

Al Waseela Fund

INTERIM CONDENSED FINANCIAL STATEMENTS

28 SEPTEMBER 2023

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL WASEELA FUND

Introduction

We have reviewed the accompanying interim condensed financial statements of Al Waseela Fund (the "Fund") as at 28 September 2023, comprising of the interim statement of financial position as at 28 September 2023 and the related interim statements of comprehensive income for the period from 27 June 2023 to 28 September 2023 and period from 1 January 2023 to 28 September 2023, interim statement of changes in net assets attributable to the unit holders and the interim statement of cash flows for the period then ended, and the related explanatory notes.

The Founder of the Fund is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 - *Interim Financial Reporting* ("IAS 34"). 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*". 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 of the Fund are not prepared, in all material respects, in accordance with IAS 34.


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

Date: 5 December 2023
Doha



Al Waseela Fund

INTERIM STATEMENT OF FINANCIAL POSITION

At 28 September 2023

	<i>Notes</i>	<i>28 September 2023 (Reviewed) QR</i>	<i>31 December 2022 (Audited) QR</i>
ASSETS			
Bank balances	3	3,035,772	2,020,387
Investment securities at fair value through profit or loss (FVTPL)	4	33,278,274	37,390,746
Other receivables		46	-
Total assets		36,314,092	39,411,133
LIABILITIES			
Income tax payable	6	-	133,619
Subscription pending allotment		4,000	3,000
Other payables and accrued expenses	5	160,041	218,299
Total liabilities		164,041	354,918
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS		36,150,051	39,056,215
		<i>Units</i>	<i>Units</i>
NUMBER OF UNITS IN ISSUE (units)		1,739,230	1,820,797
NET ASSET VALUE PER UNIT (QR)		20.7851	21.4501



Shahnawaz Rashid
Executive General Manager
Retail and Consumer Banking
The Commercial Bank (P.S.Q.C.)



Hussein Mohd Ali
Executive General Manager
Marketing and Alternative Assets
The Commercial Bank (P.S.Q.C.)

ERNST & YOUNG
Doha - Qatar

05 DEC 2023

Stamped for Identification
Purposes Only

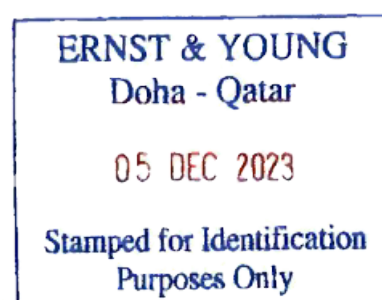
The attached notes 1 to 9 form an integral part of these interim condensed financial statements.

Al Waseela Fund

INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 January 2023 to 28 September 2023

	<i>For the period</i>		<i>For the period</i>	
	<i>27 June 2023 to 28 September 2023</i>	<i>1 July 2022 to 29 September 2022</i>	<i>1 January 2023 to 28 September 2023</i>	<i>1 January 2022 to 29 September 2022</i>
Note	(Reviewed) QR	(Reviewed) QR	(Reviewed) QR	(Reviewed) QR
INCOME				
Dividend income	39,716	42,435	1,644,070	2,786,648
(Loss)/gain on investment securities at FVTPL	(52,201)	82,356	(2,008,349)	3,565,006
Other income	56	154	171	1,586
Total (loss) / income	(12,429)	124,945	(364,108)	6,353,240
EXPENSES				
Performance fees (reversal)	-	381,261	-	-
Management fees	(144,073)	(289,286)	(413,805)	(874,265)
Custodian fees	(14,408)	(28,929)	(41,381)	(87,427)
Administration fees	(21,840)	(22,068)	(65,520)	(66,337)
Brokerage commissions	(1,788)	(125,925)	(34,231)	(157,570)
Other operating expenses	(61,488)	(69,926)	(258,519)	(227,699)
Total expenses	(243,597)	(154,873)	(813,456)	(1,413,298)
(LOSS) / PROFIT FOR THE PERIOD	(256,026)	(29,928)	(1,177,564)	4,939,942
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(256,026)	(29,928)	(1,177,564)	4,939,942



