

**AL SAFFA SAUDI EQUITY TRADING FUND**  
**(Managed by Saudi Fransi Capital Company)**

**CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**TOGETHER WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

AL SAFFA SAUDI EQUITY TRADING FUND

(Managed by Saudi Fransi Capital Company)

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CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

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## *Report on review of condensed interim financial information*

To the Unitholders and Fund Manager of  
Al Saffa Saudi Equity Trading Fund

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Al Saffa Saudi Equity Trading Fund (the "Fund") as of 30 June 2024 and the related condensed interim statements of comprehensive income, changes in equity attributable to the unitholders and cash flows for the six-month period then ended and other explanatory notes. Fund Manager 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. 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 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, as 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 is not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

### **PricewaterhouseCoopers**

A blue ink signature, appearing to read 'Bader I. Benmohareb', written over a circular stamp or seal.

Bader I. Benmohareb  
License Number 471

8 August 2024

AL SAFFA SAUDI EQUITY TRADING FUND  
(Managed by Saudi Fransi Capital Company)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

|   |             | <i>As at 30<br/>June 2024<br/>(Un-Audited)<br/>SR</i> | <i>As at 31<br/>December 2023<br/>(Audited)<br/>SR</i> |
|---|-------------|---|--|
|   | <i>Note</i> |   |  |
| <b>ASSETS</b>   |             |   |  |
| Cash and cash equivalents   | 7           | 56,774,685  | 29,609,497   |
| Investments measured at fair value through profit or loss (FVTPL) | 8           | 603,612,647   | 579,900,987  |
| Dividend receivable   |             | 1,338,366   | -  |
| Due from a related party  | 10          | 5,433,531   | 2,446,186  |
| Prepayments and other assets                                      |             | 1   | -  |
| <b>TOTAL ASSETS</b>   |             | <b>667,159,230</b>                                    | <b>611,956,670</b>                                     |
| <b>LIABILITIES</b>  |             |   |  |
| Payable against units redeemed                                    |             | 41,126  | -  |
| Due to a related party  | 10          | 6,160   | 6,925,967  |
| Management fee payable  | 10          | 1,116,411   | 974,176  |
| Accruals and other liabilities                                    |             | 164,578   | 182,948  |
| <b>TOTAL LIABILITIES</b>  |             | <b>1,328,275</b>                                      | <b>8,083,091</b>                                       |
| <b>Equity attributable to the Unitholders</b>                     |             | <b>665,830,955</b>                                    | <b>603,873,579</b>                                     |
| Units in issue  |             | 22,378,666  | 20,609,314   |
| <b>Equity per unit in Saudi Riyal</b>                             |             | <b>29.7529</b>  | <b>29.3010</b>   |

The accompanying notes from 1 to 13 form an integral part of this condensed interim financial information.

AL SAFFA SAUDI EQUITY TRADING FUND  
(Managed by Saudi Fransi Capital Company)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

|  |             | <i>For the six-month<br/>period ended<br/>30 June<br/>2024<br/>SR</i> | <i>For the six-month<br/>period ended<br/>30 June<br/>2023<br/>SR</i> |
|--|-------------|---|---|
|  | <i>Note</i> |   |   |
| <b><u>INCOME</u></b>                             |             |   |   |
| Net gain on investments measured at FVTPL        | 9           | 7,207,587   | 75,021,344  |
| Dividend income                                  |             | 7,143,701   | 6,672,417   |
| Other income                                     |             | 174   | 18  |
|  |             | <b>14,351,462</b>   | <b>81,693,779</b>   |
| <b><u>EXPENSES</u></b>                           |             |   |   |
| Management fees                                  | 10          | (6,416,962)   | (4,801,776)   |
| Other expenses                                   |             | (774,124)   | (443,660)   |
|  |             | <b>(7,191,086)</b>  | <b>(5,245,436)</b>  |
| <b>NET INCOME FOR THE PERIOD</b>                 |             | <b>7,160,376</b>  | <b>76,448,343</b>   |
| Other comprehensive income                       |             | -   | -   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> |             | <b>7,160,376</b>  | <b>76,448,343</b>   |

The accompanying notes from 1 to 13 form an integral part of this condensed interim financial information.

