

**BLOM SAUDI ARABIA FUND
(AN OPEN-ENDED INVESTMENT FUND MANAGED
BY BLOMINVEST SAUDI ARABIA)**

**INTERIM CONDENSED FINANCIAL INFORMATION
AND INDEPENDENT AUDITOR'S REVIEW REPORT**

**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE
2023**

**BLOM SAUDI ARABIA FUND
(AN OPEN-ENDED INVESTMENT FUND
MANAGED BY BLOMINVEST SAUDI ARABIA)
INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

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Report on review of interim condensed financial information

To the Unitholders and the Fund Manager of Blom Saudi Arabia Fund

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Blom Saudi Arabis Fund (the "Fund") as at 30 June 2023 and the related interim condensed 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. The Fund Manager is responsible for the preparation and presentation of this interim condensed 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 interim condensed 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 interim condensed 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 "Waleed", written in a cursive style.

Waleed Alhidiri
License Number 559

9 August 2023

BLOM SAUDI ARABIA FUND
(AN OPEN-ENDED INVESTMENT FUND
MANAGED BY BLOMINVEST SAUDI ARABIA)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals unless otherwise stated)

		As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)
	Note		
Assets			
Cash and cash equivalents		453,433	195,790
Investments carried at fair value through profit or loss (FVTPL)	5	14,058,663	12,640,957
Receivable from sale of investment		264,812	-
Dividend receivables		15,753	3,517
Other receivables		1,638	1,638
Total assets		14,794,299	12,841,902
Liabilities			
Management fee payable	6	17,891	15,973
Accrued expenses		73,056	101,776
Total liabilities		90,947	117,749
Equity attributable to the unitholders		14,703,352	12,724,153
 Redeemable units in issue		 4,867	 4,979
 Net asset value attributable to each unit		 3,021.03	 2,555.56

The accompanying notes 1 to 9 form an integral part of this interim condensed financial information.

BLOM SAUDI ARABIA FUND
(AN OPEN-ENDED INVESTMENT FUND
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INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the six-month period ended 30 June	
		2023	2022
Income			
Realized gain on sale of investments carried at FVTPL		687,542	2,487,866
Unrealized gain / (loss) on investments carried at FVTPL		1,639,296	(1,271,418)
Dividend income		236,992	139,940
Other income		58	-
Total income		2,563,888	1,356,388
Expenses			
Management fee	6	(100,854)	(116,132)
Other expenses		(163,099)	(175,170)
Total expenses		(263,953)	(291,302)
Net income for the period		2,299,935	1,065,086
Other comprehensive income for the period		-	-
Total comprehensive income for the period		2,299,935	1,065,086

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BLOM SAUDI ARABIA FUND
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INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE UNITHOLDERS
(Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

	For the six-month period ended 30 June	
	2023	2022
Equity attributable to the unitholders at the beginning of the period	12,724,153	14,633,605
Changes from operations		
Total comprehensive income for the period	2,299,935	1,065,086
Changes from unit transactions		
Proceeds from issuance of units	-	298,285
Payment against redemption of units	(320,736)	(2,655,421)
Net changes in value of units	(320,736)	(2,357,136)
Equity attributable to unitholders at the end of the period	14,703,352	13,341,555

Redeemable unit transactions

Transactions in redeemable units made during the period are summarized, as follows:

	For the six-month period ended 30 June	
	2023	2022
Units at the beginning of the period	4,979	5,717
Units issued	-	112
Units redeemed	(112)	(846)
Net changes in units	(112)	(734)
Units at the end of the period	4,867	4,983

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BLOM SAUDI ARABIA FUND
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INTERIM CONDENSED STATEMENT OF CASH FLOWS (Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

