

ALWATANI SAUDI EQUITY FUND
(An open-ended mutual fund)
Managed by
Watani Wealth Management
Interim condensed financial statements
For the period from 12 December 2021 to 30 June 2022
together with the
Independent auditor's review report

ALWATANI SAUDI EQUITY FUND
(An open-ended mutual fund)
Managed by
Watani Wealth Management
Interim condensed financial statements (Unaudited)
For the period from 12 December 2021 to 30 June 2022

<u>INDEX</u>	<u>PAGES</u>
Independent auditor's review report	1
Interim condensed statement of financial position	2
Interim condensed statement of comprehensive income	3
Interim condensed statement of changes in net assets (equity) attributable to the unitholders	4
Interim condensed statement of cash flows	5
Notes to the interim condensed financial statements	6 – 15



KPMG Professional Services

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كي بي إم جي للاستشارات المهنية

واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
المركز الرئيسي

سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

Independent auditor's review report on the interim condensed financial statements

To the unitholders of AlWatani Saudi Equity Fund

Introduction

We have reviewed the accompanying 30 June 2022 interim condensed financial statements of **AlWatani Saudi Equity Fund** ("the Fund"), managed by **Watani Wealth Management** ("the Fund Manager"), which comprises:

- the interim condensed statement of financial position as at 30 June 2022;
- the interim condensed statement of comprehensive income for the period from 12 December 2021 to 30 June 2022;
- the interim condensed statement of changes in net assets (equity) attributable to the unitholders for the period from 12 December 2021 to 30 June 2022;
- the interim condensed statement of cash flows for the period from 12 December 2021 to 30 June 2022; and
- the notes to the interim condensed financial statements.

The Fund Manager is responsible for the preparation and presentation of these interim condensed financial statements in accordance with the International Accounting Standard 34: *Interim Financial Reporting* ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Funds Regulations issued by the Capital Market Authority and the Fund's Terms and Conditions. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410: *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* that is endorsed in the Kingdom of Saudi Arabia. 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 the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, 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 30 June 2022 interim condensed financial statements of **AlWatani Saudi Equity Fund** ("the Fund") are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services



Hani Hamzah A. Bedairi
License no: 460

Riyadh, 18 Muharram 1444H
Corresponding to: 16 August 2022



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كي بي إم جي للاستشارات المهنية مساهمة مغلقة، مسجلة في المملكة العربية السعودية، رأس مالها (٢٥.٠٠٠.٠٠٠) ريال سعودي مدفوع بالكامل. السمعة سابقاً "الشركة كي بي إم جي الفوزان وشركاه محاسبون ومراجعون تقوئين" وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لكي بي إم جي العالمية المحدودة. شركة الجليزية محدودة بضمن. جميع الحقوق محفوظة.

ALWATANI SAUDI EQUITY FUND
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Managed by
Watani Wealth Management
Interim condensed statement of financial position (Unaudited)
As at 30 June 2022
(Amounts in SAR'000)

	<i>Note</i>	30 June 2022 (Unaudited)
ASSETS		
Cash and cash equivalents	9	3,187
Investments measured at fair value through profit and loss (“FVTPL”)	10	17,893
Other assets		500
Total assets		21,580
LIABILITIES		
Other payables	11	705
Total liabilities		705
Net assets (equity) attributable to the unitholders		20,875
Units in issue (numbers in thousands)		1,964
Net assets (equity) per unit (SAR) – IFRS		10.63
Net assets (equity) per unit (SAR) – Dealing		10.63

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

ALWATANI SAUDI EQUITY FUND
(An open-ended mutual fund)
 Managed by
Watani Wealth Management
Interim condensed statement of comprehensive income (Unaudited)
 For the period from 12 December 2021 to 30 June 2022
 (Amounts in SAR'000)

