

MEFIC Saudi Freestyle Equity Fund Semi -Annual Report - 2023

التقرير النصف سنوي لصندوق ميفك المرن للأسهم السعودية -2023



i	Name of the Fund	MEFIC Saudi Freestyle Equity FUND
ii	Investment Objective	MEFIC Freestyle Saudi Equity Fund is an open-ended investment fund which aims to achieve capital growth over the long term through investing primarily in stocks of Shariah compliant companies that are listed on the Saudi Stock Exchange (Tadawul) and Parallel market (Nomu).
iii	Policy & Procedure	Terms & Conditions Available on Tadawul Website
iv	Distribution of Income & Gain Policy	No Distribution of Dividend
v	Statement of Fund Report	Fund Annual Financial Report as of June 30, 2023 is available on Tadawul and MEFIC website and available on request to investors at free of charge.

D Fund Manager Information

Name & Address	MEFIC Capital, 7702 King Fahed Road , MEFIC Tower, Riyadh 13524 MEFIC Capital is an Authorized and regulated by CMA with License # 37-06029
Investment Activities	At the end of 1st Half of 2023 Tadawul All Share Index (TASI) closed at 11,458.98 points, increased by 539.10 points 4.91% over the close of the previous year. decreased by 64.27 points 0.56% over the same period of the previous year. Highest close level for the index during period was 11,533.03 point on 14/06/2023. The sector performance chart for the first half showed that a majority of the sectors reported gains during the period, Pharma, Biotech & Life Science sector reported the biggest gain during the period at 74.70% followed by Software & Services sector which reported a gain of 54.52%. On the contrary, Banks index showed the biggest decline of -2.29% followed by REITs index which declined by -2.27%.
Investment Fund Performance	During H1 2023, the fund was mainly invested in materials and banking sectors, which showed moderate performance.
Changes in the T&C	The fund manager has made several changes: - Updating the Fund's Board of Directors after the Resignation. - Updating the Fund's Board of Directors after the Appointment of the new board members.
Material Changes	- Resignation of the fund's board members. - Appointing new members of the fund's board of directors.

There is no other information that would enable unitholders to make an informed judgment about the fund's activities during the period.

MEFIC Saudi Freestyle Equity Fund is not invests substantially in other investment funds.

There is no special commission received by the fund manager during the period.

Financial statement	Financial statements for the annual accounting period (or the interim period covered in the report) of the investment fund must be prepared in accordance with the accounting standards approved by the Saudi Organisation of Certified Public Accountants.
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MEFIC SAUDI FREESTYLE EQUITY FUND
Open-Ended Mutual Fund
(Managed By Middle East Financial Investment Company)
Interim condensed financial statements (Un-audited)
For the six-months period ended 30 June 2023
Together with the
Independent Auditor's Review Report to the Unit Holders

MEFIC SAUDI FREESTYLE EQUITY FUND
Closed-ended Private Mutual Fund
(Managed by Middle East Financial Investment Company)
Interim Condensed Financial Statements (Un-Audited)
For The Six-Months Period Ended 30 June 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

TO THE UNITHOLDERS OF
MEFIC Saudi Freestyle Fund

INTRODUCTION

We have reviewed the accompanying interim statement of financial position of MEFIC Saudi Freestyle Fund (the "Fund") managed by Middle East Financial Investment Company (the "Fund Manager") as at 30 June 2023 and the related interim statement of comprehensive loss, interim statement of changes in net assets (Equity) attributable to the unitholders and interim statement of 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") that is 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 Engagement (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 condensed 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 that is endorsed in the Kingdom of Saudi Arabia.

For Al-Bassam & Co.



Ahmed A. Mohandis
Certified Public Accountant
License No. 477
Riyadh: 12 Muharram 1445H
Corresponding to: 30 July 2023

MEFIC SAUDI FREESTYLE EQUITY FUND
Open-Ended Mutual Fund
(Managed By Middle East Financial Investment Company)
INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 June 2023
(Amounts in Saudi Arabian Riyal)

	Note	30 June 2023 (Un-audited)	31 December 2022 (Audited)
ASSETS			
Cash and cash equivalents	6	214,155	119,514
Investments carried at fair value through profit or loss (FVPL)	7	4,560,440	4,605,532
Dividends payable		-	3,105
Total assets		4,774,595	4,728,151
LIABILITIES			
Fund management fees payable	10	6,807	7,120
Accrued expenses	10	3,257	3,407
Total liabilities		10,064	10,527
Net assets (equity) attributable to the unit holders		4,764,531	4,717,624
Units in issue (number)		22,209.16	25,185.10
Net assets (equity) attributable to each unit		214.5300	187,3180

MEFIC SAUDI FREESTYLE EQUITY FUND
Open-Ended Mutual Fund
(Managed By Middle East Financial Investment Company)
INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
For The Six-Month Period Ended 30 June 2023
(Amounts in Saudi Arabian Riyal)

