

YAQEEN GOLD FUND
(Managed by Yaqeen Capital)
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2024
Together with the
Independent Auditor's Review Report

YAQEEN GOLD FUND
(Managed by Yaqeen Capital)
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2024

INDEX	PAGE
Independent auditor's report on review of condensed interim financial statements	1
Condensed interim statement of financial position	2
Condensed interim statement of comprehensive income	3
Condensed interim statement of changes in net assets (equity) attributable to the Unitholders	4
Condensed interim statement of cash flows	5
Notes to the condensed interim financial statements	6 - 11



KPMG Professional Services

Roshn Front, Airport Road
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

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

To the Unitholders of Yaqeen Gold Fund

Introduction

We have reviewed the accompanying condensed interim financial statements of **Yaqeen Gold Fund** (the "Fund"), managed by Yaqeen Capital (the "Fund Manager"), which comprises:

- the condensed interim statement of financial position as at 30 June 2024;
- the condensed interim statement of comprehensive income for the six-month period ended 30 June 2024;
- the condensed interim statement of changes in net assets (equity) attributable to the Unitholders for the six-month period ended 30 June 2024;
- the condensed interim statement of cash flows for the six-month period ended 30 June 2024; and
- the notes to the condensed interim financial statements.

The Fund Manager is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the International Accounting Standards 34, 'Interim Financial Reporting' ("IAS 34") that is 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 condensed interim 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 2024 condensed interim financial statements of **Yaqeen Gold Fund** (the "Fund") are not prepared, in all material respects, in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services

Hani Hamzah A. Bedairi
License No. 460



Riyadh on 8 August 2024
Corresponding to: 4 Safar 1446H

KPMG Professional Services, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR 40,000,000 (previously known as "KPMG Al Fozan & Partners Certified Public Accountants") and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

كي بي إم جي للاستشارات المهنية شركة مهنية مساهمة مقفلة، مسجلة في المملكة العربية السعودية، رأس مالها (٤٠,٠٠٠,٠٠٠) ريال سعودي مدفوع بالكامل، المسماة سابقاً "شركة كي بي إم جي للفرزان وشركاه محاسبون ومراجعون قانونيون". و هي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان. جميع الحقوق محفوظة.

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

	Notes	30 June 2024 (Unaudited)	31 December 2023 (Audited)
ASSETS			
Cash and cash equivalent	6	6,845	8,719
Financial assets at fair value through profit or loss (FVTPL)	7	3,158,861	2,847,795
Total assets		3,165,706	2,856,514
LIABILITIES			
Management fee payable	9	4,576	4,923
Other liabilities		5,625	5,597
Total liabilities		10,201	10,520
Net assets (equity) attributable to the Unitholders		3,155,505	2,845,994
Units in issue (number)		2,435,365	2,462,813
Net asset value per unit	10	1.30	1.16

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

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

	<u>Note</u>	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Income			
Fair value gain on financial assets at FVTPL, net		366,687	190,919
Total income		366,687	190,919
Expenses			
Management fee	9	(8,672)	(10,487)
Other expenses		(9,456)	(10,408)
Total expenses		(18,128)	(20,895)
Profit for the period		348,559	170,024
Other comprehensive income for the period		-	-
Total comprehensive income for the period		348,559	170,024

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

YAAQEE GOLD FUND
(Managed By Yaaqee Capital)
CONDENSED INTERIM STATEMENT OF CHANGES IN NET ASSETS (EQUITY)
ATTRIBUTABLE TO THE UNITHOLDERS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

	<u>30 June 2024</u>	<u>30 June 2023</u>
Net assets (equity) attributable to the Unitholders at the beginning of the period (Audited)	2,845,994	3,504,403
Total comprehensive income for the period	348,559	170,024
Unitholders subscriptions and redemptions:		
Issuance of redeemable units during the period	110,841	109,106
Redemption of redeemable units during the period	<u>(149,889)</u>	<u>(272,268)</u>
Net assets (equity) attributable to the Unitholders at the end of the period (Unaudited)	<u>3,155,505</u>	<u>3,511,265</u>

Movement in number of units

The movement in number of units for the six-month period ended 30 June is as follows:

	<u>30 June 2024</u>	<u>30 June 2023</u>
Number of units at the beginning of the period (Audited)	2,462,813	3,408,878
Issuance of redeemable units during the period	90,903	100,987
Redemption of redeemable units during the period	<u>(118,351)</u>	<u>(243,953)</u>
Number of units at the end of the period (Unaudited)	<u>2,435,365</u>	<u>3,265,912</u>

