

MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)

CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021
TOGETHER WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT

MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)

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FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021
AND INDEPENDENT AUDITOR'S REVIEW REPORT

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

**TO: THE UNITHOLDERS OF
MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)**

Introduction:

We have reviewed the accompanying condensed interim financial statements of **Money Market Fund (SAR)** ("the Fund") managed by Saudi Fransi Capital (the "Fund Manager"), which comprises the condensed interim statement of financial position as at 30 June 2021 and the related condensed interim statements of comprehensive income, changes in net assets and cash flows for the six month period then ended and notes to the condensed interim financial information, including a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with 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 for Certified Public Accountants ("SOCPA"). Our responsibility is to express a conclusion on this condensed interim 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", as endorsed in the Kingdom of Saudi Arabia. A review of condensed 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 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 condensed interim financial information does not present fairly, in all material respects, the financial position of the Fund as at 30 June 2021, and its financial performance and its cash flows for the six months period then ended, in accordance with International Accounting Standard 34 - "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

**Al Azem, Al Sudairy, Al Shaikh & Partners
Certified Public Accountants**




**Abdullah M. Al Azem
License No. 335**

09 Muharram 1443H (17 August 2021)
Riyadh, Saudi Arabia

MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	<i>Notes</i>	30 June 2021 (Un-Audited) SR	31 December 2020 (Audited) SR
<u>ASSETS</u>			
Cash and cash equivalents	7	32,802,428	79,332,930
Investments measured at fair value through profit or loss	8	120,796,655	130,266,464
Investments measured at amortised cost	9	530,273,814	462,023,820
Prepaid expenses and other receivables		12,874	9,961
TOTAL ASSETS		683,885,771	671,633,175
<u>LIABILITIES</u>			
Payable against units redeemed		690,180	-
Management fee payable	10	227,128	220,446
Accruals and other liabilities		35,465	31,369
TOTAL LIABILITIES		952,773	251,815
Net assets attributable to the Unit Holders		682,932,998	671,381,360
Units in issue		24,722,455	24,359,451
Net assets value attributable to each unit		27.6240	27.5614

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
For the six months period ended 30 June 2021

	<i>Notes</i>	<i>For the six- months period ended 30 June 2021 SR</i>	<i>For the six- months period ended 30 June 2020 SR</i>
<u>INVESTMENT INCOME</u>			
Special commission income		2,364,811	5,985,043
Net gain on investments measured at fair value through profit or loss		468,534	-
Other income		61,622	-
		2,894,967	5,985,043
<u>EXPENSES</u>			
Management fees	10	(1,295,286)	(1,627,438)
Other expenses		(108,036)	(133,674)
		(1,403,322)	(1,761,112)
NET INCOME FOR THE PERIOD		1,491,645	4,223,931
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,491,645	4,223,931

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

MONEY MARKET FUND (SAR)
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STATEMENT OF CHANGES IN NET ASSETS (UN-AUDITED)

For the Six months period ended 30 June 2021

	<i>For the six- months period ended 30 June 2021 SR</i>	<i>For the six- months period ended 30 June 2020 SR</i>
NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS AT THE BEGINNING OF THE PERIOD	671,381,360	483,973,659
CHANGES FROM OPERATIONS		
Net income for the period	1,491,645	4,223,931
Other comprehensive income	-	-
Total comprehensive income	1,491,645	4,223,931
CHANGES FROM UNIT TRANSACTIONS		
Proceeds from units sold	118,570,462	410,543,864
Value of units redeemed	(108,510,469)	(175,778,719)
Net change from unit transactions	10,059,993	234,765,145
NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS AT THE END OF THE PERIOD	682,932,998	722,962,735
UNIT TRANSACTIONS		
Transactions in units during the periods are summarised as follows:		
	<i>For the six- months period ended 30 June 2021 Units</i>	<i>For the six- months period ended 30 June 2020 Units</i>
UNITS AT THE BEGINNING OF THE PERIOD	24,359,451	17,733,264
Units sold	4,297,145	14,993,266
Units redeemed	(3,934,141)	(6,415,408)
Net change in units	363,004	8,577,858
UNITS AT THE END OF THE PERIOD	24,722,455	26,311,122

