JADWA SAUDI RIYAL MURABAHA FUND
An open-ended mutual fund
(MANAGED BY JADWA INVESTMENT COMPANY)
FINANCIAL STATEMENTS
For the year ended 31 December 2021
together with the
Independent Auditor's Report to the Unitholders

JADWA SAUDI RIYAL MURABAHA FUND
An open-ended mutual fund
(MANAGED BY JADWA INVESTMENT COMPANY)
FINANCIAL STATEMENTS
For the year ended 31 December 2021
Together with the
Independent Auditor's Report to the Unitholders

KPMG Professional Services
Riyadh Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No. 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية
واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Unitholders of Jadwa Saudi Riyal Murabaha Fund

Opinion

We have audited the financial statements of **Jadwa Saudi Riyal Murabaha Fund** (the "Fund") managed by Jadwa Investment Company (the "Fund Manager"), which comprise the statement of financial position as at 31 December 2021, the statements of comprehensive income, changes in net assets (equity) attributable to the Unitholders and cash flows for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Fund Manager and Those Charged with Governance for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and to comply with the applicable provisions of the Investment Funds Regulations issued by the Capital Market Authority ("CMA"), the Fund's terms and conditions and the Information Memorandum and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Fund Board, are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report

To the Unitholders of Jadwa Saudi Riyal Murabaha Fund (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of **Jadwa Saudi Riyal Murabaha Fund** (the "Fund").

KPMG Professional Services

Hani Hamzah A. Bedairi
License No: 460

Riyadh, 28 Sha'ban 1443H
Corresponding to: 31 March 2022

JADWA SAUDI RIYAL MURABAHA FUND
An open-ended mutual fund
(MANAGED BY JADWA INVESTMENT COMPANY)
STATEMENT OF FINANCIAL POSITION
As at 31 December 2021
(Amounts in Saudi Arabian Riyals)

	Notes	**31 December 2021**	31 December 2020
ASSETS			
Cash and cash equivalents	*10(b)*	**22,668,365**	139,141,073
Investments	*7*	**982,203,941**	931,259,826
Accrued commission income		**343,363**	344,239
Total assets		**1,005,215,669**	1,070,745,138
LIABILITIES			
Management fee payable	*1(c), 8*	**493,922**	148,539
Accrued expenses and other liabilities		**298,371**	100,430
Total liabilities		**792,293**	248,969
Net assets (equity) attributable to the Unitholders *(SAR)*		**1,004,423,376**	1,070,496,169
Units in issuance *(numbers)*			
Class A		**7,932,491.25**	8,970,488.92
Class B		**1,260,675.77**	826,297.63
Class C		**983,598.94**	1,636,137.32
Net assets (equity) value attributable to each unit			
Class A *(SAR)*		**102.5839**	101.3678
Class B *(SAR)*		**121.3476**	120.0094
Class C *(USD)*		**10.2082**	10.1030

The accompanying notes (1) to (15) form an integral part of these financial statements

JADWA SAUDI RIYAL MURABAHA FUND
An open-ended mutual fund
(MANAGED BY JADWA INVESTMENT COMPANY)
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2021
(Amounts in Saudi Arabian Riyals)

	Notes	**For the year ended 31 December** **2021**	2020
Gain on investments, net	*7.3*	**5,491,829**	2,883,619
Special commission income		**10,347,361**	9,174,694
Total revenue		**15,839,190**	12,058,313
Management fee	*1(c), 8*	**(1,710,765)**	(1,379,834)
Other operating expenses		**(1,000,566)**	(557,820)
Foreign exchange loss		**(582,910)**	(353,984)
Fund Board fee	*8*	**(16,000)**	(13,172)
Total operating expenses		**(3,310,241)**	(2,304,810)
Net profit for the year		**12,528,949**	9,753,503
Other comprehensive income for the year		**--**	--
Total comprehensive income for the year		**12,528,949**	9,753,503

The accompanying notes (1) to (15) form an integral part of these financial statements

JADWA SAUDI RIYAL MURABAHA FUND
An open-ended mutual fund
(MANAGED BY JADWA INVESTMENT COMPANY)
STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS
For the year ended 31 December 2021
(Amounts in Saudi Arabian Riyals)

