

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital Company)
(Formerly, Arab National Investment Company)

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL
STATEMENTS TO THE UNITHOLDERS OF ANB CAPITAL IPO FUND (SHARIAH)
(FORMERLY, AL-MUBARAK IPO FUND)
(MANAGED BY ANB CAPITAL COMPANY)
(FORMERLY, ARAB NATIONAL INVESTMENT COMPANY)**

Introduction

We have reviewed the accompanying interim condensed statement of financial position of ANB Capital IPO Fund (Shariah) (Formerly, Al Mubarak IPO Fund) (the "Fund") managed by anb capital Company (Formerly, Arab National Investment Company) (the "Fund Manager") as at 30 June 2023, 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

RFM



Rashid S. Roshod
Certified Public Accountant
License No. 366

Riyadh: 23 Muharram 1445H
(10 August 2023)



ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital Company)
(Formerly, Arab National Investment Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	<i>Note</i>	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	5	95,062,354	89,510,439
Dividend receivables		48,199	40,559
Cash and cash equivalent with custodian		1,247,423	3,989,757
TOTAL ASSETS		96,357,976	93,540,755
LIABILITIES			
Management fees payable	6	344,216	377,712
Accrued expenses		94,366	90,486
TOTAL LIABILITIES		438,582	468,198
EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (TOTAL EQUITY)		95,919,394	93,072,557
TOTAL LIABILITIES AND EQUITY		96,357,976	93,540,755
Redeemable units in issue		5,912,730	7,022,232
Net asset value attributable to each unit		16.22	13.25

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

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital Company)
(Formerly, Arab National Investment Company)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six-month period ended 30 June 2023

	<i>Note</i>	30 June 2023 SR	30 June 2022 SR
INCOME			
Net realized gain on disposal of financial assets at FVTPL	5	14,705,036	6,826,941
Net movement in unrealized gain on financial assets at FVTPL	5	2,922,665	4,205,060
Dividend income		1,074,324	1,220,151
TOTAL INCOME		18,702,025	12,252,152
EXPENSES			
Management fees	6	(666,099)	(824,742)
Other expenses	6	(204,903)	(218,085)
TOTAL EXPENSES		(871,002)	(1,042,827)
NET INCOME FOR THE PERIOD		17,831,023	11,209,325
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17,831,023	11,209,325

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

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital Company)
(Formerly, Arab National Investment Company)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)

For the six-month period ended 30 June 2023

	30 June 2023 SR	30 June 2022 SR
Equity attributable to the unitholders at beginning of the period	93,072,557	84,735,253
Total comprehensive income for the period	17,831,023	11,209,325
<i>Issuance and redemption of units</i>		
Issue of units during the period	3,066,375	30,572,785
Redemptions of units during the period	(18,050,561)	(17,878,886)
Net changes in units	(14,984,186)	12,693,899
Equity attributable to the unitholders at end of the period	95,919,394	108,638,477

REDEEMABLE UNIT TRANSACTIONS

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

	30 June 2023 Units	30 June 2022 Units
Units at beginning of the period	7,022,232	7,568,399
Issue of units during the period	203,260	2,375,162
Redemptions of units during the period	(1,312,762)	(1,432,029)
Net changes in units	(1,109,502)	943,133
Units at end of the period	5,912,730	8,511,532

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

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital Company)
(Formerly, Arab National Investment Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2023

	<i>Note</i>	30 June 2023 SR	30 June 2022 SR
OPERATING ACTIVITIES			
Net income for the period		17,831,023	11,209,325
<i>Adjustments:</i>			
Net movement in unrealized gain on financial assets at FVTPL	5	(2,922,665)	(4,205,060)
Dividend income		(1,074,324)	(1,220,151)
		13,834,034	5,784,114
Working capital adjustments:			
Financial assets at fair value through profit or loss (FVTPL)		(2,629,250)	(22,656,495)
Management fee payable and accrued expenses		(29,616)	47,977
Net cash generated from (used in) operations		11,175,168	(16,824,404)
Dividends received		1,066,684	1,207,291
Net cash flows from (used in) operating activities		12,241,852	(15,617,113)
FINANCING ACTIVITIES			
Payment on redemption of units		(18,050,561)	(17,878,886)
Proceeds from units sold		3,066,375	30,572,785
Net cash flows (used in) from financing activities		(14,984,186)	12,693,899
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		(2,742,334)	(2,923,214)
Cash and cash equivalents at beginning of the period		3,989,757	8,494,804
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		1,247,423	5,571,590

