

**Saudi Opportunities Fund**  
**(Managed by Audi Capital Company)**

**UNAUDITED INTERIM CONDENSED FINANCIAL  
STATEMENTS**

**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNITHOLDERS OF SAUDI OPPORTUNITIES FUND (MANAGED BY AUDI CAPITAL COMPANY)**

**Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Saudi Opportunities Fund (the "Fund") managed by Audi Capital Company (the "Fund Manager") as at 30 June 2021, and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management 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") 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" endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 endorsed in the Kingdom of Saudi Arabia.

For Ernst & Young



Fahad M. Al-Toaimi  
Certified Public Accountant  
License No. 354

Riyadh: 8 Muharram 1443H  
(16 August 2021)



Saudi Opportunities Fund  
(Managed by Audi Capital Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

		30 June 2021 SR (Unaudited)	31 December 2020 SR (Audited)
	Notes		
<b>ASSETS</b>			
Cash and cash equivalents		<b>1,656</b>	243,047
Investments at fair value through profit or loss	4	<b>66,261,020</b>	50,012,981
Due from broker for securities sold		-	1,027,576
Dividend receivables		-	21,500
<b>TOTAL ASSETS</b>		<b>66,262,676</b>	51,305,104
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Management fee payable	5	<b>94,722</b>	75,314
Custody and administration fee payable		<b>10,826</b>	10,164
Accrued expenses		<b>109,641</b>	107,858
Due to broker for securities purchased		-	944,919
<b>TOTAL LIABILITIES</b>		<b>215,189</b>	1,138,255
<b>EQUITY</b>			
Net assets attributable to the Unitholders of redeemable units		<b>66,047,487</b>	50,166,849
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>66,262,676</b>	51,305,104
Redeemable units in issue		<b>4,403,644</b>	4,403,644
Net assets value attributable to each unit		<b>15.00</b>	11.39

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

Saudi Opportunities Fund  
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INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
(UNAUDITED)

For the six-month period ended 30 June 2021

	Notes	2021 SR	2020 SR
<b>INCOME (LOSS)</b>			
Net gain(loss) from investments at fair value through profit or loss	5	<b>15,833,177</b>	(6,138,085)
Dividend income		<b>788,721</b>	732,232
		<b>16,621,898</b>	(5,405,853)
<b>EXPENSES</b>			
Management fees	8	<b>(505,841)</b>	(441,803)
Other expenses	7	<b>(235,419)</b>	(190,365)
		<b>(741,260)</b>	(632,168)
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>15,880,638</b>	(6,038,021)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<b>15,880,638</b>	(6,038,021)

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

Saudi Opportunities Fund  
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INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six-month period ended 30 June 2021

	2021 SR	2020 SR
<b>EQUITY AT THE BEGINNING OF THE PERIOD</b>	<b>50,166,849</b>	56,609,510
Profit (loss) for the period	<b>15,880,638</b>	(6,038,021)
Other comprehensive income for the period	-	-
Total comprehensive income (loss) for the period	<b>15,880,638</b>	(6,038,021)
Value of units redeemed during the period	-	(1,913,364)
<b>EQUITY AT THE END OF THE PERIOD</b>	<b>66,047,487</b>	48,658,125

**REDEEMABLE UNITS TRANSACTIONS**

Transactions in units made for the six-month period ended 30 June are summarised as follows:

	2021 Units	2020 Units
<b>UNITS AT THE BEGINNING OF THE PERIOD</b>	<b>4,403,644</b>	5,378,056
Units redeemed during the period	-	(215,846)
Decrease in units	-	(215,846)
<b>UNITS AT THE END OF THE PERIOD</b>	<b>4,403,644</b>	5,162,210

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Saudi Opportunities Fund  
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INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2021

	Notes	2021 SR	2020 SR
<b>OPERATING ACTIVITIES</b>			
Profit (loss) for the period		<b>15,880,638</b>	(6,038,021)
<i>Adjustment to reconcile profit (loss) for the period to net cash (used in) from operating activities:</i>			
Unrealised (gain) loss on investments at fair value through profit or loss	5	<b>(8,776,010)</b>	2,811,823
		<b>7,104,628</b>	(3,226,198)
<i>Working capital adjustments:</i>			
(Increase) decrease in investments at fair value through profit or loss		<b>(7,472,029)</b>	14,287,028
Decrease (increase) in dividend receivables		<b>21,500</b>	(42,321)
Decrease in due from broker for securities sold		<b>1,027,576</b>	-
Increase (decrease) in management fee payable		<b>19,408</b>	(56,569)
Increase (decrease) in custody and administration fee payable		<b>662</b>	(4,654)
Increase (decrease) in accrued expenses		<b>1,783</b>	(449,585)
Decrease in due to broker for securities purchased		<b>(944,919)</b>	-
Net cash (used in) from operating activities		<b>(241,391)</b>	10,507,701
<b>FINANCING ACTIVITY</b>			
Value of units redeemed		-	(1,913,364)
Cash used in financing activity		-	(1,913,364)
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(241,391)</b>	8,594,337
Cash and cash equivalents at the beginning of the period		<b>243,047</b>	1,595,227
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>1,656</b>	10,189,564