	For the year ended 31 December	
	2021	2020
Net assets (equity) attributable to the Unitholders at beginning of the year	**1,070,496,169**	375,142,728
Net profit for the year	**12,528,949**	9,753,503
Contributions and redemptions by the Unitholders		
Proceeds from issuance of units		
Class A	**814,144,897**	857,344,014
Class B	**187,804,030**	153,623,122
Class C	**235,168,499**	161,308,494
	1,237,117,426	1,172,275,630
Payment made against redemptions of units		
Class A	**(901,436,430)**	(198,609,604)
Class B	**(153,944,572)**	(188,070,022)
Class C	**(260,338,166)**	(99,996,066)
	(1,315,719,168)	(486,675,692)
Net assets (equity) attributable to the Unitholders	**1,004,423,376**	1,070,496,169

The accompanying notes (1) to (15) form an integral part of these financial statements

STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS (CONTINUED)
For the year ended 31 December 2021
(Amounts in Saudi Arabian Riyals)

Units transactions *(numbers)*

	31 December 2021				31 December 2020			
Units in issuance	**Class A**	**Class B**	**Class C**	**Total**	Class A	Class B	Class C	Total
Units in issuance at the beginning of the year	**8,970,488.92**	**826,297.63**	**1,636,137.32**	**11,432,923.87**	--	3,177,393.52	--	3,177,393.52
Units issued	**7,972,228.45**	**1,781,371.07**	**6,160,995.41**	**15,914,594.93**	10,938,643.53	1,802,933.18	4,281,907.55	17,023,484.26
Units redeemed	**(9,010,226.12)**	**(1,346,992.93)**	**(6,813,533.79)**	**(17,170,752.84)**	(1,968,154.61)	(4,154,029.07)	(2,645,770.23)	(8,767,953.91)
Units in issuance at the end of the year	**7,932,491.25**	**1,260,675.77**	**983,598.94**	**10,176,765.96**	8,970,488.92	826,297.63	1,636,137.32	11,432,923.87

The accompanying notes (1) to (15) form an integral part of these financial statements

JADWA SAUDI RIYAL MURABAHA FUND
An open-ended mutual fund
(MANAGED BY JADWA INVESTMENT COMPANY)
STATEMENT OF CASH FLOWS
For the year ended 31 December 2021
(Amounts in Saudi Arabian Riyals)

	Note	For the year ended 31 December 2021	2020
Cash flows from operating activities			
Net profit for the year		**12,528,949**	9,753,503
Adjustments for:			
Gain on investments, net	*7.3*	**(5,491,829)**	(2,883,619)
Special commission income		**(10,347,361)**	(9,174,694)
		(3,310,241)	(2,304,810)
Net changes in operating assets and liabilities			
Purchase of investments at amortized cost		**(598,890,654)**	(707,995,144)
Proceeds from maturity of investments at amortized cost		**509,752,657**	598,165,609
Purchase of investments held at FVTPL		**(404,730,869)**	(708,917,231)
Proceeds from sale of investments held at FVTPL		**450,315,850**	254,637,559
Management fee payable		**345,383**	35,917
Accrued expenses and other liabilities		**197,941**	59,704
Fund Board fee payable		**--**	(2,828)
Special commission income received		**8,448,967**	9,004,017
Net cash used in operating activities		**(37,870,966)**	(557,317,207)
Cash flows from financing activities			
Proceeds from issue of units		**1,237,117,426**	1,172,275,630
Payments made against redemption of the units		**(1,315,719,168)**	(486,675,692)
Net cash (used in) / generated from financing activities		**(78,601,742)**	685,599,938
Net (decrease) / increase in cash and cash equivalents		**(116,472,708)**	128,282,731
Cash and cash equivalents at beginning of the year	*10(b)*	**139,141,073**	10,858,342
Cash and cash equivalents at end of year	*10(b)*	**22,668,365**	139,141,073

The accompanying notes (1) to (15) form an integral part of these financial statements

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

a) Jadwa Saudi Riyal Murabaha Fund (the "Fund") is a trade transactions fund established and managed as per terms and conditions between Jadwa Investment Company (the "Fund Manager") and the Fund investors (the "Unitholders"). The Capital Market Authority's ("CMA") approval for the establishment of the Fund was granted in its letter number 443 dated Jumad Awal 9, 1428 H (corresponding to 26 May 2007). The Fund commenced its operations on 31 December 2007.

