ALISTITHMAR CAPITAL QUARTERLY DIVIDEND FUND
An open-ended mutual fund
(Managed by Alistithmar For Financial Securities
And Brokerage Company)
Condensed Interim Financial Statements (Unaudited)
For the period from 05 April 2023
(Date of commencement of the Fund) to 30 June 2023
together with the
Independent Auditor's Review Report to the Unitholders

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Headquarters in Riyadh

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سجل تجاري رقم 1010425494

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed interim financial statements

To the Unitholders of Alistithmar Capital Quarterly Dividend Fund

Introduction

We have reviewed the accompanying 30 June 2023 condensed interim financial statements of **Alistithmar Capital Quarterly Dividend Fund** ("the Fund"), managed by Alistithmar for Financial Securities and Brokerage Company ("the Fund Manager"), which comprises:

- the condensed statement of financial position as at 30 June 2023;
- the condensed statement of comprehensive income for the period from 05 April 2023 (date of commencement of the Fund) to 30 June 2023;
- the condensed statement of changes in net assets (equity) attributable to the Unitholders for the period from 05 April 2023 to 30 June 2023;
- the condensed statement of cash flows for the period from 05 April 2023 to 30 June 2023; and
- the notes to the condensed interim financial statements.

The Fund Manager is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34"), that is endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Fund Regulations issued by Capital Market Authority and the Fund's Terms and Conditions. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial information 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 30 June 2023 condensed interim financial statements of **Alistithmar Capital Quarterly Dividend Fund** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services

Hani Hamzah A. Bedairi
License No: 460

Al Riyadh, 22 Muharram 1445H
Corresponding to: 09 August 2023

ALISTITHMAR CAPITAL QUARTERLY DIVIDEND FUND
An open-ended mutual fund
CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023
(Amounts in Saudi Arabian Riyals)

	Notes	**30 June 2023 (Unaudited)**
ASSETS		
Cash and cash equivalents	*9*	**15,679,193**
Investments	*10*	**22,516,833**
Total assets		**38,196,026**
LIABILITIES		
Management fee payable	*12, 14*	**107,582**
Accrued expenses		**30,692**
Total liabilities		**138,274**
Net assets (Equity) attributable to the Unitholders		**38,057,752**
Units in issue *(numbers)*		**3,736,237**
Net assets (Equity) attributable to each unit:		
-IFRS NAV *(SAR)*	*17*	**10.19**
-Dealing NAV ***(SAR)***	*17*	**10.20**

The accompanying notes 1 to 19 form an integral part of these condensed interim financial statements.

ALISTITHMAR CAPITAL QUARTERLY DIVIDEND FUND
An open-ended mutual fund
CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
For the period from 05 April 2023 to 30 June 2023
(Amounts in Saudi Arabian Riyals)

	Notes	**For the period from 05 April 2023 to 30 June 2023**
INCOME		
Special commission income		**492,295**
Gain on investments, net	*11*	**418,874**
Total income		**911,169**
EXPENSES		
Management fee	*12, 14*	**(93,549)**
Custody fee		**(5,984)**
Expected credit losses charge	*13*	**(41,658)**
Other expenses		**(64,285)**
Total expenses		**(205,476)**
Net income for the period		**705,693**
Other comprehensive income for the period		--
Total comprehensive income for the period		**705,693**

The accompanying notes 1 to 19 form an integral part of these condensed interim financial statements.

ALISTITHMAR CAPITAL QUARTERLY DIVIDEND FUND
An open-ended mutual fund
CONDENSED STATEMENT OF CHANGES IN NET ASSETS (EQUITY)
ATTRIBUTABLE TO THE UNITHOLDERS (Unaudited)
For the period from 05 April 2023 to 30 June 2023
(Amounts in Saudi Arabian Riyals)

	For the period from 05 April 2023 to 30 June 2023
Net assets (Equity) attributable to the Unitholders at beginning of the period	**--**
Total comprehensive income for the period	**705,693**
Contributions and redemptions by the Unitholders:	
Contributions by the Unitholders	**43,632,941**
Redemptions by the Unitholders	**(6,280,882)**
Net contributions by the Unitholders	**37,352,059**
Net assets (Equity) attributable to the Unitholders at the end of the period	**38,057,752**

UNITS TRANSACTIONS *(numbers)*

	For the period from 05 April 2023 to 30 June 2023
Units at beginning of the period	**--**
Units issued during the period	**4,362,675**
Units redeemed during the period	**(626,438)**
Net increase in units	**3,736,237**
Units at end of the period	**3,736,237**

The accompanying notes 1 to 19 form an integral part of these condensed interim financial statements.

