



شركة التسهيلات التجارية بأن.م.ك  
COMMERCIAL FACILITIES CO. s.a.k

**Commercial Facilities Company S.A.K.P.  
and Subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information  
and Independent Auditors' Review Report  
for the nine-month period ended 30 September 2023  
(Unaudited)**



شركة التسهيلات التجارية ش.م.ك  
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**Commercial Facilities Company S.A.K.P.**  
State of Kuwait

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Commercial Facilities Company S.A.K.P. ("the Parent Company") and its subsidiaries (collectively referred to as "the Group") as at 30 September 2023, and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, for the three month and nine month periods then ended, and changes in equity and cash flows for the nine-month 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 the 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 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 the basis of preparation set out in Note (2).

### **Report on Other Legal and Regulatory Requirements**

Further, based on our review, the interim condensed consolidated financial information is in agreement with the books 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, as amended, or of the Parent Company's Memorandum and Articles of Association, as amended, have occurred during the nine-month period ended 30 September 2023 that might have had a material effect on the business of the Group or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, 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 regulation or of the provisions of Law No. 7 of 2010, as amended, concerning the Capital Markets Authority and its related regulations during the nine-month period ended 30 September 2023, that might have had a material effect on the business of the Group or on its consolidated financial position.



Talal Yousef Al-Muzaini  
License No. 209 A  
Deloitte & Touche - Al-Wazzan & Co.



Ali A. Al Hasawi  
License No. 30  
Rödl Middle East  
Burgan-International Accountants

Kuwait

30 October 2023

Interim Condensed Consolidated Statement of Financial Position as at 30 September 2023  
(Unaudited)

(All amounts are in Kuwaiti Dinar Thousand)

	Notes	30 September 2023	31 December 2022 (Audited)	30 September 2022
<b>Assets</b>				
Cash and bank balances	3	18,018	32,668	37,471
Other receivables and prepayments		395	2,566	3,368
Finance receivables	4	174,569	171,259	170,531
Investments in securities	5	58,425	58,156	57,806
Investment in associates	6	16,092	14,549	14,329
Investment properties		3,996	3,996	4,001
Property and equipment		2,739	2,827	2,537
<b>Total assets</b>		<b>274,234</b>	<b>286,021</b>	<b>290,043</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Due to banks		219	-	387
Trade creditors and other liabilities		4,890	5,056	4,525
Term loans	7	106,827	114,944	122,043
Provision for staff indemnity		5,058	4,972	4,416
<b>Total liabilities</b>		<b>116,994</b>	<b>124,972</b>	<b>131,371</b>
<b>Equity</b>				
Share capital		53,676	53,676	53,676
Share premium		1,433	1,433	1,433
Legal reserve		53,396	53,396	52,293
Voluntary reserve		48,093	48,093	48,093
Fair value reserve		(5,178)	(4,011)	(3,706)
Foreign currency translation reserve		515	652	477
Land revaluation reserve		1,215	1,215	898
Treasury shares	9	(11,458)	(11,296)	(11,271)
Gain on sale of treasury shares		14	14	14
Retained earnings		15,475	17,822	16,712
Equity attributable to the shareholders of the Parent Company		157,181	160,994	158,619
Non-controlling interests		59	55	53
<b>Total equity</b>		<b>157,240</b>	<b>161,049</b>	<b>158,672</b>
<b>Total liabilities and equity</b>		<b>274,234</b>	<b>286,021</b>	<b>290,043</b>

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

Ali Ibrahim Marafi  
Chairman

Abdallah Saud Abdulaziz Al-Humaidhi  
Vice Chairman and Chief Executive Officer



Interim Condensed Consolidated Statement of Profit or Loss for the nine-month period ended 30 September 2023  
(Unaudited)

(All amounts are in Kuwaiti Dinar Thousand)

