

ANB Capital Saudi Equity 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

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

Introduction

We have reviewed the accompanying interim condensed statement of financial position of ANB Capital Saudi Equity 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 Saudi Equity Fund (Shariah)
(Managed by anb capital Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2024

		30 June 2024 (Unaudited) SR	31 December 2023 (Audited) SR
	<i>Note</i>		
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	5	152,921,702	147,412,144
Dividend receivables		208,812	-
Cash and cash equivalent with custodian		4,106,609	1,840,237
TOTAL ASSETS		157,237,123	149,252,381
LIABILITIES			
Management fees payable	6	775,473	862,247
Accrued expenses		59,229	193,399
TOTAL LIABILITIES		834,702	1,055,646
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY)		156,402,421	148,196,735
TOTAL LIABILITIES AND EQUITY		157,237,123	149,252,381
Redeemable units in issue		593,355	628,785
Net asset value attributable to each unit		263.59	235.69

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

ANB Capital Saudi Equity 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>	2024 SR	2023 SR
INCOME			
Net realized gain on disposal of financial assets at FVTPL	5	27,202,966	20,231,667
Net unrealized (loss) gain on financial assets at FVTPL	5	(9,972,549)	6,566,051
Dividend income		1,574,703	2,050,259
		<hr/>	<hr/>
TOTAL INCOME		18,805,120	28,847,977
		<hr/>	<hr/>
EXPENSES			
Management fees	6	(1,358,893)	(1,524,892)
Other expenses	6	(314,117)	(372,815)
		<hr/>	<hr/>
TOTAL EXPENSES		(1,673,010)	(1,897,707)
		<hr/>	<hr/>
NET INCOME FOR THE PERIOD		17,132,110	26,950,270
		<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17,132,110	26,950,270
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The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

ANB Capital Saudi Equity 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

	2024 SR	2023 SR
Equity attributable to the unitholders at beginning of the period	148,196,735	167,290,679
Total comprehensive income for the period	17,132,110	26,950,270
<i>Issuance and redemption of units</i>		
Issuance of units during the year	3,987,725	816,762
Redemptions of units during the period	(12,914,149)	(7,183,007)
Net changes in units	(8,926,424)	(6,366,245)
Equity attributable to the unitholders at end of the period	156,402,421	187,874,704

REDEEMABLE UNIT TRANSACTIONS

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

	2024 Units	2023 Units
Units at beginning of the period	628,785	936,267
Issuance of units during the year	15,668	4,173
Redemptions of units during the period	(51,098)	(37,664)
Net changes in units	(35,430)	(33,491)
Units at end of the period	593,355	902,776

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ANB Capital Saudi Equity Fund (Shariah)
(Managed by anb capital Company)
INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
For the six-month period ended 30 June 2024

	2024 SR	2023 SR
OPERATING ACTIVITIES		
Net income for the period	17,132,110	26,950,270
<i>Adjustments:</i>		
Net movement in unrealized (gain) loss on financial assets at FVTPL	9,972,549	(6,566,051)
Dividend income	(1,574,703)	(2,050,259)
	<u>25,529,956</u>	<u>18,333,960</u>
Working capital adjustments:		
Financial assets at FVTPL	(15,482,107)	(10,982,823)
Management fee payable and accrued expenses	(220,944)	37,018
Redemption payable	-	(232,967)
Dividend receivable		16,155
	<u>9,826,905</u>	<u>7,171,343</u>
Net cash generated from operations	1,365,891	2,050,259
Dividends received		
	<u>11,192,796</u>	<u>9,221,602</u>
FINANCING ACTIVITIES		
Payment on redemption of units	3,987,725	816,762
Proceeds from units sold	(12,914,149)	(7,183,007)
	<u>(8,926,424)</u>	<u>(6,366,245)</u>
Net cash flows (used in) from financing activities		
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,266,372	2,855,357
Cash and cash equivalents at beginning of the period	1,840,237	5,969,070
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>4,106,609</u>	<u>8,824,427</u>

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

ANB Capital Saudi Equity Fund (Shariah)
(Managed by anb capital Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
At 30 June 2024

1. GENERAL

ANB Capital Saudi Equity Fund (Shariah) (the “Fund”) is an open-ended fund. The investment objective of the fund is long term growth through investments in a diversified portfolio of Saudi Arabian equities that are Shariah compliant, and to invest in Murabaha and other money market instruments. The Fund was established on 18 Shawwal 1412 (corresponding to 1 May 1993) by the Arab National Bank (the “Bank”) which is now managed by anb capital company (the “Fund Manager”). The address of the registered office of the Fund Manager is anb capital company Building, King Faisal Road, Murabba district, Riyadh, 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 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 significant 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 2021, except for the new standards and amendments effective from 1 January 2023. The Fund has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

ANB Capital Saudi Equity 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 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

ANB Capital Saudi Equity Fund (Shariah)

(Managed by anb capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

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.