The Fund aims to generate market returns from investments in Sukuk, other funds and short-term Murabaha and Wakala based trade transactions that are compliant with Shariah standards approved by the Fund Manager's Shariah Committee.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements of the Fund.

The Fund is governed by Investment Fund Regulations (the "Regulations") published by CMA on 3 Dhul Hijja 1427 H (corresponding to 24 December 2006) thereafter amended (the "amended regulations") on 16 Sha'ban 1437 H (corresponding to 23 May 2016) and 17 Rajab 1442 H (corresponding to 1 March 2021), detailing requirements for all funds within the Kingdom of Saudi Arabia.

b) The management of the Fund is the responsibility of the Fund Manager. However, in accordance with the Fund's terms and conditions, the Fund Manager can delegate or assign its duties to one or more of the financial institutions in the Kingdom of Saudi Arabia and overseas. The Fund Manager of the Fund is Jadwa Investment Company and administrator and custodian of the Fund is HSBC Saudi Arabia.

c) The Fund Manager charges the Fund a management fee of 10%, 15%, and 15% of the net appreciation with a maximum cap of annualized 0.50%, 0.75% , and 0.75% of the Fund's asset under management of value of Class A, Class B and Class C units respectively on each valuation day.

The management fee was 15% of the net appreciation with a maximum cap of annualized 0.75% of the Fund's asset under management on each valuation day up till 5 March 2020.

The Fund Manager has the right to collectively charge the Fund all other expenses related to the management of the Fund, including but not limited to audit fee and legal charges subject to limits as set out in the Fund's terms and conditions.

2. BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and to comply with the applicable provisions of the Investment Fund Regulations issued by CMA, the Fund's terms and conditions and the Information Memorandums.

3. BASIS OF MEASUREMENT

The financial statements have been prepared on a historical cost convention using accrual basis of accounting and the going concern concept.

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 statement of financial position. Instead, assets and liabilities are presented in order of their liquidit

4. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Saudi Arabian Riyals ("SAR"), which is the Fund's functional currency. All amounts have been rounded to the nearest SAR, unless otherwise indicated.

5. USE OF JUDGMENTS AND ESTIMATES

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The significant accounting estimate impacted by these forecasts and associated uncertainties is predominantly related to expected credit losses.

Measurement of the expected credit loss allowance
The measurement of the expected credit loss ("ECL") allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

A number of significant judgments are also required in applying the accounting requirements for measuring ECL, such as:

- determining criteria for significant increase in credit risk;
- choosing appropriate models and assumptions for the measurement of ECL;
- establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- establishing group of similar financial assets for the purposes of measuring ECL.

6. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. A number of new standards are effective from 1 January 2021, but they do not have a material effect on the Fund's financial statements.

a) Special commission income

Special commission income presented in the statement of comprehensive income comprise commission on financial assets measured at amortized cost calculated on an effective yield basis.

The 'effective yield rate' is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument:

- to the carrying amount of the financial assets; or
- the amortised cost of the financial liability.

In calculating special commission income the effective yield rate is applied to the gross carrying amount of the asset (when the assets is not credit impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, special commission income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of special commission income reverts to the gross basis.

6. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Zakat / taxation

Under the current system of zakat and income tax in the Kingdom of Saudi Arabia, the Fund is exempt from paying any zakat and income tax. Zakat and income tax are considered to be the obligation of the Unitholders and are not provided in these financial statements.

The Value Added Tax ("VAT") applicable for fees and expenses are recognized in the statement of comprehensive income.

c) Provisions

Provisions are recognized whenever there is present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

d) Management fee

Management fee is recognized in the statement of comprehensive income as the related services are performed.

e) Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Fund in the management of short-term commitments.

f) Financial assets and liabilities

Classification of financial assets

On initial recognition, a financial asset is classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

Financial asset at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at fair value through other comprehensive income ("FVOCI")

A financial asset is measured at fair value through FVOCI only if it meets both of the following conditions and is not designated as at FVTPL.

