paid		(11,687)	(8,901)
Net cash flows from operating activities		9,517,810	4,239,484
INVESTING ACTIVITIES			
Purchase of property and equipment		(1,393,864)	(497,421)
Purchase of financial assets at fair value through other comprehensive income		(977,899)	(41,473)
Proceeds from sale of financial assets at fair value through other comprehensive income		16,669	-
Term deposits, net		1,000,000	1,000,000
Interest income received		50,793	53,329
Dividend income received		21,720	109,703
Net cash flows (used in) from investing activities		(1,282,581)	624,138
FINANCING ACTIVITIES			
Repayment of term loan		(17,821,485)	-
Dividends paid		(52,672)	-
Net cash flows used in financing activities		(17,874,157)	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(9,638,928)	4,863,622
Cash and cash equivalents at 1 January		19,039,213	4,022,073
CASH AND CASH EQUIVALENTS AT 31 MARCH	6	9,400,285	8,885,695

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 31 March 2017 and reflect adjustments made as detailed in Note 13.

The attached notes 1 to 13 form part of these interim condensed consolidated financial information.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2018

1 CORPORATE INFORMATION

This interim condensed consolidated financial information of Al Soor Fuel Marketing Company K.S.C.P. (the "Parent Company") and its Subsidiary (collectively the "Group") for the period ended 31 March 2018 were authorised for issue by the Board of Directors of the Parent Company on 14 May 2018.

The Parent Company is a Kuwaiti shareholding company and was incorporated on 20 March 2006 and commenced its operations on 9 May 2006. The Parent Company's shares were listed on the Kuwait Stock Exchange on 30 June 2008.

The Group conducts the following activities as set forth in Article No. 5 of the Parent Company's Articles of Association:

- Acquisition, establishment, leasing, operating, and maintenance of petrol stations;
- Establishing, developing, operating and maintaining customer service centers at petrol stations, to provide all automobile services including the changing of oil, car wash, maintenance workshop services and technical check-ups;
- The ability to fill and store fuel;
- To ship and trade in petroleum products in bulk or retail;
- The purchase, lease, acquisition, and sale of land and real estate in different locations for the purpose of carrying out the above operations.;

The head office of the Parent Company is P.O. Box 28396, Safat 13144, State of Kuwait.

The Parent Company is a subsidiary of Alfa Energy Company K.S.C. (Closed) (the "Ultimate Parent Company").

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34: "Interim Financial Reporting" ("IAS 34").

The interim condensed consolidated financial information is prepared under the historical cost convention modified to include the measurement at fair value of financial assets at fair value through other comprehensive income.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD"), which is also the functional currency of the Parent Company.

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with the International Financial Reporting Standards ("IFRS") and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2017. In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the three-month period ended 31 March 2018 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

New standards, interpretations and amendments adopted by the Parent Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of new standards effective as of 1 January 2018 as below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers was issued in May 2014 and is effective for annual periods commencing on or after 1 January 2018. IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue guidances. It established a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Group has applied IFRS 15 using the modified retrospective application. The Group concluded that it has no significant impact from the application of IFRS 15.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2018

3 NET INVESTMENT INCOME

	<i>Three months ended 31 March</i>	
	<i>2018 KD</i>	<i>Restated 2017 KD</i>
Interest income	50,793	53,329
Dividend income	21,720	109,703
Impairment loss on investment in associates	-	(18,702)
	72,513	144,330

4 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares).