	<i>Note</i>	<i>For the period from 12 December 2021 to 30 June 2022</i>
INCOME		
Dividend income		209
Realised gain from investments measured at FVTPL		718
Unrealised losses from investments measured at FVTPL		(1,122)
Total loss		(195)
EXPENSES		
Management fees	12	(98)
Other expenses		(125)
Total expenses		(223)
Net loss for the period		(418)
Other comprehensive income for the period		-
Total comprehensive loss for the period		(418)

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

ALWATANI SAUDI EQUITY FUND

(An open-ended mutual fund)

Managed by

Watani Wealth Management

Interim condensed statement of changes in net assets (equity) attributable to the unitholders

(Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

*For the period
from 12 December
2021 to
30 June 2022*

Total comprehensive loss for the period	(418)
Increase in equity from unit transactions during the period	
Proceeds from issuance of units during the period	21,293
Net assets (equity) attributable to the unitholders at the end of the period	<u>20,875</u>

UNITS TRANSACTIONS

Transactions in units are summarised as follows:

*For the period
from 12
December 2021 to
30 June 2022*

Units in issuance at beginning of the period (numbers in thousands)	-
Issuance of units during the period (numbers in thousands)	1,964
Units in issuance at end of the period (numbers in thousands)	<u>1,964</u>

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

ALWATANI SAUDI EQUITY FUND
(An open-ended mutual fund)
Managed by
Watani Wealth Management
Interim condensed statement of cash flows (Unaudited)
For the period from 12 December 2021 to 30 June 2022
(Amounts in SAR'000)

	<i>Note</i>	<i>For the period from 12 December 2021 to 30 June 2022</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period		(418)
<i>Adjustments to reconcile net income to net cash used in operating activities:</i>		
Unrealized loss on investments measured at FVTPL		1,122
		704
Net increase in operating assets:		
Increase in investments measured at FVTPL		(19,015)
Increase in other assets		(500)
Net increase in operating liabilities:		
Increase in other payables		705
Net cash used in operating activities		(18,106)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from units issued		21,293
Net cash generated from financing activities		21,293
Net increase in cash and cash equivalents		3,187
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	9	3,187

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

ALWATANI SAUDI EQUITY FUND
(An open-ended mutual fund)

Managed by

Watani Wealth Management

Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

1. THE FUND AND ITS ACTIVITIES

AlWatani Saudi Equity Fund (“the Fund”) is a public, open-ended investment fund, managed by Watani Wealth Management (“the Fund Manager”, Registrar”), a subsidiary of National Bank of Kuwait (“the Bank”), for the benefit of the Fund's Unitholders. The Fund is established under article 31 of the Investment Fund Regulations (“the Regulations”) issued by the Capital Market Authority (“CMA”).

The Capital Market Authority (“CMA”) approval for the establishment of the Fund was granted in its letter dated 19 Dhul Qadah 1442H (corresponding to 29 June 2021). The terms and conditions of the Fund were approved by the CMA on 1 Muharram 1443H (corresponding to 9 August 2021). The Fund commenced its operations on 8 Jumada al-Ula 1443H (corresponding to 12 December 2021). Therefore, the Fund's first financial period runs from 12 December 2021 to 30 June 2022, and as a result, comparative figures are not presented.

The Fund’s investment objective is to achieve capital growth by investing in a diversified portfolio of equities of companies listed on the Saudi Stock Exchange. The Fund benchmarks its performance to the S&P Saudi Arabia Domestic Total Return Local Currency Index and aims to provide comparatively higher returns to the unitholders. The Fund does not intend to make any distributions to Unitholders, and instead, intends to reinvest any capital gains and dividends earned.

The Fund is governed by the Investment Fund Regulations (“the Regulations”) published by the CMA.

The Fund has appointed Al Bilad Investment Company to act as its custodian and administrator.

2. STATEMENT OF COMPLIANCE

These interim condensed financial statements are prepared in accordance with the International Accounting Standard 34: *Interim Financial Reporting* (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization of Chartered and Professional Accountants, and to comply with the applicable provisions of the Investment Funds Regulations issued by CMA and the Fund’s Terms and Conditions.