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund Manager may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

Financial asset at fair value through profit or loss ("FVTPL")

All financial assets not classified as measured at amortized cost or FVOCI are measure at FVTPL.

6. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Financial assets and liabilities (continued)

Business model assessment
The Fund Manager assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.;
- how the performance of the portfolio is evaluated and reported to the Fund Manager;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated- e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realized.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly purchased financial assets going forward.

Financial assets that are held for trading and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Commission’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:
- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund’s claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

6. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Financial assets and liabilities (continued)

Classification of financial liabilities
The Fund classifies its financial liabilities at amortised cost unless it has designated liabilities at FVTPL.

Recognition and initial measurement
Financial assets at FVTPL are initially recognized on the trade date, which the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition issue.

Subsequent measurement
Financial assets at FVTPL are subsequently measured at fair value. Net gains or losses including any special commission income or dividend income and foreign exchange gains and losses, are recognized in profit or loss in ‘net gain / (loss) on investments in the statement of comprehensive income.

Financial assets and financial liabilities at amortized cost are subsequently measured at amortized cost using effective interest method and is recognized in statement of comprehensive income. Any gain or loss on de-recognition is also recognized in statement of comprehensive income. The ‘amortized cost’ of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principle repayments, plus or minus the cumulative amortizing using effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Impairment of financial assets
The Fund recognizes loss allowances for ECLs on financial assets measured at amortised cost and debt investments measured at FVOCI.

The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

Significant increase in credit risk
When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund’s historical experience and informed credit assessment and including forward-looking information.

The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. One of the key quantitative indicators used by the Fund is the relative downgrade of the internal rating of the borrower and thereby the consequent change in the PD.

6. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Financial assets and liabilities (continued)

Definition of Default
The Fund considers a financial asset to be in default when:
- The investee is unlikely to pay its credit obligations to the Fund in full, without recourse by the Fund to actions such as realizing security (if any is held); or
- The financial asset is more than 30 days past due

Expected Credit loss
Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

At each reporting date, the Fund assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the issuer will enter bankruptcy or other financial reorganisation.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive).

ECLs are discounted at the effective yield rate of the financial asset.

Presentation of allowance for ECLs in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off when the Fund has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Derecognition
The Fund derecognizes a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

6. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Financial assets and liabilities (continued)

On derecognition of the financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognized in statement of comprehensive income. Any interest in such transferred financial assets that is created or retained by the Fund is recognized as a separate asset or liability.

The Fund enters into transactions whereby it transfers assets recognized on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all of the risk and rewards are retained, then the transferred assets are not derecognized.

The Fund derecognize a financial liability when its contractual obligations are discharged or cancelled, or expire.

Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund has legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle them liability simultaneously. Income and expenses are presented on a net basis for gain and losses from financial instruments at FVTPL and foreign exchange gains and losses.

g) Fair value measurement

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 market for the asset or liability

When available, the Fund measures the fair value of an instrument using the quoted prices in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market as per the official closing price in the related stock exchange where the instrument is traded.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Fund recognizes transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

h) Distributions to the Unitholders

Distribution to the Unitholders is accounted for as a deduction from net assets (equity) attributable to the Unitholders. An interim dividend is recognized as a liability in the period in which it is irrevocably declared by the Fund Board. A final dividend is recognized as a liability in the period in which it is approved by the Fund Board.

6. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Redeemable Units

The Fund classified financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund has redeemable units in issue. On liquidation of the Fund, they entitle the holders to the residual net assets. They rank pari passu in all respects and have identical terms and conditions. The redeemable units provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund net assets at each redemption date and also in the event of the Fund's liquidation.

Redeemable units are classified as equity as it meets all of the following conditions:

- it entitles the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation;
- it is in the class of instruments that is subordinate to all other classes of instruments;
- all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- the instrument does not include any other features that would require classification as a liability; and
- the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the Fund over the life of the instrument.

j) Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Fund has not early adopted the new or amended standards in preparing these financial statements.

