

التقرير النصف سنوي إلى مالكي الوحدات لسنة 2024 صندوق البلاد للأسهم السعودية النقية

ج) مدير الصندوق

(1) اسم مدير الصندوق وعنوانه:

شركة البلاد للاستثمار " البلاد المالية "

8162 طريق الملك فهد الفرعي - العليا، الرياض 12313-3701

المملكة العربية السعودية

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فاكس: +966 11 290 6299

موقع الانترنت: www.albilad-capital.com

(2) اسم وعنوان مدير الصندوق من الباطن و/ أو مستشار الاستثمار (إن وجد):

لا يوجد.

(3) مراجعة للنشطة الاستثمار خلال الفترة:

تم الاستثمار في جميع الشركات والقطاعات المتوافقة مع المعايير الشرعية للبلاد المالية في السوق السعودي وتم الاستثمار في الاكتتابات الأولية خلال عام 2024.

(4) تقرير عن أداء صندوق الاستثمار خلال الفترة:

تفوق أداء الصندوق عن أداء المؤشر الاسترشادي بفارق 3.12% حيث حقق الصندوق %0.44- مقارنة بأداء المؤشر الاسترشادي البالغ %3.56-.

(5) تفاصيل أي تغييرات حدثت على شروط وأحكام الصندوق خلال الفترة:

لا يوجد.

المقر الرئيسي للبلاد المالية:

هاتف: +966 920003636

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ص.ب: الرياض 3701-12312 ، المملكة العربية السعودية

للمزيد من المعلومات الاتصال بـ:

إدارة الأصول

هاتف: +966 11 2039888

فاكس: +966 11 2039899

الموقع الإلكتروني: http://www.albilad-capital.com/En/AssetManagement



إخلاء المسؤولية

توضيح: نرجو الانتباه إلى أن المعلومات الواردة أعلاه هي لأغراض توضيحية فقط وأداء الصندوق في الماضي ليس مؤشرًا على الأداء المستقبلي، كما أن قيمة الاستثمار في صندوق الاستثمار متغيرة وقد تخضع للزيادة أو النقص. لمزيد من المعلومات عن هذا الصندوق، نرجو الاطلاع على شروط وأحكام الصندوق.

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التقرير النصف سنوي إلى مالكي الوحدات لسنة 2024

صندوق البلاد للأسهم السعودية النقية

(6) أي معلومة أخرى من شأنها أن تمكن مالكي الوحدات من اتخاذ قرار مدروس ومبني على معلومات كافية بشأن أنشطة الصندوق خلال الفترة:

لا يوجد.

(7) إذا كان صندوق الاستثمار يستثمر بشكل كبير في صناديق استثمار أخرى، يجب الإفصاح عن نسبة رسوم الإدارة المحتسبة على الصندوق نفسه والصناديق التي يستثمر فيها الصندوق:

لا يوجد.

(8) بيان حول العمليات الخاصة التي حصل عليها مدير الصندوق خلال الفترة، مبينا بشكل واضح ماهيتها وطريقة الاستفادة منها:

لا يوجد.

(9) أي بيانات ومعلومات أخرى أوجبت اللائحة تضمينها بهذا التقرير:

لا يوجد.

(10) مدة إدارة الشخص المسجل كمدير الصندوق:

منذ فبراير - 2019م.

(11) نسبة مصروفات كل صندوق بنهاية العام والمتوسط المرجح لنسبة مصروفات كل الصناديق الرئيسة المستثمر فيها:

لا يوجد.

و) مراجع الحسابات:

(1) اسم مراجع الحسابات وعنوانه:

برايس ووترهاوس كوبرز "pwc"

ص.ب. 8282 الرياض 11482 المملكة العربية السعودية

هاتف: +966 11 211 0400

موقع الانترنت: www.pwc.com

ز) القوائم المالية:

تم إعداد القوائم المالية لفترة المحاسبة النصف سنوية لصندوق الاستثمار وفقا للمعايير المحاسبية المعتمدة من الهيئة السعودية للمحاسبين القانونيين. (مرفق القوائم المالية).

