

ANB Capital Balanced Fund
(Managed by anb capital Company)

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024



Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
Head Office
Al Faisaliah Office Tower, 14th Floor
King Fahad Road
P.O. Box 2732
Riyadh 11461
Kingdom of Saudi Arabia

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

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNITHOLDERS OF ANB CAPITAL BALANCED FUND (MANAGED BY ANB CAPITAL COMPANY)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of ANB Capital Balanced Fund (the "Fund") managed by anb capital Company (the "Fund Manager") as at 30 June 2024, and the related interim condensed statement of comprehensive income, interim condensed statement of changes in equity attributable to the unitholders and interim condensed statement of cash flows for the six-month period then ended, and explanatory notes. The Fund Manager 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") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim financial statements based on our review.

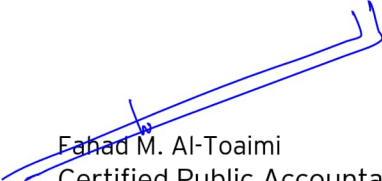
Scope of Review

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" as 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 as endorsed in the Kingdom of Saudi Arabia.

For Ernst & Young Professional Services


Fahad M. Al-Toaimi
Certified Public Accountant
License No. 354



Riyadh: 7 Safar 1446H
(11 August 2024)

ANB Capital Balanced Fund
(Managed by anb capital Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

| | <i>Note</i> | 30 June 2024 (Unaudited) USD | 31 December 2023 (Audited) USD |
|--|-------------|---|---|
| ASSETS | | | |
| Financial assets at fair value through profit or loss (FVTPL) | 5 | 4,519,373 | 4,427,116 |
| Cash and cash equivalent with custodian | | 393,527 | 81,372 |
| TOTAL ASSETS | | 4,912,900 | 4,508,488 |
| LIABILITIES | | | |
| Accrued expenses | | 5,955 | 6,123 |
| TOTAL LIABILITIES | | 5,955 | 6,123 |
| EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY) | | 4,906,945 | 4,502,365 |
| TOTAL LIABILITIES AND EQUITY | | 4,912,900 | 4,508,488 |
| Redeemable units in issue | | 165,167 | 165,950 |
| Net asset value attributable to each unit | | 29.71 | 27.13 |

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

ANB Capital Balanced Fund
(Managed by anb capital Company)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six-month period ended 30 June 2024

| | <i>Note</i> | 30 June 2024 USD | 30 June 2023 USD |
|--|-------------|---------------------------------|---------------------------------|
| INCOME | | | |
| Net realized gain on disposal of financial assets at FVPTL | 5 | 195,954 | 189,472 |
| Net movement in unrealized gain on financial assets at FVPTL | 5 | 232,948 | 355,792 |
| TOTAL INCOME | | 428,902 | 545,264 |
| EXPENSE | | | |
| Other expenses | 6 | (10,959) | (11,826) |
| TOTAL EXPENSE | | (10,959) | (11,826) |
| NET INCOME (LOSS) FOR THE PERIOD | | 417,943 | 533,438 |
| OTHER COMPREHENSIVE INCOME FOR THE PERIOD | | - | - |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | | 417,943 | 533,438 |

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

ANB Capital Balanced Fund
(Managed by anb capital Company)

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

For the six-month period ended 30 June 2024

| | <i>30 June</i> 2024 <i>USD</i> | <i>30 June</i> 2023 <i>USD</i> |
|--|---|---|
| EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT THE BEGINNING OF THE PERIOD | 4,502,365 | 7,381,037 |
| NET INCOME AND TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | 417,943 | 533,438 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 4,920,308 | 7,914,475 |
| ISSUANCE AND REDEMPTIONS OF UNITS | | |
| Issuance of units during the period | 648,585 | 39,442 |
| Redemptions of units during the period | (661,948) | (3,743,126) |
| Net changes from units transactions | (13,363) | (3,703,684) |
| EQUITY ATTRIBUTABLE TO THE UNITHOLDERS AT THE END OF THE PERIOD | 4,906,945 | 4,210,791 |

