

YAQEEEN IPO FUND
(Managed by Yaqeen Capital)

CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

YAQEEN IPO FUND
(Managed by Yaqeen Capital)

CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

INDEX	Page
Report on review of condensed interim financial information	2
Condensed interim statement of financial position	3
Condensed interim statement of profit or loss and other comprehensive income	4
Condensed interim statement of changes in net assets attributable to unitholders	5
Condensed interim statement of cash flows	6
Notes to the condensed interim financial information	7 - 12

YAQEEEN IPO FUND
(Managed by Yaqeen Capital)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

(All amounts are in Saudi Riyals unless stated otherwise)

	Note	30 June 2022 (Unaudited)	31 December 2021 (Audited)
<u>ASSETS</u>			
Cash and cash equivalents	7	1,314,245	6,625,252
Investments at fair value through profit or loss - FVTPL	8	40,320,065	31,140,926
TOTAL ASSETS		41,634,310	37,766,178
<u>LIABILITIES</u>			
Accrued management fees	9	216,224	314,700
Other liabilities		13,864	14,805
TOTAL LIABILITIES		230,088	329,505
Net assets attributable to the unitholders		41,404,222	37,436,673
Units in issue (Numbers)		10,350	10,228
Net asset value - per unit (SR)		4000.46	3,660.21

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

YAQEEEN IPO FUND
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**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022

(All amounts are in Saudi Riyals unless stated otherwise)

		30 June 2022	30 June 2021
	Note	(Unaudited)	(Unaudited)
<u>INCOME</u>			
Dividend income		378,470	498,564
Realized gain on sale of financial assets at FVTPL, net	8	4,598,627	7,645,851
Unrealized fair value (loss) / gain on financial assets at FVTPL, net	8	(1,379,690)	3,024,095
Total income		3,597,407	11,168,510
<u>EXPENSES</u>			
Management fee	9	(410,167)	(521,865)
Other expenses		(39,562)	(40,341)
Total expenses		(449,729)	(562,206)
Profit for the period		3,147,678	10,606,304
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,147,678	10,606,304

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

YAQEEN IPO FUND
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CONDENSED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022

(All amounts are in Saudi Riyals unless stated otherwise)

	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)
Net assets as at 1 January (Audited)	37,436,673	48,779,701
CHANGES FROM OPERATIONS		
Profit and total comprehensive income/ (loss) for the period	3,147,678	10,606,304
CHANGES FROM UNITS TRANSACTIONS		
Proceeds from issuance of units during the period	9,768,587	685,781
Proceeds from redemption of units during the period	(8,948,716)	(4,511,934)
Net change from unit transactions	819,871	(3,826,153)
Net assets as at 30 June (Unaudited)	41,404,222	55,559,852
UNIT TRANSACTIONS		
Transactions in units for the period ended 30 June are summarized as follows:		
	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)
	Units	Units
Units as at 1 January (Audited)	10,228	16,358
Issuance of units during the period	2,323	207
Redemption of units during the period	(2,201)	(1,285)
Net change in units	122	(1,078)
Units as at 30 June (Unaudited)	10,350	15,280

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YAQEEN IPO FUND
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**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**
(All amounts are in Saudi Riyals unless stated otherwise)

	30 June 2022	30 June 2021
Note	(Unaudited)	(Unaudited)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit for the period	3,147,678	10,606,304
<i>Adjustments for:</i>		
Unrealized fair value loss / (gain) from investments at FVTPL	1,379,690	(3,024,095)
Net Changes in operating assets and liabilities:		
Change in investments at FVTPL	(10,558,829)	(6,655,567)
Dividend receivable	-	25,000
Accrued management fees	(98,475)	31,466
Other liabilities	(942)	(506)
Net cash (used in) / generated from operating activities	(6,130,878)	982,602
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Issuance of units during the period	9,768,587	685,781
Redemption of units during the period	(8,948,716)	(4,511,934)
Net cash generated from / (used in) financing activities	819,871	(3,826,153)
Net change in cash and cash equivalents	(5,311,007)	(2,843,551)
Cash and cash equivalents as at 1 January	6,625,252	4,794,400
Cash and cash equivalents as at 30 June	1,314,245	1,950,849

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

YAQEEEN IPO FUND
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**

(All amounts are in Saudi Riyals unless stated otherwise)

1. GENERAL

Yaqeen IPO Fund (the "Fund") is a fund established under an agreement between Yaqeen Capital ("Fund Manager") and Fund Investors ("Unitholders"). The Fund's objectives are to invest in the shares of new enterprises through its initial public offering, which can provide opportunities for long-term capital growth. The fund invests in newly recognised enterprises on the Saudi Stock Exchange. The fund also invests liquidity available in low-risk assets. The Fund is "open-ended" and does not normally distribute any dividends to the Unitholders. Instead, all profits collected in the Fund are reinvested and reflected in the price of the Fund's unit.