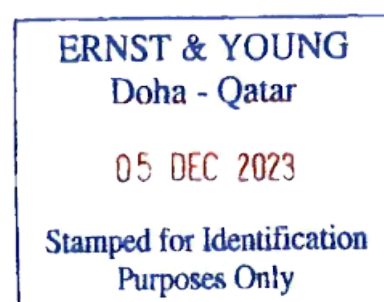
The attached notes 1 to 9 form an integral part of these interim condensed financial statements.

Al Waseela Fund

INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS

For the period from 1 January 2023 to 28 September 2023

	<i>Number of Units QR</i>	<i>Net assets attributable to the units holders QR</i>
Balance as at 1 January 2022	3,027,186	69,121,307
Total comprehensive income for the period		4,939,942
<i>Contributions and redemptions by unit holders:</i>		
Issue of redeemable units during the period	918	23,301
Redemption of redeemable units during the period	<u>(26,976)</u>	<u>(664,350)</u>
Balance as at 29 September 2022 (Reviewed)	<u>3,001,128</u>	<u>73,420,200</u>
Balance as at 1 January 2023	1,820,797	39,056,215
Total comprehensive loss for the period		(1,177,564)
<i>Contributions and redemptions by unit holders:</i>		
Issue of redeemable units during the period	3,737	82,184
Redemption of redeemable units during the period	<u>(85,304)</u>	<u>(1,810,784)</u>
Balance as at 28 September 2023 (Reviewed)	<u>1,739,230</u>	<u>36,150,051</u>



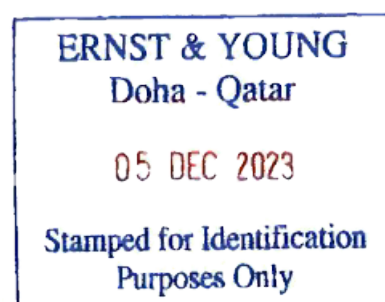
The attached notes 1 to 9 form an integral part of these interim condensed financial statements.

Al Waseela Fund

INTERIM STATEMENT OF CASH FLOWS

For the period from 1 January 2023 to 28 September 2023

	<i>For the period</i>	
	<i>1 January 2023 to 28 September 2023 (Reviewed) QR</i>	<i>1 January 2022 to 29 September 2022 (Reviewed) QR</i>
OPERATING ACTIVITIES		
(Loss) / profit for the period	(1,177,564)	4,939,942
<i>Adjustments for:</i>		
Loss / (gain) from investment securities measured at FVTPL	<u>2,008,349</u>	<u>(3,565,006)</u>
Operating profit before changes in operating assets and liabilities	830,785	1,374,936
<i>Changes in:</i>		
Investment securities at FVTPL	2,104,123	30,711,443
Trade settlements	-	(26,252,167)
Other receivables	(46)	(152)
Subscriptions pending allotment	1,000	3,000
Other payables and accrued expenses	<u>(58,258)</u>	<u>(74,970)</u>
Cash generated from operations	2,877,604	5,762,090
Income tax paid	<u>(133,619)</u>	-
Net cash flows generated from operating activities	<u>2,743,985</u>	<u>5,762,090</u>
FINANCING ACTIVITIES		
Proceeds from issuance of redeemable units	82,184	23,301
Payment for redemption of redeemable units	<u>(1,810,784)</u>	<u>(664,350)</u>
Net cash flows used in financing activities	<u>(1,728,600)</u>	<u>(641,049)</u>
NET INCREASE IN BANK BALANCES	1,015,385	5,121,041
Bank balances at 1 January	<u>2,020,387</u>	<u>713,573</u>
BANK BALANCES AT 28 SEPTEMBER 2023 / 29 SEPTEMBER 2022	<u>3,035,772</u>	<u>5,834,614</u>



The attached notes 1 to 9 form an integral part of these interim condensed financial statements.