Standards / Interpretation	***Description***	***Effective from periods beginning on or after the following date***
Amendments to IAS 37	Onerous contracts – Cost of fulfilling a contract	1 January 2022
Amendments to IAS 1 and IAS 8	Improvement in accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.	1 January 2023
Amendments to IFRS 3	Reference to Conceptual Framework	1 January 2022
Amendments to IAS 1	Classification of liabilities as current or non-current	1 January 2024

7. INVESTMENTS

	Notes	**31 December 2021**	31 December 2020
Amortized cost:			
- Murabaha placements	*7.1*	**419,301,116**	239,831,531
- Wakala placements	*7.1*	**98,752,463**	172,244,614
FVTPL:			
- Sukuk	*10*	**29,715,312**	41,393,550
- Units of open-ended mutual funds	*7.2*	**434,435,050**	477,790,131
		464,150,362	519,187,852
Total		**982,203,941**	931,259,826

7.1 This represents Murabaha and Wakala placements with GCC banks. These placements have original maturities of more than three months and carry an annual profit rate ranging from 1.00% to 2.55% (31 December 2020: 2.40% to 2.80%). As at 31 December 2021, these placements included an accrued profit of SAR 4.52 million (31 December 2020: SAR 2.62 million).

7.2 The Fund's investments in the unit of open-ended mutual funds are as follows:

	31 December 2021		
Name of investee / security	**Cost**	**Fair value**	**% of fair value open-ended mutual fund investments**
Alpha Murabaha Fund	**202,763,499**	**205,567,027**	**47.32**
Riyad SAR Diversified Trade Fund	**171,993,328**	**173,632,029**	**39.97**
Al Rajhi Commodity SAR Fund	**35,000,000**	**35,011,029**	**8.05**
Riyad USD Diversified Trade Fund	**20,054,794**	**20,224,965**	**4.66**
Total	**429,811,621**	**434,435,050**	**100.00**

	31 December 2020		
Name of investee / security	Cost	Fair value	% of fair value open-ended mutual fund investments
Alpha Murabaha Fund	175,114,044	175,813,452	36.80
Al Rajhi Commodity SAR Fund	164,925,000	165,804,441	34.70
Riyad SAR Diversified Trade Fund	93,200,000	93,260,491	19.51
HSBC Saudi Riyal Murabaha Fund	40,056,329	40,307,008	8.44
Riyad USD Diversified Trade Fund	2,607,430	2,604,739	0.55
Total	475,902,803	477,790,131	100.00

7. INVESTMENTS (CONTINUED)

7.3 Below are the details of gain on investments:

	31 December 2021	31 December 2020
Realized gain on investments at FVTPL, net	**3,254,096**	828,078
Unrealized gain on investments at FVTPL, net	**2,237,733**	2,055,541
	5,491,829	2,883,619

8. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties of the Fund include the Fund Manager, the Fund Board and other funds managed by the Fund Manager. In the ordinary course of its activities, the Fund transacts business with the Fund Manager.

In addition to transactions disclosed elsewhere in these financial statements, the Fund entered into the following transactions with related parties during the year. These transactions were carried out on the basis of approved terms and conditions of the Fund.

Related party	**Nature of relationship**	**Nature of transactions**	**31 December 2021**	31 December 2020
Jadwa Investment Company	The Fund Manager	Management fee	**1,710,765**	1,379,834
The Fund Board	The Fund Board	The Fund Board fee (independent member)	**16,000**	13,172

Balances arising from above transactions with related parties are as follows:

Related party	**Nature of relationship**	**Nature of balance**	**31 December 2021**	31 December 2020
Jadwa Investment Company	The Fund Manager	Management fee payable	**493,922**	148,539

8. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The transactions and balances of units held by the Fund Manager and certain Funds managed by the Fund Manager are as follows:

