

**Riyad Global Equity Sharia Fund
Open-Ended Fund
(Managed by Riyad Capital)
Interim Condensed Financial Statements (Un-Audited)
For the six months period ended 30 June 2019
Together with the
Review report to the Unitholders**

RIYAD GLOBAL EQUITY SHARIA FUND

Open-Ended Fund

(Managed by Riyad Capital)

Interim condensed financial statements (Un-Audited)

For the six months period ended 30 June 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT

THE UNITHOLDERS RIYAD GLOBAL EQUITY SHARIA FUND KINGDOM OF SAUDI ARABIA

Introduction:

We have reviewed the accompanying interim financial position of **Riyad Global Equity Sharia Fund** ("the Fund") managed by Riyadh Capital (the "Fund Manager") as at 30 June 2019 and the related interim statements of income, changes in net assets attributable to Unitholders and statement of cash flows for the six month period then ended and the accompanying notes which form an integral part of these interim condensed financial statements. The Fund's management is responsible for the preparation and fair presentation of these interim condensed financial 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 Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" that is endorsed in the Kingdom of Saudi Arabia. A review of these 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 and consequently, it 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 International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia.

For and on behalf of
PKF Al Bassam & Co.
Allied Accountant

Ibrahim A. Al-Bassam
Certified Public Accountant
Registration No. 337

6 August 2019
5 Dhual-Hijja 1440



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RIYAD GLOBAL EQUITY SHARIA FUND**Open-Ended Fund****(Managed by Riyadh Capital)****INTERIM STATEMENT OF FINANCIAL POSITION**

		As at 30 June 2019	As at 31 December
		(Un-Audited)	2018 (Audited)
	Note	USD	USD
ASSETS			
Investments measured at FVPL	6	34,503,028	34,663,842
Total assets		34,503,028	34,663,842
LIABILITIES			
Accrued expenses	9	31,998	35,818
Total liabilities		31,998	35,818
Net assets attributable to the Unit holders		34,471,030	34,628,024
Units in issue (number)	7	1,305,381.48	1,515,304.16
Net assets attributable to each unit		26.41	22.85

RIYAD GLOBAL EQUITY SHARIA FUND

Open-Ended Fund

(Managed by Riyad Capital)

INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

		For the period ended 30 June 2019	For the period ended 30 June 2018
	Note	USD	USD
Income			
Net gain from FVPL	8	5,310,074	12,186
		5,310,074	12,186
Expenses			
Fund Management fees	9	(54,607)	(80,102)
Other expenses	9	(5,182)	(6,989)
		(59,789)	(87,091)
Net income / (loss) for the period		5,250,285	(74,905)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		5,250,285	(74,905)

RIYAD GLOBAL EQUITY SHARIA FUND**Open-Ended Fund****(Managed by Riyadh Capital)****INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE
UNIT HOLDERS (UN-AUDITED)**

	For the period ended 30 June 2019	For the period ended 30 June 2018
	USD	USD
Net assets attributable to the Unit holders at beginning of the period	34,628,024	58,442,221
Net income / (loss) for the period	5,250,285	(74,905)
Changes from unit transactions:		
Issuance of units	49,940	414,527
Redemption of units	(5,457,219)	(11,773,833)
Net changes from unit transactions	(5,407,279)	(11,359,304)
Net assets attributable to the Unit holders at end of the period	34,471,030	47,008,012

RIYAD GLOBAL EQUITY SHARIA FUND

Open-Ended Fund

(Managed by Riyadh Capital)

INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

		For the period ended 30 June 2019	For the period ended 30 June 2018
	Note	USD	USD
Cash flows from operating activities:			
Net income / (loss) for the period		5,250,285	(74,905)
Adjustments for:			
Unrealized (gain) / loss on FVPL	8	(4,675,928)	160,841
		574,357	85,936
Net changes in operating assets and liabilities:			
Investments measured at FVPL		4,836,742	11,274,963
Accrued expenses		(3,820)	(1,595)
Net cash from operating activities		5,407,279	11,359,304
Cash flows from financing activities:			
Proceeds from issuance of units		49,940	414,527
Redemptions of the units		(5,457,219)	(11,773,833)
Net cash used in financing activities		(5,407,279)	(11,359,304)
Net change in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the period		-	-
Cash and cash equivalents at end of the period		-	-

