

YAQEEN GOLD 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

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AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022**

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Report on review of condensed interim financial information

To the Unitholders and the Fund Manager of Yaqeen Gold Fund
(Managed by Yaqeen Capital)

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Yaqeen Gold Fund (the "Fund"), managed by Yaqeen Capital (the "Fund Manager") as of 30 June 2022 and the related condensed interim statements of profit or loss and other comprehensive income, changes in net assets attributable to the unitholders and cash flows for the six months period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34"), that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed interim 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" that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers



Bader I. Benmohareb
License Number 471

24 August 2022

YAQEEEN GOLD FUND
(Managed By Yaqeen Capital)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

(All amounts in US Dollars unless otherwise stated)

	Notes	30 June 2022 (Unaudited)	31 December 2021 (Audited)
<u>ASSETS</u>			
Cash and cash equivalents	6	74,223	66,594
Investments at fair value through profit or loss (FVTPL)			
- Investment in gold contracts	7	3,370,357	2,968,736
Total assets		3,444,580	3,035,330
<u>LIABILITIES</u>			
Accrued management fee	8	4,841	4,337
Accrual and other liabilities		4,569	5,197
Total liabilities		9,410	9,534
Net assets attributable to the unitholders		3,435,170	3,025,796
Units in issue		3,335,113	2,903,897
Net assets per unit in US Dollars		1.03	1.04

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

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

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(All amounts in US Dollars unless otherwise stated)

	Notes	For the six months period ended 30 June 2022 (Unaudited)	For the six months period ended 30 June 2021 (Unaudited)
Income			
Unrealized loss in fair value of investments at FVTPL, net	7	<u>(27,746)</u>	<u>(286,288)</u>
		<u>(27,746)</u>	<u>(286,288)</u>
Expenses			
Management fee	8	<u>(9,309)</u>	<u>(11,173)</u>
Other expenses		<u>(8,807)</u>	<u>(10,151)</u>
		<u>(18,116)</u>	<u>(21,324)</u>
Loss for the period		(45,862)	(307,612)
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive loss for the period		<u>(45,862)</u>	<u>(307,612)</u>

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

YAQEEEN GOLD FUND
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CONDENSED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(All amounts in US Dollars unless otherwise stated)

	For the six months period ended 30 June 2022	For the six months period ended 30 June 2021
Net assets attributable to the Unitholders at the beginning of the period (Audited)	3,025,796	4,164,184
Loss for the period and total comprehensive loss for the period	(45,862)	(307,612)
Changes from unit transactions		
Issuance of redeemable units during the period	653,317	216,998
Redemption of redeemable units during the period	(198,081)	(316,733)
Net assets attributable to the Unitholders at the end of the period (Unaudited)	<u>3,435,170</u>	<u>3,756,837</u>

Movement in the number of units:

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

	For the six months period ended 30 June 2022	For the six months period ended 30 June 2021
Number of units at the beginning of the period (Audited)	2,903,897	3,787,227
Issuance of redeemable units during the period	614,737	238,848
Redemption of redeemable units during the period	(183,522)	(328,753)
Number of units at the end of the period (Unaudited)	<u>3,335,112</u>	<u>3,697,322</u>

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YAQEEEN GOLD FUND
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CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022
(All amounts in US Dollars unless otherwise stated)

	<u>Notes</u>	For the six months period ended 30 June 2022 (Unaudited)	For the six months period ended 30 June 2021 (Unaudited)
Cash flows from operating activities			
Loss for the period		(45,862)	(307,612)
Adjustments for:			
Unrealized loss in fair value of investments at FVTPL, net	7	27,746	286,288
Net changes in operating assets and liabilities			
Purchase of investments at FVTPL		(429,367)	-
Accrued management fee		504	(338)
Accrual and other liabilities		(628)	(1,366)
Due to a related party		-	29,877
Net cash (used in) / generated from operating activities		(447,607)	6,849
Cash flows from financing activities			
Issuance of redeemable units during the period		653,317	216,998
Redemption of redeemable units during the period		(198,081)	(316,733)
Net cash generated from / (used in) financing activities		455,236	(99,735)
Net change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		66,594	93,824
Cash and cash equivalents at the end of the period	6	74,223	938

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

YAQEEEN GOLD FUND

(Managed By Yaqeen Capital)

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

(All amounts in US Dollars unless otherwise stated)

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

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

The address of the Fund Manager is as follows:

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

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with International Accounting Standard IAS-34 “Interim Financial Reporting” 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 does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the condensed interim statement of financial position. Instead, assets and liabilities are presented in order of liquidity.

