

Al Beit Al Mali Fund

**INTERIM CONDENSED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2023



**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF AL BEIT AL MALI FUND**

Report on the review of interim condensed financial statements

Introduction

We have reviewed the accompanying interim condensed financial statements of Al Beit Al Mali Fund (the "Fund") as at 30 September 2023, which comprise the interim statement of financial position as at 30 September 2023 and the related interim statement of comprehensive income for the three-month and nine-month period ended 30 September 2023, interim statement of changes in net assets attributable to unitholders and interim statement of cash flows for the nine-month period then ended, and explanatory notes.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information 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." A review of interim financial information 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 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.

Ahmed Sayed
of Ernst & Young
Auditor's Registration No. 326

Date: xx June 2024
Doha



Al Beit Al Mali Fund

INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

		30 September 2023 QR (Reviewed)	31 December 2022 QR (Audited)
	Notes		
ASSETS			
Financial assets measured at fair value through profit or loss (FVTPL)	3	48,466,828	44,146,660
Bank balance	4	6,340,156	10,604,888
Total assets		54,806,984	54,751,548
LIABILITIES			
Fees payable	5	1,068,252	959,925
Other payables	6	1,286,448	1,012,084
Total liabilities		2,354,700	1,972,009
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS		52,452,284	52,779,539
		<i>Units</i>	<i>Units</i>
NUMBER OF UNITS IN ISSUE		2,713,938	2,716,438
NET ASSET VALUE PER UNIT (QR)		19.33	19.43

These financial statements were approved by the Founder of the Fund, Investment House Company (Q.P.S.C).

Mohammed Bin Ahmed Al-Suwaidi
Chairman & Managing Director

For the nine-month period ended 30 September 2023

The attached notes 1 to 15 form part of these interim condensed financial statements.

Al Beit Al Mali Fund

INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the nine-month period ended 30 September 2023

	<i>Net assets attributable to units holders QR</i>	<i>Number of units</i>	<i>Net assets value per unit QR</i>
At 1 January 2022	55,810,070	2,718,438	20.53
Redemptions during the period	(46,769)	(2000)	23.38
Total comprehensive income for the period	<u>5,164,905</u>	<u>-</u>	<u>-</u>
At 30 September 2022 (Reviewed)	<u>60,928,206</u>	<u>2,716,438</u>	<u>22.43</u>
At 1 January 2023	52,779,539	2,716,438	19.43
Redemptions during the period	(48,371)	(2,500)	19.35
Total comprehensive income for the period	<u>(278,884)</u>	<u>-</u>	<u>-</u>
At 30 September 2023 (Reviewed)	<u>52,452,284</u>	<u>2,713,938</u>	<u>19.33</u>

Al Beit Al Mali Fund

INTERIM STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2023

	<i>For the nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>
	<i>2023</i>	<i>2022</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
OPERATING ACTIVITIES		
Net (loss)/income for the period	(278,884)	5,164,905
<i>Adjustments for:</i>		
Unrealised loss on re-measurement of financial assets at FVTPL	<u>1,110,913</u>	<u>459,022</u>
	832,029	5,623,927
<i>Changes in operating assets and liabilities:</i>		
Financial assets measured at FVTPL, net	(5,431,081)	9,321,008
Receivables	-	(5,768,197)
Fees payable	108,327	(271,010)
Other payables	<u>274,364</u>	<u>227,256</u>
Net cash (used in)/generated from operating activities	<u>(4,216,361)</u>	<u>9,132,984</u>
FINANCING ACTIVITIES		
Payment on redemption of units	<u>(48,371)</u>	<u>(46,769)</u>
Net cash used in financing activities	<u>(48,371)</u>	<u>(46,769)</u>
Net (decrease)/increase in cash and cash equivalents during the period	(4,264,732)	9,086,215
Cash and cash equivalents at 1 January	<u>10,604,888</u>	<u>2,083,714</u>
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	<u><u>6,340,156</u></u>	<u><u>11,169,929</u></u>

The attached notes 1 to 15 form part of these interim condensed financial statements.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

1 CORPORATE INFORMATION

Al Beit Al Mali Fund (the “Fund”) is registered on 13 June 2006 at Ministry of Commerce and Industry of the State of Qatar under commercial registration No. 33162. The Fund holding license No. IF/5/2006 from Qatar Central Bank to act as an Islamic Investment Fund investing in Qatari securities, with its transactions complying with the provisions of the Shariah Islamic Law.

The Fund is established by Investment House Company (Q.P.S.C.) (the “Founder”) having registered office is P.O Box 22633 Doha, Qatar.

The Founder appointed Qatar National Bank (registered office is P.O Box 1000, Doha – Qatar) as the Custodian of the Fund in accordance of custodian agreement dated 15 July 2006.

On 1 March 2019, the Fund has appointed “QNB Suisse” as the Fund’s manager.

The Fund is an open-ended fund that invests in securities listed on Qatar Exchange within the State of Qatar. The Fund also invests its assets in other corporate funds established and launched by parties and establishments, other than the Founder, to realize the best possible financial returns to investors for short, medium and long terms through investing high quality assets, in accordance with the provisions of the Islamic Shariah.