The address of the Fund's manager is as follows:

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

The Fund Manager is dealing with the Unitholders as it is independent unit, therefore, the Fund manager prepares separate financial information for the Fund.

The Capital Market Authority (CMA) license was granted to the Fund on 12 Jumada Al Akhir 1429 H (corresponding to 16 June 2008). The Fund commenced operations on 12 July 2008.

2. REGULATORY FRAMEWORK

The Fund is governed by the Investment Fund Regulations (the "Regulations") published by CMA on 3 Dhul Hija 1427H (corresponding to 24 December 2006G) as amended by the resolution of CMA board on 16 Sha'aban 1437H (corresponding to 23 May 2016G). It is further amended by the resolution of CMA board on 12 Rajab 1442H (corresponding to 24 February 2021G).

3. BASIS OF PREPARATION

3.1. Statement of compliance

This condensed interim financial information has been prepared in accordance with International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34), as 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 has also complied with 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 this condensed interim financial information have been limited in accordance with the requirements of IAS 34. This does 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 2021 ("last annual audited financial statements").

3.2. Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the financial assets at fair value through profit or loss that are measured at fair value.

Furthermore, this condensed interim financial information is prepared using the going concern basis.

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.

YAQEEN IPO FUND
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**

(All amounts are in Saudi Riyals unless stated otherwise)

3. BASIS OF PREPARATION (continued)

3.3. Functional and presentation currency

This condensed interim financial information is presented in Saudi Riyals (SR) which is also the functional currency of the Fund.

Financial year

The financial year of the Fund commences on 1st January and ends on 31 December of each calendar year.

3.4. Use of estimates and judgments

In preparing this condensed interim financial information, management has made the judgement, estimates, and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited financial statements.

4. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after January 1, 2022.

- Amendments to IAS 37 - 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making;
- Amendments to IAS 16 - 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in statement of income;
- Amendments to IFRS 3 - 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations; and
- Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.

The listing of standards and interpretations issued, which the Fund reasonably expects to be applicable at a future date are as follows.

Standard/ Interpretation	Description	Effective from periods beginning on or after
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2024
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	January 1, 2023
Amendments to IAS 8	Definition of Accounting Estimates	January 1, 2023
Amendments to IAS12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023

YAQEEN IPO FUND
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**

(All amounts are in Saudi Riyals unless stated otherwise)

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, applied in the preparation of this condensed interim financial information 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 2021.

6. 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 is obliged to pay the Fund Manager management fee of 1.75% 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 and paid on quarterly basis.

Custody fee

The Fund accrues custody fee at an annual rate of 0.02% of the Fund's assets under custody annually. These charges are paid to the custodian in monthly basis.

Other expenses

The Fund Manager recovers from the Fund any other expense incurred on behalf of the Fund at rates specified in the Terms and Conditions of the Fund. These expenses include audit fee, benchmark fee, regulatory fee, brokerage, director's remuneration, and other similar charges.

7. CASH AND CASH EQUIVALENTS

	30 June 2022 (Unaudited)	31 December 2021 (Audited)
Cash at banks – current account	<u>1,314,245</u>	<u>6,625,252</u>

8. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - FVTPL

The Fund invests in the shares of enterprises within the targeted indicator portfolio, considering the relative weights of assets distribution, while sufficient cash is held continuously to meet expenses and any other obligations on the Fund.

	30 June 2022 (Unaudited)	31 December 2021 (Audited)
Investments in listed equity securities (note 8.1)	<u>33,277,423</u>	<u>29,636,929</u>
Investments in public fund (note 8.2)	<u>7,042,642</u>	<u>1,503,997</u>
	<u>40,320,065</u>	<u>31,140,926</u>

YAQUEEN IPO FUND
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**

(All amounts are in Saudi Riyals unless stated otherwise)

8. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS – FVTPL (CONTINUED)

Investments in listed equity securities is valued at published market price on Saudi Stock Exchange Tadawul. The geographical dispersion of above investments is within the Kingdom of Saudi Arabia. Movement in investments carried at fair value through profit or loss is as follows:

	30 June 2022	31 December 2021
	(Unaudited)	(Audited)
Opening balance	31,140,926	44,221,244
Purchase during the period/ year	26,990,162	90,371,014
Sold during the period/ year	(21,029,960)	(113,796,696)
Net changes in investments at FVTPL	37,101,128	20,795,562
Realized fair value gain, net for the period/ year	4,598,627	13,192,721
Unrealized fair value gain, net for the period/ year	(1,379,690)	(2,847,357)
Net fair value gain on investments at FVTPL	3,218,937	10,345,364
Investment as at 30 June 2022/ 31 December 2021	40,320,065	31,140,926