The information necessary to calculate basic and diluted earnings per share based on the weighted average number of shares outstanding, less treasury shares, during the period is as follows:

	<i>Three months ended 31 March</i>	
	<i>2018</i>	<i>Restated 2017</i>
Profit for the period (KD)	1,200,916	1,213,337
Weighted average number of ordinary shares outstanding during the period (excluding treasury shares)	400,991,834	400,991,834
Basic and diluted earnings per share	2.99 fils	3.03 fils

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>31 March 2018 KD</i>	<i>(Audited) 31 December 2017 KD</i>	<i>Restated 31 March 2017 KD</i>
Local unquoted securities	6,255,773	6,457,161	6,091,124
Managed portfolio (local quoted equity securities)	1,108,474	125,863	1,315,767
Managed portfolio (local unquoted equity securities)	17,595,341	15,007,328	14,816,146
	24,959,588	21,590,352	22,223,037

As at 31 March 2018, financial assets at fair value through other comprehensive income amounting to KD 18,703,816 (31 December 2017: KD 15,133,191 and 31 March 2017: KD 16,131,914) are managed by a related party (Note 9).

As at 31 March 2018, financial assets at fair value through other comprehensive income amounting to KD 20,683,031 (31 December 2017: KD 18,454,810 and 31 March 2017: KD 19,207,209) are in related party entities (Note 9).

Hierarchy for determining and disclosing the fair values of financial instruments by valuation technique are presented in Note 12.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2018

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows include the following interim condensed consolidated statement of financial position amounts:

	31 March 2018 KD	<i>(Audited)</i> 31 December 2017 KD	31 March 2017 KD
Cash	1,305,812	2,093	12,453
Bank balances	7,094,473	3,987,120	5,873,242
Term deposits	9,000,000	24,050,000	10,000,000
	<u>17,400,285</u>	<u>28,039,213</u>	<u>15,885,695</u>
Term deposits (maturity after 3 months from the placement date)	<u>(8,000,000)</u>	<u>(9,000,000)</u>	<u>(7,000,000)</u>
	<u>9,400,285</u>	<u>19,039,213</u>	<u>8,885,695</u>

Term deposits placed with local banks are denominated in KD and carry an average effective interest rate of 2.12% (31 December 2017: 1.85 % and 31 March 2017: 2.10%) per annum.

7 TREASURY SHARES

	31 March 2018 KD	<i>(Audited)</i> 31 December 2017 KD	31 March 2017 KD
Number of treasury shares	3,715,747	3,715,747	3,715,747
Percentage of ownership	<u>0.92%</u>	<u>0.92%</u>	<u>0.92%</u>
Market value (KD)	<u>419,879</u>	<u>408,732</u>	<u>483,047</u>

Reserves equivalent to the cost of the treasury shares held are not available for distribution.

8 CONTINGENCIES AND COMMITMENTS

	31 March 2018 KD	<i>(Audited)</i> 31 December 2017 KD	31 March 2017 KD
Letters of guarantee	5,428,585	5,435,223	8,082,778
Capital commitments	<u>1,963,956</u>	<u>2,587,114</u>	<u>1,345,570</u>

As at the reporting date, the management of the Parent Company does not anticipate any material liabilities to arise from these letters of guarantee.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2018

9 RELATED PARTY TRANSACTIONS

These represents transactions with major shareholders, associates, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties in the ordinary course of business. Pricing policies and terms of these transactions are approved by the Parent Company's management and board of directors.

Transactions with related parties included in the interim condensed consolidated statement of income are as follows:

	Three months ended 31 March													
	Entities under common control		Major Shareholder		2018 Total		Entities under common control		Major shareholder		2017 Total			
	KD		KD		KD		KD		KD		KD			
Cost of sales	-		35,057,754		35,057,754		-		33,873,932		33,873,932			
Operating expenses	238,095		-		238,095		238,989		-		238,989			
Administrative expenses	211,712		-		211,712		250,543		-		250,543			
Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:														
							(Audited)							
	31 March 2018		Major shareholder		Total		31 December 2017		Entities under common control		Major Shareholder		2017 Total	
	KD		KD		KD		KD		KD		KD		KD	
Financial assets at fair value through other comprehensive income (Note 5)	20,683,031		-		20,683,031		18,454,810		-		18,454,810		-	
Accounts receivable and prepayments*	3,687,121		-		3,687,121		4,150,716		-		4,150,716		-	
Accounts payable and accruals*	-		17,201,969		17,201,969		-		8,667,009		8,667,009		12,276,667	

Investment properties with total amount of KD 2,659,472 (31 December 2017: KD 2,661,473 and 31 March 2017: KD 2,667,472) is registered by the name of a related party, which confirmed in writing that the Group has the beneficial ownership of those properties.