Related party	Nature of transaction	Amount of transactions For the year ended 31 December 2021	2020	Balances as at 31 December 2021	31 December 2020
Jadwa Investment Fund 20	Subscription of units	**5,900,000**	14,500,000		
	Redemption of units	**--**	--	**24,063,801**	17,923,567
Jadwa Investment Fund 12	Subscription of units	**--**	25,000,000		
	Redemption of units	**--**	--	**26,864,233**	26,545,766
Jadwa International Income Fund	Subscription of units	**96,187,500**	101,076,901		
	Redemption of units	**107,959,608**	--	**4,979,630**	16,360,283
Jadwa International PE Fund LP	Subscription of units	**30,918,781**	60,231,593		
	Redemption of units	**45,966,652**	--	**30,978,784**	45,653,257
Jadwa REIT Al Haramain Fund	Subscription of units	**--**	--		
	Redemption of units	**11,530,000**	--	**6,346,671**	17,711,157
Jadwa Private Real Estate Investment Fund 5	Subscription of units	**100,000,000**	--		
	Redemption of units	**--**	--	**100,282,018**	--
Nafaqah Waqf Fund	Subscription of units	**6,070,059**	--		
	Redemption of units	**2,086,135**	--	**4,003,821**	--
Real Estate Investment Fund	Subscription of units	**60,000,000**	--		
	Redemption of units	**--**	--	**60,421,604**	--
Al Dar Investment Fund	Subscription of units	**20,000,000**	--		
	Redemption of units	**--**	--	**20,136,937**	--

9. FINANCIAL INSTRUMENTS BY CATEGORY

31 December 2021	**Amortized cost**	**FVTPL**
Financial assets		
Cash and cash equivalents	**22,668,365**	**--**
Investments	**518,053,579**	**464,150,362**
Accrued commission income	**343,363**	**--**
Total assets	**541,065,307**	**464,150,362**
Financial liabilities		
Management fee payable	**493,922**	**--**
Accrued expenses and other current liabilities	**298,371**	**--**
Total liabilities	**792,293**	**--**

31 December 2020	Amortized cost	FVTPL
Financial assets		
Cash and cash equivalents	139,141,073	--
Investments	412,076,145	519,183,681
Accrued commission income	344,239	--
Total assets	551,561,457	519,183,681
Financial liabilities		
Management fee payable	148,539	--
Accrued expenses and other current liabilities	100,430	--
Total liabilities	248,969	--

10. FINANCIAL RISK MANAGEMENT

Exposure

Risk management is an integral part of the investment and the operational process. Risk management can be distinguished in financial risk management, operational risk management and independent risk management. Financial risk management encompasses all elements of the investment process. A number of risk management systems allow the Fund Manager to notice any deviations from intended positioning and targets. Operational risk management encompasses the four areas of potential losses: processes, systems, people and external events. Risk measurement is an independent function, which is functionally separated from the operational department and portfolio management.

The Risk Management department is primarily responsible for identifying and controlling risks. The Fund Manager is ultimately responsible for the overall risk management of the Fund.

The Fund has exposure to the following risks from financial instruments:

a) market risk;
b) credit risk;
c) liquidity risk; and
d) operational risk.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Risk management framework

Financial instruments and associated risks
The Fund primarily aims to invest in a diversified portfolio consisting of short term money market instruments bank Murabaha and Wakala placements in local and international markets. The nature and extent of the financial instruments outstanding at the statement of financial position date and the risk management policies employed by the Fund are discussed below.

The Fund Manager has been given discretionary authority to manage the assets in line with the Fund's investment objectives. Compliance with target asset allocations as per the terms and conditions is monitored by the portfolio management team on a regular basis.

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

'Market Risk' is the risk that changes in market prices – such as commission rates, foreign exchange rates, equity prices and credit spreads – will affect the Fund's income or the fair value of its holdings in financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective as per the Fund's terms and conditions.

The Fund's market risk is managed by the Fund Manager in accordance with the policies and procedures in place. The Fund's market positions are monitored on a daily basis by the portfolio manager.

i) *Foreign exchange risk / currency risk*
Currency risk is the risk that the value of a financial instrument may fluctuate due to a change in foreign exchange rates. The Fund primarily transacts in SAR which is the functional currency of the Fund and has investments in USD, whereby SAR is pegged to USD. Accordingly, the Fund does not have any significant exposure to currency risk.

ii) *Cash flow and fair value commission rate risk*
Commission rate risk arises from the possibility that the changes in commission rates will affect either the fair values or the future cash flows of financial instruments. The portfolio management team monitors positions daily to ensure maintenance of positions within established gap limits.

The Fund is not exposed to any material cash flow and fair value commission rate risk.