REDEEMABLE UNIT TRANSACTIONS

Transactions in redeemable units made during the period ended are summarised, as follows:

| | <i>30 June</i> 2024 Units | <i>30 June</i> 2023 Units |
|---|---|---|
| UNITS AT BEGINNING OF THE PERIOD | 165,950 | 327,256 |
| Issuance of units during the period | 21,976 | 1,299 |
| Redemptions of units during the period | (22,759) | (161,186) |
| Net changes in units | (783) | (159,887) |
| UNITS AT THE END OF THE PERIOD | 165,167 | 167,369 |

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

ANB Capital Balanced Fund
(Managed by anb capital Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2024

| | <i>30 June 2024 USD</i> | <i>30 June 2023 USD</i> |
|---|---------------------------------|---------------------------------|
| OPERATING ACTIVITIES | | |
| Net income (loss) for the period | 417,943 | 533,438 |
| Adjustments to reconcile net income to net cash flows: | | |
| Net movement in unrealized (gain) loss on financial assets at FVTPL | (232,948) | (355,792) |
| | 184,995 | 177,646 |
| Working capital changes: | | |
| Financial assets at fair value through profit or loss (FVTPL) | 140,691 | 3,520,655 |
| Accrued expenses | (168) | 114 |
| Net cash flows from (used in) operating activities | 325,518 | 3,698,415 |
| FINANCING ACTIVITIES | | |
| Proceeds from issuance of units | 648,585 | 39,442 |
| Payment on redemption of units | (661,948) | (3,743,126) |
| Net cash flows (used in) from financing activities | (13,363) | (3,703,684) |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | 312,155 | (5,269) |
| Cash and cash equivalents at beginning of the period | 81,372 | 22,146 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 393,527 | 16,877 |

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

ANB Capital Balanced Fund (Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

1. GENERAL

ANB Capital Balanced Fund (the “Fund”) is an open-ended fund. The objective of the Fund is to achieve mid-term positive returns and to balance risk by investing in a range of mutual funds. Given the distribution of the fund’ assets, the fund is considered a moderate risk investment, designed for investors seeking to invest in mid-term investments. The Fund was established on 3 Rabi Awal 1422H (corresponding to 26 May 2001) by Arab National Bank (the “Bank”) which is now managed by anb capital Company (the “Fund Manager”). The address of the Fund Manager is P.O. Box 220009, Riyadh 11311, Kingdom of Saudi Arabia.

The Fund has appointed AlBilad Investment Company (the “Custodian”) to act as its custodian and registrar. The Fund Manager is responsible for the overall management of the Fund’s activities. The Fund Manager can also enter into arrangements with other institutions for the provision of investment, custody or other administrative services on behalf of the Fund.

On 29 September 2022, the Fund’s Board of Directors resolved to change the name of the Fund from Al-Arabi Balanced Fund to ANB Capital Balanced Fund. The legal procedures for CMA approval for change in the Fund’s name were completed on 03 October 2022.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) detailing requirements for all investments funds operating within the Kingdom of Saudi Arabia and published by the Capital Market Authority (the “CMA”) on 3 Dhul Hijja 1427H (corresponding to 24 December 2006). The Regulations were further Amended by Resolution of the Board of the Capital Market Authority Number 2-22-2021 Dated 12 Rajab1442H. Corresponding to 24 February 2021G (the “Amended Regulations”). The amended regulations are effective from 19 Ramadan 1442, corresponding to 1 May 2021).

3. BASIS OF PREPARATION AND CHANGES TO ACCOUNTNG POLICIES

3.1 Basis of preparation

These interim condensed financial statements for the six-month period ended 30 June 2024 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 2023. In addition, result for the six-month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

The interim condensed financial statements have been prepared on a historical cost basis, using the accrual basis of accounting except for financial assets held at fair value through profit or loss that are measured at fair value. These interim condensed financial statements are presented in the United States Dollars (“USD”), which is the Fund’s functional currency.

