

Al Azem, Al Sudairy, Al Shaikh & Partners
For Professional Consulting – Member Crowe Global

ALKHABEER GROWTH AND INCOME TRADED FUND - Expressed in Saudi Riyals
(Managed by Alkhabeer Capital Company)

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND THE INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

ALKHABEER GROWTH AND INCOME TRADED FUND - Expressed in Saudi Riyals
(Managed by Alkhabeer Capital Company)
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) AND THE
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

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Independent Auditor's Review Report on the Interim Condensed Financial Statements

To: The Unitholders

Alkhabeer Growth and Income Traded Fund – Expressed in Saudi Riyals

(Managed by Alkhabeer Capital Company)

Jeddah, Kingdom of Saudi Arabia

Introduction

We have reviewed the interim condensed statement of financial position of **Alkhabeer Growth and Income Traded Fund ("The Fund") managed by Alkhabeer Capital Company ("Fund Manager")** as at June 30, 2023, and interim condensed financial statements of profit or loss and other comprehensive income, changes in equity attributable to unitholders and cash flows for the six-month period then ended, and notes which form an integral part of these interim condensed financial statements. The Fund manager is responsible for the preparation and presentation of these interim condensed financial statements in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting" (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed 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 Fund" (ISRE 2410) that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed 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 ('ISAs'), 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 the audit course. 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 fairly presented, in all material respects, the Fund's financial position as at June 30, 2023 and financial performance, and its cash flows for the six-month period then ended in accordance with the International Financial Reporting Standards "IFRS" that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement issued by Saudi Organization for Chartered and Professional Accountants.



AlAzem, AlSudairy, AlShaikh & Partners
For Professional Consulting



Abdullah M. AlAzem
License No. (335)

22 Muharram 1445H (August 9, 2023)

Jeddah, Kingdom of Saudi Arabia

ALKHABEER GROWTH AND INCOME TRADED FUND
(Managed by Alkhabeer Capital Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023
(Expressed in Saudi Riyals)

		As at June 30, 2023	As at December 31, 2022
	Note	(Unaudited)	(Audited)
ASSETS			
Current assets			
Cash and cash equivalents		9,986,637	36,073,134
Dividends receivable		556,459	219,414
Due from a related party	5	79,460	289,909
Total current assets		10,622,556	36,582,457
Non-current assets			
Financial assets at fair value through profit or loss	6	1,104,112,926	912,877,262
Total assets		1,114,735,482	949,459,719
LIABILITIES AND EQUITY ATTRIBUTABLE TO UNITHOLDERS			
LIABILITIES			
Current liabilities			
Due to related parties	5	6,059,839	5,296,167
Accrued expenses and other credit balances		44,671	72,733
Total liabilities		6,104,510	5,368,900
EQUITY ATTRIBUTABLE TO UNITHOLDERS		1,108,630,972	944,090,819
Total liabilities and equity attributable to unitholders		1,114,735,482	949,459,719
Number of units issued (unit)		100,000,000	100,000,000
Equity per unit		11.0863	9.4409

The accompanying notes from (1) to (13) form an integral part of these interim condensed financial statement.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

		FOR THE FOR THE SIX- MONTH PERIOD ENDED JUNE 30, 2023 (Unaudited)	PERIOD SINCE INCEPTION ON APRIL 27, 2022 TO JUNE 30, 2022 (Unaudited)
	Note		
Dividends from financial assets at fair value through profit or loss		9,591,448	804,909
Realized profits from financial assets at fair value through profit or loss		9,288,444	-
Unrealized gain / (loss) from financial assets at fair value through profit or loss		144,946,744	(57,752,431)
Net operation profit / (loss)		163,826,636	(56,947,522)
Expenses and other income			
Management fees	5	(5,085,338)	(1,335,999)
Administration and custody fees	5	(1,148,428)	(344,668)
Fund establishment expenses and other		(600,589)	(296,843)
Gains / (losses) from foreign currency differences		7,547,872	(4,933,686)
Net other income and / (expenses)		713,517	(6,911,196)
Profit / (loss) for the period		164,540,153	(63,858,718)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		164,540,153	(63,858,718)

The accompanying notes from (1) to (13) form an integral part of these interim condensed financial statement.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO UNITHOLDERS**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