The Fund's commission rate risk is monitored on a daily basis by the portfolio management team. If the commission rate risk is not in accordance with the Fund's terms and conditions, the Investment Manager is required to rebalance the portfolio within a reasonable period of time of each determination of such occurrence.

10. FINANCIAL RISK MANAGEMENT(CONTINUED)

a) Market risk (continued)

iii) Other price risk

Other price risk' is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market. The Fund's policy is to manage price risk through diversification and selection of securities.

The Fund Manager has been given discretionary authority to manage the assets in line with the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio are monitored by the portfolio management team on a regular basis. In instances where the portfolio has diverged from target asset allocations, the Portfolio Manager is obliged to take actions to rebalance the portfolio in line with the established targets and within prescribed limits. The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

If the price risk is not in accordance with the investment policy or guidelines of the Fund, then the Fund Manager is required to rebalance the portfolio within a reasonable period of time of each determination of such occurrence. The Fund is not exposed to any other price risk.

Equity risk' is the risk that the Fund is exposed to the volatility of the fair value of the equity securities it holds. The fair value of individual securities may fluctuate as a result of e.g. company specific news, broad market movements or commission rate risk. The Fund is not exposed to any equity price risk.

b) Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from Murabaha and Wakala placements held, cash and cash equivalents and sukuk investment. For risk management reporting purposes, the Fund considers and aggregates all elements of credit risk exposure such as individual obligor default risk, counter party risk and sector risk etc. The Fund's policy over credit risk is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties that meet the certain credit standards.

The Fund's credit risk is monitored on a regular basis by portfolio management team to ensure it is in line with the investment guidelines of the Fund.

The Fund's activities may give rise to settlement risk. "Settlement risk" is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting Murabaha and Wakala transactions and placing cash and cash equivalents with financial institutions with sound credit ratings.

10. FINANCIAL RISK MANAGEMENT(CONTINUED)

b) Credit risk (continued)

The table below shows the maximum exposure to credit risk for the component of the statement of financial position:

	31 December 2021	31 December 2020
Cash and cash equivalents	**22,668,365**	139,141,073
Investments	**547,768,891**	453,469,695
Accrued commission income	**343,363**	344,239
	570,780,619	592,955,007

Analysis of credit quality
The Fund's cash and cash equivalents are held mainly with Banks having sound credit ratings.

The portfolio management team monitors the financial position of the banks and counter parties on a timely basis.

The table below provides details of the Fund's Murabaha placements, Wakala placements and sukuk with the issuer credit quality.

Rating (Fitch)	**31 December 2021**		31 December 2020	
	SAR	**%**	SAR	%
A	**10,408,493**	**1.90**	--	--
A-	**2,635,952**	**0.48**	19,304,228	4.26
B+	--	--	14,756,352	3.25
BB+	**419,301,116**	**76.55**	12,576,392	2.77
BB	--	--	7,332,969	1.62
BBB+	**98,752,463**	**18.03**	172,244,616	37.99
BBB	--	--	227,255,138	50.11
Unrated	**16,670,867**	**3.04**	--	--
Total	**547,768,891**	**100.00**	453,469,695	100.00

The Fund's sukuk investment, Murabaha placements and Wakala placements are concentrated to the following issuers.

	31 December 2021		31 December 2020	
	SAR	**%**	SAR	%
Murabaha and Wakala placements				
Ahili United Bank	**214,904,907**	**39.23**	227,255,138	50.11
Arab Banking Corporation	**204,396,209**	**37.31**	12,576,392	2.77
Ajman Bank	**98,752,463**	**18.03**	172,244,616	37.98
Sukuk investments				
Dubai Department of Finance Sukuk LTD	**16,670,867**	**3.04**	--	--
Qatar Islamic Bank	**10,408,493**	**1.90**	7,332,969	1.62
Dubai Islamic bank	**2,635,952**	**0.49**	19,304,228	4.27
Mumtalakat Holding Company	--	--	14,756,352	3.25
Total	**547,768,891**	**100.00**	453,469,695	100.00

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

b) Credit risk (continued)

The Fund has not offset any financial asset and financial liability in the statement of financial position. The Fund does not have enforceable master netting or similar arrangement that covers similar financial instruments.