AL SAFFA SAUDI EQUITY TRADING FUND  
(Managed by Saudi Fransi Capital Company)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO  
THE UNITHOLDERS (UN-AUDITED)

|  | <i>For the six-month<br/>period ended<br/>30 June<br/>2024<br/>SR</i> | <i>For the six-month<br/>period ended<br/>30 June<br/>2023<br/>SR</i> |
|--|---|---|
| <b>EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT<br/>THE BEGINNING OF THE PERIOD</b> | <b>603,873,579</b>  | 466,455,679   |
| <b>CHANGES FROM OPERATIONS</b>   |   |   |
| Total comprehensive income for the period  | <b>7,160,376</b>  | 76,448,343  |
| <b>CHANGES FROM UNIT TRANSACTIONS</b>  |   |   |
| Value of units sold  | <b>73,304,302</b>   | 19,876,592  |
| Value of units redeemed  | <b>(18,507,302)</b>   | (22,469,361)  |
| Net change from unit transactions  | <b>54,796,998</b>   | (2,592,769)   |
| <b>EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT<br/>THE END OF THE PERIOD</b>       | <b>665,830,955</b>  | 540,311,253   |

**UNIT TRANSACTIONS**

Transactions in units during the period are summarized as follows:

|   | <i>For the six-month<br/>period ended<br/>30 June<br/>2024<br/>SR</i> | <i>For the six-month<br/>period ended<br/>30 June<br/>2023<br/>SR</i> |
|---|---|---|
| <b>UNITS AT THE BEGINNING OF THE PERIOD</b> | <b>20,609,314</b>   | 21,834,800  |
| Units sold                                  | <b>2,389,068</b>  | 862,437   |
| Units redeemed                              | <b>(619,716)</b>  | (976,576)   |
| Net change in units                         | <b>1,769,352</b>  | (114,139)   |
| <b>UNITS AT THE END OF THE PERIOD</b>       | <b>22,378,666</b>   | 21,720,661  |

The accompanying notes from 1 to 13 form an integral part of this condensed interim financial information.

AL SAFFA SAUDI EQUITY TRADING FUND  
(Managed by Saudi Fransi Capital Company)

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

|   |             | <i>For the six-month<br/>period ended<br/>30 June<br/>2024<br/>SR</i> | <i>For the six-month<br/>period ended<br/>30 June<br/>2023<br/>SR</i> |
|---|-------------|---|---|
|   | <i>Note</i> |   |   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |             |   |   |
| Net income for the period   |             | 7,160,376   | 76,448,343  |
| <i>Adjustments to reconcile net income to net cash (used in) / generated from operating activities:</i> |             |   |   |
| Unrealised loss /(gain) on investments measured at FVTPL  | 9           | 42,649,854  | (85,799,898)  |
|   |             | 49,810,230  | (9,351,555)   |
| <b>Changes in operating assets and liabilities</b>  |             |   |   |
| Investments measured at FVTPL   |             | (66,361,514)  | 21,739,829  |
| Due from related party (broker)   |             | (2,987,345)   | 10,839,503  |
| Prepayments and other assets  |             | (1)   | -   |
| Dividend receivable   |             | (1,338,366)   | (395,056)   |
| Due to related party  |             | (6,919,807)   | (12,289)  |
| Management fee payable  |             | 142,235   | (124,163)   |
| Accruals and other liabilities  |             | (18,370)  | (36,308)  |
| <b>Net cash (used in) / generated from operating activities</b>   |             | <b>(27,672,938)</b>   | <b>22,659,961</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |             |   |   |
| Proceeds from units sold  |             | 73,304,302  | 19,876,592  |
| Payment against units redeemed, net of redemption payable   |             | (18,466,176)  | (48,693,481)  |
| <b>Net cash used in financing activities</b>  |             | <b>54,838,126</b>   | <b>(28,816,889)</b>   |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>  |             |   |   |
|   |             | 27,165,188  | (6,156,928)   |
| Cash and cash equivalents at the beginning of the period  |             | 29,609,497  | 24,420,549  |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>   |             |   |   |
|   |             | <b>56,774,685</b>   | <b>18,263,621</b>   |

The accompanying notes from 1 to 13 form an integral part of this condensed interim financial information.

