

ANB Capital IPO Fund (Shariah)
(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



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

Introduction

We have reviewed the accompanying interim condensed statement of financial position of ANB Capital IPO Fund (Shariah) (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 IPO Fund (Shariah)
(Managed by anb capital Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	<i>Note</i>	30 June 2024 (Unaudited) SR	31 December 2023 (Audited) SR
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	5	254,348,137	122,774,646
Dividend receivables		113,484	-
Cash and cash equivalent with custodian		5,385,698	2,769,859
TOTAL ASSETS		259,847,319	125,544,505
LIABILITIES			
Management fees payable	6	4,026	425,647
Accrued expenses		1,022,712	78,355
TOTAL LIABILITIES		1,026,738	504,002
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY)			
		258,820,581	125,040,503
TOTAL LIABILITIES AND EQUITY			
		259,847,319	125,544,505
Redeemable units in issue		11,634,198	6,571,178
Net asset value attributable to each unit		22.25	19.03

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

ANB Capital IPO Fund (Shariah)
(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 SR	30 June 2023 SR
INCOME			
Net realized gain on disposal of financial assets at FVTPL	5	30,820,523	14,705,036
Net movement in unrealized (loss) gain on financial assets at FVTPL	5	(5,441,932)	2,922,665
Dividend income		2,320,704	1,074,324
TOTAL INCOME		27,699,295	18,702,025
EXPENSES			
Management fees	6	(1,483,660)	(666,099)
Other expenses	6	(336,673)	(204,903)
TOTAL EXPENSES		(1,820,333)	(871,002)
NET INCOME FOR THE PERIOD		25,878,962	17,831,023
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		25,878,962	17,831,023

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

ANB Capital IPO Fund (Shariah)
(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> <i>2024</i> <i>SR</i>	<i>30 June</i> <i>2023</i> <i>SR</i>
Equity attributable to the unitholders at beginning of the period	125,040,503	93,072,557
Total comprehensive income for the period	25,878,962	17,831,023
<i>Issuance and redemption of units</i>		
Issue of units during the period	125,995,877	3,066,375
Redemptions of units during the period	(18,094,761)	(18,050,561)
Net changes in units	107,901,116	(14,984,186)
Equity attributable to the unitholders at end of the period	258,820,581	95,919,394

REDEEMABLE UNIT TRANSACTIONS

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

	<i>30 June</i> <i>2024</i> <i>Units</i>	<i>30 June</i> <i>2023</i> <i>Units</i>
Units at beginning of the period	6,571,178	7,022,232
Issue of units during the period	5,905,091	203,260
Redemptions of units during the period	(842,071)	(1,312,762)
Net changes in units	5,063,020	(1,109,502)
Units at end of the period	11,634,198	5,912,730

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

ANB Capital IPO Fund (Shariah)
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INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2024

	<i>Note</i>	30 June 2024 SR	30 June 2023 SR
OPERATING ACTIVITIES			
Net income for the period		25,878,962	17,831,023
<i>Adjustments:</i>			
Net movement in unrealized gain on financial assets at FVTPL	5	5,441,932	(2,922,665)
Dividend income		(2,320,704)	(1,074,324)
		29,000,190	13,834,034
Working capital adjustments:			
Financial assets at fair value through profit or loss (FVTPL)		(137,015,423)	(2,629,250)
Management fee payable and accrued expenses		522,736	(29,616)
Net cash (used in) from operations		(107,492,497)	11,175,168
Dividends received		2,207,220	1,066,684
Net cash flows (used in) from operating activities		(105,285,277)	12,241,852
FINANCING ACTIVITIES			
Payment on redemption of units		(18,094,761)	(18,050,561)
Proceeds from units sold		125,995,877	3,066,375
Net cash flows from (used in) financing activities		107,901,116	(14,984,186)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		2,615,839	(2,742,334)
Cash and cash equivalents at beginning of the period		2,769,859	3,989,757
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		5,385,698	1,247,423

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

ANB Capital IPO Fund (Shariah) (Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

1. GENERAL

ANB Capital IPO Fund (Shariah) (the “Fund”) is an open-ended investment fund created by an agreement between the anb capital company (the “Fund Manager”) and investors (“unitholders”). The investment objective of the Fund is long-term growth of capital through participation and investment primarily in initial public offerings in the Saudi stock market as well as initial rights and the remaining subscriptions of newly listed companies up to a maximum of five years from the listing date provided, they comply with the Fund’s Sharia’a standards. The terms and conditions were issued on 21 February 2016. The Fund commencement date as per terms and conditions was 8 May 2016. The Fund’s first financial period was from the period 8 May 2016 to 31 December 2017.

The Fund has appointed AlBilad Investment Company (the “Custodian”) to act as its custodian and registrar. The fees of the custodian and registrar’s services are paid by the Fund.

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-Mubarak IPO Fund to ANB Capital IPO Fund (Shariah). 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 ACCOUNTING 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 Saudi Riyals (“SR”), 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 IPO Fund (Shariah)
(Managed by anb capital company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

3. BASIS OF PREPARATION AND CHANGED TO ACCOUNTNG 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 2023, 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 2022.

