

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries

State of Kuwait

Interim Condensed Consolidated Financial Information

And Review Report for the nine-months period ended 30 September 2019

(Unaudited)

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INDEX	Page
Review Report on Interim Condensed Consolidated Financial Information	
Interim Condensed Consolidated Statement of Financial Position (Unaudited)	1
Interim Condensed Consolidated Statement of Income (Unaudited)	2
Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)	3
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)	4
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)	5
Notes to the Interim Condensed Consolidated Financial Information (Unaudited)	6-10

Kuwait Pillars for Financial Investment K.S.C.C

State of Kuwait

Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Pillars For Financial Investment – K.S.C.C (the "Parent Company") and its subsidiaries (the "Group") as at 30 September 2019, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with basis of preparation as disclosed in (Note 2). 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 basis of preparation as disclosed in (Note 2).

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 the Parent Company. To the extent of information made available to us, we have not become aware of any violations of the Companies Law No. 1 of 2016, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended during the nine-months period ended 30 September 2019 that might have had a material effect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 32 of 1968 as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business and its related regulations or of the provisions of Law No. 7 of 2010, concerning the Capital Markets Authority and its related regulations during the nine-months period ended 30 September 2019, that might had a material effect on the business of Group or its consolidated financial position.

Talal Yousef Al-Muzaini

Licence No. 209 A

Deloitte & Touche – Al-Wazzan & Co.

Kuwait, 20 November 2019

Kuwait Pillars for Financial Investment (K.S.C.C)And its subsidiaries
State of Kuwait**Interim Condensed Consolidated Statement of Financial Position as at 30 September 2019
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Note	30 September 2019	31 December 2018 (Audited)	30 September 2018
Assets				
Cash and cash equivalents	5	664,494	2,454,547	1,909,311
Financial assets at fair value through profit or loss	6	1,661,349	42,314	293,439
Financial assets at fair value through OCI	6	3,709,248	4,108,238	4,423,563
Investments at amortized cost	7	1,689,244	1,689,244	1,689,244
Receivables and other debit balances		354,623	332,397	106,731
Finance receivables	8	6,039,054	6,086,587	4,164,529
Investment in an associate and joint venture	9	23,118,602	22,676,827	23,173,336
Investment properties		3,456,162	2,775,981	2,756,771
Other assets		46,993	26,434	24,860
Total assets		<u>40,739,769</u>	<u>40,192,569</u>	<u>38,541,784</u>
Liabilities and equity				
Liabilities				
Payables and other credit balances		997,759	881,962	646,988
Due to banks	10	4,160,700	4,748,900	2,411,650
		<u>5,158,459</u>	<u>5,630,862</u>	<u>3,058,638</u>
Equity				
Share capital		30,000,000	30,000,000	30,000,000
Share premium		697,235	697,235	697,235
Statutory reserve		565,398	565,398	558,308
Voluntary reserve		56,538	56,538	55,829
Foreign currency translation reserve		12,033	13,088	13,337
Change in fair value reserve		46,696	64,992	49,538
Group's share of an associate's reserves		(2,072,047)	(2,091,802)	(2,068,320)
Treasury shares		(268)	-	-
Gain from sale of treasury shares		146,663	146,663	146,663
Retained earnings		6,129,062	5,109,595	6,030,556
Total equity		<u>35,581,310</u>	<u>34,561,707</u>	<u>35,483,146</u>
Total liabilities and equity		<u>40,739,769</u>	<u>40,192,569</u>	<u>38,541,784</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.


