

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

ج) مدير الصندوق

(1) اسم مدير الصندوق وعنوانه:

شركة البلاد للإستثمار " البلاد المالية "

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

المملكة العربية السعودية

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موقع الانترنت: www.albilad-capital.com

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

لا يوجد.

(3) مراجعة لأنشطة الإستثمار خلال الفترة:

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

(4) تقرير عن أداء صندوق الإستثمار خلال الفترة:

تفوق أداء الصندوق عن أداء المؤشر الإسترشادي بفارق %4.58 حيث حقق الصندوق %2.25 مقارنة بأداء المؤشر الإسترشادي البالغ %2.33-.

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

لا يوجد.

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فاكس: +966 11 2906299

ص.ب: الرياض 12312 - 3701 , 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 الإستثمار في صندوق الإستثمار متغيرة وقد تخضع للزيادة أو النقص. لمزيد من المعلومات عن هذا الصندوق، نرجو الاطلاع على شروط و أحكام الصندوق.

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

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

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**ALBILAD SAUDI EQUITY INCOME 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 SAUDI EQUITY INCOME 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 Saudi Equity Income Fund

Introduction

We have reviewed the accompanying interim statement of financial position of Albilad Saudi Equity Income 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 SAUDI EQUITY INCOME FUND
(AN OPEN-ENDED MUTUAL FUND MANAGED BY ALBILAD INVESTMENT COMPANY)
INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 (All amounts in Saudi Riyals '000' unless otherwise stated)

	Note	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Assets			
Cash and cash equivalents		1,725	653
Investments held at fair value through statement of income (FVSI)	7	42,425	21,868
Receivable against sale of investments held at FVSI		820	91
Dividend receivable		5	12
Other assets		3	6
Total assets		44,978	22,630
Liabilities			
Payable against purchase of investments held at FVSI		1,330	-
Accrued management fee	6	120	3
Accruals and other liabilities		92	106
Total liabilities		1,542	109
Equity attributable to the Unitholders		43,436	22,521
Units in issue in thousands		19,381	10,275
Equity per unit in Saudi Riyals		2.2412	2.1918

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

ALBILAD SAUDI EQUITY INCOME 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		461	451
Unrealised FV (loss) / gain on re-measurement of investments held at FVSI, net		(1,374)	3,150
Realised gain on sale of investments held at FVSI, net		2,084	510
Total income		1,171	4,111
Expenses			
Management fee	6	(252)	(200)
Other expenses		(130)	(82)
Total expenses		(382)	(282)
Net income for the period		789	3,829
Other comprehensive income for the period		-	-
Total comprehensive income for the period		789	3,829

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

ALBILAD SAUDI EQUITY INCOME 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	789	3,829
Adjustments for:		
- Unrealised FV loss / (gain) on re-measurement of investments held at FVSI, net	1,374	(3,150)
- Dividend income, net	(461)	(451)
	1,702	228
Net changes in operating assets and liabilities		
Investments held at FVSI	(21,931)	(3,496)
Receivable against sale of investments held at FVSI	(729)	(453)
Payable against purchase of investment held at FVSI	1,330	-
Other assets	3	-
Accrued management fee	117	79
Accruals and other liabilities	(14)	60
Cash used in operating activities	(21,224)	(3,810)
Dividend received	468	454
Net cash used in operating activities	(19,054)	(3,128)
Cash flows from financing activities		
Dividend paid	(366)	(384)
Proceeds from issuance of units	22,260	4,289
Payment against redemptions of units	(1,768)	(408)
Net cash generated from financing activities	20,126	3,497
Net change in cash and cash equivalents	1,072	369
Cash and cash equivalents at the beginning of the period	653	389
Cash and cash equivalents at the end of the period	1,725	758
Supplemental information		
Purchase of investments	37,878	14,267
Sale of investments (carrying value)	15,947	10,771

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

ALBILAD SAUDI EQUITY INCOME 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 Saudi Equity Income 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 over long term period and provide periodic income. The Fund aims to distribute dividends up to 5% of its Equity Value semi-annually on the last business day of the month of May and November.

The Fund is managing a diversified portfolio by investing in Sharia compliant shares of companies listed in the Saudi stock exchange. The activities of the Fund conform to the rules and controls set by the Sharia Board.

In dealing with the Unitholders, Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements for the Fund. Furthermore, Unitholders are considered to be the beneficial owners of the assets of the Fund. The management of the Fund is the responsibility of 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 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 using accrual basis of accounting and on a historical cost convention, except for the fair valuation of investments held at fair value through statement of income (FVSI).

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 SAUDI EQUITY INCOME 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 SAUDI EQUITY INCOME FUND
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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 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. The fund manager is in the process of making adjustment, however it is expected that 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

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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 transaction during the six-month period ended 30 June 2024 (2023: Nil).