ALISTITHMAR CAPITAL QUARTERLY DIVIDEND FUND
An open-ended mutual fund
CONDENSED STATEMENT OF CASH FLOWS (Unaudited)
For the period from 05 April 2023 to 30 June 2023
(Amounts in Saudi Arabian Riyals)

	Notes	For the period from 05 April 2023 to 30 June 2023
Cash flows from operating activities		
Net profit for the period		**705,693**
Adjustment for:		
Expected credit losses charge	*13*	**41,658**
		747,351
Changes in operating assets and liabilities:		
Increase in investments		**(22,553,928)**
Increase in management fee payable		**107,582**
Increase in accrued expenses		**30,692**
Net cash used in operating activities		**(21,668,303)**
Cash flows from financing activities		
Contributions by the Unitholders		**43,632,941**
Redemptions by the Unitholders		**(6,280,882)**
Net cash generated from financing activities		**37,352,059**
Net increase in cash and cash equivalents		**15,683,756**
Cash and cash equivalents at beginning of the period		**--**
Cash and cash equivalents at end of the period	*9*	**15,683,756**

The accompanying notes 1 to 19 form an integral part of these condensed interim financial statements.

1. GENERAL

Alistithmar Capital Quarterly Dividend Fund (the "Fund") is an open-ended investment fund created by an agreement between Alistithmar for Financial Securities and Brokerage Company ("Alistithmar Capital" or the "Fund Manager"), a wholly owned subsidiary of The Saudi Investment Bank (the "Bank"), and the investors (the "Unitholders"). The Fund commenced its operations on 05 April 2023.

The Fund aims to generate periodic income for unitholders by investing in a diversified portfolio of income-generating asset classes. The Fund is designed for investors seeking to achieve periodic income by investing in a diversified portfolio of income-generating assets that comply with the Fund's Shariah standards.

Alistithmar Capital is the Fund Manager and Riyad Capital is the custodian of the Fund.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements of the Fund.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the "Regulations") published by Capital Market Authority ("CMA") on 3 Dhul Hijja 1427 H (corresponding to 24 December 2006) thereafter amended (the "Amended Regulations") on 16 Sha'ban 1437 H (corresponding to 23 May 2016). The Regulation was further amended (the "Amended Regulations") on 12 Rajab 1442 H (corresponding to 24 February 2021), detailing requirements for all funds within the Kingdom of Saudi Arabia. The Amended Regulations have effective dates starting from 19 Ramadan 1442 H (corresponding to 1 May 2021).

3. BASIS OF ACCOUNTING

These condensed interim financial statements are prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Fund Regulations issued by the Capital Market Authority ("CMA") and the Fund's terms and conditions. The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements.

Since these are the first financial statements of the Fund, no comparative information is included in these condensed interim financial statements.

4. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on a historical cost basis, except for measurement of investments at fair value, using the accrual basis of accounting and the going concern concept.

The Fund does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the statement of financial position. Instead, assets and liabilities are presented in order of their liquidity.

5. FUNCTIONAL AND PRESENTATION CURRENCY

These condensed interim financial statements are presented in Saudi Arabian Riyals ("SAR"), which is the Fund's functional currency. All amounts have been rounded to the nearest SAR, unless otherwise indicated.

6. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed interim financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Significant areas where management has used estimates, assumptions or exercised judgement are as follows:

Measurement of the expected credit loss allowance
The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

A number of significant judgments are also required in applying the accounting requirements for measuring expected credit loss (ECL), such as:

- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing group of similar financial assets for the purposes of measuring ECL.

7. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

(a) *Foreign currency*

Transactions in foreign currencies are translated into SAR at the exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into SAR at the exchange rate at the reporting date. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Foreign currency differences arising on translation are recognised in the statement of comprehensive income as net foreign exchange gains or losses, except for those arising on financial instruments at fair value through profit or loss (“FVTPL”), which are recognised as a component of net gain from financial instruments at FVTPL.

(b) *Revenue recognition*

Special commission income
Special commission income and expense are recognized in statement of comprehensive income, using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition. When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

Special commission received or receivable, and special commission paid or payable, are recognized in statement of comprehensive income as special commission income and special commission expense, respectively.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue recognition (continued)

Dividend income

Dividend income is recognised in the statement of comprehensive income on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at FVTPL is recognized in statement of comprehensive income as a separate line item.

Net gain from financial instruments at FVTPL

Net gain from financial instruments at FVTPL includes all realised and unrealised fair value changes and foreign exchange differences (if any), but excludes interest and dividend income.

Net realised gain from financial instruments at FVTPL is calculated using the weighted average cost method.

(c) Distributions to the Unitholders

Distribution to the Unitholders is accounted for as a deduction from net assets (equity) attributable to the Unitholders.

(d) Fee and other expenses

Fee and other expenses are recognized in statement of comprehensive income as the related services are received.

(e) Zakat and tax

Under the current system of zakat and income tax in the Kingdom of Saudi Arabia, the Fund is exempt from paying any zakat and income tax. Zakat and income tax are considered to be the obligation of the Unitholders and are not provided for in these condensed interim financial statements.

(f) Provisions

Provisions are recognized whenever there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(g) Financial assets and financial liabilities

Recognition and initial measurement

Financial assets and financial liabilities at FVTPL are initially recognised on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognised at fair value, with transaction costs recognised in the statement of comprehensive income. Financial assets or financial liabilities not at FVTPL are initially recognised at fair value plus / (minus) transaction costs that are directly attributable to their acquisition or issue.

Classification of financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial assets and financial liabilities (continued)

Financial asset at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at fair value through other comprehensive income (“FVOCI”)

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL.

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent fair value changes in other comprehensive income (“OCI”). This election is made on an investment-by-investment basis.

Financial asset at fair value through profit or loss (“FVTPL”)

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

Business model assessment

The Fund Manager makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management’s strategy focuses on earning contractual commission revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund’s Manager;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund’s stated objective for managing the financial assets is achieved and how cash flows are realised.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case’ scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial assets and financial liabilities (continued)

Business model assessment (continued)

Financial assets that are held for trading and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Commission / Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

Classification of financial liabilities
The Fund classifies its financial liabilities at amortised cost using the effective interest method unless it has designated liabilities at FVTPL.

Derecognition
The Fund derecognises a financial asset (or where applicable, a part of a financial asset or a part of group of similar financial assets) when the contractual rights to receive the cash flows from the financial asset have expired, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in other comprehensive income (OCI) is recognized in profit or loss.

Transactions in which the Fund transfers assets recognized on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or portion of them, the transferred assets are not derecognized. Transfers of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial assets and financial liabilities (continued)

Transactions in which the Fund neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Fund continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Fund derecognize a financial liability when its contractual obligations are discharged or cancelled, or expired.

Offsetting
Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS as endorsed in the Kingdom of Saudi Arabia, or for gains and losses arising from a group of similar transactions such as in the Fund's trading activity.

Expected Credit loss (ECL)
The Fund recognizes provisions for ECL on the following financial instruments that are not measured at FVTPL:

- Money market placements
- Investments held at amortized cost

No impairment losses are recognized on equity investments.

The Fund measures loss allowance at an amount equal to lifetime ECL, except for the following which are measured at 12-month ECL:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Fund considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Measurement of ECL
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Significant increase in credit risk
To determine whether the risk of default on a financial instrument has increased significantly since initial recognition, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and expert credit assessment and including an assessment of the change in probability of default (PD) as at the reporting date with the PD at the time of initial recognition of the exposure.

