



## FUND OVERVIEW

Alkhabeer Growth and Income Traded Fund ("the Fund") is a closed-ended Shari'a-compliant investment traded public equity fund established in accordance with the applicable laws and regulations of the Kingdom of Saudi Arabia and regulated by the Capital Market Authority (CMA). The Fund's investment objective is to increase the Fund's Net Asset Value by boosting the performance of the Fund's investments in the long term and generating current income to investors from the dividend distributions of the companies in which the Fund invests, in addition to part of the capital appreciation resulting from the growth of market value of the securities invested in. This is achieved by investing in a diversified portfolio of global equities, public and private equities, initial public offerings of companies, private placements, cash, and cash equivalents.

## KEY FUND FACTS

TADAWUL SYMBOL	4701
BLOOMBERG SYMBOL	AKGRINF AB EQUITY
FUND TYPE	Closed-ended Traded Public Equity Fund
FUND INCEPTION DATE	27 April 2022
FUND TERM	99 years, starting as from the Listing Date, renewable
NET ASSET VALUE PER UNIT	SAR 11.0865
FUND ASSETS SIZE*	SAR 1,114,735,480
FUND'S TOTAL CAPITAL	SAR 1 BILLION
BORROWING AMOUNT*	SAR 0.00
RATIO OF LOANS TO FUND'S TOTAL ASSET VALUE	0.00%
RATIO OF LOANS TO FUND'S NET ASSET VALUE AS AT THE END OF THE REPORTING QUARTER	0.00%
VALUE OF FUND MANAGER'S INVESTMENT TO FUND'S NET ASSET VALUE AS AT THE END OF THE REPORTING QUARTER	N/A
PERCENTAGE OF FUND MANAGER'S INVESTMENT TO FUND'S NET ASSET VALUE AS AT THE END OF THE REPORTING QUARTER	0.00%
RISK LEVEL	High
FUND CURRENCY	Saudi Arabian Riyal (SAR)
INVESTMENT ADVISOR AND FUND SUB-MANAGER	-
RATIO OF UNDERLYING FUNDS' MANAGEMENT FEES	0.05%
NUMBER OF DAYS WEIGHTED AVERAGE	91 Days

\* As of 30 June 2023 (Unaudited).

## FINANCIAL INDICATORS\*

VALUATION FREQUENCY	Daily
FUND'S TOTAL ASSET VALUE*	SAR 1,114,735,480
FUND NET ASSET VALUE*	SAR 1,108,651,857
AMOUNT OF TRANSACTION EXPENSES FOR THE REPORTING QUARTER	SAR 22,709
RATIO OF TRANSACTION EXPENSES FOR THE REPORTING QUARTER TO FUND'S AVERAGE NET ASSET VALUE****	0.002%
RATIO OF TOTAL EXPENSES AND FEES TO FUND'S TOTAL ASSET VALUE**	0.30%
RATIO OF FUND'S COSTS TO FUND'S TOTAL ASSET VALUE***	0.30%
RATIO OF FUND'S COSTS TO FUND'S AVERAGE NET ASSET VALUE***	0.32%
TOTAL EXPENSES AND FEES FOR THE REPORTING QUARTER	SAR 3,393,163
RATIO OF TOTAL EXPENSES AND FEES FOR THE REPORTING QUARTER TO FUND'S AVERAGE NET ASSET VALUE**	0.32%

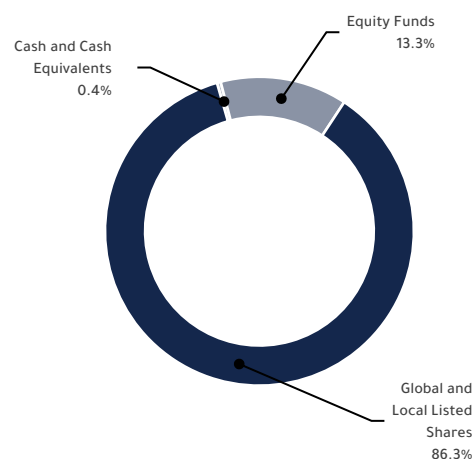
\* As of 30 June 2023 (Unaudited).