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

# Saudi Opportunities Fund (Managed by Audi Capital Company)

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## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2021

### 1. GENERAL

Saudi Opportunities Fund (the “Fund”) is an open-ended fund created by an agreement between Audi Capital Company (the “Fund Manager”) and investors (the “Unitholders”) in the Fund. The objective of the Fund is to invest according to the Shari’ah guideline, and to achieve long term capital appreciation through investing primarily in the equities of the Saudi listed companies, specifically in S&P Saudi listed companies in line with the Shariah guidelines. The Fund will not distribute any dividend to unitholders and will reinvest the profits and cash dividend distributed to the Fund.

The Fund was established on 26 Rajab 1436H (corresponding to 15 April 2015) as per approval from the Capital Market Authority (“CMA”) and commenced its operations on 1 May 2015.

The Fund has appointed HSBC Saudi Arabia to act as its custodian (the “Custodian”) and administrator (the “Administrator”). The fees of the custodian’s and administrator’s services are paid by the Fund.

The address of the Fund Manager is as follows:

Audi Capital Company  
Centria Building - 3<sup>rd</sup> Floor - 2908 Prince Muhammad Ibn Abdulaziz Road  
Al Olaya - Unit No. 28, Ar Riyadh 12241-6055  
Kingdom of Saudi Arabia

### 2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) detailing requirements for all investment funds operating within the Kingdom of Saudi Arabia and published by the CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006). The Regulations were further amended on 16 Sha’aban 1437H (corresponding to 23 May 2016) (the “Amended Regulations”).

### 3. BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

#### 3.1 Basis of preparation

These interim condensed financial statements for the six-month period ended 30 June 2021 have been prepared in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’ (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia.

The interim condensed financial statements do 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 2020.

These interim condensed financial statements have been prepared on a historical cost basis, except for investments at fair value through profit or loss which are stated at their fair value and also using the accruals basis of accounting and the going concern concept.

These interim condensed financial statements are presented in Saudi Riyals (“SR”), which is the functional currency of the Fund, and all values are rounded to the nearest one Saudi Riyal, except where otherwise indicated.

#### 3.2 New standards, interpretations and amendments

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 2020. There are new standards, amendments and interpretations apply for the first time in 2021, but do not have an impact on the interim condensed financial statements of the Fund.

There are other several amendments and interpretations that are issued, but not yet effective, up to the date of issuance of the Fund’s interim condensed financial statements. In the opinion of the Board, these will have no significant impact on the interim condensed financial statements of the Fund. The Fund intends to adopt those amendments and interpretations, if applicable.

Saudi Opportunities Fund  
(Managed by Audi Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2021

**4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

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

		30 June 2021 (Unaudited)		
	% of market value	Cost SR	Market value SR	Unrealised gain (loss) SR
<i>Equities</i>				
Banking & Financial services	23%	8,605,652	15,210,392	6,604,740
Petrochemical Industries	24%	12,651,951	15,929,535	3,277,584
Telecommunication & Information Technology	8%	4,316,302	5,287,315	971,013
Cement	5%	3,148,463	3,568,234	419,771
Retail	8%	4,693,271	5,152,282	459,011
Energy & Utilities	9%	5,063,714	5,985,346	921,632
Real Estate Development	6%	3,268,496	3,613,626	345,130
Insurance	17%	10,209,585	11,514,290	1,304,705
<b>Total</b>	<b>100%</b>	<b>51,957,434</b>	<b>66,261,020</b>	<b>14,303,586</b>
		31 December 2020 (Audited)		
	% of market value	Cost SR	Market value SR	Unrealised gain (loss) SR
<i>Equities</i>				
Banking & Financial services	26%	10,814,006	13,186,291	2,372,285
Petrochemical Industries	19%	8,421,994	9,643,811	1,221,817
Energy & Utilities	10%	4,735,166	4,910,620	175,454
Telecommunication & Information Technology	9%	4,288,614	4,700,472	411,858
Retail	7%	3,178,524	3,525,640	347,116
Agriculture & Food Industries	6%	2,726,966	2,968,125	241,159
Industrial Investment	2%	1,168,706	1,222,857	54,151
Cement	7%	2,964,699	3,288,024	323,325
Healthcare	5%	2,406,911	2,513,524	106,613
Real Estate Development	4%	1,591,244	1,777,417	186,173
Transport	3%	1,409,090	1,519,050	109,960
Insurance	2%	779,485	757,150	(22,335)
<b>Total</b>	<b>100%</b>	<b>44,485,405</b>	<b>50,012,981</b>	<b>5,527,576</b>



Saudi Opportunities Fund  
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2021

**5. NET GAIN (LOSS) FROM INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<i>For the six-month period ended 30 June</i>	
	<i>2021</i>	<i>2020</i>
	<i>SR</i>	<i>SR</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Realised gain (loss)	<b>7,057,167</b>	(3,326,262)
Unrealised gain (loss)	<b>8,776,010</b>	(2,811,823)
	<b>15,833,177</b>	(6,138,085)

**6. FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Fund has only investments at fair value through profit or loss which is measured at fair values and are classified within level 1 of the fair value hierarchy. Management believes that the fair value of all other financial assets and liabilities at the reporting date approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. These are all classified within level 2 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current period or prior year.