	FOR THE FOR THE SIX- MONTH PERIOD SINCE MONTH INCEPTION PERIOD ON APRIL 27, ENDED JUNE 2022 TO JUNE 30, 2023 30, 2022 (Unaudited) (Unaudited)	
Equity attributable to unitholders		
Equity attributable to unitholders at the beginning of the period	944,090,819	-
Proceeds from initial offering of units	-	1,000,000,000
Comprehensive income / (loss) for the period	164,540,153	(63,858,718)
Equity attributable to unitholders at the end of the period	1,108,630,972	936,141,282

The accompanying notes from (1) to (13) form an integral part of these interim condensed financial statement.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

	FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (Unaudited)	FOR THE PERIOD SINCE INCEPTION ON APRIL 27, 2022 TO JUNE 30, 2022 (Unaudited)
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Profit / (loss) for the period	164,540,153	(63,858,718)
Adjustments:		
Realized profits from financial assets at fair value through profit or loss	(9,288,444)	-
Unrealized (gain) / loss from financial assets at fair value through profit or loss	(144,946,744)	57,752,431
Changes in operating assets and liabilities:		
Dividends receivable	(337,045)	(396,613)
Due from a related party	210,449	-
Due to related parties	763,672	1,638,447
Accrued expenses and other credit balances	(28,062)	18,986
Net change in financial assets at fair value through profit or loss	(37,000,476)	(877,995,757)
Net cash used in operating activities	(26,086,497)	(882,841,224)
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Proceeds from initial offering of units	-	1,000,000,000
Net cash provided by financing activities	-	1,000,000,000
Net change in cash and cash equivalents	(26,086,497)	117,158,776
Cash and cash equivalents at the beginning of the period	36,073,134	-
Cash and cash equivalents at the end of the period	9,986,637	117,158,776

The accompanying notes from (1) to (13) form an integral part of these interim condensed financial statement.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

(Expressed in Saudi Riyals)

1. THE FUND AND ITS ACTIVITIES

Alkhabeer Growth and Income Traded Fund (the "Fund") is a closed-ended Sharia compliant investment traded fund that was established in accordance with the applicable laws and regulations of the Kingdom of Saudi Arabia and it is subject to Capital Market Authority (CMA) control and supervision. The Fund was established on April 27, 2022 and managed by Alkhabeer Capital Company ("Alkhabeer Capital" or the "Fund Manager"), for the benefit of the Fund's unitholders. The Fund is ultimately supervised by the Fund Board. Albilad Capital Company acts as the Custodian of the Fund.

The objective of the investment Fund is an appreciation of the Fund's net asset value through its long term investments and generate periodic income for 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 stocks, public and private equity funds, initial public offerings of companies, private placements, along with cash and cash equivalents.

The incorporation of the Fund was approved by the Capital Market Authority ("CMA") on February 7, 2022 (corresponding to Rajjab 6, 1443H), and was posted on Tadawul on April 27, 2022 (corresponding to Ramadan 26, 1443H).

In dealing with the unitholders, the Fund Manager considers the Fund as an independent entity. Accordingly, the Fund prepares its own financial statements. In addition, unitholders are considered owners of the Fund's assets and distributions is made in proportion to their shares in the total number of outstanding units.

The term of the Fund shall be 99 years since the date of listing the units in Saudi Tadawul the Fund term may be extended at the Fund Manager's discretion subject to CMA approval.

The Fund is subject to the Sharia Board's guidelines for investments and transactions.

2. REGULATORY AUTHORITY

The Fund was established and its units are offered based on the Investment Funds Regulations approved by the CMA, Resolution number 1-219-2006 dated 03/12/1427H ("Investment Funds Regulations") issued by Royal Decree No. M/30 dated 2/6/1424H and amended by the CMA Board Resolution number 2-22-2021 dated 12/7/1442H (corresponding to 24/2/2021) to be updated with the rapid developments and changes regarding the regulations and rules of CMA in the Kingdom of Saudi Arabia.

3. BASIS OF PREPARATION OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

Statement of compliance

These interim condensed financial statements have been prepared in accordance with the International Accounting Standard (34) "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and the provisions specified by the fund regulations issued by the CMA, the terms and conditions of the fund and the information memorandum considering that the financial performance for the condensed initial financial period for the six-month period ended 30 June 2023 does not necessarily represent an indication of the expected financial performance for the period ending 31 December 2023.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

(Expressed in Saudi Riyals)

The interim condensed financial statements do not include all of the information and required for the annual financial statements, and should be read in conjunction with the Fund's annual financial statements for the year ended December 31, 2022. The International Accounting Standard (34) states that the objective of preparing the interim condensed financial statements is to update on the annual financial statements. Therefore, the International Accounting Standard (34) require less disclosure in the interim condensed financial statements to be reported compared to the disclosure required by the International Financial Reporting Standards ("IFRS") in the annual financial statements.