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

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital Company)
(Formerly, Arab National Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2023

1. GENERAL

ANB Capital IPO Fund (Shariah) (Formerly, Al-Mubarak IPO Fund) (the “Fund”) is an open-ended investment fund created by an agreement between the anb capital company (Formerly, ANB Investment Company) (the “Fund Manager”) and investors (“unitholders”). The investment objective of the Fund is long-term growth of capital through participation and investment primarily in initial public offerings in the Saudi stock market as well as initial rights and the remaining subscriptions of newly listed companies up to a maximum of five years from the listing date provided, they comply with the Fund’s Sharia’a standards. The terms and conditions were issued on 21 February 2016. The Fund commencement date as per terms and conditions was 8 May 2016. The Fund’s first financial period was from the period 8 May 2016 to 31 December 2017.

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-Mubarak IPO Fund to ANB Capital IPO Fund (Shariah). 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 Rajab1442H. 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 2023 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 2022. In addition, result for the six-month period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

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 2022, 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 IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital company)
(Formerly, Arab National Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2023

3. BASIS OF PREPARATION AND CHANGED TO 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 following new and amended IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these financial statements.

Standard, interpretation and amendments	Description	Effective date
Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.	Annual periods beginning on or after 1 January 2023
IFRS 17, 'Insurance contracts', as amended in December 2021	This standard replaces IFRS 4, which previously permitted a wide variety of practices in accounting for insurance contracts. IFRS 17 fundamentally changes the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.	Annual periods beginning on or after 1 January 2023
Amendment to IAS 12-deferred tax related to assets and liabilities arising from a single transaction	These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.	Annual periods beginning on or after 1 January 2023

3.2.2 Significant standards issued but not yet effective

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, Non-current Liabilities with Covenants	Non-current Liabilities with Covenants amends IAS 1 Presentation of Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.	Annual periods beginning on or after 1 January 2024
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
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
Amendments to IAS 7 and IFRS 7	Disclosures enhancement for supplier finance arrangements on the entity's liabilities.	Annual periods beginning on or after 1 January 2024

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital company)
(Formerly, Arab National Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2023

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 2022.

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

The composition of the financial assets at fair value through profit or loss (FVTPL) is summarised below:

	<i>30 June 2023 (Unaudited)</i>			
	<i>% of market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealized gain/(loss) SR</i>
<i>Equity shares - Sectors</i>				
Energy	20.41%	18,049,661	19,401,619	1,351,958
Utilities	18.68%	12,815,784	17,759,819	4,944,035
Consumer Services	9.97%	8,619,389	9,477,921	858,532
Health Care Equipment	9.11%	4,561,897	8,664,705	4,102,808
Information Technology	6.65%	4,634,664	6,320,787	1,686,123
Real Estate Management and Development	5.43%	5,403,059	5,161,146	(241,913)
Telecommunication Service	5.28%	3,191,781	5,018,688	1,826,907
Commercial & Professional	5.00%	4,257,328	4,747,747	490,419
Food & Staples Retailing	4.70%	4,169,100	4,467,855	298,755
Retailing	3.18%	3,223,688	3,023,709	(199,979)
Transportation	3.00%	2,472,966	2,851,129	378,163
Materials	2.52%	2,157,296	2,393,668	236,372
Diversified Financials	2.19%	1,748,963	2,083,939	334,976
Capital Goods	2.05%	1,661,040	1,951,722	290,682
Food & Beverages	1.83%	1,180,323	1,737,900	557,577
	100%	78,146,939	95,062,354	16,915,415

	<i>31 December 2022 (Audited)</i>			
	<i>% of market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealised gain/(loss) SR</i>
<i>Equity shares - Sectors</i>				
Utilities	23.21%	16,906,778	20,789,570	3,882,792
Energy	19.93%	18,888,819	17,839,165	(1,049,654)
Software and Services	15.61%	10,034,558	13,976,360	3,941,802
Health Care Equipment & Services	11.11%	5,875,905	9,941,118	4,065,213
Consumer Services	8.82%	6,512,354	7,894,752	1,382,398
Media And Entertainment	4.72%	4,172,493	4,220,829	48,336
Food and Staples Retailing	3.19%	2,548,660	2,855,442	306,782
Transportation	2.79%	2,133,608	2,493,384	359,776
Food and Beverages	2.52%	1,471,911	2,253,098	781,187
Insurance	2.22%	1,382,205	1,986,166	603,961
Real Estate Management and Development	2.08%	2,157,340	1,861,677	(295,663)
REITs	2.08%	1,604,784	1,857,600	252,816
Capital Goods	1.72%	1,828,274	1,541,278	(286,996)
	100%	75,517,689	89,510,439	13,992,750