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

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Cash flows from operating activities		
Profit for the period	348,559	170,024
<i>Adjustments to reconcile profit for the period to net cash flows generated / (used in) operating activities:</i>		
Fair value gain on financial assets at FVTPL, net	(366,687)	(190,919)
Net (increase) / decrease in operating assets and liabilities:		
Proceeds from sale of financial assets at FVTPL	55,621	180,911
Management fees	(348)	399
Other liabilities	29	(18,696)
Net cash generated from operating activities	37,174	141,719
Cash flows from financing activities		
Issuance of redeemable units during the period	110,841	109,106
Payment made against redemption of the units	(149,889)	(272,268)
Net cash used in financing activities	(39,048)	(163,162)
Net decrease in cash and cash equivalent	(1,874)	(21,443)
Cash and cash equivalent at the beginning of the period	8,719	26,257
Cash and cash equivalent at the end of the period	6,845	4,814

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

Yaqeen Gold Fund
(Managed By Yaqeen Capital)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

1. GENERAL

Yaqeen Gold Fund (the “Fund”) is a Fund established under an agreement between Yaqeen Capital (“Fund Manager”) and Fund Investors (“Unitholders”). The Fund is an “open-ended” Shariah compliant public fund that invests passively in Gold. The Fund’s objectives are to achieve long-term capital gains and growth through tracking the index performance of gold commodity currency (XAU/USD - Gold Spot US Dollar).

The address of the Fund Manager is as follows:

Yaqeen Capital Company
Olaya Street, P.O. 884
Riyadh 11421
Kingdom of Saudi Arabia

Yaqeen Capital Company is the administrator and custodian of the fund. EFG Bank Switzerland is the sub-custodian of the Fund as per the terms and conditions of the Fund.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Manager prepares separate financial statements for the Fund. In addition, the Unitholders are considered as owners benefiting from the Fund's assets.

The Capital Market Authority (CMA) license to establish the Fund was obtained on 10 Jumada al-thani 1441H (corresponding to 4 February 2020). The Fund commenced its activities on 14 Shaban 1441H (corresponding to 8 April 2020).

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34, ‘Interim Financial Reporting’ (“IAS 34”) that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

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 interim statement of financial position. Instead, assets and liabilities are presented in order of liquidity.

The Fund can recover or settle all its assets and liabilities within 12 months from the reporting date.

The Fund has also complied with the Investment Funds Regulations published by CMA and the Fund’s terms and conditions (collectively hereinafter referred to as “Terms and Conditions”).

The disclosures made in these condensed interim financial statements have been limited in accordance with the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended 31 December 2023.

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Basis of measurement

The condensed interim financial statements have been prepared on a historical cost convention, except for the financial assets at fair value through profit or loss that are measured at fair value.

Further, these condensed interim financial statements are prepared using going concern basis.

2.3 Functional and presentation currency

Items included in the condensed interim financial statements are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). These condensed interim financial statements are presented in US Dollars which is the Fund’s functional currency as the gold contracts are entered into and traded in international markets in US dollars. Further the index performance of gold commodity currency is also US dollars based.

2.4 Use of judgements and estimates

In the ordinary course of business, the preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. There are no areas of significant judgment or critical assumption used in the preparation of these condensed interim financial statements.

3. NEW AND AMENDED STANDARDS

Following are the amendments to standards which are effective for annual periods beginning on or after 1 January 2024. The adoption of these new standards did not have a significant impact on the condensed interim financial statements of the Fund.

- a. Amendments to IAS 8 Accounting policies, Changes in accounting estimates and errors
- b. Amendment to IAS 1 and IFRS Practice Statement 2 relating to disclosure of Accounting Policies
- c. Deferred Tax related to Assets and liabilities arising from a Single Transaction – Amendment to IAS 12

Standards issued but not yet effective

Following are the new amendments to standards, which are effective for annual periods beginning on, or after 1 January 2024 and earlier application is permitted however, the Fund has not early adopted them in preparing these interim financial statements. The following standards are not expected to have a significant impact on the condensed interim financial statements of the Fund upon adoption:

- a. Lack of exchangeability (Amendments to IAS 21). [Effective date: 1 January 2025]
- b. Presentation and disclosure in financial statements (Amendments to IFRS 18). [Effective date: 1 January 2027]
- c. Reducing disclosures for subsidiaries (Amendment to IFRS 19). [Effective date: 1 January 2027]
- d. Sale or contribution of assets between investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28). [Available for optional adoption / effective date deferred indefinitely]

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

4. MATERIAL ACCOUNTING POLICIES

The accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the last annual audited financial statements of the Fund for the year ended 31 December 2023.