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

MONEY MARKET FUND (SAR)
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CONDENSED INTERIM STATEMENT OF STATEMENT OF CASH FLOWS (UN-AUDITED)

For the Six months period ended 30 June 2021

	<i>For the six- months period ended 30 June 2021 SR</i>	<i>For the six- months period ended 30 June 2020 SR</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	1,491,645	4,223,931
<i>Adjustments to reconcile net income to net cash used in operating activities</i>		
Unrealised gain on investments measured at FVTPL	(407,177)	-
	1,084,468	4,223,931
Changes in operating assets and liabilities:		
Investments measured at amortised cost	(68,249,994)	(149,474,221)
Investments measured at fair value through profit or loss (FVTPL)	9,876,986	(100,000,000)
Prepayments and other receivables	(2,913)	488,981
Management fee payable	6,682	47,099
Accruals and other liabilities	4,096	23,112
Advance subscription	-	(6,000,000)
Net cash flow (used in) operating activities	(57,280,675)	(250,691,098)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from units sold	118,570,462	410,543,864
Value of units redeemed, net off redemption payable	(107,820,289)	(174,880,705)
Net cash flow from financing activities	10,750,173	235,663,159
NET DECREASE IN CASH AND CASH EQUIVALENTS	(46,530,502)	(15,027,939)
Cash and cash equivalents at the beginning of the period	79,332,930	46,480,501
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	32,802,428	31,452,562

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

MONEY MARKET FUND (SAR) (Managed by Saudi Fransi Capital)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the six-months period ended 30 June 2021

1. GENERAL

Money Market Fund (SAR) (the “Fund”) is an open ended investment fund based on an agreement between Saudi Fransi Capital (the “Fund Manager”) and investors (the “Unitholders”). The Fund commenced its operations on 1 September 1999.

The objective of the Fund is capital preservation and providing liquidity. The Fund invests in debt instruments.

During the period, the Fund updated its terms and conditions, which have been approved by the Capital Market Authority “CMA” on 20 Rajab 1442H (corresponding to 04 March 2021).

The Fund Manager and Administrator of the Fund is Saudi Fransi Capital. The Custodian of the Fund is HSBC Saudi Arabia.

2. REGULATORY AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) issued by the CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) and amended by resolution of the Board of the Capital Market Authority on 12 Rajab 1442H (corresponding to 24 February 2021) effective from 19 Ramadan 1442H (corresponding 1 May 2021) by the New Investment Fund Regulations (“Amended Regulations”) published by the Capital Market Authority on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia.

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Certified Public Accountants (“SOCPA”).

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, therefore, these should be read in conjunction with the Fund’s annual audited financial statements as at and for the year ended 31 December 2020.

Assets and liabilities in the statement of financial position are presented in the order of liquidity.

An analysis in respect of recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 12.

3.2 BASIS OF MEASUREMENT

The condensed interim financial statements are prepared under the historical cost convention, except for investment held at fair value through profit or loss that are measured at fair value and assets measured at amortised cost.

3.3 FUNCTIONAL CURRENCY

These condensed interim financial statements are presented in Saudi Riyal (“SR”), which is the Fund’s functional currency.

MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT

For the six months period ended 30 June 2021

4. SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES

The significant accounting and risk management policies used in the preparation of these condensed interim financial statements are consistent with those used and disclosed in the financial statements for the year ended 31 December 2020.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Going concern

The Fund Manager 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 management 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 condensed interim financial statements continue to be prepared on the going concern basis.

6. STANDARDS ISSUED BUT NOT YET EFFECTIVE

New IFRS, amendments and interpretations issued not yet effective and not early adopted

There are several standards and interpretations that are issued, but not yet effective, up to the date of the Fund's financial statements. In the opinion of the Board, these standards will have no significant impact on the financial statements of the Fund. The Fund intends to adopt these standards, if applicable.