\*\* Fund's expenses and fees are total Fund expenses during the reporting quarter, excluding financing costs.

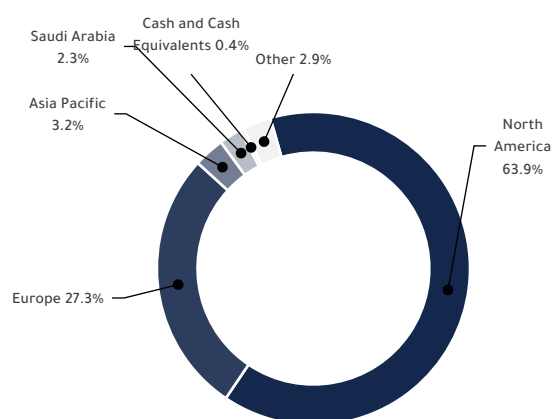
\*\*\* Fund's costs are all Fund's fees and expenses, including financing costs.

\*\*\*\* Fund's average net asset value during the reporting quarter = SAR 1,071,434,965.

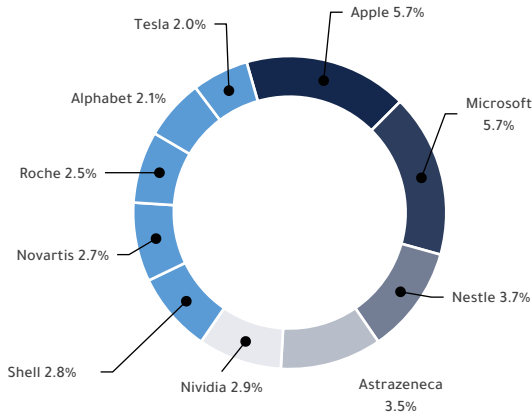
## FUND PORTFOLIO INVESTMENT CONCENTRATION RATIOS



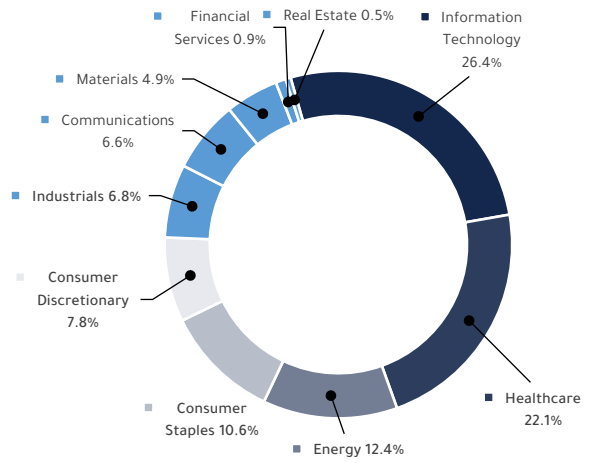
## DISTRIBUTION OF INVESTMENTS BY GEOGRAPHY



TOP 10 LISTED GLOBAL AND LOCAL EQUITIES COMPANIES



TOP SECTORS OF FUND'S UNDERLYING INVESTEE COMPANIES



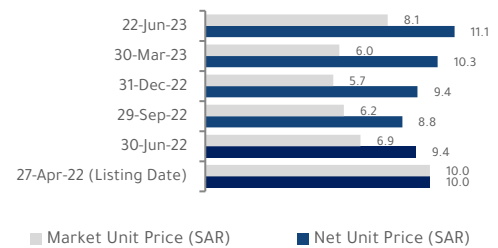
FUND ASSETS INFORMATION

LISTED SHARES	SAR 1,104,112,925
TOTAL CASH AND CASH EQUIVALENT	SAR 10,622,555

FUND MARKET VALUE INFORMATION

AS AT THE LISTING DATE	SAR 1,000,000,000
AS AT 30 JUNE 2022	SAR 691,000,000
AS AT 29 SEPTEMBER 2022	SAR 617,000,000
AS AT 29 DECEMBER 2022	SAR 569,000,000
AS AT 30 MARCH 2023	SAR 597,000,000
AS AT 22 JUNE 2023	SAR 811,000,000

NET ASSET VALUE AND UNIT PRICE PERFORMANCE\*



\* Based on the Unit Price.