Ghazi Ahmed Al Osaimi

Chairman


Mishal Nasser Habib

Vice chairman & CEO

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries

State of Kuwait

**Interim Condensed Consolidated Statement of Income for the nine-months period ended 30 September 2019
(Unaudited)***(All amounts are in Kuwaiti Dinar)*

	Note	Three months ended		Nine months ended	
		30 September		30 September	
		2019	2018	2019	2018
Revenues					
Management fees		16,205	9,594	33,265	41,183
Investments income	11	(60,627)	25,284	162,727	259,332
Group's share of associate's results	9	(395,557)	412,417	1,004,897	1,146,485
Interest income		118,726	105,417	357,046	309,146
Rent income		19,750	19,194	58,893	57,036
Other income		(36,702)	7,452	(2,111)	(21,734)
		<u>(338,205)</u>	<u>579,358</u>	<u>1,614,717</u>	<u>1,791,448</u>
Expenses					
Staff costs		148,932	152,361	482,402	447,111
General and administrative expenses		72,705	77,460	201,714	231,286
Depreciation		10,310	10,754	31,035	29,305
Interest expense		25,751	21,123	73,532	66,994
Provision		-	(16,067)	196	15,429
		<u>257,698</u>	<u>245,631</u>	<u>788,879</u>	<u>790,125</u>
Profit before deductions		(595,903)	333,727	825,838	1,001,323
Contribution to KFAS		196	-	-	-
Zakat		-	-	-	-
Net (loss)/ profit for the period		<u>(595,707)</u>	<u>333,727</u>	<u>825,838</u>	<u>1,001,323</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Kuwait Pillars for Financial Investment K.S.C.C
 And its subsidiaries
 State of Kuwait

**Interim Condensed Consolidated Statement of Comprehensive Income for the nine-months ended 30 September 2019
 (Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Three months ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
Net (loss)/ profit for the period	<u>(595,707)</u>	<u>333,729</u>	<u>825,838</u>	<u>1,001,323</u>
Other comprehensive income items:				
<i>Items that may be reclassified subsequently to the consolidated statement of income:</i>				
Foreign currency translation differences	(846)	(385)	(1,055)	(1,813)
Group's share of an associate's reserves	19,056	4,538	19,755	42,263
<i>Items that will not be reclassified subsequently to interim condensed consolidated statement of income:</i>				
Change in fair value of equity investments at fair value through other comprehensive income	<u>86,285</u>	<u>95,632</u>	<u>175,333</u>	<u>(161,602)</u>
Total other comprehensive income/ (loss) items	<u>104,495</u>	<u>99,785</u>	<u>194,033</u>	<u>(121,152)</u>
Total comprehensive income for the period	<u>(491,212)</u>	<u>433,514</u>	<u>1,019,871</u>	<u>880,171</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Changes in Equity for the nine-months ended 30 September 2019
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Share capital	Share premium	Statutory reserve	Voluntary reserve	Foreign currency translation reserve	Change in fair value reserve	Group's share of an associate's reserves	Treasury shares	Gain on sale of treasury shares	Retained earnings	Total
Balance as at 1 January 2018	30,000,000	697,235	558,308	55,829	15,150	211,140	(2,110,583)	(282,682)	-	5,029,233	34,173,630
Net profit for the period	-	-	-	-	-	-	-	-	-	1,001,323	1,001,323
Other comprehensive income items	-	-	-	-	(1,813)	(161,602)	42,263	-	-	-	(121,152)
Total comprehensive income	-	-	-	-	(1,813)	(161,602)	42,263	-	-	1,001,323	880,171
Sale of treasury shares	-	-	-	-	-	-	-	282,682	146,663	-	429,345
Balance as at 30 September 2018	30,000,000	697,235	558,308	55,829	13,337	49,538	2,068,320	-	146,663	6,030,556	35,483,146
Balance as at 1 January 2019	30,000,000	697,235	565,398	56,538	13,088	64,992	(2,091,802)	-	146,663	5,109,595	34,561,707
Net profit for the period	-	-	-	-	-	-	-	-	-	825,838	825,838
Other comprehensive income items	-	-	-	-	(1,055)	175,333	19,755	-	-	-	194,033
Total comprehensive income	-	-	-	-	(1,055)	175,333	19,755	-	-	825,838	1,019,871
Profit on sale of investments	-	-	-	-	-	(193,629)	-	-	-	193,629	-
Purchase of treasury shares	-	-	-	-	-	-	-	(268)	-	-	(268)
Balance as at 30 September 2019	30,000,000	697,235	565,398	56,538	12,033	46,696	(2,072,047)	(268)	146,663	6,129,062	35,581,310