	Notes	Three-month period ended		Nine-month period ended	
		30 September		30 September	
		2023	2022	2023	2022
Financing income		3,453	3,015	9,751	9,198
Share of results of associates	6	228	249	795	857
Other income		9	9	30	33
Interest income		164	218	616	397
Net gain / (loss) from investments	10	245	(360)	467	2,378
Rental income from investment property		62	59	158	172
Net foreign exchange gains		124	192	123	373
<b>Total other income</b>		<b>832</b>	<b>367</b>	<b>2,189</b>	<b>4,210</b>
Finance costs		(1,296)	(1,020)	(3,817)	(2,490)
Staff costs and related expenses		(653)	(559)	(1,961)	(1,682)
General and administrative expenses		(360)	(363)	(1,080)	(1,088)
<b>Total expenses</b>		<b>(2,309)</b>	<b>(1,942)</b>	<b>(6,858)</b>	<b>(5,260)</b>
<b>Profit before provision for credit losses and impairment losses</b>		<b>1,976</b>	<b>1,440</b>	<b>5,082</b>	<b>8,148</b>
Reversal of provision on expected credit loss		641	10	739	465
<b>Profit before taxation and Directors' remuneration</b>		<b>2,617</b>	<b>1,450</b>	<b>5,821</b>	<b>8,613</b>
Provision for KFAS		(26)	(14)	(58)	(86)
Provision for NLST and Zakat		(84)	(49)	(181)	(282)
Provision for Directors' remuneration		(32)	(36)	(95)	(108)
<b>Profit for the period</b>		<b>2,475</b>	<b>1,351</b>	<b>5,487</b>	<b>8,137</b>
<b>Attributable to:</b>					
Shareholders of the Parent Company		2,474	1,347	5,483	8,131
Non-controlling interests		1	4	4	6
		<b>2,475</b>	<b>1,351</b>	<b>5,487</b>	<b>8,137</b>
<b>Earnings per share – Fils</b>	11	<b>5</b>	<b>3</b>	<b>11</b>	<b>16</b>

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

**Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
for the nine-month period ended 30 September 2023  
(Unaudited)**

(All amounts are in Kuwaiti Dinar Thousand)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2023	2022	2023	2022
<b>Profit for the period</b>	2,475	1,351	5,487	8,137
<b>Other comprehensive income</b>				
<i>Items that may not be reclassified subsequently to consolidated statement of profit or loss</i>				
Foreign currency translation	(67)	(249)	290	(395)
Change in fair value of investments at FVTOCI	(662)	(394)	(1,301)	513
<b>Other comprehensive (loss)/ income for the period</b>	(729)	(643)	(1,011)	118
<b>Total comprehensive income for the period</b>	1,746	708	4,476	8,255
<b>Attributable to:</b>				
Shareholders of the Parent Company	1,745	704	4,472	8,249
Non-controlling interests	1	4	4	6
	1,746	708	4,476	8,255

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-month period ended 30 September 2023  
(Unaudited)

(All amounts are in Kuwaiti Dinar Thousand)

	Equity attributable to shareholders of the Parent Company												
	Share capital	Share premium	Legal reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Land revaluation reserve	Treasury shares	Gain on sale of treasury shares	Retained earnings	Total	Non-Controlling Interest	Total
<b>Balance at 1 January 2023</b>	53,676	1,433	53,396	48,093	(4,011)	652	1,215	(11,296)	14	17,822	160,994	55	161,049
Profit for the period	-	-	-	-	-	-	-	-	-	5,483	5,483	4	5,487
Foreign exchange translation adjustments	-	-	-	-	-	(137)	-	-	-	427	290	-	290
Change in fair value of financial assets at FVTOCI	-	-	-	-	(1,301)	-	-	-	-	-	(1,301)	-	(1,301)
Profit on sale of investments at FVTOCI	-	-	-	-	134	-	-	-	-	(134)	-	-	-
Total comprehensive income for the period	-	-	-	-	(1,167)	(137)	-	-	-	5,776	4,472	4	4,476
Dividends (Note 13)	-	-	-	-	-	-	-	-	-	(8,123)	(8,123)	-	(8,123)
Purchase of treasury shares	-	-	-	-	-	-	-	(162)	-	-	(162)	-	(162)
<b>Balance at 30 September 2023</b>	53,676	1,433	53,396	48,093	(5,178)	515	1,215	(11,458)	14	15,475	157,181	59	157,240
<b>Balance at 1 January 2022</b>	53,676	1,433	52,293	48,093	(3,434)	872	898	(11,271)	14	15,413	157,987	47	158,034
Profit for the period	-	-	-	-	-	-	-	-	-	8,131	8,131	6	8,137
Foreign exchange translation adjustments	-	-	-	-	-	(395)	-	-	-	-	(395)	-	(395)
Change in fair value of financial assets at FVTOCI	-	-	-	-	513	-	-	-	-	-	513	-	513
Loss on sale of investments at FVTOCI	-	-	-	-	(785)	-	-	-	-	785	-	-	-
Total comprehensive income for the period	-	-	-	-	(272)	(395)	-	-	-	8,916	8,249	6	8,255
Dividends (Note 13)	-	-	-	-	-	-	-	-	-	(7,617)	(7,617)	-	(7,617)
<b>Balance at 30 September 2022</b>	53,676	1,433	52,293	48,093	(3,706)	477	898	(11,271)	14	16,712	158,619	53	158,672

