

anb capital SAR Trade 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 SAR TRADE FUND (SHARIAH) (MANAGED BY anb capital COMPANY)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of anb capital SAR Trade 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.

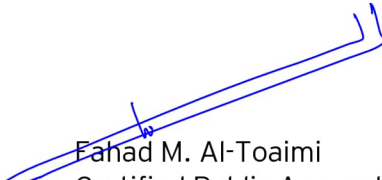
Scope of Review

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 SAR Trade Fund
(Managed by anb capital Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

| | | <i>30 June</i> <i>2024</i> <i>SR</i> <i>(Unaudited)</i> | <i>31 December</i> <i>2023</i> <i>SR</i> <i>(Audited)</i> |
|--|-------------|--|--|
| | <i>Note</i> | | |
| ASSETS | | | |
| Murabaha placements at amortized cost | 6 | 1,799,700,000 | 1,826,900,000 |
| Investment as fair value thorough profit or loss | 8 | 131,683,151 | - |
| Investments in sukuks at amortized cost | 5 | 61,000,000 | 61,000,000 |
| Accrued special commission income | | 28,089,033 | 31,277,355 |
| Bank balance with custodian | 7 | 60,648,052 | - |
| TOTAL ASSETS | | 2,081,120,236 | 1,919,177,355 |
| LIABILITIES | | | |
| Management fees payable and accrued expenses | | 2,881,774 | 1,869,445 |
| Bank overdraft | | - | 4,114,328 |
| TOTAL LIABILITIES | | 2,881,774 | 5,983,773 |
| EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY) | | 2,078,238,462 | 1,913,193,582 |
| TOTAL LIABILITIES AND EQUITY | | 2,081,120,236 | 1,919,177,355 |
| Redeemable units in issue | | 85,591,611 | 81,007,392 |
| Net asset value attributable to each per unit | | 24.28 | 23.62 |

The accompanying notes 1 to 12 form an integral part of these interim condensed financial statements.

anb capital SAR Trade 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 SR | 30 June 2023 SR |
|--|-------------|--------------------------------|--------------------------------|
| INCOME | | | |
| Special commission income | | 58,132,044 | 37,951,052 |
| Net movement in unrealized gain on financial assets at FVTPL | | 2,525,189 | - |
| Realized gain on disposal of financial asset | | 157,963 | 158,272 |
| TOTAL INCOME | | 60,815,196 | 38,109,324 |
| EXPENSES | | | |
| Management fees | 8 | 4,976,270 | 1,378,860 |
| Other fees | 8 | 864,410 | 293,801 |
| TOTAL EXPENSES | | 5,840,680 | 1,672,661 |
| NET INCOME FOR THE PERIOD | | 54,974,516 | 36,436,663 |
| OTHER COMPREHENSIVE INCOME FOR THE PERIOD | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | 54,974,516 | 36,436,663 |

The accompanying notes 1 to 12 form an integral part of these interim condensed financial statements.

anb capital SAR Trade 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 SR | <i>30 June</i> 2023 SR |
|--|-------------------------------------|------------------------------|
| Equity attributable to the unitholders at beginning of the period | 1,913,193,582 | 1,202,149,917 |
| Total comprehensive income for the period | 54,974,516 | 36,436,663 |
| <i>Issuance and redemptions of units</i> | | |
| Issuance of units during the period | 1,245,321,129 | 1,385,023,555 |
| Redemptions of units during the period | (1,135,250,765) | (876,289,812) |
| Net changes in units | 110,070,364 | 508,733,743 |
| Equity attributable to the unitholders at end of the period | 2,078,238,462 | 1,747,320,323 |

REDEEMABLE UNIT TRANSACTIONS

Transactions in units made for the period are summarized as follows:

| | <i>30 June</i> 2024 <i>Units</i> | <i>30 June</i> 2023 <i>Units</i> |
|--|---|--|
| Units at beginning of the period | 81,007,392 | 53,772,601 |
| Issuance of units during the period | 51,960,229 | 61,060,785 |
| Redemptions of units during the period | (47,376,010) | (38,684,785) |
| Net changes in units | 4,584,219 | 22,376,000 |
| Units at end of the period | 85,591,611 | 76,148,601 |

The accompanying notes 1 to 12 form an integral part of these interim condensed financial statements.