The interim condensed financial statements do not include all the information and disclosures that are typically required in an annual financial statements and are thus presented in accordance with the requirements of IAS 34.

3. SUBSCRIPTION / REDEMPTION OF UNITS (DEALING DAY AND VALUATION DAY)

The Fund is open for subscriptions / redemptions every business day (each a “Dealing Day”) and performs valuations every Monday and Thursday (each a “Valuation Day”). The “cut off” time for subscriptions / redemptions is 12:00pm of every Valuation Day. In case the Valuation and Dealing Day happen to fall on a day which is a public holiday in the Kingdom of Saudi Arabia, the Valuation, Dealing and Redemption Day will be on the immediate next Valuation and Dealing Day. The unit price on subscription or the unit price on redemption is represented in the Net Assets (Equity) Value (“NAV”) per unit calculated by the administrator on the next Valuation Day on which the units were subscribed or redeemed for.

The NAV of the Fund for the purpose of purchase or redemption of units is calculated by subtracting from the value of the Fund’s total assets to the value of the Fund’s total liabilities. The unit price is determined by dividing such resulting figure by the total number of outstanding units on the relevant Valuation Day.

ALWATANI SAUDI EQUITY FUND
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Watani Wealth Management

Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

4. BASIS OF MEASUREMENT

The interim condensed financial statements have been prepared on a historical cost basis (except for investments measured at FVTPL which are stated at their fair value) using the accrual basis of accounting.

The Fund Manager has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Fund Manager is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the interim condensed financial statements are prepared on the going concern basis.

The Fund does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the condensed statement of financial position. Instead, assets and liabilities are presented in order of their liquidity. All amounts have been rounded to nearest thousand SAR, unless otherwise stated.

5. FUNCTIONAL AND PRESENTATION CURRENCY

These interim condensed financial statements are presented in Saudi Arabian Riyals ("SAR"), which is also the functional currency of the Fund. All financial information presented has been rounded to the nearest SAR.

6. USE OF ESTIMATES AND JUDGMENTS

The preparation of these interim condensed financial statements in conformity with IFRS requires the use of certain critical accounting judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires the Fund Manager to exercise its judgement in the process of applying the Fund's accounting policies. Such judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advice and expectations of future events that are believed to be reasonable under the circumstances.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. There were no significant judgements/estimates made for these interim condensed financial statements.

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Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

7. SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Fund Manager in preparing its financial statements.

A. Cash and cash equivalents

Cash and cash equivalents comprise cash held with a custodian in an investment account.

B. Financial assets and liabilities

Recognition and initial measurement

Financial assets and liabilities at Fair value through Profit and loss ("FVTPL") are initially recognised at trade date, which is the date on which the Fund becomes party to the contractual provisions of the instruments. Other financial assets and liabilities are recognised on the date on which they are originated.

Financial assets at FVTPL are initially recognised at fair value, with transaction costs recognised in profit or loss. Financial assets not at FVTPL are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification of financial assets

On initial recognition, the Fund Manager classifies financial assets as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund Manager may irrevocably elect to present subsequent changes in FVOCI. This election is made on an investment-by-investment basis.

Business model assessment

The Fund Manager makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

ALWATANI SAUDI EQUITY FUND
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Watani Wealth Management

Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Financial assets and liabilities (continued)

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund Manager considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund Manager changes its business model for managing the financial assets.

Classification of financial liabilities

The Fund classifies its financial liabilities at amortised cost unless it has designated liabilities at FVTPL.

Derecognition

The Fund derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

C. Subscription and redemption on units

Units subscribed and redeemed are recorded at net asset (equity) value per unit on the Valuation Day for which the subscription request and redemption applications are received.