RIYAD GLOBAL EQUITY SHARIA FUND

Open-Ended Fund

(Managed by Riyadh Capital)

Notes to the interim condensed financial statements for the period ended 30 June 2019

1 FUND AND ITS ACTIVITIES

The Riyadh Global Equity Sharia Fund (the “Fund”) is an equity fund managed through an agreement between Riyadh Capital (the “Fund Manager”) and the fund investors (the “Unitholders”). The objective of the Fund is to provide capital growth through investments in international equities, which comply within the criteria set by the Sharia Committee.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund’s Management prepares separate interim condensed financial statements for the Fund.

The management of the Fund is the responsibility of the Fund Manager. However, in accordance with the Fund’s Agreement, 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. Accordingly, pursuant to an agreement, dated 1 March 1999, JP Morgan International acts as the Sub Fund Manager and custodian of the Fund.

Saudi Arabian Monetary Agency (SAMA)’s approval for the establishment of the Fund was granted in its letter number BCR/1952 dated 4 Rabi’II 1419 H (corresponding to 27 July 1998). The Fund commenced its operations on 17 May 1999.

2 BASIS OF PRESENTATION

2.1 statement of compliance

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 and other standards and pronouncements issued by the Saudi Organization of Certified Public accountants.

These interim condensed financial statements do not include all of the information required for a full set of interim condensed financial statements and should be read in conjunction with the annual financial statements of the Fund for the year ended 31 December 2018.

The interim condensed financial statements have been prepared on a historical cost convention, as modified by the revaluation of financial assets measured at fair value through profit or loss.

2.2 Functional and presentation currency

Items included in the interim condensed financial statements are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). These interim condensed financial statements are presented in US Dollar (“USD”) which is the Fund’s functional and presentation currency.

3 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT POLICIES

The significant accounting policies used in the preparation of these interim condensed financial statements are consistent with those used and disclosed in the annual financial statements of the Fund for the year ended 31 December 2018.

Risk management policies are consistent with those used and disclosed in the annual financial statements of the Fund for the year ended 31 December 2018.

RIYAD GLOBAL EQUITY SHARIA FUND

Open-Ended Fund

(Managed by Riyad Capital)

Notes to the interim condensed financial statements for the period ended 30 June 2019

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed financial statements requires management to make 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 accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Fair value of securities not quoted in an active market

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.

5 MANAGEMENT FEE, AND OTHER CHARGES

On daily basis, the sub Fund Manager charges the Fund, a management fee at the rate of 1.75 percent per annum of the Fund's net assets value. In addition, on daily basis the Sub Administrator and Custodian charges the Fund, custody and administration fees at the rate from 0.005 % to 0.60 % per annum and 0.20 % per annum respectively of the Fund's net assets value. The net assets value of the fund being sub-managed and reported by the sub-manager to the fund manager, is net of the above-mentioned fees.

The Fund Manager also recovers from the Fund any other expenses incurred on behalf of the Fund such as audit and legal fees, and other similar charges. These charges are not expected to exceed in total 0.2 % per annum of the Fund's net assets value.

6 INVESTMENTS MEASURED AT FVPL

To date the Fund has invested exclusively with JP Morgan International (Foreign Sub-Fund Manager).