3.2 New standards and amendments to standards

3.2.1 *New standards and amendments adopted by the Fund*

The material accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the financial statements for the year ended 31 December 2023, except for the new standards and amendments effective from 1 January 2024. The Fund has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

ANB Capital Balanced Fund
(Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

3. BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES (continued)

3.2 New standards and amendments to standards (continued)

3.2.1 New standards and amendments adopted by the fund (continued)

The following new and amended IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these financial statements.

| Standard, interpretation and amendments | Description | Effective date |
|---|--|--|
| Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities | These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. | Deferred until accounting periods starting not earlier than 1 January 2024 |
| Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities | These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. | Deferred until accounting periods starting not earlier than 1 January 2024 |
| Amendment to IFRS 16, Lease Liability in a Sale and Leaseback | Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions. | Annual periods beginning on or after 1 January 2024 |

3.2.2 Significant standards issued but not yet effective

| Standard, interpretation and amendments | Description | Effective date |
|---|--|--|
| Amendments to IFRS 10 and IAS 28 | Sale or contribution of Assets between an Investor and its Associate or Joint Ventures | Available for optional adoption/effective date deferred indefinitely |

4. SIGNIFICANT ACCOUNTING JUDGEMENT, ESTIMATE AND ASSUMPTIONS

The significant accounting judgements, estimates and assumptions used in preparation of interim condensed financial statements are consistent with those used in preparation of the Fund's annual financial statements for the year ended 31 December 2023.

ANB Capital Balanced Fund
(Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

The composition of the financial asset at fair value through profit and loss is summarised below:

| <i>Funds</i> | <i>30 June 2024 (Unaudited)</i> | | | |
|---|---------------------------------|------------------|-------------------------|----------------------------|
| | <i>% of market value</i> | <i>Cost USD</i> | <i>Market value USD</i> | <i>Unrealized gain USD</i> |
| ANB Capital SAR Trade Fund (Shariah) | 43.83% | 1,799,394 | 1,981,030 | 181,636 |
| ANB Capital Saudi Equity Fund (Shariah) | 8.29% | 233,445 | 374,661 | 141,216 |
| ANB Capital Saudi Equity Fund | 11.41% | 400,083 | 515,475 | 115,392 |
| ANB Capital IPO Fund (Shariah) | 10.20% | 257,925 | 460,847 | 202,922 |
| Riyadh Capital Global Equity Fund | 19.72% | 683,639 | 891,150 | 207,511 |
| ANB Capital USD Trade Fund (Shariah) | 6.55% | 267,753 | 296,210 | 28,457 |
| | 100.00% | 3,642,239 | 4,519,373 | 877,134 |

| <i>Funds</i> | <i>31 December 2023 (Audited)</i> | | | |
|--|-----------------------------------|------------------|-------------------------|----------------------------|
| | <i>% of market Value</i> | <i>Cost USD</i> | <i>Market value USD</i> | <i>Unrealised gain USD</i> |
| ANB Capital SAR Trade Fund (Shariah) | 39.17% | 1,622,245 | 1,734,245 | 112,000 |
| ANB Capital Saudi Equity Fund (Shariah) | 8.59% | 264,853 | 380,073 | 115,220 |
| ANB Capital IPO Fund (Shariah) | 8.90% | 257,925 | 394,187 | 136,262 |
| Riyadh Capital Global Equity Fund | 16.71% | 683,639 | 739,908 | 56,269 |
| ANB Capital Pure Saudi Equity Fund (Shariah) | 9.62% | 278,086 | 425,599 | 147,513 |
| ANB Capital Saudi Equity Fund | 9.94% | 385,627 | 440,105 | 54,478 |
| ANB Capital USD Trade Fund (Shariah) | 7.07% | 290,555 | 312,999 | 22,444 |
| | 100% | 3,782,930 | 4,427,116 | 644,186 |

The movements in the financial assets at fair value through profit or loss (FVTPL) during the period, are as follows:

| | <i>30 June 2024 (Unaudited) USD</i> | <i>30 June 2023 (Unaudited) USD</i> |
|--|-------------------------------------|-------------------------------------|
| Balance at beginning of the period | 4,427,116 | 7,364,710 |
| Net purchases (sales) during the period | (336,645) | (3,710,127) |
| Net realized gain during the period | 195,954 | 189,472 |
| Net unrealized gain (loss) during the period | 232,948 | 355,792 |
| Balance at end of the period | 4,519,373 | 4,199,847 |