5. MANAGEMENT FEE, CUSTODY FEE AND OTHER EXPENSES

The Fund's expenses include management fee, custody fee and other expenses. These expenses are recognised on an accrual basis. Management and custody fee are based on predetermined rates specified in the Terms and Conditions of the Fund. Detailed policies are as follows:

Management fee

The Fund pays 0.5% of the Fund's net assets value at each valuation day of the Fund's net assets value. These charges are calculated and accrued on each dealing day.

Custody fee

The custodian does not charge the fund any fees while the Swiss bank Intesa Sanpaolo Private Bank EFG SA (the "Sub-Custodian") charges fees at 0.10% of the total value of the assets under custody. The total custodian's fee becomes 0.10% of the total value of the fund's assets under custody and is paid quarterly to the sub-custodian.

Regulatory fee

The Fund records regulatory fees to be paid to Capital Market Authority of USD 2,000 annually as specified in the terms and conditions.

Posting fee on Tadawul website

The Fund records posting fee to be paid to Tadawul of USD 1,333 annually as specified in the terms and conditions.

Dealing expenses

Dealing expenses are recorded at cost and any costs related to trading gold shall be incurred by the Fund. The Fund also bears brokerage costs when investing in Money Market Instruments Funds and Gold Commodity Funds.

6. CASH AND CASH EQUIVALENT

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Cash at bank	6,845	8,719

Cash and cash equivalent comprise balance held with Banque Saudi Fransi which has a A2 long term credit rating.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

This represents investment in gold contracts. The gold contracts enable the Fund to mimic the spot prices of gold. The Fund has an option to invest in physical gold which will be purchased by the Fund and will be deposited in safe custody of the sub-custodian at a secured vault in Geneva, Switzerland, under the delegated authority from the Fund Manager. The gold purchased will be kept in the Fund allocated account, which will be uniquely identifiable and segregated from other precious metals held by the sub-custodian.

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Movement in investments in gold contracts is as follows:

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	2,847,795	3,507,197
Additions to investment in gold contracts	-	14,709
Disposal of investments in gold contracts	(55,621)	(1,128,108)
	2,792,174	2,393,798
Net changes in investment at FVTPL		
Realized fair value gain, net for the period / year	8,148	109,492
Unrealized fair value gain, net for the period / year	358,539	344,505
Fair value gain on financial assets at FVTPL, net	366,687	453,997
Closing balance	3,158,861	2,847,795

8. FAIR VALUE MEASUREMENT

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.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Fund measures instruments quoted in an active market at a market price, because this price is assessed to be a reasonable approximation of the exit price.

The fair value hierarchy consists of the following levels:

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

The Fund has classified its financial assets measured at fair value through profit or loss (FVTPL) as level 1 as per the fair value hierarchy as their fair values are based on prices quoted in active market. The Fund does not adjust the quoted prices for these instruments. During the period, there has been no transfer in fair value hierarchy. For other financial assets and liabilities, such as cash and cash equivalent, management fees payable and other liabilities, the carrying values were determined to be a reasonable approximation of fair value due to their nature.

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

9. 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 parties of the Fund include Fund Manager, the Fund's Board, other Funds managed by the Fund Manager, and the key management personnel of the Fund Manager.

In the ordinary course of business, the Fund transacts with its related parties that are in turn subject to the Fund's terms and conditions approved by the CMA. The Fund entered into the following transactions with its related parties during the period and the balances arising from these transactions are also mentioned below.

Related party	Relationship	Nature of transaction	Transactions for the period		Balance as at	
			30 June 2024	30 June 2023	30 June 2024	31 December 2023
			(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Yaqeen Capital	Fund Manager	Management fee	(8,672)	(10,487)	4,576	4,923
		Units held by the Fund Manager – 930,723 units (31 December 2023: 930,723 units)	-	-	1,205,940	1,075,532

The Fund pays management fees calculated on each valuation day at the percentage shown below of the Fund's net assets value.

	<u>Percentage</u>
Management fee	0.5%

10. UNIT VALUE RECONCILIATION

The financial assets held at amortized cost were considered for ECL as on 30 June 2024. However, the impact of ECL on these assets was immaterial as cash and cash equivalents are held with bank having sound credit rating and there is no history of default or recovery of these balances. Accordingly, these condensed interim financial statements do not contain any ECL adjustments.

11. CONTINGENCIES AND COMMITMENTS

There were no commitments and contingencies as of 30 June 2024.

12. LAST VALUATION DAY

The Fund's units are valued, and the net assets value is calculated at the end of each working day (valuation day). The last day of valuation was 30 June 2024.

YAQEEN GOLD FUND
(Managed By Yaqeen Capital)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts are in US Dollars unless stated otherwise)

13. SUBSEQUENT EVENTS

There are no events subsequent to the reporting period which require adjustment or disclosure to these condensed interim financial statements.

14. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

The condensed interim financial statements were approved by the Fund's Board on 8 August 2024.