AL SAFFA SAUDI EQUITY TRADING FUND  
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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the six-month period ended 30 June 2024

*All amounts presented in Saudi Riyals unless otherwise stated*

**1. GENERAL**

Al Saffa Saudi Equity Trading Fund (the “Fund”) is an open-ended Shariah compliant investment fund established based on an agreement between Saudi Fransi Capital Company (the “Fund Manager” or “BSF Capital”) and investors (the “Unitholders”). The Fund commenced its operations on 11 Jumad Al Thani 1426H (corresponding to 17 July 2005). The Fund is registered with Zakat, Tax and Customs Authority registration number 3119578127 dated 18 December 2023 (corresponding to 05 Jumada Al-Akhirah 1445H).

The objective of the Fund is to provide medium to long term growth by investing in listed companies in the Saudi Arabian Stock Exchange (“Tadawul”).

The Fund Manager and Administrator of the Fund is BSF 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 to 1 May 2021).

**3. BASIS OF PREPARATION**

**3.1 STATEMENT OF COMPLIANCE**

This condensed interim financial information has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”, as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements. Therefore, it should be read in conjunction with the Fund’s annual audited financial statements as at and for the year ended 31 December 2023. The results for the six-month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

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

**3.2 BASIS OF MEASUREMENT**

The condensed interim financial information is prepared under the historical cost convention, using the accrual basis of accounting except for investment held at fair value through profit or loss (FVTPL) which present the fair value at the reporting date.

**3.3 FUNCTIONAL CURRENCY**

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

**4. MATERIAL ACCOUNTING AND RISK MANAGEMENT POLICIES**

The material accounting and risk management policies used in the preparation of this condensed interim financial information are consistent with those used and disclosed in the financial statements for the year ended 31 December 2023, unless otherwise mentioned in Note 6 to this condensed interim financial information.



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

For the six-month period ended 30 June 2024

*All amounts presented in Saudi Riyals unless otherwise stated*

**5. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS**

The preparation of the condensed interim financial information 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 recognized in the period in which the estimates are revised and in any future periods affected. The significant accounting estimates and assumptions used in the preparation of this condensed interim financial information are consistent with those used in the annual audited financial statements for the year ended 31 December 2023.

***Going concern***

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 Fund Manager is not aware of any material uncertainties that may cast significant doubt about the Fund's ability to continue as a going concern. Therefore, this condensed interim financial information continue to be prepared on the going concern basis.

**6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS**

**New standards, interpretations and amendments adopted by the Fund**

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after 1 January 2024. Fund Manager has assessed that the amendments have no impact on the Fund's condensed interim financial information.

| <b>Standard/<br/>interpretation</b>                                   | <b>Description</b>  | <b>Effective from periods<br/>beginning on or after</b> |
|---|---|---|
| Amendment to IFRS 16 –<br>Leases on sale and leaseback                | These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.                            | 1 January 2024  |
| Amendments to IAS 7 and<br>IFRS 7 on Supplier finance<br>arrangements | These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. | 1 January 2024  |
| Amendment to IAS 1 – Non-<br>current liabilities with<br>covenants    | These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.  | 1 January 2024  |

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

For the six-month period ended 30 June 2024

All amounts presented in Saudi Riyals unless otherwise stated

**6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)**

**New Standards, interpretations and amendments not yet effective and not early adopted**

The listing of standards and interpretations issued which are applicable at a future date are as follows. The Fund intends to adopt these standards when they become effective. These amendments and standards are not expected to have any impact on the condensed interim financial information of the Fund.