المقر الرئيسي للبلاد المالية:

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**ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE UNITHOLDERS AND THE FUND MANAGER**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

**ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

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Report on review of interim condensed financial statements

To the Unitholders and Fund Manager of
Albilad Pure Saudi Equity Fund

Introduction

We have reviewed the accompanying interim statement of financial position of Albilad Pure Saudi Equity Fund (the "Fund") as at 30 June 2024 and the related 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 these interim condensed financial statements 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 these interim condensed financial statements 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers

Mufaddal A. Ali
License Number 447

11 August 2024
(7 Safar 1446H)



ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
INTERIM STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals '000' unless otherwise stated)

		As at 30 June 2024	As at 31 December 2023
	Note	(Unaudited)	(Audited)
Assets			
Cash and cash equivalents	6	7,417	39,588
Receivable against sale of investments held at FVSI		6	4,919
Prepayments and other receivables		3	-
Dividend receivable		-	244
Investments held at fair value through statement of income (FVSI)	7	1,065,983	624,438
Total assets		1,073,409	669,189
Liabilities			
Payable against purchase of investments held at FVSI		2,004	-
Accrued management fee	6	3,543	111
Accruals and other liabilities		381	214
Total liabilities		5,928	325
Equity attributable to the Unitholders		1,067,481	668,864
Units in issue in thousands		874,865	577,034
Equity per unit in Saudi Riyals		1.2202	1.1591

The accompanying notes from 1 to 12 form an integral part of these interim condensed financial statements.

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
(All amounts in Saudi Riyals '000' unless otherwise stated)

	Note	For the six-month period ended 30 June	
		2024	2023
Income			
Dividend income, net		7,211	7,255
Unrealised FV (loss) / gain on re-measurement of investments held at FVSI, net		(20,014)	66,734
Realised gain on sale of investments held at FVSI, net		51,394	23,416
Total income		38,591	97,405
Expenses			
Management fee	6	(7,424)	(5,517)
Other expenses		(1,523)	(559)
Total expenses		(8,947)	(6,076)
Net income for the period		29,644	91,329
Other comprehensive income for the period		-	-
Total comprehensive income for the period		29,644	91,329

The accompanying notes from 1 to 12 form an integral part of these interim condensed financial statements.

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
INTERIM STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)
 (All amounts in Saudi Riyals '000' unless otherwise stated)

	For the six-month period ended 30 June	
	2024	2023
Equity at the beginning of the period (Audited)	668,864	488,867
Total comprehensive income for the period	29,644	91,329
Changes from units transactions		
Proceeds from issuance of units	422,816	88,330
Payment against redemptions of units	(53,843)	(30,826)
Net change from units transactions	368,973	57,504
Equity at the end of the period (Unaudited)	1,067,481	637,700

	For the six-month period ended 30 June	
	2024	2023
	Units '000'	Units '000'
Units at the beginning of the period (Audited)	577,034	562,264
Units issued	342,089	89,581
Units redeemed	(44,258)	(32,794)
Net change in units	297,831	56,787
Units at the end of the period (Unaudited)	874,865	619,051

The accompanying notes from 1 to 12 form an integral part of these interim condensed financial statements.

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
(All amounts in Saudi Riyals '000' unless otherwise stated)

	For the six-month period ended 30 June	
	2024	2023
Cash flows from operating activities		
Net income for the period	29,644	91,329
Adjustments for:		
- Unrealised FV loss / (gain) on re-measurement of investments held at FVSI, net	20,014	(66,734)
- Dividend income, net	(7,211)	(7,255)
	42,447	17,340
Net changes in operating assets and liabilities		
Investments held at FVSI, net	(461,559)	(71,258)
Receivable against sale of investments held at FVSI	4,913	(9,338)
Payable against purchase of investments held at FVSI	2,004	(464)
Prepayments and other receivables	(3)	-
Accrued management fee	3,432	2,128
Accruals and other liabilities	167	81
Cash used in operating activities	(451,046)	(78,851)
Dividend received, net	7,455	7,039
Net cash used in operating activities	(401,144)	(54,472)
Cash flows from financing activities		
Proceeds from issuance of units	422,816	88,330
Payment against redemptions of units	(53,843)	(30,826)
Net cash generated from financing activities	368,973	57,504
Net change in cash and cash equivalents	(32,171)	3,032
Cash and cash equivalents at the beginning of the period	39,588	10,283
Cash and cash equivalents at the end of the period	7,417	13,315
<u>Supplemental information</u>		
Purchase of investments	713,840	347,142
Sale of investments (carrying value)	252,281	275,884

The accompanying notes from 1 to 12 form an integral part of these interim condensed financial statements.