These interim condensed financial statements were approved by the Founder of the Fund, Investment House Company (Q.P.S.C), and signed on its behalf on xx July 2024.

2 BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed financial statements for the nine months ended 30 September 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB). The accompanying interim condensed financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair value.

The interim condensed financial statements are presented in Qatari Riyals (“QR”), which is the Fund’s functional and presentation currency.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Fund’s annual financial statements as at 31 December 2022. In addition, results for the nine months period ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

2.2 Statement of compliance

The financial statements comply with the requirements of Qatar Commercial Companies Law No.11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021.

2.3 New standards, amendments, and interpretations

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Fund’s annual financial statements for the year ended 31 December 2022, except for the adoption of the following standards and amendments to standards effective from 1 January 2023. The Fund has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards and Interpretations

Amendments to IAS 8: Definition of Accounting Estimates

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies

IFRS 17: Insurance contracts

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

The adoption of the above standards and amendments to standards had no impact on the Fund’s interim condensed financial statements.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

2 BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES (CONTINUED)**2.4 Standards, amendments and interpretations issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Fund's interim condensed financial statements are disclosed below. The Fund intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

<i>Standards and Interpretations</i>	<i>Effective date</i>
Amendments to IFRS 16: Lease Liability in Sale and Leaseback	1 January 2024
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

The Fund is assessing the potential impact on its financial statements resulting from the adoption of the above new and amended standards.

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>30 September 2023 QR (Reviewed)</i>	<i>31 December 2022 QR (Audited)</i>
Listed equity securities – State of Qatar	<u>48,466,828</u>	<u>44,146,660</u>

Net changes in fair value of financial assets at fair value through profit or loss are as follows:

	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
	<i>30 September 2023 QR (Reviewed)</i>	<i>30 September 2022 QR (Reviewed)</i>	<i>30 September 2023 QR (Reviewed)</i>	<i>30 September 2022 QR (Reviewed)</i>
Net realised (loss)/gain	(496,373)	1,398,623	10,888	5,332,225
Net unrealised gain/(loss)	<u>1,349,948</u>	<u>575,930</u>	<u>(1,110,913)</u>	<u>(459,022)</u>
	<u>853,575</u>	<u>1,974,553</u>	<u>(1,100,025)</u>	<u>4,873,203</u>

4 BANK BALANCE

	<i>30 September 2023 QR (Reviewed)</i>	<i>31 December 2022 QR (Audited)</i>
Balance with bank – current account	<u>6,340,156</u>	<u>10,604,888</u>

The Fund's current account is maintained with Qatar National Bank.

Al Beit Al Mali Fund

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

5 FEES PAYABLE

	30 September 2023 QR (Reviewed)	31 December 2022 QR (Audited)
Management fee payable (Note 12 (a))	266,369	459,431
Custodian fee payable (Note 12 (a))	133,185	229,715
Founder fee payable (Note 12 (a))	668,698	270,779
	<u>1,068,252</u>	<u>959,925</u>

6 OTHER PAYABLES

	30 September 2023 QR (Reviewed)	31 December 2022 QR (Audited)
Zakat payable	974,560	854,626
Audit fee payable	154,500	79,500
Shariah fee payable (Note 12 (a))	93,853	37,757
Advertising payable	54,535	31,201
Others	9,000	9,000
	<u>1,286,448</u>	<u>1,012,084</u>

7 DIVIDEND INCOME

	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
	30 September 2023 QR (Reviewed)	30 September 2022 QR (Reviewed)	30 September 2023 QR (Reviewed)	30 September 2022 QR (Reviewed)
Listed equity securities – State of Qatar	-	-	2,248,183	2,103,841

8 FEES EXPENSE

	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
	30 September 2023 QR (Reviewed)	30 September 2022 QR (Reviewed)	30 September 2023 QR (Reviewed)	30 September 2022 QR (Reviewed)
Management fee (Note 12 (b))	135,049	160,905	397,920	469,558
Custodian fee (Note 12 (b))	67,525	80,452	198,960	234,779
Founder fee (Note 12 (b))	135,049	160,905	397,920	469,558
	<u>337,623</u>	<u>402,262</u>	<u>994,800</u>	<u>1,173,895</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

8 FEES EXPENSE (CONTINUED)

As per schedule no (1), clause no. (1) of investment management agreement, the Fund Manager is entitled to 1% of monthly net asset value of the Fund as Management fee.

As per paragraph (11), clause no. (1) of custodian agreement, the custodian is entitled of 0.5% of monthly net asset value of the Fund as Custodian Fee.

As per Articles of Association, the Founder is entitled of 1% of monthly net asset value of the Fund as Founder Fee.

9 BROKERAGE FEES

	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Brokerage fees	<u>44,656</u>	<u>133,416</u>	<u>157,875</u>	<u>281,745</u>

Brokerage fee is computed as 0.105% of the transaction price in all buy and sell transactions. QNB Financial Services is acting in the capacity of the Fund's Stockbroker.