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital company)
(Formerly, Arab National Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2023

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

The movements of financial assets at fair value through profit and loss during the period, are as follow:

	<i>30 June</i> 2023 SR	<i>30 June</i> 2022 SR
Fair value as at beginning of the period	89,510,439	76,708,930
Net (sales) purchase of financial assets at FVTPL	(12,075,786)	15,829,554
Net realized gain on disposal of financial assets at FVTPL	14,705,036	6,826,941
Net unrealized gain on financial assets at FVTPL	2,922,665	4,205,060
	<hr/> 95,062,354 <hr/>	<hr/> 103,570,485 <hr/>
Fair value as at end of period		

6. TRANSACTIONS WITH RELATED PARTIES

The Fund pays a management fee at the rate of 1.5% per annum calculated based on the net asset value at each valuation date. In addition, the Fund Manager also charges a fee at a maximum rate of 1% per annum calculated based on the net asset value at each valuation date to meet other expenses of the Fund. A subscription fee of 2% may be charged to the subscribers by the Fund Manager upon subscription.

The management fees amounting to SR 666,099 (30 June 2022: SR 824,742) and other fees amounting to SR 204,903 (30 June 2022: SR 218,085) reflected in the interim condensed statement of comprehensive income, represent the fees charged by the Fund Manager.

The management fee payable and other fees payable to the Fund Manager at the period-end are to SR 438,582 (2022: SR 516,458). The Bank (parent of the Fund Manager) acts as the Fund's banker. The units held by funds under same management as of 30 June 2023, SR 110,401 [31 December 2022 (Audited): 28,897 units held by the employees of the Bank].

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 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. These are all classified within level 2 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current period or prior year.

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital company)
(Formerly, Arab National Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2023

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Fund's financial assets as at 30 June 2023 and 31 December 2022. 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>(Level 1)</i>	<i>inputs</i>	<i>inputs</i>
	<i>Total</i>		<i>(Level 2)</i>	<i>(Level 3)</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>As at 30 June 2023 (Unaudited)</i>				
<i>Financial assets measured at fair value</i>				
Investments at FVTPL (listed on Tadawul)	95,062,354	95,062,354	-	-
<i>As at 31 December 2022 (Audited)</i>				
<i>Financial assets measured at fair value</i>				
Investments at FVTPL (listed on Tadawul)	89,510,439	89,510,439	-	-

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>Within</i>	<i>After</i>	<i>Total</i>
	<i>12 months</i>	<i>12 months</i>	
	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>As at 30 June 2023 (Unaudited)</i>			
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	95,062,354	-	95,062,354
Dividend receivables	48,199	-	48,199
Cash and cash equivalent with custodian	1,247,423	-	1,247,423
TOTAL ASSETS	96,357,976	-	96,357,976
LIABILITIES			
Management fees payable	344,216	-	344,216
Accrued expenses	94,366	-	94,366
TOTAL LIABILITIES	438,582	-	438,582

ANB Capital IPO Fund (Shariah)
(Formerly, Al-Mubarak IPO Fund)
(Managed by anb capital company)
(Formerly, Arab National Investment Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 30 June 2023

8. MATURITY ANALYSIS OF ASSETS AND LIABILITY (continued)

	Within 12 months	After 12 months	Total
As at 31 December 2022 (Audited)			
	SR	SR	SR
ASSETS			
Financial assets at fair value through profit or loss (FVTPL)	89,510,439	-	89,510,439
Dividend receivables	40,559	-	40,559
Cash and cash equivalent with custodian	3,989,757	-	3,989,757
TOTAL ASSETS	93,540,755	-	93,540,755
LIABILITIES			
Management fees payable	377,712	-	377,712
Accrued expenses	90,486	-	90,486
TOTAL LIABILITIES	468,198	-	468,198

9. LAST VALUATION DAY

The last valuation published day of the period was 22 June 2023 (2022: 29 December 2022).

10. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Fund's management on 23 Muharram 1445H (corresponding to 10 August 2023).