

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

30 JUNE 2019



Ernst & Young & Co. (Certified Public Accountants)
General Partnership
Head Office
Al Faisaliah Office Tower - 14th floor
King Fahad Road
PO Box 2732
Riyadh 11461
Kingdom of Saudi Arabia

Registration No. 45/11/323
C.R. No. 1010383821
Tel: +966 11 215 9898
+966 11 273 4740
Fax: +966 11 273 4730
ey.ksa@sa.ey.com
ey.com/mena

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNITHOLDERS OF BLOM SAUDI ARABIA FUND (MANAGED BY BLOMINVEST SAUDI ARABIA)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Blom Saudi Arabia Fund (the "Fund") managed by Blominvest Saudi Arabia (the "Fund Manager") as at 30 June 2019, and the related interim condensed statements of comprehensive income, changes in equity attributable to the unitholders 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.

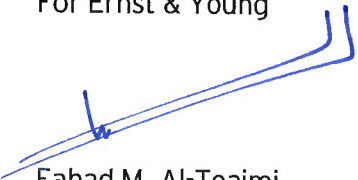
Scope of Review

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: 29 Dhul-Qadah 1440H
(1 August 2019)

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2019

	<i>Note</i>	<i>30 June 2019 SR</i>	<i>31 December 2018 SR</i>
ASSETS			
Investments at fair value through profit or loss	6	11,707,453	12,587,625
Dividend receivables		8,613	113
Cash and cash equivalents		119,786	1,274,724
TOTAL ASSETS		11,835,852	13,862,462
LIABILITIES			
Accrued management fees and other expenses		72,787	69,619
TOTAL LIABILITIES		72,787	69,619
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY)			
		11,763,065	13,792,843
TOTAL LIABILITIES AND EQUITY		11,835,852	13,862,462
Units in issue		6,921	9,458
Net asset value per unit		1,699.62	1,458.33

The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)

For the six-month period ended 30 June 2019

	<i>Notes</i>	2019 SR	2018 SR
INCOME			
Net gain from investments at fair value through profit or loss	7	1,943,521	2,181,663
Dividend income		265,387	321,369
		<u>2,208,908</u>	<u>2,503,032</u>
EXPENSES			
Management fees	9	94,246	102,608
Other expenses	8	134,147	186,462
		<u>228,393</u>	<u>289,070</u>
NET INCOME FOR THE PERIOD		1,980,515	2,213,962
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>1,980,515</u>	<u>2,213,962</u>

The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUIT ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)

For the six-month period ended 30 June 2019

	2019 SR	2018 SR
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT THE BEGINNING OF THE PERIOD	<u>13,792,843</u>	<u>11,487,641</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>1,980,515</u>	<u>2,213,962</u>
ISSUANCE AND REDEMPTION OF UNITS		
Redemptions of units during the period	(4,010,293)	(1,027,794)
Issuance of units during the period	-	3,149,450
Net changes in units	<u>(4,010,293)</u>	<u>2,121,656</u>
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT THE END OF THE PERIOD	<u><u>11,763,065</u></u>	<u><u>15,823,259</u></u>

UNIT TRANSACTIONS

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

	2019 <i>Units</i>	2018 <i>Units</i>
UNITS AT THE BEGINNING OF THE PERIOD	<u>9,458</u>	<u>8,757</u>
Redemptions of units during the period	(2,537)	(710)
Issuance of units during the period	-	2,234
Net changes in units	<u>(2,537)</u>	<u>1,524</u>
UNITS AT THE END OF THE PERIOD	<u><u>6,921</u></u>	<u><u>10,281</u></u>