	<u>Note</u>	<u>30 June 2023</u>	<u>30 June 2022</u>
Investment income			
Dividend income		79,445	67,000
Realized gain from the sale of investments carried at FVPL	8	140,540	2,209,817
Unrealized gain from investments carried at FVPL	8	478,302	94,738
Other income		37	108
		<u>698,324</u>	<u>2,371,663</u>
Expenses			
Fund management fees	10	47,370	95,711
Other expenses	9	13,533	27,346
		<u>60,903</u>	<u>123,057</u>
Net income for the period		<u>637,421</u>	<u>2,248,606</u>
Other comprehensive income for the period			-
Total comprehensive income for the period		<u>637,421</u>	<u>2,248,606</u>

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)**INTERIM STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNIT HOLDERS (UN-AUDITED)****For The Six-Month Period Ended 30 June 2023****(Amounts in Saudi Arabian Riyal)**

	<u>30 June 2023</u>	<u>30 June 2022</u>
Net assets (equity) attributable to the unit holders at the beginning of the period	4,717,624	19,943,452
Total comprehensive income for the period	637,421	2,248,606
Contributions and redemptions by the unit holders		
Issuance of units	-	-
Redemption of units	(590,514)	(17,371,382)
Net changes from unit transactions	(590,514)	(17,371,382)
Net assets (equity) attributable to the unit holders at the end of the period	<u>4,764,531</u>	<u>4,820,676</u>

Units Transactions	<u>30 June 2023</u>	<u>30 June 2022</u>
	<i>(Units)</i>	
As at the beginning of the period	25,185.10	115,211.58
Issuance of units	-	-
Redemption of units	(2,975.95)	(89,617.98)
Net change in number of units	(2,975.95)	(89,617.98)
The net number of units (equity) attributable to the unit holders at the end of the period	<u>22,209.16</u>	<u>25,593.60</u>

MEFIC SAUDI FREESTYLE EQUITY FUND
Open-Ended Mutual Fund
(Managed By Middle East Financial Investment Company)
INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
For The Six-Month Period Ended 30 June 2023
(Amounts in Saudi Arabian Riyal)

	Note	30 June 2023	30 June 2022
Cash flows from operating activities:			
Net income for the period		637,421	2,248,606
Adjustments for:			
Realized gain from the sale of investments carried at FVPL	8	(140,540)	(2,209,817)
Unrealized gain from investments carried at FVPL	8	(478,302)	(94,738)
		18,579	(55,949)
Net changes in operating assets and liabilities:			
Dividend receivable		3,105	-
Management fees payable		(313)	(22,344)
Accrued expenses		(150)	(10,693)
Net cash generated from / (used in) operating activities		21,221	(88,986)
Cash flows from investing activities:			
Purchase investments at fair value through profit or loss	7	(265,595)	(10,537,711)
Proceeds from the sale of investments at fair value through profit or loss	7	929,529	25,921,604
Net cash generated from investing activities		663,934	15,383,893
Cash flows from financing activities:			
Proceeds from issuance of units		-	-
Redemptions of units		(590,514)	(17,371,382)
Net cash used in financing activities		(590,514)	(17,371,382)
Net changes in cash and cash equivalents		94,641	(2,076,475)
Cash and cash equivalents at beginning of the period		119,514	2,083,071
Cash and cash equivalents at end of the period		214,155	6,596

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

1. FUND AND ITS ACTIVITIES

The MEFIC Saudi Freestyle Equity Fund (the “Fund”) is an open-ended mutual fund established and managed by agreement between Middle East Financial Investment Company (the “Fund Manager”) and the fund’s investors (Unit Holders).

The fund's objective is to achieve capital returns through long-term capital development by investing in the Saudi stock market, public listed funds, IPO funds and money market funds. All investments of the Fund are compliant with Shariah provisions.

The Fund started its activities on 14 Rabi’ Al-Thani 1439 H, corresponding to 1 January 2018. The Capital Market Authority approved the establishment of the fund by letter No. 17/3403/5/3 dated 18 Ramadan 1438 H corresponding to 13 June 2017.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulation (the “Regulation”) published by CMA on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia. The Amended Regulation have effective dates starting from 19 Ramadan 1442H (corresponding to 1 May 2021).

3. BASIS OF PREPARATION

3.1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with International Accounting Standard No. (34) “Initial Financial Report” approved in the Kingdom of Saudi Arabia and other standards and issuances approved by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

These interim condensed financial statements do not include all the information required in the annual financial statements, and should be read in conjunction with the Fund's annual financial statements for the year ended 31 December 2022. The results for the six-month period ended 30 June 2023 are not necessarily indicative of the financial statements as at 31 December 2023.