7. CASH AND CASH EQUIVALENTS

	30 June 2021 (Un-Audited) SR	31 December 2020 (Audited) SR
Bank balances (See below)	258,410	1,699,586
Cash with custodian	32,544,018	77,633,344
	32,802,428	79,332,930

The bank balances represent the cash in a current account maintained with Banque Saudi Fransi (Note 10).

The management has conducted a review as required under IFRS 9 and based on such an assessment, the management believes that there is no need for any significant expected credit loss against the carrying value of bank balances.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT

For the six months period ended 30 June 2021

8. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

These investments are composed of the following:

	<i>30 June 2021 (Un-Audited) SR</i>	<i>31 December 2020 (Audited) SR</i>
Investments in mutual fund (see “a” below)	120,796,655	130,266,464
	<u>120,796,655</u>	<u>130,266,464</u>

a.) The composition of investments in mutual fund on the last valuation day of the period is summarized below :

	<i>Cost SR</i>	<i>Market value SR</i>	<i>% of Market Value</i>
<u>30 June 2021 (Un-Audited)</u>			
Riyadh Commodity Trading SAR Fund	119,691,728	120,796,655	100%
<u>31 December 2020 (Audited)</u>			
Riyadh Commodity Trading SAR Fund	129,568,713	130,266,464	100%

9. INVESTMENTS MEASURED AT AMORTISED COST

Investments Measured at amortised costs are comprised of the following:

	<i>30 June 2021 (Un-Audited) SR</i>	<i>31 December 2020 (Audited) SR</i>
Money market placements (see note “a” below)	517,975,500	449,709,213
Investment in Sukuk (see note “b” below)	12,298,314	12,314,607
	<u>530,273,814</u>	<u>462,023,820</u>

a) The composition of money market placements by remaining maturity as at each period-end is set out below:

<u>30 June 2021 (Un-Audited)</u>	<i>% of Value</i>	<i>Cost SR</i>
<i>Remaining maturity</i>		
Up to 1 month	29.40	152,201,016
1-3 months	55.22	286,250,570
3-6 months	15.38	79,523,914
	<u>100.00</u>	<u>517,975,500</u>

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT

For the six months period ended 30 June 2021

9. INVESTMENTS MEASURED AT AMORTISED COST (CONTINUED)

31 December 2020 (Audited)

<i>Remaining maturity</i>	<i>% of Value</i>	<i>Cost SR</i>
Up to 1 month	24.07	108,247,928
1-3 months	70.37	316,450,590
3-6 months	5.56	25,010,695
	<u>100.00</u>	<u>449,709,213</u>

b) The carrying value of investments in Sukuks are summarised as follows:

	30 June 2021 (Un- Audited) SR	<i>31 December 2020 (Audited) SR</i>
Carrying value	<u>12,298,314</u>	<u>12,314,607</u>
	<u>12,298,314</u>	<u>12,314,607</u>

The composition of investment in sukuku by maturity as at each period-end are is set out below

	30 June 2021 (Un- Audited) SR	<i>31 December 2020 (Audited) SR</i>
3-5 years	<u>12,298,314</u>	<u>12,314,607</u>
	<u>12,298,314</u>	<u>12,314,607</u>

The Management has conducted a review as required under IFRS 9, which included taking into account numerous variables. Based on the assessment, the management believes that there is no need for any significant expected credit loss against the carrying value of net investment measured at amortized cost at the reporting date.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT

For the six months period ended 30 June 2021

10. TRANSACTIONS WITH RELATED PARTIES

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. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include Saudi Fransi Capital (“the Fund Manager”), Banque Saudi Fransi (the Bank and the shareholder of the Fund Manager), the Funds’ Board of Directors (BOD), affiliates of the Fund Manager, the Funds managed by the Fund Manager and the Unit holders of the Fund.

In the ordinary course of its activities, the Fund transacts business with related parties.

The Fund pays the Fund Manager a management fee calculated at an annual rate up to 0.5% per annum plus applicable taxes calculated on the total net assets value on daily basis. The fee is intended to compensate the Fund Manager for administration and management of the Fund.