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts in Saudi Riyals '000' unless otherwise stated)

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Albilad Pure Saudi Equity Fund (the "Fund") is an open-ended mutual fund established and managed by Albilad Investment Company ("the Fund Manager"), a subsidiary of Bank Albilad (the "Bank") for the benefit of the Fund's Unitholders (the "Unitholders"). The objective of the Fund is to achieve capital growth with strong returns over the long term (at least three years). The Fund is managing a diversified portfolio consisting of local shares that comply with the criteria set by the Sharia Board.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate interim condensed financial statements for the Fund. Furthermore, the Unitholders are considered to be the beneficial owners of the assets of the Fund. The management of the Fund is the responsibility of the Fund Manager.

Riyad Capital is the "Custodian" of the Fund.

The Fund is governed by the Investment Funds Regulations ("IFR") published by the Capital Market Authority ("CMA") on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) as amended by the resolution of the CMA Board on 12 Rajab 1442H (corresponding to 24 February 2021) and complies with regulations and directives applicable to public funds, issued by the CMA.

2 BASIS OF PREPARATION

These interim condensed financial statements of the Fund have been prepared in accordance with the International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023. In addition, results for the six-month period ended 30 June 2024, are not necessarily indicative of the actual results for the full year ending on 31 December 2024 and final results may differ.

The interim condensed financial statements have been prepared on a historical cost convention, except for the revaluation of investments held at fair value through statement of income (FVSI) and using accrual basis of accounting.

The principal accounting policies, estimates and assumptions used in the preparation of these interim condensed financial statements are consistent with those of the previous financial year except as described in note 3 below.

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

The preparation of these interim condensed 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.

In preparing these interim condensed financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty including the risk management policies were the same as those that applied to the annual financial statements as at and for the year ended 31 December 2023.

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

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
 (All amounts in Saudi Riyals '000' unless otherwise stated)

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

New standards, interpretations and amendments effective and adopted by the Fund in the current period

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Fund's annual financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. Several amendments apply for the first time in 2024, but do not have a significant impact on the interim condensed financial statements of the Fund.

Standard/ interpretation	Description	Effective from periods beginning on or after
Amendment to IFRS 16 – 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 IFRS 7 on Supplier finance 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- current liabilities with 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

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts in Saudi Riyals '000' unless otherwise stated)

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (Continued)

Accounting standards issued but not yet effective and not early adopted

The following accounting standards, amendments, which will become effective from periods on or after 1 January 2025. The Fund has opted not to early adopt these pronouncements and they do not have a significant impact on the Fund's interim condensed financial statements.

Standard/ interpretation	Description	Effective from periods beginning on or after
Amendment to IFRS 21 – 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
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
IFRS 18, Presentation and Disclosure in Financial 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.	1 January 2027
IFRS 19 - Reducing subsidiaries' disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards 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 Accounting Standards.	1 January 2027
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Effective 1 January 2024, however, not yet endorsed by SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Effective 1 January 2024, however, not yet endorsed by SOCPA

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts in Saudi Riyals '000' unless otherwise stated)

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these interim condensed financial statements are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). These interim condensed financial statements are presented in Saudi Riyals ("SR") which is the Fund's functional and presentation currency. All financial information presented in SR has been rounded to the nearest thousand.

The Fund did not have any foreign currency transactions during the six-month period ended 30 June 2024 (2023: Nil).

5 FAIR VALUE ESTIMATION

The fair value of financial instruments traded in active markets is based on quoted market prices at the close of trading on the reporting date. Instruments for which no sales were reported on the valuation day are valued at the most recent bid price.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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 estimated fair value of the Fund's financial assets and financial liabilities not carried at fair value, is not considered to be significantly different from their carrying values. The fair value of investments held at FVSI are based on quoted prices in active markets, and are therefore classified within Level 1.