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

The composition of the financial assets at fair value through profit and 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>				
Banks	24.38%	32,353,684	37,279,425	4,925,741
Telecommunication services	3.59%	4,733,056	5,495,503	762,447
Energy	12.86%	18,750,334	19,660,765	910,431
Retailing	2.93%	4,727,270	4,480,322	(246,948)
Insurance	8.31%	9,599,506	12,709,542	3,110,036
Materials	5.45%	6,398,801	8,339,722	1,940,921
Food and staples retailing	9.51%	12,883,332	14,536,479	1,653,147
Health care equipment services	2.49%	4,159,948	3,808,028	(351,920)
Software and services	10.48%	15,700,485	16,022,859	322,374
Diversified financials	5.35%	7,996,577	8,185,788	189,211
Information technology	11.28%	14,294,088	17,255,911	2,961,823
Transportation	3.37%	5,708,454	5,147,358	(561,096)
	100%	137,305,535	152,921,702	15,616,167

	31 December 2023 (Audited)			
	% of market value	Cost SR	Market value SR	Unrealised gain/(loss) SR
<i>Equity shares – Sectors</i>				
Banks	2.53%	1,924,835	3,722,645	1,797,810
Utilities	8.03%	10,923,849	11,843,558	919,709
Telecommunication services	4.78%	6,945,595	7,052,859	107,264
Energy	9.33%	9,712,549	13,758,737	4,046,188
Capital Goods	7.39%	8,489,690	10,895,130	2,405,440
Insurance	12.47%	15,735,124	18,384,513	2,649,389
Food and Staples Retailing	9.22%	12,269,603	13,591,557	1,321,954
Health Care Equipment and services	1.76%	2,811,414	2,589,683	(221,731)
Media	9.69%	11,863,440	14,287,712	2,424,272
Software and services	3.43%	5,185,224	5,049,192	(136,032)
Consumer Services	31.37%	35,962,106	46,236,558	10,274,452
	100%	121,823,429	147,412,144	25,588,715

ANB Capital Saudi Equity Fund (Shariah)
(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) (Continued)

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

	30 June 2024 SR	30 June 2023 SR
Fair value as at beginning of the period	147,412,144	162,503,181
Net purchase (sales) of financial assets at FVTPL	(11,720,859)	(9,248,844)
Net realized gain on disposal of financial assets at FVTPL	27,202,966	20,231,667
Net unrealized (loss) on financial assets at FVTPL	(9,972,549)	6,566,051
Fair value as at end of period	<u>152,921,702</u>	<u>180,052,055</u>

6. TRANSACTIONS WITH RELATED PARTIES

The Fund pays a management fee at the rate of 1.75% per annum calculated based on the net asset value at each valuation date. In addition, the Fund Manager also charges other fees at a maximum rate of 1.00 % per annum calculated based on the net asset value at each valuation date to meet other expenses of the Fund. A subscription fee of up to 2% may be charged to the subscribers by the Fund Manager upon subscription.

The management fees amounting to SR 1,358,893 (30 June 2023: SR 1,524,892) and other fees amounting to SR 314,117 (30 June 2023:SR 372,815) reflected in the statement of comprehensive income, represent the fees charged by Fund Manager during the period.

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

The unitholders' account included units held by:

	30 June 2024 (Unaudited) Units	31 December 2023 (Audited) Units
Funds managed by the Fund Manager	-	6,048
Held by Fund Manager	5,331	-
	<u>5,331</u>	<u>6,048</u>

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

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.

ANB Capital Saudi Equity Fund (Shariah)
(Managed by anb capital Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2024

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

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. 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>Fair value measurement using</i>		
		<i>Quoted prices in</i>	<i>Significant</i>	<i>Significant</i>
		<i>active markets</i>	<i>observable</i>	<i>unobservable</i>
	<i>Total</i>	<i>(Level 1)</i>	<i>inputs</i>	<i>inputs</i>
	<i>SR</i>	<i>SR</i>	<i>(Level 2)</i>	<i>(Level 3)</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)	152,921,702	152,921,702	-	-
<i>As at 31 December 2023 (Audited)</i>				
<i>Financial assets measured at fair value</i>				
Investments at FVTPL (listed on Tadawul)	147,412,144	147,412,144	-	-

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>No fixed</i>	<i>Within</i>	<i>After</i>	<i>Total</i>
	<i>maturity</i>	<i>12 months</i>	<i>12 months</i>	
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>As at 30 June 2024 (Unaudited)</i>				
ASSETS				
Financial assets at fair value through profit or loss (FVTPL)	152,921,702	-	-	152,921,702
Cash and cash equivalent with custodian	-	4,106,609	-	4,106,609
Dividend receivable	-	208,812		208,812
TOTAL ASSETS	152,921,702	4,315,421	-	157,237,123
LIABILITIES				
Management fees payable	-	775,473	-	775,473
Accrued expenses	-	59,229	-	59,229
TOTAL LIABILITIES	-	834,702	-	834,702

ANB Capital Saudi Equity Fund (Shariah)
(Managed by anb capital Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2024

8. MATURITY ANALYSIS OF ASSET AND LIABILITY (Continued)

<i>As at 31 December 2023 (Audited)</i>	<i>Within 12 months SR</i>	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
ASSETS				
Financial assets at fair value through profit or loss (FVTPL)	147,412,144		-	147,412,144
Cash and cash equivalent with custodian	-	1,840,237	-	1,840,237
TOTAL ASSETS	147,412,144	1,840,237	-	149,252,381
LIABILITIES				
Management fees	-	862,247	-	862,247
Accrued expenses	-	193,399	-	193,399
TOTAL LIABILITIES	-	1,055,646	-	1,055,646

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).