Basis of measurement

These interim condensed financial statements of the Fund have been prepared on a historical cost basis except for the items which measured at fair value, present value, net realizable value, and replacement cost in line with the accrual basis of accounting and going concern basis for the Fund.

Functional and presentation currency

These interim condensed financial statements are presented in Saudi Riyals, which is the Fund's functional and presentation currency.

Fair value measurement

The fair value represents the amount that were be received from selling an asset or paid it to transfer a liability between informed parties under the same terms of business with others. The fair value measurement depends on the following conditions:

- The principal market for assets or liabilities, or
- The most advantageous market for assets and liabilities in the absence of a primary market, or
- Use discounted cash flows in the absence of a major market or the most advantageous market.

Assets or liabilities measured at fair value

- Separate assets or liabilities.
- A group of assets or a group of liabilities or a group of assets and liabilities.
- A set of accounting policies and notes that require calculating the fair value of financial and non-financial assets and liabilities.
- The Fund uses market inputs that are observable as far as possible when measuring the fair value of assets and liabilities.

The Fund determines fair value using valuation techniques. The Fund also uses the following levels which reflect the importance of inputs used in determining fair value:

- **Level 1:** quoted prices (unadjusted) in an active market for similar assets or liabilities.
- **Level 2:** valuation methods based on inputs other than quoted prices included in Level 1 that can be observable for assets and liabilities, directly or indirectly.
- **Level 3:** valuation techniques that use inputs that have an important impact on fair value but are not based on observable inputs.

The Fund recognizes transfers between fair value levels at the end of the reporting period at the same time as the change occurs, the Fund' manager believes that its estimates and assumptions are reasonable and sufficient.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing the condensed interim financial statements are consistent with those used in the preparation of the Fund's annual financial statements for the year ended 31 December 2022.

Zakat

According to the rules for zakat collection from investors in investment funds, investment funds are not required to pay zakat. However, an information declaration should be submitted to calculate the Zakat base of the Fund. Therefore, no provision for such provision is recorded in these interim condensed financial statements.

5. RELATED PARTIES TRANSACTIONS AND BALANCES

Transactions with related parties represent administrative fees, management fees, custody fees and compensation to the members of board of directors.

a) Due from a related party consist of the following:

Related party	Relationship	Nature of transaction	Value of transaction		Balance	
			For the period ended June 30, 2023 (Unaudited)	For the period since inception on April 27, 2022 to June 30, 2022 (unaudited)	As of June 30, 2023 (Unaudited)	As of December 31, 2022 (Audited)
Alkhabeer Capital Company	Fund Manager	Payments	(210,449)	-	79,460	289,909
					79,460	289,909

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

b) Due to related parties consist of the following:

			Value of transaction		Balance	
			For the period ended June 30, 2023 (Unaudited)	For the period since inception on April 27, 2022 to June 30, 2022 (unaudited)	As of June 30, 2023 (Unaudited)	As of December 31, 2022 (Audited)
Related parties	Relationship	Nature of transaction				
Alkhabeer Capital Company	Fund Manager	Management fees	5,085,338	1,335,999		
		Administrative fees	953,501	250,500		
		Payments	(5,228,550)	-	6,038,839	5,228,550
Albilad Capital Company	Custodian	Custody Fees	194,927	94,168		
		Payments	(236,544)	(53,184)	-	41,617
Fund Board of directors	Board of Directors	Total compensation paid to Independent Fund Board Members	21,000	10,964		
		Payments	(26,000)	-	21,000	26,000
Growth I for investments (One-person company)	Subsidiary to the Custodian	Expenses paid on behalf of the Fund	573	147,658		
		Payments	(573)	(147,658)	-	-
					6,059,839	5,296,167