The following table analyses within the fair value hierarchy the Fund's assets and liabilities (by class) as at 30 June 2024 and 31 December 2023:

As at 30 June 2024 (Unaudited)	Carrying amount	Fair value '000'			
		Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Cash and cash equivalents	7,417	-	-	7,417	7,417
Receivable against sale of investments held at FVSI	6	-	-	6	6
Financial assets measured at fair value					
Investments held at FVSI	1,065,983	1,065,983	-	-	1,065,983
	1,073,406	1,065,983	-	7,423	1,073,406
Financial liabilities not measured at fair value					
Payable against purchase of investments held at FVSI	2,004	-	-	2,004	2,004
Accrued management fee	3,543	-	-	3,543	3,543
Accruals and other liabilities	381	-	-	381	381
	5,928	-	-	5,928	5,928

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(All amounts in Saudi Riyals '000' unless otherwise stated)

5 FAIR VALUE ESTIMATION (continued)

As at 31 December 2023 (Audited)	Carrying amount	Fair value '000'			
		Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Cash and cash equivalents	39,588	-	-	39,588	39,588
Receivable against sale of investments held at FVSI	4,919	-	-	4,919	4,919
Dividends receivable	244	-	-	244	244
Financial assets measured at fair value					
Investments held at FVSI	624,438	624,438	-	-	624,438
	669,189	624,438	-	44,751	669,189
Financial liabilities not measured at fair value					
Accrued management fee	111	-	-	111	111
Accruals and other liabilities	214	-	-	214	214
	325	-	-	325	325

6 RELATED PARTY TRANSACTIONS AND BALANCES

In the ordinary course of its activities, the Fund transacts business with related parties. Related party transactions are in accordance with the Terms and Conditions of the Fund. All the related party transactions are approved by the Fund Board.

The Fund Manager charges each investor a subscription fee of a percentage not exceeding 1% (2023: 1%) of the subscribed amount to cover administration costs and is netted off against proceeds from issuance of units. The subscription fee percentage charged is within the thresh hold mentioned in the Fund's Terms and Conditions.

The Fund Manager charges the Fund, a management fee at the rate of 1.5% (2023: 1.5%) per annum of the Fund's equity value which is calculated on each Valuation Day and deducted on quarterly basis. Sharia committee fees are included within the charged management fees in line with the Fund's Terms and Conditions.

Following table contains the details of transactions with related parties:

Related party	Nature of relationship	Nature of transaction	For the six-month period ended 30 June (Unaudited)	
			2024	2023
Albilad Investment Company	Fund Manager	Management fee	7,424	5,517
		Administration fee	345	34
	Parent Company of Fund Manager	Units purchased	1,093	671
Bank Albilad	Fund Manager	Units redeemed	54	-
Albilad Diversified SAR Fund	Affiliate	Units purchased	-	1,743
		Units redeemed	-	1,184
Riyad Capital	Custodian of the Fund	Custody fee	355	223
Fund Board	Members of the Fund Board	Fund Board (reversal) / fee expense	(1)	2

ALBILAD PURE SAUDI EQUITY FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
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6 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Following table summarises the details of balances with related parties:

Nature of Balance	Related Party	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Bank account	Bank Albilad - Parent Company of Fund Manager	82	357
Investment account	Riyad Capital - Custodian of the Fund	7,335	39,231
Custody fee payable	Riyad Capital - Custodian of the Fund	152	45
Fund Board fee payable	Members of the Fund Board	2	5
Accrued management fee	Albilad Investment Company - Fund Manager	3,543	111
	Bank Albilad	56,726	32,106
Units in issue	Albilad Diversified SAR Fund	13,675	13,559

7 FINANCIAL RISK MANAGEMENT

The financial risk management policies are consistent with those disclosed in the Fund's financial statements for the year ended 31 December 2023.

Capital management

The Fund manages its capital to ensure it will be able to continue as a going concern while maximising the return to Unitholders. The Fund's overall strategy remains unchanged from the previous periods.

Market risk

The Fund is exposed to market risk due to its investments held at FVSI. Fund Manager closely monitors the price movement of its financial instruments listed at Saudi Stock Exchange. The Fund manages the risk through diversification of its investment portfolio by investing in various industry sectors.