One of the key quantitative indicators used by the Fund is the relative downgrade of the credit rating of the borrower and thereby the consequent change in the PD.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial assets and financial liabilities (continued)

Using credit judgment and, where possible, relevant historical experience, the Fund Manager may determine that financial instrument has undergone a significant increase in credit risk based on particular qualitative indicators that considers are indicative of such and which effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. The qualitative indicators include forbearance.

Definition of Default
The Fund considers a financial asset to be in default when:

- The investee is unlikely to pay its credit obligations to the Fund in full, without recourse by the Fund to actions such as realizing security (if any is held); or
- The financial asset is more than 30 days past due.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk. At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off when the Fund has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(h) Fair value measurement

‘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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. 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.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Fund measures instruments quoted in an active market as per the official closing price in the related stock exchange where the instrument in traded.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks, cash held with broker in trading account and with custodian in investment account and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Fund in the management of short-term commitments.

(j) Redeemable Units

The Fund classified financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund has redeemable units in issue. On liquidation of the Fund, they entitle the holders to the residual net assets. They rank pari passu in all respects and have identical terms and conditions. The redeemable units provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund net assets at each redemption date and also in the event of the Fund's liquidation.

Redeemable units are classified as equity as it meets all of the following conditions:
- it entitles the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation;
- it is in the class of instruments that is subordinate to all other classes of instruments;
- all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- apart from the contractual obligation for the Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the Fund over the life of the instrument.

Incremental costs directly attributable to the issue or redemption of redeemable units are recognized directly in equity as a deduction from the proceeds or part of the acquisition cost.

8. NEW STANDARDS

(a) New IFRS standards, IFRIC interpretations and amendments thereof, adopted by the Fund

The following new standards, amendments and revisions to existing standards, which were issued by the International Accounting Standards Board ("IASB") have been effective from 1 January 2023 and accordingly adopted by the Fund, as applicable:

Standards / Amendments	**Description**
Amendments to IAS 1 and IFRS practice statement 2	Disclosure of accounting policies
Amendments to IAS 8	Definition of accounting estimates
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction
Amendments to IFRS 17	Insurance Contracts

The adoption of the amended standards and interpretations applicable to the Fund did not have any significant impact on these condensed interim financial statements.

8. NEW STANDARDS

(b) New IFRS standards, IFRIC interpretations and amendments thereof issued but not yet effective

The following new standards, amendments and revisions to existing standards, which were issued by IASB but not yet effective are listed below. The Fund intends to adopt these standards when they become effective. The Fund anticipates that the application of these new standards and amendments in the future will not have significant impact on the amounts reported.

Standards / Amendments	**Description**	**Effective from periods beginning on or after the following date**
Amendments to IAS 1	Classification of liabilities as current or non-current and non current liabilities with covenant	1 January 2024
Amendments to IFRS 16	Lease liability in a sale and leaseback	1 January 2024
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture	1 January 2024

9. CASH AND CASH EQUIVALENTS

	Notes	**30 June 2023**
Cash in trading account		**561,887**
Cash with custodian		**2,954,979**
Money market placements	*9.1*	**12,162,327**
		15,679,193

9.1 These placements are with local commercial banks having investment grade credit ratings.

These placements have an original maturity of three months or less from the date of placements and carry special commission rate of 6.10% per annum.

	Notes	**30 June 2023**
Money market placements		**12,012,200**
Accrued special commission income		**154,690**
Less: Allowance for expected credit losses	*13*	**(4,563)**
		12,162,327

10. INVESTMENTS

Equity securities:		**30 June 2023**
Investments at FVTPL	*10.1*	**1,844,460**
Investments at amortized cost	*10.2*	**20,672,373**
		22,516,833

10.1 Investments at FVTPL comprise of the Fund's investment in listed equity securities. The table below summarizes the Fund's exposure in various industry sectors in the Kingdom of Saudi Arabia:

10. INVESTMENTS (CONTINUED)

	30 June 2023	
Industry Sector	**Cost**	**Fair value**
Financial services	**549,666**	**512,460**
Real estate	**1,297,594**	**1,332,000**
	1,847,260	**1,844,460**

10.2 Investments held at amortized cost represent Sukuk, detail as follows:

	Notes	**30 June 2023**
Sukuk	*10.3*	**20,409,972**
Accrued special commission income		**299,496**
Less: Allowance for expected credit losses	*13*	**(37,095)**
		20,672,373

10.3 These Sukuk were issued inside the Kingdom of Saudi Arabia, have a maturity of more than 1 year and carry special commission rates ranging from 0.95% to 7.75% per annum.