c) All transactions with related parties are approved by the Fund Manager

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Saudi Arabian Stock Exchange "Tadawul" Investment	London Stock Exchange Investment - USD	US Market – "NASDAQ" Investment	US Market – "NYSE" Investment	Paris Stock Exchange "Euronext" Investment	London Stock Exchange Investment	Swiss Stock Exchange Investment	Tokyo Stock Exchange Investment	German Stock Exchange – "Xtera" Investment	Fair value as at June 30, 2023
June 30, 2023 (Unaudited)										
Balance at the beginning of the period	16,108,063	159,696,165	222,659,846	225,529,736	67,113,142	97,638,902	99,949,925	8,116,647	16,064,836	912,877,262
Additions	5,099,606	23,536,794	65,376,054	110,164,619	14,655,981	30,539,510	19,858,627	-	-	269,231,191
Disposals	(382,939)	(54,759,026)	(32,583,484)	(62,266,068)	(22,374,961)	(23,034,626)	(18,296,529)	(763,587)	(17,769,495)	(232,230,715)
Unrealized gains	841,851	16,354,424	107,531,600	4,108,923	3,958,638	8,524,983	1,276,835	2,349,490	-	144,946,744
Realized gains*	8,439	2,517,170	2,295,155	373,160	1,466,398	496,976	426,487	-	1,704,659	9,288,444
Balance at the end of the period	21,675,020	147,345,527	365,279,171	277,910,370	64,819,198	114,165,745	103,215,345	9,702,550	-	1,104,112,926

- The Fund re-valuate the investments on the date of the interim condensed financial statements, which resulted in unrealized profits amounted to SAR 144,946,744.

* Realized gains represent the difference between the average purchase price of a stock and its selling price.

	Saudi Arabian Stock Exchange "Tadawul" Investment	London Stock Exchange Investment - USD	US Market – "NASDAQ" Investment	US Market – "NYSE" Investment	Paris Stock Exchange "Euronext" Investment	London Stock Exchange Investment	Swiss Stock Exchange Investment	Tokyo Stock Exchange Investment	German Stock Exchange – "Xtera" Investment	Fair value as at December 31, 2022
December 31, 2022 (Audited)										
Balance at the beginning of the period	-	-	-	-	-	-	-	-	-	-
Additions	33,630,042	176,235,366	263,729,461	224,060,822	71,174,159	107,294,839	108,885,067	8,176,278	15,505,962	1,008,691,996
Disposals	(13,581,312)	-	(5,946,347)	(3,549,397)	(3,325,575)	(13,908,924)	-	-	-	(40,311,555)
Unrealized (losses) / gains	(4,903,293)	(16,539,201)	(34,172,324)	5,268,827	(686,983)	4,822,891	(8,935,142)	(59,631)	558,874	(54,645,982)
Realized gains / (losses)*	962,626	-	(950,944)	(250,516)	(48,459)	(569,904)	-	-	-	(857,197)
Balance at the end of the period	16,108,063	159,696,165	222,659,846	225,529,736	67,113,142	97,638,902	99,949,925	8,116,647	16,064,836	912,877,262

- The Fund re-valuated the investments on the date of the financial statements, which resulted in unrealized losses amounted to SAR 54,645,982.

*Realized gains represent the difference between the average purchase price of a stock and its selling price

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

(Expressed in Saudi Riyals)

7. SHARIA COMPLIANCE

The Fund operates in accordance with the Sharia Compliant law, as determined by the Sharia advisor. The Sharia advisor has reviewed the Fund's public offering document and confirmed that it is in compliance with Sharia Compliant.

8. LAST VALUATION DATE

The last date for valuation during the period is June 30, 2023.

9. RISK MANAGEMENT

The Fund's activities expose it to various financial risks, and these risks include: market risk (including currency risk, fair value risk and cash flow interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management program focuses on the unpredictability of financial market conditions and seeks to minimize potential adverse effects on the Fund's financial performance.

a) Market risk

- Currency risk

Currency risk is the risk that the value of a financial instrument denominated in foreign currencies the Fund deals mainly in Saudi Riyal, United States Dollar, Euro, British Pound Sterling, Swiss Franc, and Japanese Yen.

- Fair value and cash flow interest rate risk

The fair value and cash flow interest rate risk is the exposure to various risks related to the effect of fluctuations in market interest rates on the Fund's financial position and cash flows.

- Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the instrument or its issuer, or factors affecting all instruments traded in the market. The Fund is not exposed to price risk.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The fund is exposed to credit risk in respect of its investment at fair value through profit or loss, cash at banks, dividends receivable and due from a related party.

c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

June 30, 2023 (Unaudited)	Book Value	Less than one year	More than one year
<u>Non-derivative financial liabilities</u>			
Due to related parties	6,059,839	6,059,839	-
Accrued expenses and other credit balances	44,671	44,671	-
	6,104,510	6,104,510	-

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

(Expressed in Saudi Riyals)

December 31, 2022 (Audited)	Book Value	Less than one year	More than one year
<u>Non-derivative financial liabilities</u>			
Due to related parties	5,296,167	5,296,167	-
Accrued expenses and other credit balances	72,733	72,733	-
	<u>5,368,900</u>	<u>5,368,900</u>	<u>-</u>

10. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Book value		Fair Value			
	Recorded at Amortized Cost	Recorded at Fair Value	Level (1)	Level (2)	Level (3)	Total
June 30, 2023 (Unaudited)						
Financial assets						
Cash and cash equivalents	9,986,637	-	-	-	-	9,986,637
Dividends receivable	556,459	-	-	-	-	556,459
Due from a related party	79,460	-	-	-	-	79,460
Financial assets at fair value through profit or loss	-	1,104,112,926	1,104,112,926	-	-	1,104,112,926
	10,622,556	1,104,112,926	1,104,112,926	-	-	1,114,735,482
Financial liabilities						
Due to related parties	6,059,839	-	-	-	-	6,059,839
Accrued expenses and other credit balances	44,671	-	-	-	-	44,671
	6,104,510	-	-	-	-	6,104,510
	Book value		Fair Value			
	Recorded at Amortized Cost	Recorded at Fair Value	Level (1)	Level (2)	Level (3)	Total
December 31, 2022 (Audited)						
Financial assets						
Cash and cash equivalents	36,073,134	-	-	-	-	36,073,134
Dividends receivable	219,414	-	-	-	-	219,414
Due from a related party	289,909	-	-	-	-	289,909
Financial assets at fair value through profit or loss	-	912,877,262	912,877,262	-	-	912,877,262
	36,582,457	912,877,262	912,877,262	-	-	949,459,719
Financial liabilities						
Due to related parties	5,296,167	-	-	-	-	5,296,167
Accrued expenses and other credit balances	72,733	-	-	-	-	72,733
	5,368,900	-	-	-	-	5,368,900

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

(Expressed in Saudi Riyals)

11. SUBSEQUENT EVENTS

In its meeting held on 22/11/1444 H (corresponding to 11/06/2023), the Fund Board of Directors approved the Fund Manager's recommendation regarding raising his recommendation to the General Assembly of unitholders to approve the Fund to buy back its units with the purpose of cancellation at a rate of up to 50% of the total number of units, at a price not exceeding the Fund's net asset value. Subject to compliance with the terms and conditions of the fund and the Capital Market Authority's rules and its implementing regulations. The purpose of purchase is unit cancellation of ordinary units and the number of units to be bought back is 50,000,000 units. The Purchase would be made through the market and it shall not have any voting rights at the unitholders' meeting, nor shall it have entitlements to the Fund's distributions. The purchases will be made over a period of twelve months from the date of approval of the unit holders.

The Fund Manager announced on 1 Muharram 1445 AH (corresponding to July 19, 2023) at the meeting of the Fund's unitholders and in the presence of (25,173,661) unitholders, who own (25.173%) of the value of the Fund's units for the results of the meeting, as follows:

Approving the special resolution of the Fund to purchase its Units for cancellation of up to a maximum of 50% of the Fund Units for cancellation, as follows:

- a) To execute the Fund's purchase of up to 50% of its Units for cancellation in accordance with the proposed process, within 12 months as of the date of announcement of the approval on Tadawul website and on the Fund Manager's website.
 - b) The maximum limit of the Units which are recommended to be purchased for cancellation is 50 million units, or 50% of the Fund's total outstanding Units.
 - c) The purchase of the Units shall be funded out of the Fund's Net Asset Value.
 - d) The purchase transactions will be made on the Saudi Stock Exchange (Tadawul), and not by way of private transactions.
 - e) The purchase transactions will be made over a period of twelve months as of the date of Fund Unitholders' approval given at the Unitholders' General Assembly Meeting.
 - f) The Units to be acquired by the Fund for cancellation will not have any voting rights or entitlement to cash dividends.
 - g) The Fund Manager shall be authorized to complete the purchase transactions within a period of twelve months as of the date of issue of the resolution of the Unitholders' General Assembly.
- Funds are required to register with the Zakat, Tax and Customs Authority (ZATCA) and submit an information declaration starting in 2023.

ALKHABEER GROWTH AND INCOME TRADED FUND

(Managed by Alkhabeer Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

(Expressed in Saudi Riyals)

12. OPERATING SEGMENTS

The Fund Manager aims to employ the Fund's capital by investing in a diversified portfolio of international equities, public and private equity funds, IPOs, private placements, cash and cash equivalents.

The following is a summary of the selected financial information by business segments above:

	Local Investments	Foreign Investments
Value of investments	21,675,020	1,082,437,906
Revenues	1,245,005	162,581,631

13. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements have been approved by the Funds Board of Directors on 22 Muharram 1445H (August 9, 2023).