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

The Fund has also complied with 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 condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended 31 December 2021 (“last annual financial statements”).

2.2 Basis of measurement

The condensed interim financial information has been prepared on a historical cost convention, except for the financial assets at FVTPL which are measured at fair value.

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

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

(All amounts in US Dollars unless otherwise stated)

2. BASIS OF PREPARATION (continued)

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgements

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.

The Fund has reviewed the key sources of estimation uncertainties disclosed in the last annual audited financial statements against the backdrop of Covid-19. Management believes that all sources of estimation uncertainty remain similar to those disclosed in the last annual financial statements. The Fund will continue to monitor the situation, and any changes required will be reflected in future reporting periods.

3. NEW AND AMENDED STANDARDS ADOPTED BY THE FUND

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’.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
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(All amounts in US Dollars unless otherwise stated)

3. NEW AND AMENDED STANDARDS ADOPTED BY THE FUND (continued)

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

4. 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.

5. MANAGEMENT FEE, CUSTODY FEE AND OTHER EXPENSES

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

Management fee

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

Custody fee

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

6. CASH AND CASH EQUIVALENTS

	30 June 2022 (Unaudited)	31 December 2021 (Audited)
Cash at banks	74,223	66,594

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**7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) -
INVESTMENT IN GOLD CONTRACTS**

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

The movement in investment in Gold contracts is as follows:

	30 June 2022 (Unaudited)	31 December 2021 (Audited)
At the beginning of the period	2,968,736	4,082,285
Additions to investment in gold contracts	429,367	-
Disposal of investments in gold contracts	-	(938,260)
Gain on sale of investments at FVTPL, net	-	41,909
Fair value loss on financial assets at FVTPL, net	(27,746)	(217,198)
At the end of the period	3,370,357	2,968,736

8. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Within the normal course of business, the Fund deals with related parties that are in turn subject to the Fund's terms and conditions issued by the CMA. All transactions with related parties are approved by the Fund's Board.

The Fund pays management fee at the rate of 0.50% per annum of the Fund's net assets value of the Fund calculated on each valuation day.

Following table summarises the details of transactions with related parties:

Related party	Nature of relationship	Nature of transaction	For the six months period ended 30 June 2022 (Unaudited)	For the six months period ended 30 June 2021 (Unaudited)
Yaqeen Capital	Fund Manager	Management fee	(9,309)	(11,173)

Following table summarises the details of balances with related parties:

Related party	Nature of balance	30 June 2022 (Unaudited)	31 December 2021 (Audited)
Yaqeen Capital	Investment in Fund units	958,645	968,511
Yaqeen Capital	Accrued management fee	4,841	4,337

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

(All amounts in US Dollars unless otherwise stated)

9. FAIR VALUE ESTIMATION

The fair value of financial instruments traded in active markets are based on quoted market prices at the end of trading as at the date of condensed interim financial information. 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 traded with sufficient movement and volume to provide price information on an ongoing basis. The fair value is approximately equal to the carrying amount less any provision for impairment of other receivables and carrying value of other payables.

The fair value hierarchy consists of the following levels:

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

The Fund does not adjust the quoted price for these instruments.

All other financial instruments of the Fund are measured at amortized cost. The fair values of financial instruments which are not measured at fair value in this condensed interim financial information are not significantly different from the carrying values included in the condensed interim financial information.

30 June 2022 (Unaudited)	Fair value			Total
	Level 1	Level 2	Level 3	
<i>Financial assets measured at fair value</i>				
Investment at FVTPL	3,370,358	-	-	3,370,358

31 December 2021 (Audited)	Fair value			Total
	Level 1	Level 2	Level 3	
<i>Financial assets measured at fair value</i>				
Investment at FVTPL	2,968,736	-	-	2,968,736

Classification of financial instruments

	30 June 2022 (Unaudited)	31 December 2021 (Audited)
<i>Financial asset at amortized cost</i>		
Cash and cash equivalents	74,223	66,594
<i>Financial liabilities at amortized cost</i>		
Management fee payable (note 8)	4,841	4,337
Other liabilities	4,569	5,197

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

(All amounts in US Dollars unless otherwise stated)

10. 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.

11. CONTINGENCIES AND COMMITMENTS

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

12. 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 do not contain any significant ECL adjustments 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.

13. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION

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