| Standard/<br>interpretation   | Description  | Effective from<br>periods beginning on<br>or after |
|---|--|--|
| Amendment to IFRS 21 –<br>Lack of exchangeability   | IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.   | 1 January 2025                                     |
| IFRS 18, Presentation and<br>Disclosure in Financial<br>Statements                                | IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.   | January 2027                                       |
| IFRS 19 - Reducing<br>subsidiaries' disclosures   | IFRS 19 allows eligible subsidiaries to apply IFRS as endorsed in KSA and other standards and pronouncements issued by SOCPA with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS as endorsed in KSA and other standards and pronouncements issued by SOCPA.   | 1 January 2027                                     |
| Amendment to IFRS 9 and<br>IFRS 7 - Classification and<br>Measurement of Financial<br>Instruments | These amendments: <ul style="list-style-type: none"> <li>clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;</li> <li>clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;</li> <li>add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and</li> <li>make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).</li> </ul> | 1 January 2026                                     |

AL SAFFA SAUDI EQUITY TRADING FUND  
(Managed by Saudi Fransi Capital Company)

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

For the six-month period ended 30 June 2024

All amounts presented in Saudi Riyals unless otherwise stated

6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)

New Standards, interpretations and amendments not yet effective and not early adopted

| Standard/<br>interpretation   | Description   | Effective from<br>periods beginning on<br>or after |
|---|---|--|
| Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. | Effective date deferred indefinitely               |

7. CASH AND CASH EQUIVALENTS

|                     | As at 30 June<br>2024<br>(Un-Audited) | As at 31 December<br>2023<br>(Audited) |
|---------------------|---------------------------------------|--|
| Bank balances       | 1,316,815                             | 1,099,688                              |
| Cash with custodian | 55,457,870                            | 28,509,809                             |
|                     | <u>56,774,685</u>                     | <u>29,609,497</u>                      |

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 effect of expected credit loss allowance against the carrying value of cash and cash equivalents is insignificant as the balances are held with investment grade credit rated financial institutions and therefore has not been recognized in this condensed interim financial information.

8. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

The composition of investments measured at fair value through profit or loss (FVTPL) is summarized below:

|                                   | As at 30 June 2024 (Un-Audited) |                    |   |                         |
|-----------------------------------|---------------------------------|--------------------|---|-------------------------|
| <u>Saudi Equity Sectors</u>       | Cost                            | Market Value       | Cumulative<br>unrealized fair<br>value gain | % of<br>Market<br>Value |
| Banks                             | 79,958,184                      | 135,100,748        | 55,142,563                                  | 22.38                   |
| Materials                         | 100,948,950                     | 113,254,462        | 12,305,512                                  | 18.76                   |
| Energy                            | 98,802,701                      | 112,791,310        | 13,988,609                                  | 18.69                   |
| Telecommunication and IT services | 70,258,724                      | 81,605,460         | 11,346,736                                  | 13.52                   |
| Retailing                         | 27,658,080                      | 39,449,842         | 11,791,762                                  | 6.54                    |
| Consumer services                 | 21,451,812                      | 26,118,840         | 4,667,028                                   | 4.33                    |
| Utilities                         | 10,988,709                      | 26,001,864         | 15,013,155                                  | 4.31                    |
| Food & Staples                    | 23,459,360                      | 22,138,800         | (1,320,560)                                 | 3.67                    |
| Transportation                    | 19,737,869                      | 21,612,947         | 1,875,078                                   | 3.58                    |
| Real Estate & Development         | 15,298,391                      | 12,840,821         | (2,457,570)                                 | 2.13                    |
| Media                             | 6,461,064                       | 10,646,290         | 4,185,226                                   | 1.76                    |
| Retail                            | 2,041,885                       | 2,051,263          | 9,378                                       | 0.34                    |
|                                   | <u>477,065,729</u>              | <u>603,612,647</u> | <u>126,546,918</u>                          | <u>100</u>              |

AL SAFFA SAUDI EQUITY TRADING FUND  
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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the six-month period ended 30 June 2024

8. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

| <i>Saudi Equity Sectors</i> | <i>As at 31 December 2023 (Audited)</i> |                     |  |                          |
|-----------------------------|---|---------------------|--|--------------------------|
|                             | <i>Cost</i>                             | <i>Market Value</i> | <i>Cumulative unrealized fair value gain</i> | <i>% of Market Value</i> |
| Banks                       | 91,928,481                              | 164,688,096         | 72,759,615                                   | 28.40                    |
| Materials                   | 107,189,270                             | 117,542,007         | 10,352,737                                   | 20.27                    |
| Energy                      | 69,474,070                              | 100,940,483         | 31,466,413                                   | 17.41                    |
| Telecom Services            | 60,159,238                              | 78,031,305          | 17,872,067                                   | 13.46                    |
| Retailing                   | 28,016,786                              | 50,678,173          | 22,661,387                                   | 8.74                     |
| Consumer Services           | 23,454,197                              | 30,716,253          | 7,262,056                                    | 5.30                     |
| Transportation              | 14,747,552                              | 15,160,574          | 413,022                                      | 2.61                     |
| Media                       | 8,390,853                               | 14,769,926          | 6,379,073                                    | 2.55                     |
| Health Care                 | 7,343,768                               | 7,374,170           | 30,402                                       | 1.27                     |
|                             | 410,704,215                             | 579,900,987         | 169,196,772                                  | 100                      |

The effect on the equity as a result of the change in the fair value of investments as at 30 June 2024 (Un-Audited) and 31 December 2023 (Audited) due to a reasonably possible change in equity indices based on the industry concentration, with all other variables held constant, is as follows:

|                                    | <i>As at 30 June 2024 (Un-Audited)</i> |                         | <i>As at 31 December 2023 (Audited)</i> |                         |
|------------------------------------|--|-------------------------|---|-------------------------|
|                                    | <i>Potential reasonable change %</i>   | <i>Effect on Equity</i> | <i>Potential reasonable change %</i>    | <i>Effect on Equity</i> |
| Banks                              | ±1%                                    | 1,351,007               | ±1%                                     | 1,646,881               |
| Materials                          | ±1%                                    | 1,132,545               | ±1%                                     | 1,175,420               |
| Energy                             | ±1%                                    | 1,127,913               | ±1%                                     | 1,009,405               |
| Telecommunication services         | ±1%                                    | 479,939                 | ±1%                                     | 780,313                 |
| Retailing                          | ±1%                                    | 394,498                 | ±1%                                     | 506,782                 |
| Information Tech                   | ±1%                                    | 336,115                 | ±1%                                     | -                       |
| Consumer services                  | ±1%                                    | 261,188                 | ±1%                                     | 307,163                 |
| Utilities                          | ±1%                                    | 260,019                 | ±1%                                     | -                       |
| Food and Staples                   | ±1%                                    | 221,388                 | ±1%                                     | -                       |
| Transportation                     | ±1%                                    | 216,129                 | ±1%                                     | 151,606                 |
| Real Estate & Development          | ±1%                                    | 128,408                 | ±1%                                     | -                       |
| Media                              | ±1%                                    | 106,463                 | ±1%                                     | 147,699                 |
| Health care equipment and services | ±1%                                    | -                       | ±1%                                     | 73,742                  |
| Retail                             | ±1%                                    | 20,513                  | ±1%                                     | -                       |
|                                    |  | <u>6,036,126</u>        |   | <u>5,799,011</u>        |

9. NET GAIN ON INVESTMENTS MEASURED AT FVTPL

|  | <i>For the six-month period ended 30 June 2024 (Un-Audited)</i> | <i>For the six-month period ended 30 June 2023 (Un-Audited)</i> |
|--|---|---|
| Realised gain on sale of investments measured at FVTPL, net                                  | 49,857,441  | (10,778,554)  |
| Net unrealised (loss)/ gain on remeasurement of investments measured at FVTPL for the period | <u>(42,649,854)</u>   | <u>85,799,898</u>   |
|  | <u>7,207,587</u>  | <u>75,021,344</u>   |