anb capital SAR Trade Fund
(Managed by anb capital Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2024

| | <i>Note</i> | <i>30 June</i> 2024 SR | <i>30 June</i> 2023 SR |
|--|-------------|-------------------------------------|------------------------------|
| OPERATING ACTIVITIES | | | |
| Net income for the period | | 54,974,516 | 36,436,663 |
| <i>Adjustments</i> | | | |
| Net movement in unrealized gain on financial assets at FVTPL | | (2,525,189) | - |
| Special commission income | | (58,132,044) | (37,951,052) |
| | | (5,682,717) | (1,514,389) |
| <i>Changes in operating assets and liabilities:</i> | | | |
| Investments in sukuku at amortized cost | | - | 18,000,000 |
| Financial assets at FVTPL | | (129,157,962) | - |
| Murabaha placements at amortized cost | | 686,400,000 | (950,000,000) |
| Redemption payable | | - | (3,120,703) |
| Management fee payable and accrued expense | | 1,012,329 | 54,519 |
| Net cash flows generated from operations | | 552,571,650 | (936,580,573) |
| Special commission received | | 61,320,366 | 27,407,035 |
| Net cash flows (used in) from operating activities | | 613,892,016 | (909,173,538) |
| FINANCING ACTIVITIES | | | |
| Proceed from issuance of units | | 1,245,321,129 | 1,385,023,555 |
| Payment on redemption of units | | (1,135,250,765) | (876,289,812) |
| Net cash flows from (used in) financing activities | | 110,070,364 | 508,733,743 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | 723,962,380 | (400,439,795) |
| Cash and cash equivalents at beginning of the period | | (4,114,328) | 653,571,632 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 8 | 719,848,052 | 253,131,837 |

The accompanying notes 1 to 12 form an integral part of these interim condensed financial statements.

anb capital SAR Trade Fund
(Managed by anb capital Company)

NOTE TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

1. GENERAL

anb capital SAR Trade Fund (Shariah) (the “Fund”) is an open-ended fund. The investment objective of the Fund is to provide capital preservation and short-term capital growth, through investing in Shariah-compliant conservative investments. The Fund was established on 8 Rajab 1413H (corresponding to 1 January 1993) by Arab National Bank (the “Bank”).

In accordance with the Capital Market Authority's (CMA) decision No.1-83-2005 dated 21 Jumada Awal 1426H (corresponding to 28 June 2005) issued by the CMA Board in connection with the regulations relating to Authorised Persons, the Bank has transferred its asset management operations to the anb capital Company (the “Fund Manager”), a wholly owned subsidiary of the Bank, effective 1 January 2008. The address of the registered office of the Fund Manager is anb capital Company, 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 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.

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 Rajab 1442H (Corresponding to 24 February 2021). The amended regulations were effective from 19 Ramadan 1442H (corresponding to 1 May 2021).

3. BASIS OF PREPARATION AND SIGNIFICANT 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 Saudi Riyals (“SR”), which is the Fund’s functional currency.

3.2 Significant accounting policies

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.

anb capital SAR Trade Fund
(Managed by anb capital Company)

NOTE TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 New standards, interpretations and amendments

3.2.1 New standards and amendments adopted by the Fund

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

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 JUDGEMENTS, ESTIMATES, 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 SAR Trade Fund
(Managed by anb capital Company)

NOTE TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

5. INVESTMENTS IN SUKUKS AT AMORTIZED COST

| Name of sukuk | Commission rate | Maturity date | 30 June | 31 December |
|-------------------------------------|--------------------------|-----------------|-------------------|-------------|
| | | | 2024 | 2023 |
| | | | SR | SR |
| | | | (Unaudited) | (Audited) |
| Al Rajhi Bank – Tire I | 9 month SIBOR plus 3.5% | 23 January 2027 | 38,000,000 | 38,000,000 |
| Bank AlJazira - Tier II Sukuk | 6 month SIBOR plus 1.55% | 8 December 2031 | 10,000,000 | 10,000,000 |
| Riyad Bank - Tier II Sukuk Series I | 6 month SIBOR plus 1.5% | 9 February 2031 | 5,000,000 | 5,000,000 |
| Bank AlBilad - Tier II Sukuk | 3 month SIBOR plus 1.65% | 15 April 2031 | 3,000,000 | 3,000,000 |
| Saudi Alawwal Bank-Tier II Sukuk | 6 month SIBOR plus 1.95% | 22 July 2030 | 5,000,000 | 5,000,000 |
| | | | 61,000,000 | 61,000,000 |

Investments in sukuk at amortised cost are subject to allowance for expected credit losses (ECL) as per IFRS 9. The management has assessed that allowance for ECL is not significant as of 30 June 2024 and as of 31 December 2023 as these sukuk are stage 1, issued by high credit rating financial institutions in the Kingdom of Saudi Arabia and there has been no history of default with any of the Fund's investments in sukuk.

6. MURABAHA PLACEMENTS AT AMORTIZED COST

| | 30 June | 31 December |
|---|----------------------|---------------|
| | 2024 | 2023 |
| | SR | SR |
| | (Unaudited) | (Audited) |
| Murabaha placements with original maturities more than three months | 1,140,500,000 | 1,564,900,000 |
| Murabaha placements with original maturities of three months or less (note 7) | 659,200,000 | 262,000,000 |
| | 1,799,700,000 | 1,826,900,000 |

Murabaha placements are an Islamic mode of money market placements with financial institutions in the Kingdom of Saudi Arabia and the rest of the Middle East. Murabaha placements earn commission at average rate 6.15% per annum (31 December 2023: 6.40%) and have average original maturities period of 161 days as of 30 June 2024 (31 December 2022: 90 days).