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

Interim Condensed Consolidated Statement of Cash Flows for the nine-month period ended 30 September 2023  
(Unaudited)

(All amounts are in Kuwaiti Dinar Thousand)

	Note	Nine-month period ended 30 September	
		2023	2022
<b>Operating activities</b>			
Profit before provisions for contribution to KFAS, NLST, Zakat and Directors' remuneration		5,821	8,613
Adjustments for:			
Depreciation		158	139
Unrealised loss on financial assets at FVTPL		1,642	261
Realised gain on financial assets at FVTPL		-	(750)
Interest income		(616)	(397)
Dividend income		(2,109)	(1,889)
Share of results of associates		(795)	(857)
Finance cost		3,817	2,490
Provision for staff indemnity		93	82
Reversal of provision for credit loss expense		(739)	(465)
		<u>7,272</u>	<u>7,227</u>
Finance receivables		(1,835)	3,256
Other receivables and prepayments		2,245	(616)
Trade creditors and other liabilities		(635)	(553)
		<u>7,047</u>	<u>9,314</u>
<b>Cash from operations</b>			
Staff indemnity paid		(7)	(54)
Interest received		616	397
Dividends received		2,034	1,834
		<u>9,690</u>	<u>11,491</u>
<b>Net cash from operating activities</b>			
<b>Investing activities</b>			
Term deposits		(155)	938
Purchase of financial assets at FVTPL		(830)	(4,257)
Purchase of financial assets at FVTOCI		(6,295)	(3,504)
Proceeds from sale of financial assets at FVTPL		-	1,680
Proceeds from sale of financial assets at FVTOCI		4,177	3,411
Purchase of investment in associate		(1,473)	-
Dividend received from associate		726	744
Purchase of property and equipment		(71)	(23)
		<u>(3,921)</u>	<u>(1,011)</u>
<b>Net cash used in investing activities</b>			
<b>Financing activities</b>			
Proceeds from term loans		46,000	44,575
Repayment of term loans		(54,117)	(28,415)
Dividends paid		(8,138)	(7,584)
Finance cost – paid		(3,667)	(2,474)
Purchase of treasury shares		(162)	-
		<u>(20,084)</u>	<u>6,102</u>
<b>Net cash (used in)/from financing activities</b>			
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(14,315)</u>	<u>16,582</u>
Net increase in cash held by third parties		545	713
Cash and cash equivalents at beginning of the period		29,985	12,207
<b>Cash and cash equivalents at end of the period</b>	3	<u>16,215</u>	<u>29,502</u>

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



**Notes to the Interim Condensed Consolidated Financial Information for the nine-month period ended 30 September 2023**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinar Thousand unless otherwise stated)*

**1. Incorporation and principal activities**

Commercial Facilities Company S.A.K.P. (“the Parent Company”) was incorporated on 16 January 1977 in accordance with the Commercial Companies Law in the State of Kuwait. The Parent Company’s shares were listed on the Kuwait Stock Exchange on 29 September 1984.

The main activities of the Group represent in financing activities, investments and brokerage.

The address of the Parent Company’s registered office is P.O. Box 24284, Safat 13103, State of Kuwait.

This interim condensed consolidated financial information was approved for issue by the Board of Directors on 30 October 2023.

