

ANB Capital Saudi Equity 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



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

Introduction

We have reviewed the accompanying interim condensed statement of financial position of ANB Capital Saudi Equity 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 Saudi Equity Fund
(Managed by ANB Capital Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
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	136,066,597	108,770,806
Cash and cash equivalent with custodian		2,123,117	8,904,523
Dividend receivables		159,156	-
TOTAL ASSETS		138,348,870	117,675,329
LIABILITIES			
Management fees payable	6	583,352	829,549
Accrued expenses		117,107	33,453
TOTAL LIABILITIES		700,459	863,002
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY)			
		137,648,411	116,812,327
TOTAL LIABILITIES AND EQUITY			
		138,348,870	117,675,329
Redeemable units in issue		563,705	549,759
Net asset value attributable to each unit		244.19	212.48

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

ANB Capital Saudi Equity 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			
Realized gain on financial assets at FVTPL	5	22,115,120	15,619,939
Net movement in unrealized(loss) gain on financial assets at FVTPL	5	(4,836,235)	4,537,258
Dividend income		1,632,485	2,040,164
TOTAL INCOME		18,911,370	22,197,361
EXPENSES			
Management fees	6	(1,156,150)	(1,314,956)
Other expenses	6	(264,924)	(310,842)
TOTAL EXPENSES		(1,421,074)	(1,625,798)
NET INCOME FOR THE PERIOD		17,490,296	20,571,563
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17,490,296	20,571,563

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

ANB Capital Saudi Equity 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	116,812,327	145,048,262
Total comprehensive income for the period	17,490,296	20,571,563
<i>Issuance and redemption of units</i>		
Issuance of units during the year	7,203,529	127,050
Redemptions of units during the period	(3,857,741)	(2,671,923)
Net changes in units	3,345,788	(2,544,873)
Equity attributable to the unitholders at end of the period	137,648,411	163,074,952

REDEEMABLE UNIT TRANSACTIONS

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

	<i>30 June</i> 2024 Units	<i>30 June</i> 2023 Units
Units at beginning of the period	549,759	860,228
Issuance of units during the year	30,167	697
Redemptions of units during the period	(16,221)	(15,122)
Net changes in units	13,946	(14,425)
Units at end of the period	563,705	885,519

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ANB Capital Saudi Equity 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</i> 2024 SR	<i>30 June</i> 2023 SR
OPERATING ACTIVITIES		
Net income for the period	17,490,296	20,571,563
<i>Adjustments:</i>		
Movement in unrealized loss on financial assets at FVTPL	(4,836,235)	(4,537,258)
Dividends income	(1,632,485)	(2,040,164)
	11,021,576	13,994,141
Working capital adjustments:		
Financial assets at FVTPL	(22,459,556)	(12,739,075)
Management fee payable and accrued expenses	(162,543)	(158,341)
Dividend receivable	-	13,948
Net cash (used in) from operations	(11,600,523)	1,110,673
Dividends received	1,473,329	2,040,164
Net cash flows (used in) from operating activities	(10,127,194)	3,150,837
FINANCING ACTIVITIES		
Payment on redemption of units	(3,857,741)	(2,671,923)
Proceeds from units sold	7,203,529	127,050
Net cash flows from (used in) financing activities	3,345,788	(2,544,873)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(6,781,406)	605,964
Cash and cash equivalents at beginning of the period	8,904,523	2,582,007
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,123,117	3,187,971

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

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

1. GENERAL

ANB Capital Saudi Equity Fund (the “Fund”) is open-ended fund. The investment object of the Fund is to invest in a broadly diversified portfolio of Saudi Arabian equity including money market and murabaha funds. The Fund was established on 13 Shawwal 1401H (corresponding to 1 April 1992) by the Arab National Bank (“the Bank”). The address of the Fund Manager is ANB capital company, P.O. Box 220009, Riyadh 11311, Kingdom of Saudi Arabia.

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 ANB capital company (“the Fund Manager”), a wholly owned subsidiary of the Bank, effective 1 January 2008.