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Interim Condensed Consolidated Statement of Cash Flows for the nine-months ended 30 September 2019
 (Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Nine months ended 30 September	
	2019	2018
Cash flows from Operating activities		
Net profit for the period	825,838	1,001,323
<i>Adjustments:</i>		
Depreciation	31,035	29,305
Investments income	(162,727)	(259,332)
Group's share of associate's results	(1,004,897)	(1,146,485)
Interest income	(357,046)	(309,146)
Interest expense	73,532	66,994
Provision	196	15,429
Operating losses before changes in working capital	(594,069)	(601,912)
Receivables and other debit balances	(22,226)	72,108
Finance receivables	47,337	(1,514,387)
Payables and other credit balances	115,797	(63,289)
Net cash used in operating activities	<u>(453,161)</u>	<u>(2,107,480)</u>
Cash flows from investing activities		
Paid for purchase of investments	(1,985,155)	(745,613)
Proceeds from sale of investments	870,947	-
Paid for purchase of additional shares in an associate	(104,722)	-
Dividends received from an associate	687,599	954,633
Paid for purchase of investment properties	(703,430)	(610,787)
Paid for purchase of property and equipment	(29,400)	(26,382)
Dividends received	232,223	250,471
Interest income received	357,046	234,708
Proceeds from sale of treasury shares	-	429,345
Net cash generated from investing activities	<u>(674,892)</u>	<u>486,375</u>
Cash Flow from financing activities		
Due to banks	(588,200)	2,411,650
Paid for purchase of treasury shares	(268)	-
Finance cost paid	(73,532)	(44,239)
Net cash generated from financing activities	<u>(662,000)</u>	<u>2,367,411</u>
(Decrease)/ increase in cash and cash equivalents	(1,790,053)	746,306
Cash and cash equivalents at the beginning of the period	<u>2,454,547</u>	<u>1,163,005</u>
Cash and cash equivalents at the end of the period	<u><u>664,494</u></u>	<u><u>1,909,311</u></u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries
State of Kuwait

Notes to the Interim Condensed Consolidated Financial Information for the nine-months ended 30 September 2019 (Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

1. Incorporation and activities

Kuwait Pillars for Financial Investment-KSCC, the "Parent Company" is a Kuwaiti Shareholding Company incorporated in Kuwait in 1998 and is regulated by the Central Bank of Kuwait and Capital Markets Authority. The Parent Company was listed in the Kuwait Stock Exchange on 3 December 2008. On 8 July 2016 based on the shareholders extraordinary General Assembly meeting, the Company has voluntarily elected to delist from Kuwait stock exchange effective from 1 March 2016. The Company has obtained the approval from CMA to delist on 31 August 2015.

The objectives of the Parent Company are:

Financial investment operations in all economic sectors by all legal means deemed appropriate for the Parent Company to achieve its objectives inside and outside Kuwait for its benefit or others, including:

- Sale and purchase of financial securities for the Company and others with no violation to provisions of law.
- Lending or borrowing and issuing bonds as per Law and financing the foreign trade operations.
- Carrying out financial brokerage operations and managing investments for others.
- Providing and preparing studies and technical, economic and revaluation consultancies, as well as studying the related investment projects and preparing the necessary studies for those institutions and companies (provided the necessary conditions should be met).
- Establishing or participating in the establishing of companies of all types, objectives and nationalities and deal in selling and purchasing of shares, bonds and financial rights of those companies.
- Managing financial and real estate portfolios for the company and for others and investing and developing its customers' funds through placing them in all aspects of local and global investment.
- Investing in real estate, industrial, agricultural and other economic sectors either directly or by contributing in the establishment of specialized companies or purchasing shares or bonds of those companies in different sectors.
- Establishing, managing and marketing investment funds of all types as per Law.
- Carrying out the function of bonds issuing manager, which are issued by companies and authorities, and investment custodian's functions.
- Dealing and trading in the foreign exchange market and precious metals market inside and outside Kuwait for the company's benefit only.
- Providing all services that assist developing and supporting the ability of the financial and monetary market in Kuwait within limits of Law and as per CBK's instructions and procedures through offering new trading financial instruments or providing consulting services to Kuwait Stock Exchange's management and other services.