**2. Basis of preparation and significant accounting policies**

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard (IAS) 34, ‘Interim Financial Reporting’ except as noted below. The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2022.

The annual consolidated financial statements for the year ended 31 December 2022 have been prepared in accordance with the regulations for financial services institutions as issued by the Central Bank of Kuwait (CBK) in the State of Kuwait. These regulations require financial institutions regulated by CBK to adopt the International Financial Reporting Standards (“IFRS”) with an amendment for measuring the expected credit loss (“ECL”) on credit facilities at the higher of ECL computed under IFRS 9 – ‘Financial Instruments’ in accordance to the CBK guidelines or the provisions as required by CBK instructions along with its consequent impact on related disclosures.

The above framework is hereinafter referred to as ‘IFRS as adopted by CBK for use by the State of Kuwait’.

The interim condensed consolidated financial information does not contain all information and disclosures required for the annual consolidated financial statements prepared in accordance with IFRS, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2022.

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 2023 are not necessarily indicative of results that may be expected for the year ending 31 December 2023.

Amendments to IFRSs which are effective for annual periods beginning on or after 1 January 2023 did not have any material impact on the accounting policies, financial position or performance of the Group.

**3. Cash and bank balances**

	30 September 2023	31 December 2022 (Audited)	30 September 2022
Cash on hand	24	11	21
Bank balances	7,354	4,652	6,488
Deposits	10,640	28,005	30,962
	18,018	32,668	37,471
Less: Deposits with original maturity over three months	(1,142)	(1,696)	(6,718)
Less: Due to banks	(219)	-	(387)
Less: Cash balance with third parties	(442)	(987)	(864)
Cash and cash equivalents for the purpose of consolidated statement of cash flows	16,215	29,985	29,502

The Group’s term deposits denominated in USD and Lebanese Pound amounting to KD 11,421 thousand (KD 11,306 thousand – 31 December 2022 and KD 11,461 thousand – 30 September 2022) are with banks in Lebanon. The Expected credit losses related to bank balances and term deposits is KD 11,178 thousand (KD 10,468 thousand - 31 December 2022 and KD 10,629 thousand - 30 September 2022).

Notes to the Interim Condensed Consolidated Financial Information for the nine-month period ended 30 September 2023  
(Unaudited)

(All amounts are in Kuwaiti Dinar Thousand unless otherwise stated)

4. Finance receivables	30 September 2023	31 December 2022 (Audited)	30 September 2022
Commercial loans	39,028	33,956	31,351
Personal loans	188,264	188,865	190,284
	227,292	222,821	221,635
Less: deferred income	(20,753)	(17,902)	(17,194)
	206,539	204,919	204,441
Less: provision for expected credit losses	(31,970)	(33,660)	(33,910)
	174,569	171,259	170,531

As at 30 September 2023, provisions for credit losses in accordance with the requirements of the Central Bank of Kuwait amounted to KD 25,291 thousand (KD 26,742 thousand - 31 December 2022 and KD 26,905 thousand – 30 September 2022), less than the expected credit losses for credit facilities which were calculated in accordance with the requirements of IFRS 9 in accordance with the Central Bank of Kuwait guidelines.

The average interest rate earned from instalment credit for the nine-month period ended 30 September 2023 was 4.53% (4.25% - 31 December 2022 and 4.22% - 30 September 2022) per annum.

5. Investment securities	30 September 2023	31 December 2022 (Audited)	30 September 2022
Financial assets at FVTPL	22,790	23,602	23,066
Financial assets at FVTOCI	35,635	34,554	34,740
	58,425	58,156	57,806

6. Investments in associates	Place of incorporation and operation	Proportion of ownership interest	Principal activity
Real Estate Facilities and Investment Company K.S.C.C.	Kuwait	34.91%	Investment in real estate
Priority Automobile Company K.S.C.C.	Kuwait	44.56%	Renting and leasing of luxury cars

Group's share from associates' results amount to KD 795 thousand for the period ended 30 September 2023 (KD 857 thousand – 30 September 2022). This financial information has been prepared based on the financial information prepared by the associates' managements.