FUND UNITS INFORMATION

UNIT PRICE AS AT THE END OF Q2 (22 JUNE 2023)	SAR 8.11
CHANGE IN UNIT PRICE DURING THE CURRENT QUARTER COMPARED TO THE PREVIOUS QUARTER (30 MARCH 2023 TO 30 JUNE 2023)	35.85%
UNIT PRICE PERFORMANCE SINCE THE LISTING DATE (FROM THE LISTING DATE TO END Q2 2023)	-18.9%
52-WEEK HIGH	SAR 8.33
52-WEEK LOW	SAR 5.66
NUMBER OF OUTSTANDING UNITS *	100,000,000 Units
DUAL UNIT PRICE OF MONEY MARKET FUNDS AND FIXED INCOME DEBT FUNDS	N/A

## DIVIDEND DISTRIBUTION DURING THE REPORTING QUARTER

### DIVIDEND DISTRIBUTION POLICY

The Fund Manager aims to distribute 100% of the net returns on the Fund's investments, which only include the distributions of Fund's underlying listed shares twice a year. The Fund will distribute returns within Forty (40) business days after the date of issue of the semi-annual and annual financial statements. The Fund Manager may, at its discretion, distribute up to 50% of the realized and unrealized capital gains twice a year. The Fund will distribute realized and unrealized capital gains (if any) within ten (10) business days after the date of issue of the semi-annual and annual financial statements. Details of the cash distributions will be announced on Saudi Tadawul's website.

TOTAL DIVIDEND DISTRIBUTIONS FOR THE REPORTING QUARTER	SAR 0.00
TOTAL DIVIDEND DISTRIBUTIONS FOR THE LAST SEMI-ANNUAL PERIOD	SAR 0.00
DIVIDEND DISTRIBUTIONS FOR THE LAST SEMI-ANNUAL PERIOD PER UNIT	SAR 0.00
RATIO OF DISTRIBUTED DIVIDENDS IN THE REPORTING QUARTER TO INITIAL UNIT PRICE	0.00%
RATIO OF DISTRIBUTED DIVIDENDS TO UNIT PRICE	0.00%
GAINS RECEIVED ON THE FUND'S UNDERLYING LISTED SHARES	SAR 5,144,258
REALIZED LOSS ON THE FUND'S INVESTMENTS	SAR 1,439,730
UNREALIZED GAIN ON THE FUND'S INVESTMENTS	SAR 69,960,042
GAIN FROM FOREIGN CURRENCY RATE DIFFERENCES	SAR 4,129,074
TOTAL INCOME FOR THE REPORTING QUARTER	SAR 77,793,645
TOTAL INCOME FOR THE REPORTING QUARTER TO UNIT PRICE AS AT 30 JUNE 2023	9.59%

## FUND PERFORMANCE CRITERIA AND INDICATORS

BENCHMARK	Alkhabeer Global Equity Index
INITIAL UNIT PRICE (AT THE INITIAL OFFERING)	SAR 10
NET FUND TOTAL RETURN SINCE THE DATE OF INCEPTION	10.87%
P/E RATIO (LAST TWELVE MONTHS)	24.34

## DESCRIPTION OF THE FUND'S BENCHMARK

Alkhabeer Global Equity Index is an index especially created for the Fund in collaboration with the Index Service Provider, who will calculate the valuations of the companies that are included in the Index and will manage the Index on behalf of the Fund. The Index includes companies which are diversified by sector and size in the largest global capital markets, as well as the largest leading companies in the Kingdom of Saudi Arabia. The companies will be filtered based on a market value exceeding US \$ 100 million, and a trade value exceeding US \$ 1 million per day. The Index includes 160 global companies representing the largest global capital markets, in addition to the largest 10 listed companies on the Saudi Stock Exchange, compliant with the guidelines of the Shari'a Supervisory Committee. The global companies included in the index are divided by market cap into three categories: the largest 70 in terms of market value of free float shares among large market cap companies, the largest 50 companies in terms of market value of free float shares among medium market cap companies, and the largest 40 companies in terms of market value of free float shares among small market cap companies.