ANB Capital IPO Fund (Shariah)
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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 assets at fair value through profit or loss (FVTPL) is summarised below:

	30 June 2024 (Unaudited)			
	% of market value	Cost SR	Market value SR	Unrealized gain/(loss) SR
<i>Equity shares - Sectors</i>				
Energy	18.11%	48,620,116	46,050,341	(2,569,775)
Health Care Equipment & Services	17.88%	40,926,416	45,487,517	4,561,101
Information Technology	15.99%	36,766,022	40,675,244	3,909,222
Commercial & Professional	10.47%	22,716,312	26,640,116	3,923,804
Materials	7.13%	16,339,671	18,132,635	1,792,964
Consumer Services	6.80%	19,051,087	17,303,170	(1,747,917)
Transportation	5.37%	13,630,524	13,645,970	15,446
Utilities	4.97%	6,784,503	12,638,560	5,854,057
Diversified Financials	4.63%	10,278,241	11,765,468	1,487,227
Banks	4.11%	10,713,662	10,445,767	(267,895)
Media	3.05%	7,418,684	7,748,006	329,322
Retailing	1.50%	4,049,102	3,815,340	(233,762)
	100%	237,294,340	254,348,134	17,053,794

	31 December 2023 (Audited)			
	% of market value	Cost SR	Market value SR	Unrealised gain/(loss) SR
<i>Equity shares - Sectors</i>				
Real Estate Management and Development	18.42%	17,663,387	22,615,087	4,951,700
REITs	16.82%	12,909,668	20,652,925	7,743,257
Materials	13.89%	13,499,167	17,052,919	3,553,752
Consumer Services	10.49%	10,881,240	12,880,084	1,998,844
Health Care Equipment & Services	9.11%	11,221,614	11,185,378	(36,236)
Retailing	8.00%	8,469,089	9,823,600	1,354,511
Software and Services	7.98%	7,539,742	9,799,256	2,259,514
Consumer Durables & Apparel	7.48%	8,920,871	9,189,257	268,386
Energy	4.13%	5,420,734	5,069,232	(351,502)
Food & Staples Retailing	1.98%	2,092,368	2,427,840	335,472
Information Technology	1.69%	1,661,040	2,079,068	418,028
	100%	100,278,920	122,774,646	22,495,726

ANB Capital IPO Fund (Shariah)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

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

The movements of financial assets at fair value through profit and loss during the period, are as follow:

	<i>30 June</i> 2024 SR	<i>30 June</i> 2023 SR
Fair value as at beginning of the period	122,774,646	89,510,439
Net (sales) purchase of financial assets at FVTPL	106,194,897	(12,075,786)
Net realized gain on disposal of financial assets at FVTPL	30,820,523	14,705,036
Net unrealized gain on financial assets at FVTPL	(5,441,932)	2,922,665
	<hr/> 254,348,134 <hr/>	<hr/> 95,062,354 <hr/>

6. TRANSACTIONS WITH RELATED PARTIES

The Fund pays a management fee at the rate of 1.5% per annum calculated based on the net asset value at each valuation date. In addition, the Fund Manager also charges a fee at a maximum rate of 1% per annum calculated based on the net asset value at each valuation date to meet other expenses of the Fund. A subscription fee of 2% may be charged to the subscribers by the Fund Manager upon subscription.

The management fees amounting to SR 1,483,660 (30 June 2023: SR 666,099) and other fees amounting to SR 336,673 (30 June 2023: SR 204,903) reflected in the interim condensed statement of comprehensive income, represent the fees charged by the Fund Manager.

The management fee payable and other fees payable to the Fund Manager at the period-end are to SR 4,026 (2023: SR 425,647). The Bank (parent of the Fund Manager) acts as the Fund's banker. The units held by funds under same management as of 30 June 2024, 77,683 [31 December 2023 (Audited): 110,401 units held by the employees of the Bank].

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 interim condensed statement of financial position date.

The Fund has only investments at fair value through profit or loss which is measured at fair values and are classified within level 1 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.

ANB Capital IPO Fund (Shariah)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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>Fair value measurement using</i>		
		<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>As at 30 June 2024 (Unaudited)</i>				
<i>Financial assets measured at fair value</i>				
Investments at FVTPL (listed on Tadawul)	254,348,137	254,348,137	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>As at 31 December 2023 (Audited)</i>				
<i>Financial assets measured at fair value</i>				
Investments at FVTPL (listed on Tadawul)	122,774,646	122,774,646	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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</i>	<i>After</i>	<i>Total</i>
	<i>12 months</i>	<i>12 months</i>	
	<i>SR</i>	<i>SR</i>	<i>SR</i>
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	254,348,137	-	254,348,137
Dividend receivables	113,484	-	113,484
Cash and cash equivalent with custodian	5,385,698	-	5,385,698
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	259,847,319	-	259,847,319
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES			
Management fees payable	4,026	-	4,026
Accrued expenses	1,022,712	-	1,022,712
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	1,026,738	-	1,026,738
	<u> </u>	<u> </u>	<u> </u>

ANB Capital IPO Fund (Shariah)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

8. MATURITY ANALYSIS OF ASSETS AND LIABILITY (continued)

	Within 12 months	After 12 months	Total
As at 31 December 2023 (Audited)			
	SR	SR	SR
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	122,774,646	-	122,774,646
Dividend receivables	-	-	-
Cash and cash equivalent with custodian	2,769,859	-	2,769,859
TOTAL ASSETS	<u>125,544,505</u>	<u>-</u>	<u>125,544,505</u>
LIABILITIES			
Management fees payable	425,647	-	425,647
Accrued expenses	78,355	-	78,355
TOTAL LIABILITIES	<u>504,002</u>	<u>-</u>	<u>504,002</u>

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).