7. Term loans	30 September 2023	31 December 2022 (Audited)	30 September 2022
Loans denominated in KD	106,827	107,287	114,273
Loans denominated in USD	-	7,657	7,770
	106,827	114,944	122,043

During the period, the Group signed new financing KD loan agreements amounting to KD 38 million (KD 60 million - 31 December 2022 and KD 50 million - 30 September 2022) and USD Nil (USD 50 million - 31 December 2022 and USD 50 million - 30 September 2022).

**Notes to the Interim Condensed Consolidated Financial Information for the nine-month period ended 30 September 2023**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinar Thousand unless otherwise stated)*

The weighted average interest rate on KD loans outstanding at 30 September 2023 was 4.94% per annum and on USD loans was 0.33% per annum (3.27% per annum and 3.02% per annum respectively - 31 December 2022 and 2.99% per annum and 3.03% per annum respectively - 30 September 2022).

The Group's outstanding term loans at 30 September 2023 are borrowed under floating rate agreements. The interest rates were determined at normal commercial rates available from the debt market on an arm's length basis. The Group has assigned customer contracts amounting to KD 95,189 thousand (KD 98,824 thousand - 31 December 2022 and KD 118,366 thousand - 30 September 2022) as security over 9 term loans (10 term loans - 31 December 2022 and 11 term loans - 30 September 2022) with balances outstanding of KD 106,827 thousand (KD 114,944 thousand - 31 December 2022 and KD 122,043 thousand - 30 September 2022).

**8. Related party transactions**

Related parties comprise associated companies, major shareholders, directors and key management personnel of the Group, their families, and companies of which they are the principal owners. The Group enters into transactions with related parties. Pricing policies and terms are approved by the Group's management.

The related party transactions and balances included in this interim condensed consolidated financial information are as follows:

**a) Compensation of key management personnel of the Parent Company:**

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2023	2022	2023	2022
Salaries and other short-term benefits	129	130	388	390
Post-employment benefits	23	22	111	351
	<u>152</u>	<u>152</u>	<u>499</u>	<u>741</u>
<b>b) Finance receivables:</b>				
Balance at 1 January	22	76	22	76
Instalment repayment received	(3)	(5)	(10)	(14)
Balance at 30 September	<u>19</u>	<u>71</u>	<u>12</u>	<u>62</u>

**9. Treasury shares**

	30 September 2023	31 December 2022 (Audited)	30 September 2022
Number of shares purchased (000's)	989	142	-
Cost of shares purchased (KD'000)	161	25	-
Market value of total treasury shares (KD'000)	4,812	5,206	4,891
Percentage of issued shares	5.60%	5.42%	5.39%
Total number of shares (000's)	30,073	29,084	28,942

The Parent Company is required to retain reserves and retained earnings equivalent to the cost of treasury shares throughout the period, in which they are held by the Parent Company, in accordance with the instructions of the relevant regulatory authorities.

**10. Net gains from investments**

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2023	2022	2023	2022
Unrealised loss on financial assets at FVTPL	(459)	(840)	(1,642)	(261)
Realised gain on sale of financial assets at FVTPL	-	-	-	750
Dividend income	704	480	2,109	1,889
	<u>245</u>	<u>(360)</u>	<u>467</u>	<u>2,378</u>

**Notes to the Interim Condensed Consolidated Financial Information for the nine-month period ended 30 September 2023**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinar Thousand unless otherwise stated)*

**11. Earnings per share**

Earnings per share is computed by dividing profit for the period by the weighted average number of shares outstanding during the period as follows:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2023	2022	2023	2022
Profit for the period	2,474	1,347	5,483	8,131
	Shares			
Weighted average number of the Parent Company's issued and paid-up shares (000's)	536,764	536,764	536,764	536,764
Weighted average number of the Parent Company's treasury shares (000's)	(29,562)	(28,942)	(29,309)	(28,942)
Weighted average number of the Parent Company's outstanding shares (000's)	507,201	507,822	507,455	507,822
Earnings per share – Fils	5	3	11	16

**12. Revenue and segmental analysis**

The Group operates in one principal area of activity, the granting of consumer instalment credit facilities. Its consumer credit operations are carried out entirely in the domestic market in Kuwait. The Group has investments both inside and outside Kuwait.