Murabaha placements carried at amortised cost are subject to allowance for expected credit losses (ECL) as per IFRS 9. The management has assessed that allowance for ECL is not significant as of 30 June 2024 and as of 31 December 2023 as these Murabaha placements are stage 1, placed with high credit rating financial institutions (both within and outside the Kingdom of Saudi Arabia) and there has been no history of default with any of the Fund's investments in Murabaha placements.

anb capital SAR Trade Fund
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NOTE TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

7. CASH AND CASH EQUIVALENTS

| | 30 June 2024 SR (Unaudited) | 31 December 2023 SR (Audited) |
|---|--|--|
| Bank balance with custodian | 60,648,052 | - |
| Murabaha placements with original maturities of three months or less (note 6) | 659,200,000 | 262,000,000 |
| | 719,848,052 | 262,000,000 |

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

The fund has investment in mutual fund during the period ended 30 June 2024 which is carried at fair value through profit or loss (FVTPL) category as follows:

| | 30 June 2024 (Unaudited) | | |
|---------------------|---------------------------------|----------------------------|--|
| | Cost SR | Market value SR | Unrealized gain/(loss) SR |
| Mutual Fund | | | |
| Alpha Murabaha Fund | 129,157,962 | 131,683,151 | 2,525,189 |
| | 129,157,962 | 131,683,151 | 2,525,189 |

9. TRANSACTIONS WITH RELATED PARTIES

As per the agreement, the Fund is required to pay a management fee at the maximum rate of 0.5% per annum calculated based on the total net asset value at each valuation date. In addition, the Fund manager also charges other fees at a maximum rate of 0.50% per annum calculated based on the total net asset value at each valuation date to meet other expenses of the Fund.

The management fees amounting to SR 4,976,270 (30 June 2023: SR 1,378,860) and other fees amounting to SR 864,410 (30 June 2023: SR 293,801), reflected in the interim condensed statement of comprehensive income, represent the fees charged by the Fund Manager during the period as described above.

The management and other fees payable to the Fund Manager at the period end are disclosed in the interim condensed statement of financial position.

The Unitholders' account at 30 June included units held as follows:

| | 30 June 2024 Units | 31 December 2023 Units |
|-----------------------------------|-----------------------------------|---------------------------------------|
| Funds managed by the Fund Manager | 15,067,751 | 1,054,010 |
| | 15,067,751 | 1,054,010 |

anb capital SAR Trade Fund
(Managed by anb capital Company)

NOTE TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

10. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

| <i>As at 30 June 2024(Unaudited)</i> | <i>No fixed maturity SR</i> | <i>Within 12 months SR</i> | <i>More than one year SR</i> | <i>Total SR</i> |
|---|-----------------------------|----------------------------|------------------------------|----------------------|
| ASSETS | | | | |
| Investment at fair value through profit or loss | 131,683,151 | | | 131,683,151 |
| Investments in Sukuk at amortized cost | - | - | 61,000,000 | 61,000,000 |
| Murabaha placements at amortized cost | - | - | 1,799,700,000 | 1,799,700,000 |
| Accrued special commission income | - | 28,089,033 | - | 28,089,033 |
| Bank balance with custodian | - | 60,648,052 | - | 60,648,052 |
| TOTAL ASSETS | 131,683,151 | 88,737,085 | 1,860,700,000 | 2,081,120,236 |
| LIABILITIES | | | | |
| Management fees payable and accrued expenses | - | 2,881,774 | - | 2,881,774 |
| TOTAL LIABILITIES | - | 2,881,774 | - | 2,881,774 |
| <i>As at 31 December 2023 (Audited)</i> | | | | |
| | <i>No fixed maturity SR</i> | <i>Within 12 months SR</i> | <i>More than one year SR</i> | <i>Total SR</i> |
| ASSETS | | | | |
| Investments in Sukuk at amortized cost | - | - | 61,000,000 | 79,000,000 |
| Murabaha placements at amortized cost | - | 1,826,900,000 | - | 1,826,900,000 |
| Accrued special commission income | - | 31,277,355 | - | 31,277,355 |
| TOTAL ASSETS | - | 1,858,177,355 | 61,000,000 | 1,919,177,355 |
| LIABILITIES | | | | |
| Management fees payable and accrued expenses | - | 1,869,445 | - | 887,459 |
| Bank overdraft | - | 4,114,328 | - | 3,120,703 |
| TOTAL LIABILITIES | - | 5,983,773 | - | 5,983,773 |

11. LAST VALUATION DAY

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

12. 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).