8.1 The classification of investments at fair value through profit or loss into industry groups specified by Tadawul is summarised as follows:

	30-Jun 2022		31-Dec-21	
	%	(Unaudited)	%	(Audited)
Materials	15%	5,112,620	12%	3,517,134
Energy	12%	4,152,697	16%	4,738,851
Software & Services	12%	3,941,165	7%	2,128,814
Real Estate Management & Development	9%	2,939,707	13%	3,770,966
Retailing	8%	2,823,701	7%	1,967,511
Food and Staples Retailing	6%	2,140,800	6%	1,696,619
Health Care Equipment and Svc	6%	2,032,680	5%	1,453,410
Insurance	6%	1,897,590	5%	1,544,056
Commercial & Professional Services	5%	1,653,118	5%	1,594,252
ETF	4%	1,310,822	-	-
Utilities	4%	1,254,000	6%	1,868,990
Transportation	3%	1,098,000	4%	1,135,820
Diversified Financials	3%	1,012,987	4%	1,259,227
Consumer Services	3%	1,012,876	5%	1,347,730
REITs	3%	894,660	-	-
Media and Equipment	-	-	5%	1,613,549
	100%	33,277,423	100%	29,636,929

8.2 This represents an investment in units of Yaqeen SAR Murabaha Fund (open-ended Fund) managed by Yaqeen Capital. The primary activity of Yaqeen SAR Murabaha Fund is to invest in Shari'ah-compliant Murabaha contracts.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**

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9. RELATED PARTY TRANSACTIONS AND BALANCES

In the ordinary course of its activities, the Fund transacts 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. Related parties comprise the Fund Board and Fund Manager.

Significant transactions and balances with related parties in the ordinary course of Fund's business included in the condensed interim financial information are summarized below:

	Nature of transaction	Amount of transactions		Closing balance	
		30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	30 June 2022 (Unaudited)	31 December 2021 (Audited)
Yaqeen Capital	Management fees	(410,167)	(521,865)	(216,224)	(314,700)

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments traded in active markets are based on quoted market prices at the end of trading as at the reporting date. Instruments that have not been sold are valued on the valuation day based on the most recent bid price.

An active market is a market in which assets or liabilities are treated with sufficient movement and volume to provide price information on an ongoing basis. The carrying value less impairment provision of other receivables and carrying value of payables are assumed to approximate their fair values.

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.

Investments are based on prices quoted in active markets classified as level 1 and include quoted equity instruments. The Fund does not adjust the quoted price for these instruments.

Investments based on inputs other than quoted prices included within level 1, that are observable for the asset or liability are categorised as level 2, These investments have been valued using the net asset value of the funds available on Tadawul (Saudi stock exchange).

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

YAQEEEN IPO FUND
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR SIX MONTHS PERIOD ENDED 30 JUNE 2022**

(All amounts are in Saudi Riyals unless stated otherwise)

10. FAIR VALUE ESTIMATION (CONTINUED)

The following table includes the hierarchy analysis for the fair value of Fund's assets and liabilities (by class) measured at fair value as of 30 June 2021 and 31 December 2021:

	Level 1	Level 2	Level 3	Total
30 June 2022 (Unaudited)				
Investment at FVTPL	33,277,423	7,042,642	-	40,320,065
31 December 2021 (Audited)				
Investment at FVTPL	29,636,929	1,503,997	-	31,140,926

Classification of financial instruments

	30 June 2022 (Unaudited)	31 December 2021 (Audited)
Financial asset at amortized cost		
Cash and cash equivalents	1,314,245	6,625,252
	-	-
Financial assets at fair value through profit or loss		
Investments at FVTPL (note 8)	40,320,065	31,140,926

11. UNIT VALUE RECONCILIATION

In accordance with CMA circular no. 1/6/7218/17 dated 13 Rabi al-Thani 1439H (corresponding to 31 December 2017), the CMA Board decided on 10 Rabi al-Thani 1439H (corresponding to 28 December 2017) to restrict the recording of expected credit losses (ECL) calculated in accordance with IFRS 9 only for the purpose of financial reporting.

All financial assets held at amortized cost were considered for ECL as on 30 June 2022. 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, this condensed interim financial information does not contain any ECL adjustment and therefore reconciliation of the unit price calculated according to the applicable financial reporting framework to the unit price calculated for the purpose of unit transactions is not required.

12. CONTINGENCIES AND COMMITMENTS

There are no commitments and contingencies as of 30 June 2022 and 31 December 2021.

13. LAST VALUATION DAY

The Fund 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 2022.

14. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION

This condensed interim financial information was approved by the Fund's Board on 24 August 2022.