	For the six-month period ended 30 June	
	2023	2022
Cash flow from operating activities		
Net income for the period	2,299,935	1,065,086
Adjustment for:		
Unrealised (gain) / loss on financial assets at FVTPL	(1,639,296)	1,271,418
Dividend income	(236,992)	(139,940)
	423,647	2,196,564
Net changes in operating assets and liabilities		
Investments carried at FVTPL	221,590	(457,144)
Receivable from sale of investment	(264,812)	-
Other receivables	-	122,400
Management fee payable	1,918	(1,657)
Accrued expenses	(28,720)	(32,541)
Net cash flows generated from operations	353,623	1,827,622
Dividend income received	224,756	134,198
Net cash generated from operating activities	578,379	1,961,820
Cash flows from financing activities		
Proceeds from issuance of units	-	298,285
Payment on redemption of units	(320,736)	(2,655,421)
Net cash used in financing activities	(320,736)	(2,357,136)
Net change in cash and cash equivalents	257,643	(395,316)
Cash and cash equivalents at beginning of period	195,790	830,677
Cash and cash equivalents at the end of the period	453,433	435,361

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BLOM SAUDI ARABIA FUND
(AN OPEN-ENDED INVESTMENT FUND
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NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (Unaudited)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023
(All amounts in Saudi Riyals unless otherwise stated)

1. GENERAL

Blom Saudi Arabia Fund (the "Fund") is an open ended fund created by agreement between Blominvest Saudi Arabia - A Saudi Joint Stock Company (the "Fund Manager") and investors ("unitholders") in the Fund. The Fund was established on 21 Jumad Awal 1432H (corresponding to 25 April 2011) as per approval from the Capital Market Authority (the "CMA") and commenced its operations on 6 July 2011.

The objective of the Fund is to generate long term capital growth for investors through investing in equity securities listed in Tadawul, either directly or through other funds or collective investment schemes established under the laws and regulations of the kingdom of Saudi Arabia.

The Fund has appointed HSBC Saudi Arabia Limited to act as its custodian and administrator. The fees for the custodian and administrator services are paid directly by the Fund.

2. REGULATION 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) by the New Investment Fund Regulations ("Amended Regulations") published by the Capital Market Authority on 17 Rajab 1442H (corresponding to 1 March 2021) in addition to the new amendment number 2-22-2021 issued on 12 Rajab 1442H (Corresponding to 24 February 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

This interim condensed financial information for the six-month period ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

The interim condensed financial information does not include all the information and disclosures required in annual financial statements and should, therefore, be read in conjunction with the annual financial statements for the year ended 31 December 2022.

The interim condensed financial information has been prepared on a historical cost basis, using the accrual basis of accounting except for financial assets held at fair value through profit or loss that are measured at fair value. This interim condensed financial information is presented in Saudi Riyals ("SR"), which is the Fund's functional currency.

3.2 Significant accounting policies

The significant accounting policies adopted in the preparation of this interim condensed financial information are consistent with those followed in the preparation of the financial information for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023.

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3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Impact of changes in accounting policies due to adoption of new standards

The Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2023, but do not have an impact on the interim condensed financial information of the Fund.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 - The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to IAS 12 - deferred tax related to assets and liabilities arising from a single transaction - These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

Amendment to IAS 12 - International tax reform - pillar two model rules - These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

IFRS 17, 'Insurance contracts', as amended in December 2021 - This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

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3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Impact of changes in accounting policies due to adoption of new standards (continued)

New standards not yet effective

Standard, interpretation, amendments	Description	Effective from periods beginning on or after
Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities	These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. Note that the IASB has issued a new exposure draft proposing change to this amendment.	1 January 2024
Amendment to IFRS 16, 'Lease Liability in a Sale and Leaseback'	Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.	1 January 2024
Amendments to IAS 1, 'Non-current Liabilities with Covenants'	Non-current Liabilities with Covenants amends IAS 1 'Presentation of Financial Statements'. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.	1 January 2024
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.	1 January 2024 subject to endorsement from 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.	1 January 2024 subject to endorsement from SOCPA

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The significant accounting judgements, estimates and assumptions used in preparation of interim condensed financial information are consistent with those used in preparation of the fund's annual financial statements for the year ended 31 December 2022.