Allowance for impairment
The Fund does not have any impairment of financial assets, have no impairment allowance is provided in these financial statements. This is because the financial assets at amortized cost have maturities not exceeding 12 months and are of high credit quality. Accordingly, ECLs on such assets is immaterial. As at the reporting date, the Fund's dealing nets assets (equity) value per unit is the same as IFRS net assets (equity) value per unit.

c) Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Fund's policy and the Fund Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of units, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's terms and conditions provide for subscription and redemption of units on every Saudi business day and it is, therefore, exposed to the liquidity risk of meeting the Unitholder redemptions on these days. The Fund's financial liabilities primarily consist of payables which are expected to be settled within one month from the statement of financial position date.

The Fund Manager monitors liquidity requirements by ensuring that sufficient funds are available to meet any commitments as they arise, either through new subscriptions and / or liquidation of the investment portfolio. The Fund's investments are in short-term deposits with local banks and these open-ended mutual funds which are considered to be readily realizable.

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 unitholders.

The primary responsibility for the development and implementation of control over operational risks rests with the risk management team. This responsibility is supported by the development of overall standard for the management of operational risk, which encompasses the controls and processes at the service providers and the establishment of service levels with the service providers, in the following areas:

- documentation of controls and procedures:
- requirements for:
  - appropriate segregation of duties between various functions, roles and responsibilities;
  - reconciliation and monitoring of transactions; and
  - periodic assessment of operational risks faced,
- the adequacy of controls and procedures to address the risks identified;
- compliance with regulatory and other legal requirements;

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

d) Operational risk *(continued)*

- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance if this is effective.

11. FAIR VALUE MEASUREMENT

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Fund values investments in the unlisted open-ended mutual fund is determined using unadjusted net assets (equity) value (Level 2 valuation). The unadjusted net assets (equity) value is used when the units in a fund are redeemable at the reportable net assets (equity) value at, or appropriately at, the measurement date.

The Fund calculates fair values of sukuk that are actively traded on debt markets at their average of last reported bid and ask prices. To the extent that sukuk securities are actively traded and valuation adjustment are not applied, they are categorized in Level 1 of their fair value hierarchy.

Carrying amounts and fair value

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position. All fair value measurements below are recurring.

	31 December 2021				
		Fair value			
Financial assets at fair value	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments					
Sukuk	**29,715,312**	**29,715,312**	**--**	**--**	**29,715,312**
Units of open-ended mutual funds	**434,435,050**	**--**	**434,435,050**	**--**	**434,435,050**
	464,150,362	**29,715,312**	**434,435,050**	**--**	**464,150,362**

11. FAIR VALUE MEASUREMENT (CONTINUED)

	31 December 2020				
		Fair value			
Financial assets at fair value	Carrying amount	Level 1	Level 2	Level 3	Total
Investments					
Sukuk	41,393,550	41,393,550	--	--	41,393,550
Units of open-ended mutual funds	477,794,302	--	477,794,302	--	477,794,302
	519,187,852	41,393,550	477,794,302	--	519,187,852

For the year ended 31 December 2021 and 31 December 2020, there were no transfers between levels.

Cash and cash equivalents are classified under level 1 while the remaining financial assets and liabilities carried at amortized cost are classified under level 2. Their carrying values are a reasonable approximation of fair value because of the short-term nature.

12. EVENTS AFTER THE END OF THE REPORTING PERIOD

There is no event subsequent to the statement of financial position date which require adjustment of or disclosure in the financial statement or notes thereto.

13. IMPACT OF COVID-19

The Coronavirus (“COVID-19”) pandemic continues to disrupt global markets as many geographies are experiencing multiple waves of infections despite having previously controlled the outbreak through aggressive precautionary measures. The Government of the Kingdom of Saudi Arabia, however, has managed to successfully control the outbreak to date.

The Fund manager continues to evaluate the situation through reviewing its investment strategy and other risk management practices to manage the counited impact COVID 19 outbreak has had on its normal operations and financial performance.

14. LAST VALUATION DAY

The Fund’s units are valued every business days and unit price is announced on the following business day. The last valuation day for the purpose of preparation of these financial statements was 31 December 2021 (2020: 31 December 2020)

15. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Fund Board on 26 Sha’ban 1443H (corresponding to 29 March 2022).