Subscription fee up to 3 percent of the invested amount is adjusted by deduction from the gross subscription, hence, it does not affect or reflect in the financial statements of the Fund.

Related party transactions for the periods ended and balances are as follows:

Name of related party	Nature of transactions	Amount of Transactions		Balances Debit / (Credit)	
		For the period ended 30 June 2021 SR	For the period ended 30 June 2020 SR	30 June 2021 (Un-Audited) SR	31 December 2020 (Audited) SR
Saudi Fransi Capital	Management fee	(1,295,286)	(1,627,438)	(227,128)	(220,446)
Board of Directors	Annual remuneration	(6,029)	(4,961)	50	-
Banque Saudi Fransi	Special commission income	129,254	-	64,477	-
	Money Market placements	98,000,000	-	58,000,000	--

The units in issue as at 30 June 2021, include 10,439 units held by the employees of Banque Saudi Fransi and Saudi Fransi Capital (31 December 2020: 19,421 units).

The units in issue as at 30 June 2021 include 66,872 units held by Allianz Saudi Fransi (31 December 2020: 71,561 units).

At the end of the period, cash balance with the Banque Saudi Fransi is SR 258,410 (31 December 2020: SR 1,699,586).

The units in issue as at June 30, 2021 include 757,263 units (31 December 2020: 1,815,073) held by a Discretionary Portfolio that is managed by Saudi Fransi Capital.

MONEY MARKET FUND (SAR)
(Managed by Saudi Fransi Capital)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT

For the six months period ended 30 June 2021

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability the principal or the most advantageous market must be accessible to the Fund.

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted market price: financial instruments with quoted unadjusted prices for identical instruments in active markets.

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data.

Level 3: valuation techniques for which any significant input is not based on observable market data.

The Fund's financial assets consist of bank balance, investments measured at amortised cost, prepayments and other receivables and investments measured at FVTPL. The Fund's financial liabilities consist of management fee payable, accruals and other liabilities, and payable against units redeemed.

The following table shows the carrying amount and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value.

	<i>Carrying value</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	SR	SR	SR	SR	SR
30 June 2021 (Un-Audited)					
Investments measured at FVTPL	120,796,655	120,796,655	-	-	120,796,655
31 December 2020 (Audited)					
Investments measured at FVTPL	130,266,464	130,266,464	-	-	130,266,464

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value. The fair values of financial instruments are not significantly different from the carrying values included in the condensed interim financial statements due to the short duration of material financial instruments.

During the six months period ended 30 June 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of level 3 fair value measurements.

MONEY MARKET FUND (SAR)
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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT

For the six months period ended 30 June 2021

12. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled respectively:

	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
<i>30 June 2021 (Un-Audited)</i>			
ASSETS			
Cash and cash equivalents	32,802,428	-	32,802,428
Investments measured at fair value through profit or loss	120,796,655	-	120,796,655
Investments measured at amortized cost	518,172,450	12,101,364	530,273,814
Prepaid expenses and other receivables	12,874	-	12,874
TOTAL ASSETS	671,784,407	12,101,364	683,885,771
LIABILITIES			
Management fee payable	227,128	-	227,128
Accruals and other liabilities	35,465	-	35,465
Payable against units redeemed	690,180	-	690,180
TOTAL LIABILITIES	952,773	-	952,773
<i>31 December 2020 (Audited)</i>			
ASSETS			
Cash and cash equivalents	79,332,930	-	79,332,930
Investments measured at fair value through profit or loss	130,266,464	-	130,266,464
Investments measured at amortized cost	449,906,163	12,117,657	462,023,820
Other receivables	9,961	-	9,961
TOTAL ASSETS	659,515,518	12,117,657	671,633,175
LIABILITIES			
Management fee payable	220,446	-	220,446
Accruals and other liabilities	31,369	-	31,369
TOTAL LIABILITIES	251,815	-	251,815

13. LAST VALUATION DAY

The last valuation day of the period was 30 June 2021 (31 December 2020: 31 December 2020).

14. APPROVAL OF THE FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Fund Board on 09 Muharram 1443H (corresponding to 17 August 2021).