	30 June 2019 (Un-Audited)	31 December 2018 (Audited)
Units in Riyad Global Equity Sharia Fund		
Number of units	1,274,436.81	1,481,414.04
Net Assets Value per unit	27.07	23.40
Total market value	34,503,028	34,663,842
Total cost	29,827,100	39,544,860

RIYAD GLOBAL EQUITY SHARIA FUND**Open-Ended Fund****(Managed by Riyadh Capital)****Notes to the interim condensed financial statements for the period ended 30 June 2019****7 UNIT TRANSACTIONS**

Transactions in units for the period / year are summarized as follows:

	30 June 2019	31 December 2018
	(Un-Audited)	(Audited)
	<i>(Units in numbers)</i>	
Units at beginning of the period / year	1,515,304.16	2,237,064.70
Units issued	1,888.24	55,432.61
Units redeemed	(211,810.92)	(777,193.15)
Net change in units	(209,922.68)	(721,760.54)
Units at end of the period / year	1,305,381.48	1,515,304.16

8 NET GAIN FROM INVESTMENTS MEASURED AT FVPL

	30 June 2019	30 June 2018
Realized gain from sale of held for trading investments	634,146	173,027
Unrealized gain / (loss) from revaluation of held for trading investments	4,675,928	(160,841)
Net gain from investments measured at FVPL	5,310,074	12,186

RIYAD GLOBAL EQUITY SHARIA FUND

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Notes to the interim condensed financial statements for the period ended 30 June 2019

9 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Fund include “Riyad Capital” being the Fund Manager and Riyadh Bank (being the partner of Riyadh Capital).

In the ordinary course of its activities, the Fund transacts business with related parties. The related parties’ transactions are governed by limits set by the regulations issued by the CMA. All related party transactions are approved by the Fund’s Board of directors.

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

Related Party	Nature of transactions	Amount of transactions during the period		Closing balance payable	
		30 June 2019	30 June 2018	30 June 2019	31 December 2018
Riyad Capital	Fund management fee	(54,607)	(80,102)	(28,140)	(29,542)
	Expenses incurred on behalf of the Fund	(5,182)	(6,989)	(3,858)	(6,276)
Total		(59,789)	(87,091)	(31,998)	(35,818)

10 FINANCIAL INSTRUMENTS BY CATEGORY

30 June 2019 (Un-Audited)	Amortized cost	FVPL
Assets as per statement of financial position	USD	USD
Investments measured at FVPL	-	34,503,028
Total	-	34,503,028

31 December 2018 (Audited)	Amortized cost	FVPL
Assets as per statement of financial position	USD	USD
Investments measured at FVPL	-	34,663,842
Total	-	34,663,842

All financial liabilities as at 30 June 2019 were classified as financial liabilities measured at amortized cost category. All financial liabilities as at 31 December 2018 was classified as other financial liabilities category and measured at amortized cost.

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.

RIYAD GLOBAL EQUITY SHARIA FUND

Open-Ended Fund

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Notes to the interim condensed financial statements for the period ended 30 June 2019

11 LAST VALUATION DAY

The last valuation day of the period was 30 June 2019 (27 June 2018).

12 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were authorized for issue by the Fund Manager on 6 August 2019 (corresponding to 5 Dhual-Hijja 1440 H)

Annex- Fund Information:

1- Name & Address:

Riyad Capital is a Saudi Closed Joint Stock Company with Paid Up Capital of SR 200,000,000 licensed by The Saudi Arabian Capital Market Authority (NO. 07070-37). Commercial Registration No. 1010239234 Head Office: Oasis Granada 2414 - Al Shohda Dist. Unit No. 69. Riyadh 13241 – 7279

Website: <http://www.riyadcapital.com>

2- Name and address of the Sub-Manager:

J. P. Morgan
Finsbury Dials
20 Finsbury Street
London EC2Y 9AQ
Tel +44(0)2077421004

3- Investment activities during the period:

The Fund has invested mainly with JPMorgan Global (a foreign sub-fund manager). The following is a summary of the investment portfolio as at 30 June 2019:

No. of Units	1,274,436.81
NAV per Unit	27.07
Total	34,503,028

4- Report on the performance of the Investment Fund during the period:

Benchmark	Fund Performance
15.70%	14.81%

5- Any changes in terms & conditions and information note during the period:

Nil.

Other Information:

More information can be found on the Fund's website, where periodic reports are published on the Fund's characteristics and performance that enable unit holders to make their decisions.

6- The Fund's investments in other funds:

The Fund has no investments in other funds.

7- Special Commission:

The Fund Manager did not receive any special commission during the period.