The Parent Company may have an interest or participate in any way in any entity that conducts similar business or which may assist it to achieve its objectives inside and outside Kuwait and it may also purchase such entities or affiliate thereof to it.

The Parent Company's registered office is at Al Nassar Tower, Fahed Al Salem Street, P.O Box 1346, Kuwait.

The interim condensed consolidated financial information includes the financial information of the Parent Company and its subsidiaries, which are fully owned and mentioned below together referred to as "the Group".

<u>Company Name</u>	<u>Country of incorporation</u>	<u>Principal activity</u>	<u>Equity interest (%)</u>
Strategia Investors Inc.	United States	Investment manager and advisor	100
Marquee Fund Management Limited	United Kingdom	Investment manager and advisory services	100
Strategia Investors Service Limited	Antigua and Burmuda	Investment manager and advisor to real estate funds	100
Strategia Private Equity Limited	Cayman Islands	Investments	100

On 23 April 2019, the General Assembly for Shareholders of the Parent Company approved the Financial Statement for the year ended 31 December 2018 and also approved the Board of Director's recommendation not to distribute dividends.

The interim condensed consolidated financial information for the nine-months ended 30 September 2019 was authorized for issuance by the Parent Company Board of Directors on 20 November 2019.

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries

State of Kuwait

Notes to the Interim Condensed Consolidated Financial Information for the nine-months ended 30 September 2019 (Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

2. Basis of presentation and significant accounting policies

2.1 Basis of presentation

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements in accordance with International Financial Reporting Standards.

The annual consolidated financial statements for the year ended 31 December 2018 were prepared in accordance with the regulations for financial services institutions as issued by the Central Bank of Kuwait ("CBK") and the Capital market Authority "CMA" in the State of Kuwait. These regulations require expected credit loss ("ECL") to be measured at the higher of the ECL on credit facilities computed under IFRS 9 according to the CBK guidelines or the provisions as required by CBK instructions; the consequent impact on related disclosures; and the adoption of all other requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). (Collectively referred to as IFRS, as adopted for use by the State of Kuwait).

In the management's opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 30 September 2019 are not necessarily indicative of results that may be expected for the year ending 31 December 2019. For further information, it is possible to refer to the consolidated financial statements and its related notes for the year ended 31 December 2018.

2.2 Significant accounting policies

The accounting policies used in preparing the interim condensed consolidated financial information similar to those used in the preparation of consolidated financial statements for the year ended 31 December 2018 except for the effect of application of new and revised International Financial Reporting Standards (IFRS) as the follows:

2.2.1 New and amended standards adopted by the Group

The Company has adopted the new and amended standards and interpretations that became effective in the current period, including IFRS 16 "Leases". The adoption of these standards and interpretations has no material impact on the Group's financial information of the Company.

3. Fair value estimation

The fair values of financial assets and financial liabilities are determined as follows:

- Level one: Quoted prices in active markets for identical assets or liabilities.
- Level two: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in market that is not active. Inputs other than quoted prices that are observable for assets and liabilities.
- Level three: valuation techniques that are not based on observable market data.

The table below gives information about how the fair values of the significant financial assets and liabilities are determined:

Financial assets	Fair value as at			Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30/9/2019	31/12/2018	30/9/2018				
Equity instruments designated as FVTPL							
Quoted Shares	1,661,350	42,314	237,113	1	Last bid price	-	-
Funds	-	-	56,326	2	Net asset value	-	-
Equity instruments designated as FVTOCI							
Quoted Shares	2,421,013	2,821,466	3,137,181	1	Last bid price	-	-
Unquoted shares	1,288,235	1,286,772	1,286,382	3	Net book value	Book value adjusted with market risk	The higher market risk the lower the fair value

The fair values of other financial assets and financial liabilities which are not measured at fair value on ongoing basis equal approximately their carrying values.