3.2 Basis of measurement

These interim condensed financial statements have been prepared under the historical cost basis, as amended, using the accrual basis of accounting except for investments carried at fair value through profit or loss which are carried at their fair value. The Fund presents its interim statement of financial position in the order of liquidity.

3.3 Functional and Presentation Currency

Items included in the interim condensed financial statements are measured using the functional currency in which the Fund operates (the “functional currency”). These financial statements are presented in Saudi Riyals, which is the functional and presentation currency of the Fund.

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

3. BASIS OF PREPARATION (CONTINUED)

3.3 Functional and Presentation currency (continued)

Transactions and balances

Foreign currency transactions are translated into SAR using the exchange rates prevailing at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated into Saudi Riyals using exchange rates.

3.4 Critical accounting judgments, estimates and assumption

The preparation of financial statements requires management to use judgments, estimates and assumptions that affect the amounts of assets and liabilities, income and expenses, the accompanying disclosures and the disclosure of potential liabilities. Uncertainty about these assumptions and estimates could lead to results that require a material adjustment to the carrying amounts of assets or liabilities that affect future periods.

The uncertainty of key assumptions about the future and other key sources of estimation at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are described below. In its assumptions and estimates, the Fund relied on the indicators available when preparing the financial statements. The current cases and assumptions are subject to development in the future as they may arise as a result of market changes or situations outside the control of the Fund. Such changes are reflected in the assumptions when they occur.

Going concern

The Fund Manager has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast doubt on the Fund's ability to continue as a going concern. Therefore, these financial statements have been prepared on the going concern basis.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing these financial statements are consistent with those used and disclosed in the Fund's annual financial statements for the year ended 31 December 2022. There are new standards, amendments and interpretations that apply for the first time in 2023, but they have no impact on the 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 financial statements. In the opinion of the Fund's 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.

5. MANAGEMENT FEE, AND OTHER CHARGES

On each valuation day, the fund manager charges the fund a management fee of 1.75% of the fund's net asset value, deducted on a monthly basis.

The fund manager recovers from the fund any expenses incurred on behalf of the fund such as audit fees, legal fees, board of directors fees and any other similar fees. And it is not expected in their total to exceed 0.5% of the fund's net asset value.

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

6. CASH AND CASH EQUIVALENTS

	30 June 2023 (Un-audited)	31 December 2022(Audited)
Cash in investment account	214,155	119,514

The Fund does not earn profits from investment accounts.

7. INVESTMENTS CARRIED AT FVPL

	30 June 2023 (Un-audited)	31 December 2022(Audited)
Opening balance	4,605,532	17,904,571
Purchase of investments during the period / year	265,595	11,564,898
Realized gain on disposal of investments carried at fair value through profit or loss	140,540	2,384,822
Unrealized gain / (loss) on investments carried at fair value through profit or loss	478,302	(61,938)
Disposal of investments of the period / year	(929,529)	(27,186,821)
Investment at the end of the period / year	4,560,440	4,605,532

8. NET GAIN FROM INVESTMENTS CARRIED AT FVPL

	30 June 2023 (Un-audited)	30 June 2022 (Un-audited)
Realized gain from sale of investments carried at FVPL	140,540	2,209,817
Unrealized gain on investments carried at FVPL	478,302	94,738
	618,842	2,304,555

9. OTHER EXPENSES

	30 June 2023 (Un-audited)	30 June 2022 (Un-audited)
Other expenses	11,769	23,779
VAT expense	1,764	3,567
	13,533	27,346

10. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties to the fund are unit holders, the fund manager and other funds managed by the fund manager. In the normal course of business, transactions with related parties are carried out in accordance with the provisions issued by the CMA. All related party transactions are approved by the Fund's Board of Directors.

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

10. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The significant related party transactions entered into by the Fund during the year and the balances resulting from such transactions are as follows:

Related party	Nature of transactions	Amount of transaction during the period		Closing balance (Debit)	
		30 June 2023 (Un-audited)	30 June 2022 (Un-audited)	30 June 2023 (Un-audited)	31 December 2022 (Audited)
Middle East Financial Investment Company (Fund Manager)	Fund management fee	47,370	95,711	6,807	7,120
	Other expenses	13,533	27,346	3,257	3,407

11. FINANCIAL INSTRUMENTS BY CATEGORY

30 June 2023 (Un-audited)	Amortized cost	FVPL
Assets as per statement of assets and liabilities		
Cash and cash equivalents	214,155	-
Investments carried at FVPL	-	4,560,440
Total	214,155	4,560,440
<hr/>		
31 December 2022 (Audited)	Amortized cost	FVPL
Assets as per statement of assets and liabilities		
Cash and cash equivalents	119,514	-
Investments carried at FVPL	-	4,605,532
Total	119,514	4,605,532

12. FINANCIAL RISK MANAGEMENT

12.1 Financial risk factors

The objective of the Fund is to maintain its ability to continue as a going concern so that it can continue to provide optimum returns to its Unit Holders and to ensure reasonable safety to the unit holders.