As at 31 March 2018, financial assets at fair value through other comprehensive income amounting to KD 18,703,816 (31 December 2017: KD 15,133,191 and 31 March 2017: KD 16,131,914) are managed by a related party (Note 5).

* Amounts due to/from entities under common control are interest free and due on demand.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the period ended 31 March 2018

9 RELATED PARTY TRANSACTIONS (continued)

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2018</i>	<i>2017</i>
	<i>KD</i>	<i>KD</i>
<i>Key management compensation</i>		
Salaries and short-term benefits	86,545	119,716
Employees' end of service benefits	7,272	11,012
	<u>93,817</u>	<u>130,728</u>

10 SEGMENTAL INFORMATION

For management purposes, the Group is organized into business units based on their products and services, and has two reportable operating segments as follows:

- Fuel marketing and other related services – represents the sale of fuel and other related services arising from fuel stations.
- Investment operations – represents investment in managed portfolio, short-term money market placements and real estate.

<i>Period ended 31 March 2018</i>	<i>Fuel marketing and other related services KD</i>	<i>Investment operations KD</i>	<i>Unallocated KD</i>	<i>Total KD</i>
Segment revenue	39,226,894	139,443	-	39,366,337
Depreciation and amortization	471,567	7,550	18,310	497,427
Segment results	1,209,633	139,443	(148,160)	1,200,916
<i>As at 31 March 2018</i>				
Segment assets	52,479,885	40,272,085	-	92,751,970
Segment liabilities	21,879,631	-	1,006,552	22,886,183

<i>Period ended 31 March 2017</i>	<i>Fuel marketing and other related services KD</i>	<i>Investment operations KD</i>	<i>Unallocated KD</i>	<i>Restated Total KD</i>
Segment revenue	36,969,741	206,670	778,257	37,954,668
Depreciation and amortization	425,664	12,213	14,533	452,410
Segment results	992,100	206,670	14,567	1,213,337
<i>As at 31 March 2017</i>				
Segment assets	44,223,266	38,647,445	19,599	82,890,310
Segment liabilities	13,346,641	1,353,927	1,413,912	16,114,480

11 ANNUAL GENERAL ASSEMBLY

The Annual General Assembly of the Parent Company for the year ended 31 December 2017 was held on 22 April of 2018. Accordingly, the consolidated financial statements for the year ended 31 December 2017 have been approved by the shareholders of the Parent Company.

The shareholders at the Ordinary Annual General Assembly approved a cash dividend of 5 fils per share for the year ended 31 December 2017 (31 December 2016: distribution of 5 fils per share) and Board of Directors' remuneration of KD 55,000 (31 December 2016: KD 50,000).

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the period ended 31 March 2018

12 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and liabilities.

Financial assets consist of cash and cash equivalents, financial assets at fair value through other comprehensive income and accounts receivable and prepayments.

Financial liabilities consist of accounts payable and accruals.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices 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.