10 ZAKAT EXPENSE

	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Zakat expense	<u>21,234</u>	<u>52,393</u>	<u>119,935</u>	<u>217,442</u>

Zakat is levied at the higher of adjusted income subject to Zakat or the Zakat base in accordance with the articles of the Zakat Fund established under the supervision of the Ministry of Endowments and Islamic Affairs. Zakat measurement basis are determined by the management based on the Shariah Law. The Zakat provision is charged to the interim statement of comprehensive income.

11 OTHER EXPENSES

	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Audit fee	25,000	19,875	75,000	59,625
Shariah fee (Note 12 (b))	18,904	18,904	56,096	56,096
Advertisement expenses	7,864	7,864	23,336	23,336
	<u>51,768</u>	<u>46,643</u>	<u>154,432</u>	<u>139,057</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

12 RELATED PARTIES TRANSACTIONS

Related parties represent the Founder, the Custodian and the Fund Manager. Transactions with related parties include the founder fees, custodian fees, management fees, and Shariah fees.

Balances with related parties as at the period end included the following:

(a) Due to related parties

		<i>30 September 2023 QR (Reviewed)</i>	<i>31 December 2022 QR (Audited)</i>
	<i>Related Party</i>		
Management fee payable (Note 5)	QNB Suisse	266,369	459,431
Custodian fee payable (Note 5)	Qatar National Bank	133,185	270,779
Founder fee payable (Note 5)	Investment House Company	668,698	229,715
Shariah fee payable (Note 6)	Investment House Company	93,853	37,757
		<u>1,162,105</u>	<u>997,682</u>

(b) Related party transactions

		<i>For the three-month period ended 30 September 2023 QR (Reviewed)</i>	<i>30 September 2022 QR (Reviewed)</i>
	<i>Related Party</i>		
Management fee (Note 8)	QNB Suisse	135,049	160,905
Custodian fee (Note 8)	Qatar National Bank	67,525	80,452
Founder fee (Note 8)	Investment House Company	135,049	160,905
Shariah fee (Note 11)	Investment House Company	18,904	12,904
		<u>356,527</u>	<u>415,166</u>

		<i>For the nine-month period ended 30 September 2023 QR (Reviewed)</i>	<i>30 September 2022 QR (Reviewed)</i>
	<i>Related Party</i>		
Management fee (Note 8)	QNB Suisse	397,920	469,558
Custodian fee (Note 8)	Qatar National Bank	198,960	234,779
Founder fee (Note 8)	Investment House Company	397,920	469,558
Shariah fee (Note 11)	Investment House Company	56,096	56,096
		<u>1,050,896</u>	<u>1,229,991</u>

13 COMMITMENTS AND CONTINGENCIES

There are no commitments or contingencies as at 30 September 2023 (31 December 2022: None).

Al Beit Al Mali Fund

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

14 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair values

Set out below is a comparison, by category, of the carrying amounts and fair values of the Fund's financial instruments, that are carried in the financial statements.

		<i>30 September 2023 (Reviewed)</i>	
	<i>Financial instrument classification</i>	<i>Carrying value QR</i>	<i>Fair value QR</i>
<i>Financial assets</i>			
Financial investments measured at FVTPL	FVTPL	48,466,828	48,466,828
Bank balance	AC	6,340,156	6,340,156
		<u>54,806,984</u>	<u>54,806,984</u>
<i>Financial liabilities</i>			
Fees payable	AC	1,068,252	1,068,252
Other payables	AC	1,286,448	1,286,448
		<u>2,354,700</u>	<u>2,354,700</u>
		<i>31 December 2022 (Audited)</i>	
	<i>Financial instrument classification</i>	<i>Carrying value QR</i>	<i>Fair value QR</i>
<i>Financial assets</i>			
Financial investments measured at FVTPL	FVTPL	44,146,660	44,146,660
Bank balance	AC	10,604,888	10,604,888
		<u>54,751,548</u>	<u>54,751,548</u>
<i>Financial liabilities</i>			
Fees payable	AC	959,925	959,925
Other payables	AC	1,012,084	1,012,084
		<u>1,972,009</u>	<u>1,972,009</u>

Legends:

- 1) AC - Amortised Cost
- 2) FVTPL - Fair Value Through Profit or Loss

The management assessed that bank balances, fees payable and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

The following table presents the financial assets and liabilities that are measured at fair value at 30 September 2023:

		<i>Fair value measurement using</i>		
<i>At 30 September 2023 (Reviewed)</i>	<i>Fair value QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
Financial investments measured at FVTPL	<u>48,466,828</u>	<u>48,466,828</u>	<u>-</u>	<u>-</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2023

14 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy (continued)**

<i>At 31 December 2022 (Audited)</i>	<i>Fair value</i> <i>QR</i>	<i>Fair value measurement using</i>		
		<i>Level 1</i> <i>QR</i>	<i>Level 2</i> <i>QR</i>	<i>Level 3</i> <i>QR</i>
Financial investments measured at FVTPL	44,146,660	44,146,660	-	-

During the nine-month periods ended 30 September 2023 and 30 September 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

15 EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period to be disclosed.

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