



Financial statements and independent auditors' report
Al Mal Fund B.S.C. (c)
For the year ended 31 December 2023

Contents

	Page
General information	1
Directors' report	2-3
Independent auditors' report	4-5
Statement of financial position	6
Notes to the financial statements	7-11

General information

Commercial registration	:	68823-1 obtained on 28 May 2008
Directors	:	Sanjay Vig Narendra Gajria Naser Tayseer Shawkat Alnabulsi
Registered office	:	Flat 817, Building 265 Road 1704, Block 317 Diplomatic area Kingdom of Bahrain
Auditors	:	Grant Thornton - Abdulaal P.O. Box 11175 12 th Floor, Al Nakheel Tower Seef District, Kingdom of Bahrain

Directors' report

The Board of Directors of Al Mal Fund B.S.C. (c) (the "Company") has great pleasure in presenting the annual report and the audited financial statements of the Company for the year ended 31 December 2023.

Principal activities

The Company is engaged in activities of trusts, funds and similar financial entities-fund company.

Financial highlights

As the Company's expenses are reflected in the fund's financial statements, a statement of comprehensive income has not been prepared for the year ended 31 December 2023.

Directors

The following served as the Directors of the Company during the year ended 31 December 2023:

Sanjay Vig	-	Director
Narendra Gajria	-	Director
Naser Tayseer Shawkat Alnabulsi	-	Director

Disclosure for remuneration of members of board of directors and executive management

First: Board of Directors' remuneration details:

Name	Fixed remunerations				Variable remunerations				End-of-service award	Aggregate amount (Does not include expense allowance)	Expenses Allowance
	Proposed remunerations of the chairman and BOD	Total allowance for attending Board and committee meetings	Others	Total	Remunerations of the chairman and BOD	Incentive plans	Others	Total			
First: Independent Directors:											
1. Sanjay Vig	-	-	-	-	-	-	-	-	-	-	-
2. Narendra Gajria	-	-	-	-	-	-	-	-	-	-	-
3. Naser Tayseer Shawkat Alnabulsi	-	-	-	-	-	-	-	-	-	-	-
Second: Non-Executive Directors:											
1. Nil	-	-	-	-	-	-	-	-	-	-	-
Third: Executive Directors:											
1. Nil	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

Second: Executive management remuneration details

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2023	Aggregate Amount
Remunerations for top 6 executives	-	-	-	-

The Company has no executives.

Auditors

The financial statements have been audited by Grant Thornton - Abdulaal who have expressed their willingness and considered themselves eligible for re-appointment.

The Directors take this opportunity to place on record their sincere appreciation to the staff for their loyalty and dedication, which has greatly helped to maintain the reputation and results of the Company.

On behalf of the Board of Directors



Naser Tayseer Shawkat Alnabulsi
Chairman



Narendra Gajria
Vice Chairman

21 March 2024
Manama, Kingdom of Bahrain

Independent auditors' report

To the Shareholders of
Al Mal Fund B.S.C. (c)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Al Mal Fund B.S.C. (c)** (the “Company”), which comprise the statement of financial position as at 31 December 2023 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information obtained at the date of this auditors' report is the Directors' report set out on page 2 to 3.

Our opinion on the financial statements⁸ does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the Board of Directors 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 Board of Directors is responsible for assessing the Company'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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Grant Thornton Abdulaal

PO Box 11175
12th Floor, Al Nakheel Tower
Seef District
Kingdom of Bahrain

T (+973) 17 500188

F (+973) 17 500199

[linkedin.com/company/grant-thornton-abdulaal/](https://www.linkedin.com/company/grant-thornton-abdulaal/)
[instagram.com/grantthornton_bahrain/](https://www.instagram.com/grantthornton_bahrain/)



Grant Thornton Abdulaal

Auditors' 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 auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company 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 the Board of Directors 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.

Report on Other Legal and Regulatory Requirements

As required by the Bahrain Commercial Companies Law, we report that:

- a) the Company has maintained proper accounting records and the financial statements are in agreement therewith;
- b) the financial information contained in the Directors' report is consistent with the financial statements;
- c) nothing has come to our attention which causes us to believe that the Company has, during the year, breached any of the applicable provisions of the Commercial Company's Law, or its Memorandum and Articles of Association that would have a material adverse effect on its business or its financial position; and
- d) satisfactory explanations and information have been provided to us by management in response to all our requests.