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries

State of Kuwait

Notes to the Interim Condensed Consolidated Financial Information for the nine-months ended 30 September 2019 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***4. Judgment and estimates**

The preparation of interim condensed consolidated 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. The actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2018

Judgements:

In the process of applying the Group's accounting policies, management has exercised the following judgements, which have the most significant effect on the assets recognized in the financial information:

Classification of investments in equity instruments - IFRS 9

On acquisition of an investment, the Group decides whether it should be classified as "FVTPL" or "FVTOCI". The Group follows the guidance of IFRS 9 on classifying its investments.

Impairment

The Group has to assess whether credit risk on financial assets and other items has increased significantly since initial recognition in order to determine whether 12 months ECL or lifetime ECL should be recognized.

Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Valuation of financial instruments

The Group's management determines the appropriate valuation techniques and input for fair value measurement. In estimating the fair value of an asset or a liability the Group uses market observable data to the extent it is available. Information about valuation techniques and input used in determining the fair value of various assets and liabilities are disclosed in Note (3).

Impairment

The Group uses of forward-looking information and assumptions about the probability of default and expected credit risk rates.

5. Cash and cash equivalents

	30 September 2019	31 December 2018 (Audited)	30 September 2018
Cash on hand and at banks	664,054	1,054,108	508,873
Time deposits (<i>less than 3 months</i>)	-	1,400,000	1,400,000
Cash in investment portfolio	440	439	438
	<u>664,494</u>	<u>2,454,547</u>	<u>1,909,311</u>

6. Investments**Financial assets at fair value through profit or loss**

	30 September 2019	31 December 2018 (Audited)	30 September 2018
Quoted shares	1,661,349	42,314	237,113
Funds	-	-	56,326
	<u>1,661,349</u>	<u>42,314</u>	<u>293,439</u>

Financial assets at fair value through OCI

	30 September 2019	31 December 2018 (Audited)	30 September 2018
Quoted shares	2,421,013	2,821,466	3,137,181
Unquoted shares	1,288,235	1,286,772	1,286,382
	<u>3,709,248</u>	<u>4,108,238</u>	<u>4,423,563</u>

The Group has pledged unquoted through OCI securities with carrying amount of KD 1,919,693 against the credit facilities.

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries
State of Kuwait

Notes to the Interim Condensed Consolidated Financial Information for the nine-months ended 30 September 2019 (Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

7. Investments at amortized costs

The effective interest rate on these bonds is 5.85% (5.85% - 31 December 2018). The bonds have maturity dates ranging between 4 to 9 years from the reporting period. The balance includes an amount of KD 839,753 represented in bonds which have been issued by related parties.

8. Finance receivables

This represents commercial loans granted to related parties.

	30 September 2019	31 December 2018 (audited)	30 September 2018
Gross balance of commercial loans	6,204,736	6,287,538	4,305,194
Less: deferred revenue	(99,515)	(134,980)	(95,741)
	<u>6,105,221</u>	<u>6,152,558</u>	<u>4,209,453</u>
Less: provision for credit losses - general	(66,167)	(65,971)	(44,924)
Balance as at the end of period/ year	<u>6,039,054</u>	<u>6,086,587</u>	<u>4,164,529</u>

The effective rates on these finance receivables is 6.41% during the period ended 30 September 2019 (6.63% - 31 December 2018, 5.25% - 30 September 2018). The fair value of the collaterals held against finance receivables is KD 9,243,908 as at 30 September 2019 (KD 5,521,723 - 31 December 2018, KD 3.9 Million - 30 September 2018).

9. Investment in an associate and Joint Venture

This represents the Group's investment in Kuwait Financial Center K.S.C.P by 28.87% as at 30 September 2019. This also includes investment in a joint venture amounted to KD 25,783 as at 30 September 2019 (KD 25,783 as at 30 September 2018).

The Group's share of the associate's results and reserves has been computed based on the reviewed financial information for the period ended 30 September 2019.