Large market cap companies are defined as companies representing the largest market capitalization. It is the segment which represents up to 70% of the aggregate capitalization of the market combined, while the medium cap segment represents more than 70% up to 85% of the aggregate market capitalization, and the small cap represents more than 85% up to 100% of the aggregate market capitalization.

## PERFORMANCE ASSESSMENT CRITERIA AND INDICATORS

	ALKHABEER GROWTH AND INCOME TRADED FUND	ALKHABEER GLOBAL EQUITY INDEX
NET ASSET VALUE PER UNIT AS AT THE BEGINNING OF THE PERIOD	SAR 10.3422	96.4165
NET ASSET VALUE PER UNIT AS AT THE END OF THE PERIOD	SAR 11.0865	103.35161
UNIT PERFORMANCE	7.20%	7.19%

## OWNERSHIP OF FUND INVESTMENTS

OWNERSHIP	PERCENTAGE (%)
FREEHOLD	100%
LEASEHOLD	0%

## RETURNS

ITEM	REPORTING QUARTER	YEAR TO DATE (YTD)	ONE YEAR	3 YEARS	5 YEARS
TOTAL RETURN TO NET ASSET VALUE PER UNIT (FUND PERFORMANCE)	7.20%	17.43%	18.43%	N/A	N/A
BENCHMARK PERFORMANCE	7.19%	16.44%	18.33%	N/A	N/A
PERFORMANCE SPREAD	0.01%	0.99%	0.10%	N/A	N/A

## PERFORMANCE AND RISKS

PERFORMANCE AND RISKS CRITERIA	REPORTING QUARTER	YEAR TO DATE (YTD)	ONE YEAR*	3 YEARS	5 YEARS
STANDARD DEVIATION <sup>1</sup>	4.47	7.73	15.36	N/A	N/A
SHARPE RATIO <sup>2</sup>	0.33	1.55	1.04	N/A	N/A
TRACKING ERROR <sup>3</sup>	4.03	6.39	12.38	N/A	N/A
BETA <sup>4</sup>	0.57	0.63	0.65	N/A	N/A
ALPHA <sup>5</sup>	-0.07	0.78	-0.11	N/A	N/A
INFORMATION RATIO <sup>6</sup>	-0.02	0.12	-0.01	N/A	N/A

- Standard Deviation is a measure of risk. It is calculated as any volatility in returns over a period of time. The lower the volatility, the more homogeneous the set of returns.
- Sharpe Ratio is a risk-adjusted performance measure. It is calculated as the difference of the Fund Manager excess return over the risk-free rate, divided by the Standard Deviation. The greater a portfolio's Sharpe Ratio, the better its risk-adjusted performance.
- Tracking Error is a measure of risks. It is calculated as the Standard Deviation between the Fund Manager's return and the Benchmark's return. The lower the Tracking Error, the lower the Fund Manager deviates from the Benchmark.
- Beta is a measure of the average historical sensitivity of the Fund's returns compared to market returns. It is calculated by using the covariance of the Fund and the market on the variance of the market.
- Alpha measures any excess return achieved by the Fund compared to the performance of the index.
- Information Ratio is a risk-adjusted performance measure. It is calculated as the active return of the Fund Manager, divided by its tracking error. The higher the Information ratio, the higher the Fund Manager ability to generate excess returns per Unit of excess risk.

The performance and risk parameters were calculated based on the Unit's net value.