The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2019

	2019 SR	2018 SR
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	1,980,515	2,213,962
Adjustment to reconcile net income to net cash flows:		
Unrealized gain on investments at fair value through profit or loss	(1,530,353)	(807,669)
	<u>450,162</u>	<u>1,406,293</u>
Working capital adjustments:		
Investments at fair value through profit or loss	2,410,525	(3,784,216)
Dividend receivables	(8,500)	1,725
Accrued management fees and other expenses	3,168	76,644
	<u>2,855,355</u>	<u>(2,299,554)</u>
Net cash flows from (used in) operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from units sold	-	3,149,450
Value of units redeemed	(4,010,293)	(1,027,794)
	<u>(4,010,293)</u>	<u>2,121,656</u>
Net cash (used in) from financing activities		
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,154,938)	(177,898)
Cash and cash equivalents at the beginning of the period	<u>1,274,724</u>	<u>326,216</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>119,786</u>	<u>148,318</u>

The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

Blom Saudi Arabia Fund (Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2019

1. GENERAL

Blom Saudi Arabia Fund (the "Fund") is an open ended fund created by agreement between Blominvest Saudi Arabia - A Saudi Joint Stock Company (the "Fund Manager") and investors ("unitholders") in the Fund.

The objective of the Fund is to generate long term capital growth for investors through investing in equity securities listed in Tadawul, either directly or through other funds or collective investment schemes established under the laws and regulations of Saudi Arabia.

The Fund was established on 21 Jumad Awal 1432H (corresponding to 25 April 2011) as per approval from the Capital Market Authority (the "CMA") and commenced its operations on 6 July 2011.

The Fund has appointed HSBC Saudi Arabia Limited to act as its custodian and administrator. The fees for the custodian and administrator services are paid directly by the Fund.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the "Regulations") issued by the CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) and, effective from 6 Safar 1438H (corresponding 6 November 2016) by the New Investment Fund Regulations ("Amended Regulations") published by the Capital Market Authority on 16 Sha'aban 1437H (corresponding to 23 May 2016), detailing requirements for all funds within the Kingdom of Saudi Arabia.

3. BASIS OF PREPARATION

These interim condensed financial statements 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 2018.

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.

4. SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Fund in preparing its interim condensed financial statements:

4.1 Financial instruments

Classification of financial assets depends on the Fund's business model for managing its financial assets and the contractual terms of the cash flows. The Fund classifies its financial assets as:

- financial assets measured at amortised cost, or
- financial assets measured at fair value

Gains or losses of assets measured at fair value will be recognised either through the interim condensed statement of comprehensive income or through other comprehensive income ("OCI").

Other receivables and accrued income, if any, are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest, which are measured at amortised cost.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.1 Financial instruments (continued)

The Fund classifies all financial liabilities as subsequently measured at amortised cost using the effective interest rate method.

Initial measurement

Financial assets are initially measured at fair value, plus transaction costs in the case of a financial asset not at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are recognised in the interim condensed statement of comprehensive income.

Subsequent measurement

Debt instruments

The Fund recognises three classifications to subsequently measure its debt instruments:

- *Amortised cost*
Financial assets held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) which are measured at amortised cost. A gain or loss on a debt investment subsequently measured at amortised cost and not part of a hedging relationship is recognised in the interim condensed statement of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- *Fair Value through Other Comprehensive Income ("FVOCI")*
Financial assets held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in the interim condensed statement of comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI, is reclassified from equity to the interim condensed statement of comprehensive income and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/expense.
- *Fair Value through profit or loss ("FVPL")*
Financial assets that do not meet the criteria for subsequent recognition at amortised cost or FVOCI, are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through the interim condensed statement of comprehensive income and which is not part of a hedging relationship is recognised and presented net in the interim condensed statement of comprehensive income in the period in which it arises.

Equity instruments

The Fund measures all equity investments at fair value through profit or loss and presents changes in fair value of equity investments in the interim condensed statement of comprehensive income.

De-recognition

A financial asset or a part of a financial asset is de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) The Fund has transferred substantially all the risks and rewards of the asset, or
 - b) The Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Financial instruments (continued)

De-recognition (continued)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the interim condensed statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Impairment

The Fund assesses on a forward looking basis the Expected Credit Losses (“ECL”) associated with its financial assets carried at amortised cost, the ECL is based on a 12-month ECL and life time ECL. The 12-month ECL is the portion of the lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

4.2 Cash and cash equivalents

Cash and cash equivalents in the interim condensed statement of financial position comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as ‘cash and cash equivalents’.