11. GAIN ON INVESTMENTS, NET

	For the period from 05 April 2023 to 30 June 2023
Realised gain, net	**421,674**
Unrealised loss, net	**(2,800)**
	418,874

12. MANAGEMENT FEE

As per the terms and conditions of the Fund, the Fund pays management fee to the Fund Manager equal to 1% per annum of the net assets value at each valuation date. Additionally, administration expenses paid by the Fund Manager on behalf of the Fund are reimbursed by the Fund and related expenses, if any, payable to the Fund Manager are classified in accrued expenses.

13. EXPECTED CREDIT LOSS CHARGE DURING THE PERIOD

	For the period from 05 April 2023 to 30 June 2023
Money market placements	**4,563**
Investments	**37,095**
	41,658

14. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Fund include the Fund Manager and the Fund Board. The Fund transacts business with its related parties in the ordinary course of its business.

In addition to transactions disclosed elsewhere in these condensed interim financial statements, related party transactions and balances resulting from these transactions are as follows:

Transactions with related parties:

Related party	Nature of relationship	Nature of transaction	For the period from 05 April 2023 to 30 June 2023
Alistithmar Capital	The Fund Manager	Management fee	**93,549**
		Securities transaction costs	**5,334**
The Fund Board	The Fund Board	The Fund Board Fee	**3,210**

Balances with related parties:

Related party	Nature of relationship	Nature of balance	30 June 2023
Alistithmar Capital	The Fund Manager	Management fee payable	**107,582**

15. FAIR VALUES OF FINANCIAL INSTRUMENTS

The Fund measures certain financial instruments at fair value at each statement of financial position 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 Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Changes in assumptions about these factors could affect the fair value of financial instruments.

Valuation models
The fair values of financial instruments that are traded in active markets are based on prices obtained directly from an exchange on which the instruments are traded or obtained from a broker that provides an unadjusted quoted price from an active market for identical instruments.

15. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Fund values equity securities that are traded on a stock exchange at their last reported prices. To the extent that equity securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy, hence the Fund's assets recorded at fair value have been categorized based on fair value hierarchy Level 1.

Fair value hierarchy – Financial instruments measured at fair value
The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognised in the statement of financial position. All below fair value measurements are recurring.

	30 June 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments at FVTPL	**1,844,460**	**--**	**--**	**1,844,460**
Investments at amortized cost	**--**	**17,577,700**	**--**	**17,577,700**
	1,844,460	**17,577,700**		**19,422,160**

Other financial instruments such as cash and cash equivalents, management fee payable and accrued expenses are short-term financial assets and financial liabilities whose carrying amounts are approximate to their fair values. Cash and cash equivalents are classified under level 1 while the remaining financial assets and liabilities are classified under level 3.

16. LAST VALUATION DAY

The last valuation day of the period was 30 June 2023.

17. NET ASSETS VALUE

CMA, through its circular dated 10 Rabi Al Thani 1439H (corresponding to 28 December 2017), has approved the Dual NAV approach for investment funds. In accordance with the circular, IFRS 9 will be applied for accounting and reporting purposes and dealing NAV will remain unaffected until further notice.

As at 30 June 2023, the net assets value per unit considering the impact of IFRS 9 was SAR 10.19 and the dealing net assets value per unit was SAR 10.20. Refer below reconciliation:

		30 June 2023	
	Note	**Net assets attributable to the Unitholders**	**Net assets attributable to each unit**
IFRS net assets		**38,057,752**	**10.19**
Effect of ECL in accordance with IFRS 9	*13*	**41,658**	**0.01**
Dealing net assets		**38,099,410**	**10.20**

18. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events subsequent to the statement of financial position date which require adjustments of or disclosure in the condensed interim financial statements or notes thereto.

19. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Fund Manager on 15 Muharram 1445H (corresponding to 02 August 2023).