Industry concentration of the investment portfolio of the Fund is disclosed in the table below:

Industry sector	As at 30 June 2024 (Unaudited)		As at 31 December 2023 (Audited)	
	% of total market value	Market value	% of total market value	Market value
Financial services	35%	370,186	40%	248,859
Industrial	21%	226,061	14%	89,060
Materials	15%	159,062	12%	74,191
Consumer, non-cyclical	11%	117,581	12%	77,541
Insurance	9%	96,414	3%	13,880
Consumer, cyclical	5%	51,343	7%	43,575
Health care	4%	45,336	8%	50,336
Energy	0%	-	4%	26,996
Total	100%	1,065,983	100%	624,438

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7 FINANCIAL RISK MANAGEMENT (continued)

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

Industry sector	As at 30 June 2024 (Unaudited)		As at 31 December 2023 (Audited)	
	Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
Financial services	+/-5	18,509	+/-5	12,443
Industrial	+/-5	11,303	+/-5	4,453
Materials	+/-5	7,953	+/-5	3,710
Consumer, non-cyclical	+/-5	5,879	+/-5	3,877
Insurance	+/-5	4,821	+/-5	694
Consumer, cyclical	+/-5	2,567	+/-5	2,179
Health care	+/-5	2,267	+/-5	2,517
Energy	+/-5	-	+/-5	1,350
		<u>+/-53,299</u>		<u>+/-31,223</u>

Foreign currency risk management

The Fund did not have any significant foreign currency denominated monetary assets or liabilities at the reporting date for which it was exposed to foreign currency fluctuations. Consequently, no foreign currency sensitivity analysis has been presented.

Interest rate and liquidity risk management

The Fund is not exposed to interest rate risk as it does not have any interest bearing financial instruments. Ultimate responsibility for liquidity risk management rests with Fund Manager, which has established an appropriate liquidity risk management framework for the management of the Fund's short, medium and long-term funding and liquidity management requirements. The Fund manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The maturity profile of financial assets and liabilities is as follows:

As at 30 June 2024 (Unaudited)	Less than 7 days	7 days to 1 month	1-12 months	More than 12 months
Financial assets				
Cash and cash equivalents	7,417	-	-	-
Investments held at FVSI	1,065,983	-	-	-
Receivable against sale of investments held at FVSI	6	-	-	-
	<u>1,073,406</u>	-	-	-
Financial liabilities				
Payable against purchase of investment held at FVSI	2,004	-	-	-
Accrued management fee	-	-	3,543	-
Accruals and other liabilities	-	-	381	-
	<u>2,004</u>	-	<u>3,924</u>	-
Liquidity gap	<u>1,071,402</u>	-	<u>(3,924)</u>	-

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7 FINANCIAL RISK MANAGEMENT (continued)

As at 31 December 2023 (Audited)	Less than 7 days	7 days to 1 month	1-12 months	More than 12 months
Financial assets				
Cash and cash equivalents	39,588	-	-	-
Investments held at FVSI	624,438	-	-	-
Receivable against sale of investments held at FVSI	4,919	-	-	-
Dividend receivable	-	-	244	-
	<u>668,945</u>	<u>-</u>	<u>244</u>	<u>-</u>
Financial liabilities				
Accrued management fee	-	-	111	-
Accruals and other liabilities	-	-	214	-
	<u>-</u>	<u>-</u>	<u>325</u>	<u>-</u>
Liquidity gap	<u>668,945</u>	<u>-</u>	<u>(81)</u>	<u>-</u>

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. As at 30 June 2024 and 31 December 2023, the Fund is not exposed to any significant credit risk and concentration of credit risk.

The credit risk on cash at bank is limited because the counterparty is a local bank with investment grade credit rating.

8 FINANCIAL INSTRUMENTS BY CATEGORY

All financial assets and financial liabilities as at 30 June 2024 and 31 December 2023, were classified under amortized cost category except for investments held at FVSI which are classified as and measured at fair value.

9 CONTINGENCIES AND COMMITMENT

There were no contingencies and commitment as at 30 June 2024 (2023: Nil).

10 SUBSEQUENT EVENTS

There are no subsequent events / transactions that require adjustment to or disclosure in the interim condensed financial statements as at 30 June 2024.

11 LAST VALUATION DAY

In accordance with the terms and conditions of the Fund, the last valuation day for the purpose of preparation of interim condensed financial statements for the period was 30 June 2024 (31 December 2023).

12 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were approved by the Fund Board on 7 August 2024 (3 Safar 1446H).