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

4.3 Accrued management fees and other expenses

Accrued management fee and other expenses are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

4.4 Provisions

A provision is recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provision is not recognised for future operating losses.

4.5 Zakat and income tax

Under the current system of taxation in the Kingdom of Saudi Arabia the Fund is not liable to pay any zakat or income tax as they are considered to be the obligation of the Unitholders and as such, these are not provided in the interim condensed financial statements.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.6 Redeemable Units

Redeemable units are classified as equity instruments when:

- The redeemable units entitle the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation
- The redeemable units are in the class of instruments that is subordinate to all other classes of instruments
- All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features
- The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Fund's net assets
- The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument

In addition to the redeemable shares having all of the above features, the Fund must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund
- The effect of substantially restricting or fixing the residual return to the redeemable shareholders

The Fund continuously assesses the classification of the redeemable shares. If the redeemable shares cease to have all the features, or meet all the conditions set out, to be classified as equity, the Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable shares subsequently have all the features and meet the conditions to be classified as equity, the Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable shares are accounted for as equity transactions.

No gain or loss is recognised in the interim condensed statement of comprehensive income on the purchase, issuance or cancellation of the Fund's own equity instruments.

The capital of the Fund is SR 6,921,000 (31 December 2018: SR 9,458,000) divided into 6,921 (31 December 2018: 9,458) participating units of SR 1,000 par value. All issued participating units are fully paid. The Fund's capital is represented by these participating units and are classified as equity instruments. The units are entitled to payment of a proportionate share of the Fund's net asset value upon winding up of the Fund.

4.7 Dividend income

Dividend income is recognised in the interim condensed statement of comprehensive income on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at FVPL is recognised in the interim condensed statement of comprehensive income in a separate line item.

4.8 Net gain or loss on financial assets at fair value through profit or loss ("FVPL")

Net gains or losses on financial assets at FVPL are changes in the fair value of financial assets held for trading or designated upon initial recognition as at FVPL and exclude interest and dividend income.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period, and from reversal of the prior period's unrealised gains and losses for financial instruments which were realised in the reporting period. Realised gains and losses on the disposal of financial instruments classified as at FVPL are calculated using the weighted average cost method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Management fees and other expenses

Management fee and other expenses are recognized on an accrual basis.

4.10 Foreign currency translation

Transactions in foreign currencies are translated into SR at the exchange rate at the dates of the transactions. Foreign exchange gains and losses arising from translations are included in the interim condensed statement of comprehensive income.

Monetary assets and liabilities denominated in foreign currencies are retranslated into SR at the exchange rate at the reporting date.

Foreign currency differences arising on retranslation are recognised in the interim condensed statement of comprehensive income as net foreign exchange losses, except for those arising on financial instruments at FVPL, which are recognised as a component of net gain from financial instruments at FVPL.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS as endorsed in the KSA requires the use of certain critical accounting judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires management to exercise its judgment in the process of applying the Funds' accounting policies. Such judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advices and expectations of future events that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Significant areas where management has used estimates, assumptions or exercised judgement are as follows:

Fair value Measurement

The Fund measures its investments in financial instruments, such as equity instruments, at fair value at each reporting date. 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. The principal or the most advantageous market must be accessible to the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

The Fund measures financial instruments at fair value at each reporting date.