Movement of the investment in an associate during the period / year is as follows:

	30 September 2019	31 December 2018 (Audited)	30 September 2018
Balance as at 1 January	22,651,044	22,913,437	22,913,438
Additions during the period/ year	104,722	57,054	-
Cash dividends	(687,599)	(954,633)	(954,633)
Group's share of associate's results	1,004,897	616,405	1,146,485
Group's share of associate's reserves	19,755	18,781	42,263
	<u>23,092,819</u>	<u>22,651,044</u>	<u>23,147,553</u>
Group ownership (%)	<u>28.87</u>	<u>28.64</u>	<u>28.36</u>

The Group has pledged 95 Mio shares of its associate with carrying amount of KD 8,170,000 against the credit facilities.

10. Due to banks

The average interest rate on the credit facilities is 5.75% and the maturity date is 1 October 2019. The following assets are pledged against bank facilities as at 30 September 2019.

- 95,000,000 shares investments in associate for the Group.
- 4,516,924 shares of quoted investments through OCI for the Group.

11. Investments income

	Three months ended 30 September		Nine months ended 30 September	
	2019	2018	2019	2018
Cash dividends	10,445	10,405	232,223	250,471
Change in fair value	(71,072)	14,879	(69,496)	8,864
	<u>(60,627)</u>	<u>25,284</u>	<u>162,727</u>	<u>259,335</u>

Kuwait Pillars for Financial Investment K.S.C.C

And its subsidiaries

State of Kuwait

Notes to the Interim Condensed Consolidated Financial Information for the nine-months ended 30 September 2019 (Unaudited)*(All amounts are in Kuwaiti Dinar unless otherwise stated)***12. Related party transactions**

In the ordinary course of business, the Company has carried some transactions with related parties (i.e. shareholders, Board of Directors and key management personnel). The Company carried out transaction with related parties on term approved by management and are subject to approval of Annual General Meeting for shareholders. The balances and transactions with related parties are as follows:

Transactions	Three months ended 30 September		Nine months ended 30 September	
	2019	2018	2019	2018
Salaries and other benefits	79,108	68,880	246,947	219,579
End of service indemnity	11,252	9,360	43,410	35,203
Interest income	103,687	87,548	305,715	261,317
Balances				
		30 September 2019	31 December 2018 (Audited)	30 September 2018
Investments at amortized costs		839,753	839,753	839,753
Finance receivables		6,039,055	6,086,587	4,164,529
Payables and other credit balances		425,599	486,794	350,898

Related parties transactions are subject to approval of shareholders' general assembly.

13. Segment information

In the purpose of management, the Group organizes its operations in main two sectors of business. The following are the main activities and services that are underlined in such two sectors.

Investment activities: Investing in securities, funds, properties lending to corporate and individual customers and managing the Group's liquidity requirements.

Asset management and advisory services: Discretionary and non-discretionary investment portfolio management, managing of local and international investment funds and providing advisory and structured finance services and other related financial services.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the return on investments. The Group does not have any significant inter-segment transactions.

The following table presents segment revenues, profits, assets and liabilities regarding the Group's business segments:

	30 September 2019		
	Investment activities	Asset management and advisory services	Total
Segment revenue	1,581,452	33,265	1,614,717
Net profit	792,573	33,265	825,838
Segment assets	40,630,796	108,973	40,739,769
Segment liabilities	5,069,274	89,185	5,158,459
	30 September 2018		
	Investment activities	Asset management and advisory services	Total
Segment revenue	1,750,265	41,183	1,791,448
Net profit	960,140	41,183	1,001,323
Segment assets	38,440,750	101,034	38,541,784
Segment liabilities	2,973,452	85,186	3,058,638

14. Fiduciary assets

The Group manages portfolios on behalf of customers and maintains cash balances and securities in fiduciary accounts, which are not reflected in the Group's interim condensed consolidated financial information.

The aggregate net asset value held in a fiduciary capacity by the Group amounted to KD 21,822,211 as at 30 September 2019 (KD 15,741,011 - 31 December 2018 and KD 15,595,915 - 30 September 2018).