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5. INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

The composition of the financial assets at fair value through profit or loss is summarised below:

30 June 2023 (Unaudited)				
Description	% of market value	Cost	Market value	Unrealised gain/ (loss)
Sectors				
Energy	18%	2,381,336	2,478,988	97,652
Banks	12%	1,616,184	1,615,179	(1,005)
Health care equipment and services	9%	944,971	1,268,746	323,775
Food and beverage	8%	912,524	1,158,484	245,960
Materials	7%	978,793	1,012,616	33,823
Telecommunication Services	7%	877,461	992,068	114,607
Consumer Services	7%	651,518	922,454	270,936
Real Estate management and development	6%	830,642	883,051	52,409
Utilities	5%	729,925	744,456	14,531
Software and services	5%	594,244	737,497	143,253
Food and staples retailing	4%	552,380	583,491	31,111
Retailing	4%	659,864	578,276	(81,588)
Commercial and professional services	2%	252,029	308,256	56,227
Insurance	2%	229,907	299,744	69,837
Transportation	2%	266,096	266,491	395
Capital goods	2%	123,987	208,866	84,879
	100%	12,601,861	14,058,663	1,456,802
31 December 2022 (Audited)				
Description	% of market value	Cost	Market value	Unrealised gain
Sectors				
Banks	25%	3,020,496	3,187,436	166,940
Energy	17%	2,498,273	2,208,982	(289,291)
Materials	12%	1,564,120	1,577,002	12,883
Health care equipment and services	10%	1,057,796	1,202,666	144,869
Food and beverage	7%	867,999	940,003	72,003
Utilities	6%	803,905	808,625	4,720
Telecommunication services	4%	562,087	497,775	(64,311)
Consumer services	3%	426,474	409,749	(16,726)
Insurance	3%	412,060	383,658	(28,402)
Real estate management and development	3%	364,128	355,258	(8,870)
Capital goods	3%	423,723	331,968	(91,755)
Food and staples retailing	3%	354,309	302,030	(52,279)
Software and services	2%	217,986	220,705	2,719
Commercial and professional services	1%	149,270	148,350	(920)
Retailing	1%	100,824	66,750	(34,074)
	100%	12,823,450	12,640,957	(182,494)

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6. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include Blominvest Saudi Arabia ("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 a management fee at the rate of 1.50% per annum calculated based on the net assets at each valuation date. The Fund Manager also recovers from the Fund any other expenses incurred on behalf of the Fund including audit fee, board compensation and other similar charges.

In addition, The Fund Manager also recovers from the Fund any other expenses incurred on behalf of the Fund including audit fee, board compensation and other similar charges.

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

Name of related party	Nature of transactions	Amount of transactions		Balance receivable / (payable)	
		For the period ended 30 June 2023 (Unaudited) SR	For the period ended 30 June 2022 (Unaudited) SR	As at 30 June 2023 (Unaudited) SR	As at 31 December 2022 (Audited) SR
Blominvest Saudi Arabia	Management fee	(100,854)	(116,132)	(17,891)	(15,973)
Board of Directors	Annual remuneration	(18,596)	(18,596)	(37,436)	(56,250)

The unitholders' account included 1,239 units (31 December 2022 (Audited): 1,239 units) held by the Fund Manager as of 30 June 2023.

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7. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 accessible market for the asset or liability

Determination of fair value and fair value hierarchy

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

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date;

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

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

The estimated fair value of the Fund's financial assets and liabilities is not considered to be significantly different from their carrying values.

The following table provides the fair value measurement hierarchy of the Fund's financial assets as at 30 June 2023 and 31 December 2022. There are no financial liabilities measured at fair value.

		Fair value measurement using		
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 30 June 2023 (Unaudited)				
Financial assets measured at fair value				
Investments carried at FVTPL (listed on Tadawul)	14,058,663	14,058,663	-	-
As at 31 December 2022 (Audited)				
Financial assets measured at fair value				
Investments carried at FVTPL (listed on Tadawul)	12,640,957	12,640,957	-	-

8. LAST VALUATION DAY

The last valuation day of the period was 30 June 2023 (31 December 2022 (Audited): 29 December 2022).

9. APPROVAL OF THE INTERIM CONDENSED FINANCIAL INFORMATION

This interim condensed financial information was approved and authorised for issue by the Fund Manager (as authorised by the Fund Board) on 9 August 2023.