Going concern

The Board of Director in conjunction with the Fund Manager made an assessment of the Fund's ability to continue as a going concern and are satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, they are not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the interim condensed financial statements continue to be prepared on the going concern basis.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

6. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

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

<i>Description</i>	<i>30 June 2019</i>			
	<i>% of market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealised gain/(loss) SR</i>
<i>Sectors</i>				
Banks	52%	4,884,874	6,078,987	1,194,113
Materials	19%	2,160,421	2,222,837	62,416
Telecommunication services	11%	1,181,471	1,276,420	94,949
Retailing	5%	500,932	560,939	60,007
Insurance	4%	392,651	480,800	88,149
Real estate management and development	3%	334,338	324,380	(9,958)
Consumer services	3%	301,679	299,450	(2,229)
Food and beverage	2%	266,667	278,150	11,483
Energy	1%	150,009	185,490	35,481
	100%	10,173,042	11,707,453	1,534,411

<i>Description</i>	<i>31 December 2018</i>			
	<i>% of market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealised gain/(loss) SR</i>
<i>Sectors</i>				
Banks	42%	4,735,326	5,252,074	516,748
Chemicals	27%	3,648,954	3,382,225	(266,729)
Materials	9%	1,387,153	1,177,794	(209,359)
Food and staples retailing	7%	843,570	891,960	48,390
Real estate management and development	4%	622,434	545,200	(77,234)
Transportation	3%	358,580	350,700	(7,880)
Healthcare equipment and services	3%	319,229	332,072	12,843
Insurance	3%	299,197	324,000	24,803
Telecommunication services	2%	369,124	331,600	(37,524)
	100%	12,583,567	12,587,625	4,058

Equity investments are traded on the Saudi Arabian stock exchange (“Tadawul”) and are unrated. The Fund also does not have an internal grading mechanism. However, it seeks to limit its risk by monitoring investment sector exposures and setting limits for individual sectors.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

7. NET GAIN FROM INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>For the six-month period ended 30 June</i>	
	2019 SR	2018 SR
Realised gain	413,168	1,373,994
Unrealised gain	1,530,353	807,669
	<u>1,943,521</u>	<u>2,181,663</u>

8. OTHER EXPENSES

	<i>For six month ended 30 June</i>	
	2019 SR	2018 SR
Administration fee (see below)	44,630	44,630
Audit fees	22,315	22,315
Board meeting Expense	18,596	18,596
Transaction charges	17,719	35,963
Custodian fees (see below)	14,877	44,630
Value added tax	9,812	14,130
Tadawul charges	2,479	2,479
Tax and regulatory fee	3,719	3,719
	<u>134,147</u>	<u>186,462</u>

HSBC Saudi Arabia Limited act as the custodian and administrator of the Fund. The Fund pays an administration fee calculated at an annual rate, as per the below table as set out in the Fund's terms and conditions, of the net asset value at each valuation date.

<i>Net asset value</i>	<i>Annual rate</i>
From SR Nil to SR 187.5 million	0.10%
SR 187.5 million and above	0.08%
Minimum monthly administration fee	SR 2,500

The custody fee is calculated and accrued at a rate of 0.10% per annum of the net asset value at each valuation date as set out in the Fund's terms and conditions and subject to the monthly minimum fee of SR 7,500. The custodian had waived one month of fees during 2018, based on a signed waiver agreement.

Blom Saudi Arabia Fund
(Managed by Blominvest Saudi Arabia)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)
At 30 June 2019

9. TRANSACTIONS WITH RELATED PARTIES

The Fund pays a management fee at the rate of 1.50% per annum calculated based on the net assets at each valuation date. The Fund Manager also recovers from the Fund any other expenses incurred on behalf of the Fund including audit fee, board compensation and other similar charges.

The management fees amounting to SR 94,246 (30 June 2018: SR 102,608) reflected in the interim condensed statement of comprehensive income represent the fees charged by the Fund Manager during the period as prescribed above. The accrued management fees payable to the Fund Manager at the period-end are as follows:

	<i>30 June 2019</i>	<i>31 December 2018</i>
Accrued management fees	<u>16,299</u>	<u>20,072</u>

The Unitholders' account during the period included units held as follows:

	<i>30 June 2019 Units</i>	<i>31 December 2018 Units</i>
Held by the fund manager	<u>1,239</u>	<u>1,239</u>

10. LAST VALUATION DAY

The last valuation day of the period / year was 30 June 2019 (2018: 31 December 2018).