ANB Capital Balanced Fund
(Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

6. TRANSACTIONS WITH RELATED PARTIES

A subscription fee of 2% may be charged to the subscribers by the Fund Manager upon subscription. As per the revised terms and conditions, dated 23 February 2016, the Fund Manager will not charge management fees to the Fund with effect from 1 January 2016. Accordingly, no management fee has been charged in the statement of comprehensive income for the period ended 30 June 2024 (2023: nil).

The Fund Manager charges other fees at a maximum rate of 1.5% per annum calculated based on the total net asset value at each valuation date to meet other expenses of the Fund.

Other expenses amounting to USD 10,959 (2022: USD 11,826) reflected in the statement of comprehensive income, represent the expenses charged by the Fund Manager during the period as prescribed above.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 by 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.

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.

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

The Fund has only investments at fair value through profit or loss which is measured at fair values and are classified within level 2 of the fair value hierarchy. All other financial assets and liabilities are classified as amortized cost and management believes that the fair value of all other financial assets and liabilities at the reporting date approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. These are all classified within level 2 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current period or prior year.

FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Fund's financial assets as at 30 June 2024 and 31 December 2023. There are no financial liabilities measured at fair value.

| | <i>Total</i> <i>USD</i> | <i>Fair value measurement using</i> | | |
|--|----------------------------|--|--|--|
| | | <i>Quoted prices in active markets (Level 1) USD</i> | <i>Significant observable inputs (Level 2) USD</i> | <i>Significant unobservable inputs (Level 3) USD</i> |
| <i>As at 30 June 2024</i> | | | | |
| <i>Financial assets measured at fair value</i> | | | | |
| Investments at FVTPL | <u>4,519,373</u> | <u>-</u> | <u>4,519,373</u> | <u>-</u> |
| <i>As at 31 December 2023</i> | | | | |
| <i>Financial assets measured at fair value</i> | | | | |
| Investments at FVTPL | <u>4,427,116</u> | <u>-</u> | <u>4,427,116</u> | <u>-</u> |

ANB Capital Balanced Fund
(Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

8. MATURITY ANALYSIS OF ASSETS AND LIABILITY

The table below shows an analysis of assets and liability according to when they are expected to be recovered or settled respectively:

| <i>As at 30 June 2024 (Unaudited)</i> | <i>Within 12 months USD</i> | <i>After 12 months USD</i> | <i>Total USD</i> |
|---|-------------------------------------|------------------------------------|----------------------|
| ASSETS | | | |
| Financial assets at fair value through profit or loss (FVTPL) | 4,519,373 | - | 4,519,373 |
| Cash and cash equivalent with custodian | 393,527 | - | 393,527 |
| TOTAL ASSETS | 4,912,900 | - | 4,912,900 |
| LIABILITIES | | | |
| Accrued expenses | 5,955 | - | 5,955 |
| TOTAL LIABILITIES | 5,955 | - | 5,955 |
| | | | |
| <i>As at 31 December 2023 (Audited)</i> | <i>Within 12 months USD</i> | <i>After 12 months USD</i> | <i>Total USD</i> |
| ASSETS | | | |
| Financial assets at fair value through profit or loss (FVTPL) | 4,427,116 | - | 4,427,116 |
| Cash and cash equivalent with custodian | 81,372 | - | 81,372 |
| TOTAL ASSETS | 4,508,488 | - | 4,508,488 |
| LIABILITIES | | | |
| Accrued expenses | 6,123 | - | 6,123 |
| TOTAL LIABILITIES | 6,123 | - | 6,123 |

9. LAST VALUATION DAY

The last valuation published day of the period was 30 June 2024 (2023: 31 December 2023).

10. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Fund's management on 7 Safar 1446H (corresponding to 11 August 2024).