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-Arabi Saudi Equity Fund to ANB Capital Saudi Equity 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 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 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 Saudi Equity Fund
(Managed by ANB capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

3. BASIS OF PREPARATION AND SIGNIFICANT 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 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
(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 investments at fair value through profit and loss is summarised below:

<i>Equity shares - Sectors</i>	<i>30 June 2024 (Unaudited)</i>			
	<i>% of market Value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealized gain/(loss) SR</i>
Banks	30.45%	39,942,393	41,427,807	1,485,414
Energy	12.12%	15,705,252	16,495,963	790,711
Information Technology	10.19%	13,014,065	13,864,360	850,295
Commercial & Professional Services	8.62%	9,901,778	11,730,377	1,828,599
Health Care Equipment & Services	8.42%	10,242,250	11,461,717	1,219,467
Insurance	8.22%	8,592,437	11,181,268	2,588,831
Transportation	4.77%	6,261,445	6,494,425	232,980
Materials	4.30%	4,085,555	5,849,418	1,763,863
Consumer Services	3.56%	5,431,454	4,840,507	(590,947)
Telecommunication Services	3.00%	3,684,022	4,076,700	392,678
Diversified Financials	2.43%	3,587,498	3,305,039	(282,459)
Retailing	2.23%	3,236,276	3,036,967	(199,309)
Media	1.69%	1,338,401	2,302,049	963,648
	100%	125,022,826	136,066,597	11,043,771

<i>Equity shares – Sectors</i>	<i>31 December 2023 (Audited)</i>			
	<i>% of market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealised gain/(loss) SR</i>
Banks	37.63%	35,026,582	40,930,518	5,903,936
Materials	9.85%	9,374,167	10,714,877	1,340,710
Software and Services	9.63%	8,763,798	10,476,442	1,712,644
Health Care Equipment and Services	8.89%	8,726,300	9,665,084	938,784
Commercial and Professional	7.86%	5,643,126	8,549,132	2,906,006
Insurance	7.03%	5,756,396	7,654,078	1,897,682
Telecommunication services	5.46%	5,490,708	5,933,970	443,262
Energy	4.84%	5,228,598	5,262,378	33,780
Consumer Services	3.36%	3,919,813	3,653,776	(266,037)
Utilities	2.77%	1,648,641	3,017,437	1,368,796
Media	2.68%	3,312,671	2,913,114	(399,557)
	100%	92,890,800	108,770,806	15,880,006

ANB Capital Saudi Equity 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) (continued)

The movements in the fair value of financial assets at FVTPL during the period are, as follows:

	<i>30 June</i> 2024 SR	<i>30 June</i> 2023 SR
Fair value as at beginning of the period	108,770,806	143,472,452
Net purchase (sales) of financial assets at FVTPL	10,016,906	(2,880,864)
Net realized gain on disposal of financial assets at FVTPL	22,115,120	15,619,939
Net unrealized gain (loss) on financial assets at FVTPL	(4,836,235)	4,537,258
	<hr/> 136,066,597 <hr/>	<hr/> 160,748,785 <hr/>
Fair value as at end of period	136,066,597	160,748,785

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 1,156,150 (30 June 2023: SR 1,314,956) and other fees amounting to SR 264,924 (30 June 2023:SR 310,842) 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 for the period ended 30 June 2024 and as at 31 December 2023:

	<i>30 June</i> 2024 <i>(Unaudited)</i>	<i>31 December</i> 2023 <i>(Audited)</i>
Funds under the Fund Managers	7,916	7,763
Employees of the Bank	-	-
	<hr/> 7,916 <hr/>	<hr/> 7,763 <hr/>

ANB Capital Saudi Equity Fund
(Managed by ANB capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 30 June 2024

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 condensed statement of financial position date.

The Fund has only investments at fair value through profit or loss which is measured at fair values. 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 year 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>Total</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)	136,066,596	136,066,596	-	-
<i>As at 31 December 2023 (Audited)</i>				
<i>Financial assets measured at fair value</i>				
Investments at FVTPL (listed on Tadawul)	108,770,806	108,770,806	-	-

ANB Capital Saudi Equity 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 SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	136,066,597	-	136,066,597
Cash and cash equivalent with custodian	2,123,117	-	2,123,117
Dividend receivable	159,156	-	159,156
TOTAL ASSETS	138,348,870	--	138,348,870
LIABILITIES			
Management fees payable	583,352	-	583,352
Accrued expenses	117,107	-	117,107
TOTAL LIABILITIES	700,459	-	700,459
<i>As at 31 December 2023 (Audited)</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)	108,770,806	-	108,770,806
Dividends receivable	-	-	-
Cash and cash equivalent with custodian	8,904,523	-	8,904,523
TOTAL ASSETS	117,675,329	-	117,675,329
LIABILITIES			
Management fees	829,549	-	829,549
Accrued expenses	33,453	-	33,543
TOTAL LIABILITIES	863,002	-	863,002

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 07 Safar 1446H (corresponding to 11 August 2024).