Grant Thornton

Partner's Registration No.198
21 March 2024
Manama, Kingdom of Bahrain

Statement of financial position

	Notes	31 December 2023 BD	31 December 2022 BD
Asset			
Amount due from a related party	3	1,074	1,074
Total asset		1,074	1,074
Equity			
Share capital	4	1,000	1,000
Retained earnings		74	74
		1,074	1,074
Total equity		1,074	1,074

These financial statements were approved by the Board of Directors on 21 March 2024 and signed on its behalf by:



Naser Tayseer Shawkat Alnabulsi
Chairman



Narendra Gajria
Vice Chairman

The accounting policies and the notes from pages 7 to 11 form an integral part of these financial statements.

Notes to the financial statements

31 December 2023

1. Organization and activities

Al Mal Fund B.S.C. (c) (the “Company”) is a joint stock closed company registered in the Kingdom of Bahrain with the Ministry of Industry and Commerce under commercial registration number 68823-1 obtained on 28 May 2008.

The Company is licensed to carry out activities of trust, funds and similar financial entities-fund company. The Company was incorporated in connection with the launch of Fund “Al Mal MENA Equity Fund” which is managed by Al Mal Capital PSC, Investment Manager, in return for certain fees payable by the Fund and recorded in the financial statements of the Fund.

There are no transactions and changes in equity during the period, hence, statement of comprehensive income and statement of changes in equity are not presented.

The financial statements for the year ended 31 December 2023 was approved by the Board of Directors on 21 March 2024.

The Company’s registered office is situated in the Kingdom of Bahrain.

2. Summary of significant accounting policies

2.1 Basis of preparation

The Company’s financial statements have been prepared on an accrual basis and under the historical cost convention. The Company’s financial statements are presented in Bahrain Dinars. All values are rounded to the nearest Bahrain Dinar.

2.2 Statement of compliance and going concern assumption

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in conformity with the Bahrain Commercial Companies Law. They have been prepared under the assumption that the Company operates on a going concern basis.

2.3 New or revised Standards or Interpretations

New Standards adopted as at 1 January 2023

The following amendments to existing standard have been adopted during the year:

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

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company’s disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company’s financial statements.

Notes to the financial statements for the year ended 31 December 2023

Several new standards, amendments to existing Standards which have become effective from 1 January 2023 and have therefore been adopted do not have a significant impact on the Company's financial results or position

Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, several new, but not yet effective, Standards, amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments to Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

2.4 Equity

Share capital represents the nominal (par) value of shares that have been issued.

Retained earnings includes all current and prior period retained profits.

2.5 Financial instruments

Recognition and derecognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

a. Financial assets

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, except for those accounts receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost,
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVTPL or FVOCI.

Notes to the financial statements for the year ended 31 December 2023

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets if any, are recognised in the statement of comprehensive income are presented within finance costs, finance income or other financial items.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions:

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's bank balance falls into this category of financial instruments.

2.6 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

a. Significant management judgments

There are no significant judgements made by management in applying the accounting policies of the Company that have the most significant effect on the financial statements.

*Notes to the financial statements for the year ended 31 December 2023***3. Related party balance and transactions**

The Company's related parties include its Shareholders, Directors, their close relatives and businesses under their control. The Company's transactions with related parties are in the ordinary course of business, if any. The balances with related parties at the financial position date have been separately disclosed in the financial statements.

3.1 Related party balances:**Amount due from a related party**

	2023	2022
	BD	BD
Al Mal Capital P.S.C.	<u>1,074</u>	<u>1,074</u>

4. Share capital

The share capital of the Company consists of 1,000 (2022: 1,000) shares of BD1 each (2022: BD1 each), authorised, issued and fully paid up.

	Number of shares	%	Amount BD
Al Mal Capital P.S.C.	990	99	990
Al Mal Securities Emirates	10	1	10
	<u>1,000</u>	<u>100</u>	<u>1,000</u>

5. Financial assets and liabilities and risk management

The Company's principal financial instruments comprise of amount due from related party.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

The main risks arising from the Company's financial instruments are liquidity risk, foreign currency risk and credit risk. The Directors approve policies for managing each of these risks, which are summarized below.

a. Liquidity risk

Liquidity risk is the risk arising from the Company not being able to meet its obligations if any.

b. Credit risk

Credit risk is the risk that counterparty fails to discharge an obligation to the Company. The Company trades only with recognized, creditworthy third parties.

Notes to the financial statements for the year ended 31 December 2023

The table below shows the gross maximum exposure to the Company's credit risk, without considering the effects of collateral and credit enhancements as at 31 December:

	2023	2022
	BD	BD
Amount due from a related party	<u>1,074</u>	<u>1,074</u>

6. Capital management policies and procedures

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders' value.

Equity comprises share capital and retained earnings and is measured at BD1,074 as at 31 December 2023 (2022: BD1,074).

7. Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

8. Comparative figures

Comparative figures for the previous year have been reclassified/re-arranged wherever necessary to conform with the presentation in the current year's financial statements.