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Al Waseela Fund (the “Fund”) was established on 14 November 2006, as an open ended fund and is registered in the Investment Funds Register at the Ministry of Economy and Commerce under registration certificate no. 34168 and is licensed by the Qatar Central Bank under license no. I.F/7/2006 in accordance with Law No. (25) of 2002 concerning Investment Funds, and its Implementation Regulations, promulgated by virtue of Ministerial Resolution No. (69) of 2004 of the Minister of Business and Trade.

The Fund was founded by The Commercial Bank (P.S.Q.C.) (the “Founder”) with a commercial registration No. 150; QCB License No. BC/10/1975, licensed, supervised and regulated by Qatar Central Bank established under the laws of the State of Qatar and having its principal office at P.O. Box 3232 Doha, State of Qatar.

The Fund is managed by National Bank of Oman (“Fund Manager”) and the custodian of the Fund is HSBC Bank Middle East Limited (“Fund Custodian”), Qatar Branch with an office at P.O Box 57 Doha, State of Qatar.

The interim condensed financial statements for the period from 1 January 2023 to 28 September 2023 and quarter from 27 June 2023 to 28 September 2023 are not comparable with the comparative information included in the interim condensed financial statements since these were prepared and presented for the period from 1 January 2022 to 29 September 2022 and quarter from 1 July 2022 to 29 September 2022, respectively.

The interim condensed financial statements as at 28 September 2023 and for the period from 1 January 2023 to 28 September 2023 were authorised for issue by the Founder on 5 December 2023

Objective of the Fund and Nature of its Activity

The Fund invests primarily in shares and other securities issued by companies established or operating in the State of Qatar. The benchmark for performance is the QE Index Qatar Stock Exchange.

However, the Fund Manager has the flexibility to invest up to 40% of the portfolio in shares and other securities issued by companies operating or established in other GCC countries. The exposure to GCC markets will only be increased when the Fund Manager believes opportunities in those markets are greater than available opportunities in Qatar on a short to medium term basis. It is not expected that the weighting in other GCC markets will be significant on a long term basis as the Fund’s objective is to participate in the growth of Qatar’s economy and capital markets.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim condensed financial statements of the Fund as at 28 September 2023 and for the period from 1 January 2023 to 28 September 2023 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The interim condensed financial statements have been presented in Qatari Riyals (“QR”), which is the functional and presentation currency of the Fund.

The interim condensed financial statements do not contain all statements and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards. These interim condensed financial statements should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2022. In addition, results for the period from 1 January 2023 to 28 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

Basis of measurement

These interim condensed financial statements are prepared on a historical cost basis, except for investment securities classified as fair value through profit or loss which are carried at fair value.

As a result the following measurement principles have been applied in the preparation of these interim condensed financial statements:

- Assets are measured at the amounts expected to be collected upon sale. The sale price normally approximates fair value, which assumes an orderly transaction; however, this may not always be the case.
- Liabilities continue to be recognised at the amount required by the relevant IFRS and are not re-measured to reflect any anticipation that the entity will be legally released from the obligation.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Use of judgements and estimates**

The preparation of the interim condensed financial statements require the Founder to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the Founder in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2022.

The financial risk management objectives and policies of the Fund are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2022.

Standards, amendments and interpretations issued

Except as described below, the accounting policies applied in these interim condensed financial statements are the same as those applied in the audited financial statements as at and for the year ended 31 December 2022. The adoption of the below did not result in changes to previously reported profit or net assets attributable to the unit holders of the Fund.

<i>Description</i>	<i>Effective from</i>
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	1 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice Statements 2)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - (Amendments to IAS 12)	1 January 2023
<i>Standard issued but not yet effective</i>	<i>Effective from</i>
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - (Amendments to IFRS 10 and IAS 28)	Deferred Indefinitely

The fund did not early adopted the standard issued but not yet effective.