	<i>Level 1</i> <i>KD</i>	<i>Level 3</i> <i>KD</i>	<i>Total</i> <i>KD</i>
31 March 2018			
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>			
Local unquoted securities	-	6,255,773	6,255,773
Managed portfolio (local quoted equity securities)	1,108,474	-	1,108,474
Managed portfolio (local unquoted equity securities)	-	17,595,341	17,595,341
	<u>1,108,474</u>	<u>23,851,114</u>	<u>24,959,588</u>
	<i>Level 1</i> <i>KD</i>	<i>Level 3</i> <i>KD</i>	<i>Total</i> <i>KD</i>
31 December 2017			
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>			
Local unquoted securities	-	6,457,161	6,457,161
Managed portfolio (local quoted equity securities)	125,863	-	125,863
Managed portfolio (local unquoted equity securities)	-	15,007,328	15,007,328
	<u>125,863</u>	<u>21,464,489</u>	<u>21,590,352</u>
	<i>Level 1</i> <i>KD</i>	<i>Level 3</i> <i>KD</i>	<i>Restated Total</i> <i>KD</i>
31 March 2017			
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>			
Local unquoted securities	-	6,091,124	6,091,124
Managed portfolio (local quoted equity securities)	1,315,767	-	1,315,767
Managed portfolio (local unquoted equity securities)	-	14,816,146	14,816,146
	<u>1,315,767</u>	<u>20,907,270</u>	<u>22,223,037</u>

There were no transfers between level 1 and level 2 fair value measurements and no transfer into and out of level 3 fair value measurements.

Al Soor Fuel Marketing Company K.S.C.P. and its Subsidiary
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at and for the period ended 31 March 2018

12 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

The following table shows a reconciliation of the opening and closing amounts of level 3 financial assets which are recorded at fair value.

			<i>(Loss) gain recorded in</i>	
	<i>As at 1 January 2018 KD</i>	<i>other comprehensive income KD</i>	<i>As at 31 March 2018 KD</i>	
31 March 2018				
<i>Financial assets at fair value through other comprehensive income</i>				
Local unquoted securities	6,457,161	(201,388)	6,255,773	
Managed portfolio (local unquoted equity securities)	15,007,328	2,588,013	17,595,341	
	<u>21,464,489</u>	<u>2,386,625</u>	<u>23,851,114</u>	
		<i>Gain</i>		
	<i>As at</i>	<i>recorded in</i>	<i>Net</i>	<i>Restated</i>
	<i>1 January</i>	<i>due to early</i>	<i>purchases,</i>	<i>As at</i>
	<i>2017</i>	<i>adoption of</i>	<i>(sales) and</i>	<i>31 March</i>
	<i>KD</i>	<i>IFRS 9</i>	<i>settlements</i>	<i>2017</i>
		<i>KD</i>	<i>KD</i>	<i>KD</i>
31 March 2017				
<i>Financial assets at fair value through other comprehensive income</i>				
Local unquoted securities	-	5,810,910	280,214	6,091,124
Managed portfolio (local unquoted equity securities)	-	13,270,827	31,260	14,816,146
	<u>-</u>	<u>19,081,737</u>	<u>1,794,273</u>	<u>20,907,270</u>

13 COMPARATIVE INFORMATION

The comparative figures in the interim condensed consolidated statement of financial position, interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flow for the three month period ended 31 March 2017, have been restated since the Group early adopted IFRS 9 on the audited consolidated financial statements for the year ended 31 December 2017 as below, with a date of initial application of 1 January 2017. Further, no impact on the consolidated financial statements for the year ended 31 December 2017.

At 31 March 2017

	<i>As previously reported KD</i>	<i>Effect of restatement KD</i>	<i>Restated KD</i>
<i>Consolidated statement of financial position</i>			
Assets			
Financial assets available for sale	15,716,194	(15,716,194)	-
Financial assets at fair value through profit or loss	75,520	(75,520)	-
Financial assets at fair value through other comprehensive income	-	22,223,037	22,223,037
Accounts receivable and prepayments	6,818,810	(162,343)	6,656,467
Equity			
Cumulative change in fair values reserve	448,429	6,441,563	6,889,992
Retained earnings	11,850,294	(172,583)	11,677,711
<i>Interim condensed consolidated statement of income</i>			
Net investment income	154,570	(10,240)	144,330
Profit for the period	1,223,577	(10,240)	1,213,337
Basic and diluted earnings per share	3.05 fils	(0.02 fils)	3.03 fils