The Fund's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and operational risk.

The Fund Manager is responsible for identifying and controlling risks. The Fund Board supervises the Fund Manager and is ultimately responsible for the overall management of the Fund.

Monitoring and controlling risks is primarily set up to be performed based on the limits established by the Fund Board. The Fund has its Terms and Conditions document that set out its overall business strategies, its tolerance of risks and its general risk management philosophy and is obliged to take actions to rebalance the portfolio in line with the investment guidelines.

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

(a) Market risk

(i) Price risk

Price risk is the risk that the value of the Fund's financial instruments will fluctuate as a result of changes in market prices caused by factors other than foreign currency and commission rate movements.

The price risk arises primarily from uncertainty about the future prices of financial instruments that the Fund holds. The Fund Manager diversifies the investment portfolio and closely monitors the price movement of its investments in financial instruments. As of the statement of financial position date, the Fund has equity investments.

The effect on the net assets value (as a result of the change in the fair value of investments as at 30 June) due to a reasonably possible change in equity indices based on the industry concentration, with all other variables held constants is as follows:

	30 June 2023		
	Cost	Market value	% of market value
Banks	1,574,645	1,519,562	33%
Telecommunication Services	288,847	343,302	8%
Financial investment	46,336	48,179	1%
Pharma, Biotech & Life Science	82,260	122,704	2%
Software & services	263,276	461,526	10%
Commercial & professional services	114,541	159,827	4%
Media And Entertainment	45,679	43,872	1%
Energy	543,569	663,904	15%
Materials	991,071	976,942	21%
Transportation	73,250	115,210	3%
Retailing	58,664	105,412	2%
Total	4,082,138	4,560,440	100%

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

12. FINANCIAL RISK MANAGEMENT (CONTINUED)**12.1 Financial risk factors (continued)****(a) Market risk(continued)***(ii) Price risk(continued)*

	31 December 2022		
	Cost	Market value	% of market value
Banks	1,834,292	1,742,713	38%
Telecommunication Services	356,934	288,847	6%
Financial investment	116,330	110,048	2%
cement	126,379	123,702	3%
Software & services	128,000	332,000	7%
Commercial & professional services	117,241	99,975	2%
Capital goods	97,008	81,780	2%
Energy	442,673	433,928	9%
utilities	54,878	55,952	2%
Materials	1,037,543	1,061,544	23%
Transportation	113,562	73,251	2%
Retailing	242,499	201,792	4%
Total	4,667,339	4,605,532	100%

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Fund is exposed to credit risk in cash and cash equivalents. Bank balances are deposited in local banks, which is considered a good financially rated bank. The following table shows the maximum exposure to credit risk for the components of the statement of financial position

	30 June 2023	31 December
	(Un-audited)	2022(Audited)
Cash and cash equivalents	214,155	119,514

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

(b) Credit risk (continued)

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk on cash is limited as:

- All financial assets of the Fund are held with counterparties with sound credit ratings.

It is the Fund's policy to enter into financial instrument contracts with reputable counterparties. The Fund seeks to limit its credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

(c) Liquidity risk

It is the risk that the fund is exposed to difficulties in obtaining the financing necessary to meet commitments related to financial liabilities. The fund manager monitors the liquidity requirements on an ongoing basis in order to ensure the adequacy of the available funding to meet any obligations when they occur.

The Fund Manager monitors liquidity requirements by ensuring that sufficient funds are available to meet any commitments as they arise, either through new subscriptions, liquidation of the investment portfolio or by taking short term loans from the Fund Manager.

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the processes, technology and infrastructure supporting the Fund's activities either internally or externally at the Fund's service provider and from external factors other than credit, liquidity, currency and market risks such as those arising from the legal and regulatory requirements.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns to unit holders.

12.2 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 financial reporting date. Instruments for which no sales were 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 carrying values of the Fund's financial instruments carried at amortized cost are assumed to approximate their fair values.

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For The Six-Month Period Ended 30 June 2023

(Amounts in Saudi Arabian Riyal)

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.2 Fair value estimation (continued)

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.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equity and debt instruments. The Fund does not adjust the quoted price for these instruments.

Fund classifies all of its financial assets except for those carried at amortized cost, at fair value as level 1.

13. SUBSEQUENT EVENTS

As of the date of approval of these interim condensed interim financial statements, there have been no significant subsequent events requiring disclosure to or adjustment in these interim condensed financial statements.

14. LAST VALUATION DAY

The last valuation day for the period was 30 June 2023

15. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were authorized for issue by the Fund's Board of Directors on 30 July 2023 (corresponding to 12 Muharram 1445 H).