3 BANK BALANCES

	<i>28 September 2023 (Reviewed) QR</i>	<i>31 December 2022 (Audited) QR</i>
Current accounts	<u>3,035,772</u>	<u>2,020,387</u>

4 INVESTMENT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>28 September 2023 (Reviewed) QR</i>	<i>31 December 2022 (Audited) QR</i>
Listed equity securities State of Qatar	<u>30,391,678</u>	33,347,266
Listed equity securities Other GCC Countries	<u>2,886,596</u>	<u>4,043,480</u>
Investment securities at FVTPL	<u>33,278,274</u>	<u>37,390,746</u>

The carrying amount of investment securities at fair value through profit or loss includes fair vale gain of QR 275,514 as at 28 September 2023 (31 December 2022: QR 2,554,569).

Total (loss) / gain including realised upon disposal of investments and the changes in the fair values, from the investment securities for the period amounting to loss of QR 2,008,349 (29 September 2022: gain of QR 3,565,006).

5 OTHER PAYABLES AND ACCRUED EXPENSES

	<i>28 September 2023 (Reviewed) QR</i>	<i>31 December 2022 (Audited) QR</i>
Performance fees	-	11,382
Management fee	41,658	50,017
Administration fees	7,280	7,280
Custodian fees	4,166	5,002
Other accruals	106,937	144,618
	<u>160,041</u>	<u>218,299</u>

6 INCOME TAX

The income tax amount payable pertaining to the year ended 31 December 2022 was paid in during the period. No income tax provision is recorded for the current period.

7 OTHER OPERATING EXPENSES

	<i>For the period from</i>		<i>For the period from</i>	
	<i>27 June 2023 to 28 September 2023 (Reviewed) QR</i>	<i>1 July 2022 to 29 September 2022 (Reviewed) QR</i>	<i>1 January 2023 to 28 September 2023 (Reviewed) QR</i>	<i>1 January 2022 to 29 September 2022 (Reviewed) QR</i>
Custody transaction fees	8,190	10,920	26,390	32,517
Investor transaction fees	876	5,037	6,132	7,227
Investment plan service fee (Note 8)	2,184	2,184	6,552	6,503
Miscellaneous expenses	50,238	51,785	219,445	181,452
	<u>61,488</u>	<u>69,926</u>	<u>258,519</u>	<u>227,699</u>

8 RELATED PARTIES TRANSACTIONS

Related parties represent associated entities, Founder, the Fund Manager, directors and key management personnel of the Fund, and entities controlled, jointly controlled or significantly influenced by such parties. The terms of all transactions between these parties are approved by the Fund's Board of Directors.

Management fees

The Fund Manager receives a management fee based on the net asset value estimated based on traded values, payable quarterly in arrears using the annual rate of 1.5% which is shared equally with the Founder.

Custodian fees

The Fund Custodian charges a custodian fee based on cumulative net asset value of Al Waseela Funds in accordance with the rates included in the revised agreement between the Founders and the Fund Custodian. The Fund Custodian, in addition to the custodian fees, is entitled to custody transaction fee of QR 219 per investment sale or purchase and investor transaction fees of QR 146 for each subscription and redemption into and from the Fund.

Administration fees

The Fund has engaged the services of the Fund Custodian to provide administrative services for a fee. The fees are charged on cumulative net asset value of Al Waseela Funds in accordance with the rates included in the revised agreement between the Founders and the Custodians.

9 FAIR VALUE HIERARCHY

The Fund uses the following hierarchy for determining and disclosing the fair value of financial investments by valuation technique:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investment securities at fair value through profit or loss held for trading are valued as per the Level 1 valuation method except for the Fund's investment on the shares of NMC Health PLC which have been valued at zero, using the level 3 fair value techniques as at 28 September 2023 and 31 December 2022.