## FUND HIGHLIGHTS AND ANY FUNDAMENTAL OR NON-FUNDAMENTAL CHANGES AFFECTING THE PERFORMANCE OF THE FUND

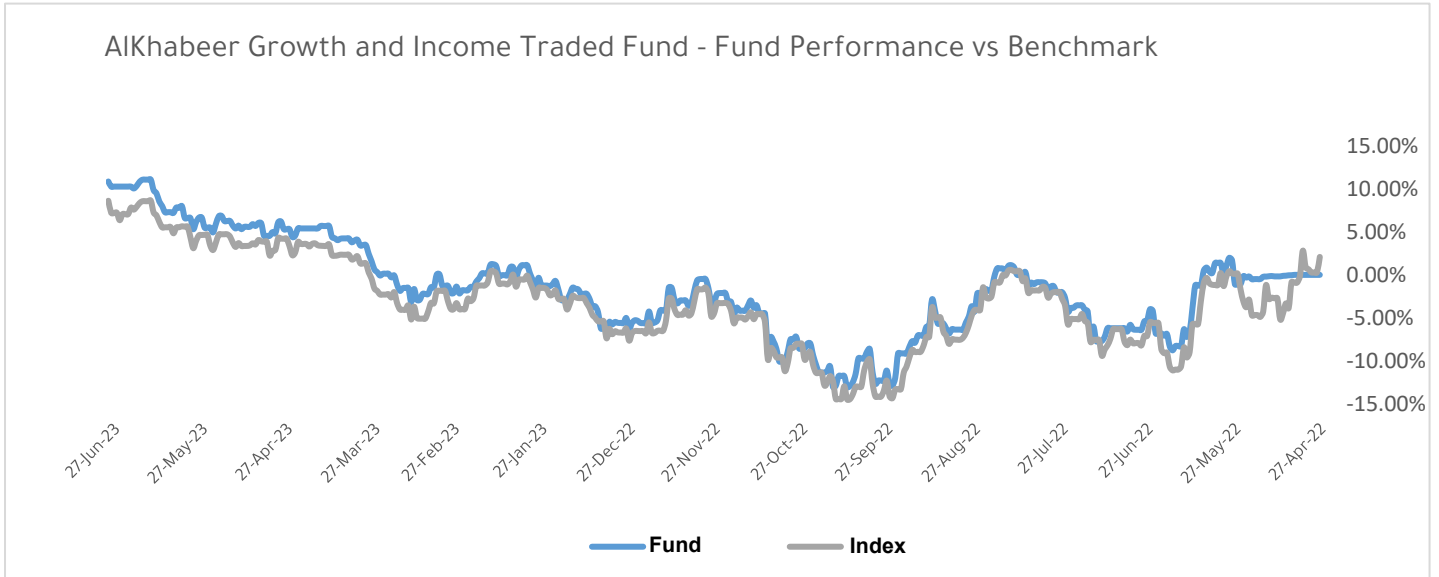
On 11 June 2023, the Fund Board approved the Fund Manager's recommendation to repurchase its Units for cancellation of up to 50% of the total number of outstanding Units at a price not exceeding the Fund's NAV. Unitholders will approve this Resolution in their General Assembly Meeting to be held on 19 July 2023.

## OVERVIEW OF GLOBAL MARKETS

During Q2 2023, global equity markets (developed markets in particular) witnessed a positive momentum on the back of its gains during the last quarter. This is due to receding fears of a recession in the United States, a temporary hold on interest rate hikes by the US Fed, and declining oil prices.

The US Fed temporarily halted interest rate hikes at the present time. Markets expects interest rates to decrease early First Half of 2024. With the significant decreases of interest rates, the gross national product will start to accelerate starting 2025. The loosening of supply restrictions affecting most sectors will result in growth of the economy and the equity markets. Real GDP is expected to grow by 2.5% in 2023 and 3% in 2024.

FUND NET UNIT VALUE PERFORMANCE COMPARED TO THE BENCHMARK SINCE THE INCEPTION OF THE FUND



**FOR FURTHER INFORMATION**

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