**7. OTHER EXPENSES**

	<i>For the six-month period ended 30 June</i>	
	<i>2021</i>	<i>2020</i>
	<i>SR</i>	<i>SR</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
VAT expense	<b>91,064</b>	28,051
Custody and administration fees	<b>61,048</b>	59,999
Shariah board fees	<b>26,544</b>	25,412
Audit fees	<b>22,315</b>	22,500
Transaction fees	<b>15,413</b>	34,200
Benchmark index fee	<b>12,833</b>	13,953
Publication of Fund information on Tadawul's website	<b>2,480</b>	2,500
Others	<b>3,722</b>	3,750
	<b>235,419</b>	190,365

**8. TRANSACTIONS WITH RELATED PARTIES**

*Management fee and other transactions*

The Fund pays a management fee calculated at an annual rate of 1.75% of the net asset value. The calculation of the management fee is done on a daily basis and the payment is made on the first valuation day of the following month.

Expenses paid by the Fund Manager on behalf of the Fund are reimbursed from the Fund.

Management fee expenses is disclosed in the interim condensed statement of comprehensive income while administration fee are disclosed in note 7 to the interim condensed financial statements. Management fee payable and administration fee payable are disclosed on the interim condensed statement of financial position.

Trade transactions on the Saudi stock exchange are executed through the Fund Manager.

*Units held by related parties*

The Unitholders' account as at 30 June 2021 included 538,458 units (unaudited) (31 December 2020: 538,458 (audited)), held by affiliates of the Fund Manager.

Saudi Opportunities Fund  
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2021

**9. MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled respectively:

<i>As at 30 June 2021 (Unaudited)</i>	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
<b>ASSETS</b>			
Cash and cash equivalents	<b>1,656</b>	-	<b>1,656</b>
Investments at fair value through profit or loss	<b>66,261,020</b>	-	<b>66,261,020</b>
<b>TOTAL ASSETS</b>	<b>66,262,676</b>	-	<b>66,262,676</b>
<b>LIABILITIES</b>			
Management fee payable	<b>94,722</b>	-	<b>94,722</b>
Custody and administration fee payable	<b>10,826</b>	-	<b>10,826</b>
Accrued expenses	<b>109,641</b>	-	<b>109,641</b>
<b>TOTAL LIABILITIES</b>	<b>215,189</b>	-	<b>215,189</b>
 <i>As at 31 December 2020 (Audited)</i>	 <i>Within 12 months SR</i>	 <i>After 12 months SR</i>	 <i>Total SR</i>
<b>ASSETS</b>			
Cash and cash equivalents	243,047	-	243,047
Investments at fair value through profit or loss	50,012,981	-	50,012,981
Due from broker for securities sold	1,027,576	-	1,027,576
Dividend receivables	21,500	-	21,500
<b>TOTAL ASSETS</b>	<b>51,305,104</b>	-	<b>51,305,104</b>
<b>LIABILITIES</b>			
Management fee payable	75,314	-	75,314
Custody and administration fee payable	10,164	-	10,164
Accrued expenses	107,858	-	107,858
Due to broker for securities purchased	944,919	-	944,919
<b>TOTAL LIABILITIES</b>	<b>1,138,255</b>	-	<b>1,138,255</b>

**10. LAST VALUATION DAY**

The last valuation day of the period was 30 June 2021 (2020: 31 December 2020).

At 30 June 2021

**11. IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS**

The outbreak of the newly emerging Corona Virus (COVID-19) is still evolving and increasing. Therefore, it is now difficult to predict the magnitude and full extent of the resulting impact on business and the Fund.

It is still not certain what size and extent of these impacts will be determined, depending on future developments that cannot be accurately predicted at the present time, such as the rate of virus transmission and the size and effectiveness of measures taken to contain it. In light of the current uncertainty of the economic impact, it is not possible to make a reliable estimate of the resulting impact at the date of these interim condensed financial statements being approved.

These developments may affect the future financial results, cash flows and the financial position of the Fund.

**12. SUBSEQUENT EVENTS**

In the opinion of management, no events have occurred subsequent to the reporting date and before the issuance of these interim condensed financial statements which requires adjustment to, or disclosure, in these interim condensed financial statements.

**13. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS**

These interim condensed financial statements are approved by the Fund Board on 8 Muharram 1443H (corresponding to 16 August 2021).