AL SAFFA SAUDI EQUITY TRADING FUND  
(Managed by Saudi Fransi Capital Company)

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

For the six-month period ended 30 June 2024

All amounts presented in Saudi Riyals unless otherwise stated

**10. TRANSACTIONS AND BALANCES 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 BSF Capital ("the Fund Manager"), Banque Saudi Fransi (the Bank and the shareholder of the Fund Manager), the Fund Board Directors, affiliates of the Fund Manager, the Funds managed by the Fund Manager and the Unitholders 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 of 1.75 % (31 December 2023: 1.75%) per annum plus applicable taxes calculated on the total equity value on daily basis. The fee is intended to compensate the Fund Manager for administration and management of the Fund.

Subscription fee up to three percent of the invested amount is adjusted by deduction from the gross subscription, hence, it does not affect or reflect in the condensed interim financial information 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<br>Income / (expense) |   | Balances<br>Receivable / (payable) |                              |
|-----------------------|-----------------------------------|--|---|------------------------------------|------------------------------|
|                       |                                   | For the period<br>ended 30 June<br>2024      | For the period<br>ended 30 June<br>2023 | As at 30<br>June<br>2024           | As at 31<br>December<br>2023 |
|                       |                                   | (Un-Audited)                                 | (Un-Audited)                            | (Un-Audited)                       | (Audited)                    |
| BSF Capital           | Management fee                    | (6,416,962)                                  | (4,801,776)                             | (1,116,411)                        | (974,176)                    |
|                       | Due from a related party / broker | -  | -                                       | 5,433,531                          | 2,446,186                    |
|                       | Due to a related party            | -  | -                                       | 6,160                              | 6,925,967                    |
|                       | Brokerage fee                     | (452,908)                                    | (191,501)                               | -                                  | (681,286)                    |
| Board of Directors    | Annual remuneration               | (5,583)                                      | (4,617)                                 | (5,975)                            | (9,711)                      |
| Banque Saudi Fransi   | Bank balances                     | -  | -                                       | 1,316,815                          | 1,099,688                    |

The units in issue at 30 June 2024 include 30,193 units held by the employees of Banque Saudi Fransi and BSF Capital (31 December 2023: 39,144 units).

**11. FAIR VALUE OF FINANCIAL INSTRUMENTS**

**Determination of fair value and fair value hierarchy**

The Fund's financial assets consist of cash and cash equivalents, dividend receivable, investments measured at fair value through profit or loss (FVTPL), due from a related party and other assets. The Fund's financial liabilities consist of management fee payable, accruals, due to a related party and other liabilities and payable against units redeemed.

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It 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 value of investments measured at FVTPL are based on quoted prices in active markets and are therefore classified within Level 1.

**11. FAIR VALUE OF FINANCIAL INSTRUMENTS** (continued)

|                                   | <i>Carrying<br/>value</i> | <i>Fair value</i> |                |                | <i>Total</i> |
|-----------------------------------|---------------------------|-------------------|----------------|----------------|--------------|
|                                   |                           | <i>Level 1</i>    | <i>Level 2</i> | <i>Level 3</i> |              |
| <b>30 June 2024 (Un-Audited)</b>  |                           |                   |                |                |              |
| Investments measured at<br>FVTPL  | 603,612,647               | 603,612,647       |                |                | 603,612,647  |
| <b>31 December 2023 (Audited)</b> |                           |                   |                |                |              |
| Investments measured at<br>FVTPL  | 579,900,987               | 579,900,987       | -              | -              | 579,900,987  |

During the six-month period ended 30 June 2024, 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.

**12. LAST VALUATION DAY**

The last valuation day for the purpose of preparation of this condensed interim financial information for the six-month period ended was 30 June 2023.

**13. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION**

This condensed interim financial information was approved and authorised for issue by the Fund Board on 8 August 2024 (Corresponding to 4 Safar 1446H).