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Watani Wealth Management

Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Subscription and redemption on units (continued)

Redeemable units

Redeemable units are as equity instruments as they meet certain criteria. Those criteria include:

- the redeemable units must entitle the holder to a pro-rata share of net assets;
- the redeemable units must be the most subordinated class and class features must be identical;
- there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and
- the total expected cash flows from the redeemable units over its life must be based substantially on the profit or loss of the issuer.

No gain or loss is recognised in the statement of comprehensive income on the purchase, issuance or cancellation of the Fund's own equity instruments.

D. Net assets (equity) value per unit

The net asset (equity) value per unit as disclosed in the interim condensed statement of financial position is calculated by dividing the net assets of the Fund by the number of units outstanding at period end.

E. Revenue recognition

Net gain or loss on financial assets and liabilities at FVTPL

Net gains or losses on financial assets and liabilities at FVTPL are changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as at FVTPL and exclude interest and dividend income.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period. Realised gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the weighted average cost method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Dividend income

Dividend income is recognised in the statement of comprehensive income on the date on which the right to receive the payment for dividend is established. For quoted equity securities, this is usually the ex-dividend date. Dividend income from equity securities designated as at FVTPL is recognised in the interim condensed statement of comprehensive income in a separate line item.

ALWATANI SAUDI EQUITY FUND
(An open-ended mutual fund)

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Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Fee and other expenses

These are measured and recognized as expenses on an accrual basis in the period in which they are incurred.

G. Zakat and taxation

Under the current system of zakat and taxation in the Kingdom of Saudi Arabia, the Fund does not pay any zakat and income tax. Zakat and income tax are considered to be the obligation of the unitholders and are not provided in these financial statements.

The value added tax ("VAT") applicable for fees and expenses are recognized in the statement of comprehensive income.

H. Provisions

Provisions are recognized whenever there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8. NEW ACCOUNTING STANDARDS AND AMENDMENTS

New IFRS Standards, interpretations and amendments adopted

Below amendments to accounting standards and interpretations became applicable for annual reporting periods commencing on or after 1 January 2022. The Fund Manager has assessed that these amendments have no significant impact on the Fund's interim condensed financial statements.

- Amendments to IAS 37, Onerous Contracts – Cost of Fulfilling a Contract; and
- Annual Improvements to IFRS Standards 2018–2020 (Amendment to IFRS 1, IFRS 9 and IAS 41).
- Amendments to IFRS 3, Reference to the conceptual framework

Accounting standards issued but not yet effective

The accounting standards, amendments and revisions which have been published and are mandatory for compliance for the Fund's accounting year beginning on or after 1 January 2023 are listed below. The Fund Manager has opted not to early adopt these pronouncements and do not expect these to have significant impact on the Fund's financial statements upon adoption.

- IFRS 17 - Insurance contracts;
- Amendments to IAS 1, Presentation of financial statements', on classification of liabilities;
- Amendments to IAS 8, Accounting policies, changes in accounting estimates and errors, definition of accounting estimates; and
- Amendment to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

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Watani Wealth Management

Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

9. CASH AND CASH EQUIVALENTS

30 June 2022
(Unaudited)

Cash and cash equivalents	3,187
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This comprises of balance held with the custodian in an investment account.

10. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS

The composition of investments measured at fair value through profit or loss by industry sector is summarized below:

<i>Industry Sector</i>	<i>30 June 2022 (Unaudited)</i>		
	<i>% of Total Investment</i>	<i>Cost</i>	<i>Fair Value</i>
Financials	39.84%	7,464	7,129
Consumer staples	16.96%	3,213	3,034
Real estate	11.14%	2,325	1,994
Communication services	11.04%	2,052	1,976
Energy	10.38%	1,741	1,857
Consumer discretionary	6.84%	1,395	1,224
Materials	3.79%	825	679
	100.00%	19,015	17,893

11. OTHER PAYABLES

30 June 2022
(Unaudited)

Payables against purchase of investments	653
Management fee payable	20
Others	32
	705

12. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The related party of the Fund includes Fund Manager, affiliates of the Fund Manager, funds managed by the Fund Manager, and the Bank, being major shareholder of the Fund Manager. Affiliates are defined as the related parties of the Fund Manager.