A segmental analysis of profit from ordinary activities, total assets, total liabilities and net assets employed by geographical location is as follows:

	Consumer	Investment	Total
<b>At 30 September 2023</b>			
Profit before provisions for contribution to KFAS, NLST, Zakat and Directors' remuneration	11,226	(5,405)	5,821
Total assets	174,569	99,665	274,234
Total liabilities	(106,827)	(10,167)	(116,994)
Net assets employed	67,742	89,498	157,240
<b>At 30 September 2022</b>			
Profit before provisions for contribution to KFAS, NLST, Zakat and Directors' remuneration	11,854	(3,241)	8,613
Total assets	170,531	119,512	290,043
Total liabilities	(122,043)	(9,328)	(131,371)
Net assets employed	48,488	110,184	158,672

**13. Annual general assembly**

The shareholder's annual general assembly meeting held on 21 March 2023 approved the audited consolidated financial statements of the Group for the year ended 31 December 2022 and they approved to distribute a cash dividend of 16 fils per share (15 fils per share – 2021) amounting to KD 8,123 thousand (KD 7,617 thousand – 2021).

**14. Fair value of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group's financial assets are measured at fair value at the end of each reporting period. The following tables gives information about how the fair values of these financial assets are determined.

Notes to the Interim Condensed Consolidated Financial Information for the nine-month period ended 30  
September 2023  
(Unaudited)

(All amounts are in Kuwaiti Dinar Thousand unless otherwise stated)

**Fair value hierarchy**

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

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

Financial assets	Fair value as at			Fair value Hierarchy	Sector
	30 September 2023	31 December 2022 (Audited)	30 September 2022		
Financial assets at FVTPL - <i>Quoted securities</i>	15,168	15,989	15,198	Level 1	Financial Institutions Services
	181	210	183	Level 1	
	<u>15,349</u>	<u>16,199</u>	<u>15,381</u>		
Financial assets at FVTPL - <i>Debt securities</i>	4,390	4,367	4,617	Level 2	Financial Institutions
Financial assets at FVTPL - <i>Unquoted fund</i>	3,052	3,036	3,068	Level 2	Conglomerate
Financial assets at FVOCI - <i>Unquoted funds</i>	19	252	520	Level 2	Financial Institutions
Financial assets at FVOCI - <i>Unquoted debt</i>	8,068	4,549	4,516	Level 2	Financial Institutions
	1,250	1,250	1,250	Level 2	Conglomerate
	-	2,500	2,500	Level 2	Real estate
	<u>16,779</u>	<u>15,954</u>	<u>16,471</u>		
Financial assets at FVOCI - <i>Unquoted securities</i>	20,262	20,420	20,354	Level 3	Real Estate
	1,483	1,367	1,281	Level 3	Financial Institutions
	548	480	493	Level 3	Services
Financial assets at FVOCI - <i>Unquoted fund</i>	3,541	3,276	3,360	Level 3	Conglomerate
Financial assets at FVOCI - <i>Unquoted debt</i>	463	460	466	Level 3	Financial Institutions
	<u>26,297</u>	<u>26,003</u>	<u>25,954</u>		
	<u>58,425</u>	<u>58,156</u>	<u>57,806</u>		

Movement in level 3 is as follows:

	30 September 2023	31 December 2022 (Audited)	30 September 2022
Opening balance	26,003	27,013	27,013
Change in fair value	(787)	225	105
Purchases/ transfers	2,759	2,710	2,246
Sales	(1,678)	(3,945)	(3,410)
Closing balance	<u>26,297</u>	<u>26,003</u>	<u>25,954</u>

The fair values of equity investments are obtained from quoted market prices and other models.

Valuation techniques include observable market information of comparable companies and net asset values. Significant unobservable inputs used in valuation techniques mainly include market multiples such as price to book and price to earnings. The most significant unobservable inputs used is the illiquidity discount in the level 3 hierarchy. A sensitivity analysis on fair value estimations, by varying input assumptions by a reasonable margin, did not indicate any material impact on the interim condensed consolidated statement of financial position or consolidated statement of profit or loss.