5 FAIR VALUE ESTIMATION

The fair value for 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 have been 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 liabilities not carried at fair value, is not considered to be significantly different from their carrying values as these are short term in nature. 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) at 30 June 2024 and 31 December 2023:

As at 30 June 2024 (Unaudited)	Carrying amount	Fair value '000'			Total
		Level 1	Level 2	Level 3	
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	1,725	-	-	1,725	1,725
Receivable against sale of investments held at FVSI	820	-	-	820	820
Dividend receivable	5	-	-	5	5
<i>Financial assets measured at fair value</i>					
Investments held at FVSI	42,425	42,425	-	-	42,425
	44,975	42,425	-	2,550	44,975
<i>Financial liabilities not measured at fair value</i>					
Payable against purchase of investments held at FVSI	1,330	-	-	1,330	1,330
Accrued management fee	120	-	-	120	120
Accruals and other liabilities	92	-	-	92	92
	1,542	-	-	1,542	1,542

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(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	653	-	-	653	653
Dividend receivable	12	-	-	12	12
Receivable against sale of investments held at (FVSI)	91			91	91
Financial assets measured at fair value					
Investments held at FVSI	21,868	21,868	-	-	21,868
	22,624	21,868	-	756	22,624
Financial liabilities not measured at fair value					
Accrued management fee	3	-	-	3	3
Accruals and other liabilities	106	-	-	106	106
	109	-	-	109	109

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.

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 threshold mentioned in the Fund's terms and conditions.

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	252	200
		Administration fee	17	12
Bank Albilad	Parent of Fund Manager	Units purchased	43	-
Riyad Capital	Custodian of the Fund	Custody fee	75	14
Fund Board	Members of the Fund Board	Fund board fee (Reversal) / Expenses	(3)	2

ALBILAD SAUDI EQUITY INCOME FUND
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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)

6 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Following table summarises the details of balances with related parties:

Nature of Balance	Related Party	As at	As at
		30 June 2024 (Unaudited)	31 December 2023 (Audited)
Investment account	Riyad Capital - Custodian of the Fund	1,500	557
Custody fee payable	Riyad Capital - Custodian of the Fund	36	18
Bank balances	Bank Albilad - Parent of the Fund Manager	225	96
Accrued management fee	Albilad Investment Company – Fund Manager	120	3
Fund Board fee payable	Members of the Fund Board	2	5

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. The Fund Manager closely monitors the price movement of its financial instruments listed at Saudi 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	% of total	Market value
	market value	Market value	market value	Market value
Financial	22%	9,304	14%	2,958
Energy	15%	6,429	16%	3,436
Basic materials	12%	4,968	20%	4,259
Telecommunication services	10%	4,395	-	-
Industrials	10%	4,085	7%	1,574
Insurance	8%	3,247	-	-
Real estate	7%	2,984	7%	1,582
Consumer, non-cyclical	6%	2,607	14%	3,102
Technology	4%	1,791	13%	2,928
Consumer, cyclical	3%	1,375	2%	476
Healthcare	3%	1,240	5%	1,096
Media	-	-	2%	457
Total	100%	42,425	100%	21,868

ALBILAD SAUDI EQUITY INCOME 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)

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 and 31 December 2023) due to a reasonably possible change in equity indices based on the market concentration, with all other variables held constant is as follows:

	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	+/-5	465	+/-5	148
Energy	+/-5	321	+/-5	172
Basic materials	+/-5	248	+/-5	213
Telecommunication services	+/-5	220	+/-5	-
Industrials	+/-5	204	+/-5	79
Insurance	+/-5	162	+/-5	-
Real estate	+/-5	149	+/-5	79
Consumer, non-cyclical	+/-5	130	+/-5	155
Technology	+/-5	90	+/-5	146
Consumer, cyclical	+/-5	69	+/-5	24
Healthcare	+/-5	62	+/-5	55
Media	+/-5	-	+/-5	23
	+/-5	<u>2,120</u>	+/-5	<u>1,094</u>

Foreign currency risk management

The Fund did not have any significant foreign currency denominated monetary assets and 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 assets. 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	1,725	-	-	-
Investments held at FVSI	42,425	-	-	-
Receivable against sale of investments held at FVSI	820	-	-	-
Dividend receivable	5	-	-	-
	<u>44,975</u>	-	-	-
Financial liabilities				
Payable against purchase of investments held at FVSI	1,330	-	-	-
Accrued management fee	-	-	120	-
Accruals and other liabilities	-	-	92	-
	<u>1,330</u>	-	<u>212</u>	-
Liquidity gap	<u>43,645</u>	-	<u>(212)</u>	-

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7 FINANCIAL RISK MANAGEMENT (continued)

	Less than 7 days	7 days to 1 month	1-12 months	More than 12 months
As at 31 December 2023 (Audited)				
Financial assets				
Cash and cash equivalents	653	-	-	-
Investments held at FVSI	21,868	-	-	-
Receivable against sale of investments held at FVSI	91	-	-	-
Dividend receivable	12	-	-	-
	22,624	-	-	-
Financial Liabilities				
Accrued management fee	-	-	3	-
Accruals and other liabilities	-	-	106	-
	-	-	109	-
Liquidity gap	22,624	-	(109)	-

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 DIVIDENDS DISTRIBUTION

During the period, the Fund Board approved to distribute the dividends at a rate 0.84% of the Net Assets Value (NAV) on 9 June 2024 (30 June 2023: 1.40% on 1 June 2023).

10 CONTINGENCIES AND COMMITMENTS

There are no contingencies or commitments as at 30 June 2024 (2023: Nil)

11 SUBSEQUENT EVENTS

There are no events / transactions that require adjustments to or disclosure to these interim condensed Financial Statements

12 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).

13 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).