Management fee and other expenses

The Fund is managed and administered by the Fund Manager. For these services, the Fund accrues a management fee on a daily basis, as determined by the Fund Manager, which should not be more than the maximum annual rate of 1% p.a. of the Fund's daily NAV as set out in the Fund's terms and conditions.

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Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

12. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The Fund Manager is also entitled to recover expenses incurred on behalf of the Fund relating to audit, custody, advisory, data processing and other similar charges. These expenses have been recovered by the Fund Manager on an actual basis.

Transactions with related parties

During the period, the Fund entered into the following transactions, other than those disclosed elsewhere in the financial statements, with related parties in the ordinary course of business. These transactions were carried out on the basis of approved terms and conditions of the Fund. All related party transactions are approved by the Fund Board.

<u>Related party</u>	<u>Nature of transaction</u>	<u>Transactions</u> <u>For the period</u> <u>from 12 December</u> <u>2021 to 30 June</u> <u>2022</u> <u>(Unaudited)</u>	<u>Balance</u> <u>30 June</u> <u>2022</u> <u>(Unaudited)</u>
The Fund Manager	Management fee	<u>98</u>	<u>20</u>

As at 30 June 2022, an affiliate of the Fund Manager holds 1,125,000 units of the Fund.

13. RISK MANAGEMENT POLICIES

The Fund has exposure to the following risks from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Fund's objectives, policies and processes for measuring and managing risk, and the Fund's management of capital.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Fund is exposed to credit risk for its cash and cash equivalents. The Fund Manager seeks to limit its credit risk by monitoring credit exposures and by dealing with only reputable counterparties.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in releasing funds to meet commitments associated with financial liabilities.

The Fund's Terms and Conditions provide for the subscriptions and redemptions of units throughout the week and it is, therefore, exposed to the liquidity risk of meeting unitholders redemptions. As at 30 June 2022, the Fund's cash and cash equivalents and investments measured at FVTPL are considered to be short-term in nature and readily realisable. The Fund Manager monitors liquidity requirements on a regular basis and seeks to ensure that funds are available to meet commitments as they arise.

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Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

13. RISK MANAGEMENT POLICIES (CONTINUED)

Market risk

Market risk is the risk that changes in market prices, such as equity prices, will affect the Fund's income or the fair value of its holdings in financial instruments. The Fund Manager's strategy for the management of market risk is driven by the Fund's objective as per the Fund's Terms and Conditions. The Fund's market risk is managed on a timely basis by the Fund Manager in accordance with the policies and procedures in place.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. Financial instruments comprise financial assets and financial liabilities. The Fund's financial assets consist of listed equity investments held at FVTPL and financial assets measured at amortized cost. The Fund's financial liabilities consist of financial liabilities measured at amortized cost.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The table below presents the investments measured at their fair values as of reporting date based on the fair value hierarchy:

	30 June 2022 (Unaudited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
Investments measured at FVTPL	17,893	17,893	-	-	17,893
	17,893	17,893	-	-	17,893

During the period, there were no transfers between the fair value levels. The carrying amounts of the financial assets such as cash and cash equivalents and other receivables approximate fair value because of their short-term nature and the high credit quality of counterparties. The carrying amount of other payables approximate fair value because of its short-term nature. These financial instruments are categorised as Level 3.

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Notes to the interim condensed financial statements (Unaudited)

For the period from 12 December 2021 to 30 June 2022

(Amounts in SAR'000)

15. LAST VALUATION DAY

The last valuation day of the period was 30 June 2022.

16. SUBSEQUENT EVENTS

There were no significant events after the reporting period that require disclosure or adjustment in these interim condensed financial statements.

17. APPROVAL OF THE FINANCIAL STATEMENTS

These condensed interim financial statements were authorized for issue by the Fund Board on 17 Muharram 1444H corresponding to 15 August 2022.