

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
An open-ended mutual fund  
**(Managed by Alistithmar for Financial Securities  
and Brokerage Company)**  
**Condensed Interim Financial Statements (Unaudited)**  
**For the six-month period ended 30 June 2023**  
together with the  
**Independent Auditor's Review Report to the Unitholders**



## KPMG Professional Services

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Headquarters in Riyadh

## كي بي إم جي للاستشارات المهنية

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صندوق بريد 92876  
الرياض 11663  
المملكة العربية السعودية  
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 SAR Murabaha Fund

## Introduction

We have reviewed the accompanying 30 June 2023 condensed interim financial statements of **Alistithmar Capital SAR Murabaha 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 six-month period ended 30 June 2023;
- the condensed statement of changes in net assets (equity) attributable to the Unitholders for the six-month period ended 30 June 2023;
- the condensed statement of cash flows for the six-month period ended 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 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 30 June 2023 condensed interim financial statements of **Alistithmar Capital SAR Murabaha 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

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كي بي إم جي للاستشارات المهنية شركة مهنية مساهمة مغلقة، مسجلة في المملكة العربية السعودية، رأس مالها (40,000,000) ريال سعودي مدفوع بالكامل، المسماة سابقاً "شركة كي بي إم جي للفوزان وشركاه محاسبون ومراجعون قانونيون". و هي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان. جميع الحقوق محفوظة.

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

	<i>Notes</i>	<b>30 June 2023 (Unaudited)</b>	31 December 2022 (Audited)
<b><u>ASSETS</u></b>			
Cash and cash equivalents	9	114,449,995	74,329,350
Money market placements	10	268,543,636	401,847,706
Investments	11	74,222,635	119,637,141
<b>Total assets</b>		<b>457,216,266</b>	<b>595,814,197</b>
<b><u>LIABILITIES</u></b>			
Management fee payable	13, 16	450,972	297,535
Accrued expenses		154,720	218,787
Risk allowance	15	6,078,955	6,078,955
<b>Total liabilities</b>		<b>6,684,647</b>	<b>6,595,277</b>
<b>Net assets (Equity) attributable to the Unitholders</b>		<b>450,531,619</b>	<b>589,218,920</b>
<b>Units in issue (numbers)</b>		<b>30,376,193</b>	<b>40,517,113</b>
<b>Net assets (Equity) attributable to each unit –</b>			
– IFRS NAV (SAR)	19	14.83	14.54
– Dealing NAV (SAR)	19	14.87	14.56

The accompanying notes 1 to 21 form an integral part of these condensed interim financial statements.

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
An open-ended mutual fund  
**CONDENSED STATEMENT OF COMPREHENSIVE INCOME** (Unaudited)  
For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

	<i>Notes</i>	<b>For the six-month period ended 30 June</b>	
		<b>2023</b>	<b>2022</b>
<b><u>INCOME</u></b>			
Special commission income		<b>11,523,135</b>	6,745,900
Gain on investments, net	12	--	1,753,674
<b>Total income</b>		<b>11,523,135</b>	8,499,574
<b><u>EXPENSES</u></b>			
Management fee	13, 16	<b>(1,175,932)</b>	(2,093,136)
Custody fee		<b>(148,767)</b>	(148,767)
Expected credit losses (charge) / reversal	14	<b>(240,594)</b>	193,040
Other expenses		<b>(451,881)</b>	(746,038)
<b>Total expenses</b>		<b>(2,017,174)</b>	(2,794,901)
<b>Net income for the period</b>		<b>9,505,961</b>	5,704,673
Other comprehensive income for the period		--	--
<b>Total comprehensive income for the period</b>		<b>9,505,961</b>	5,704,673

The accompanying notes 1 to 21 form an integral part of these condensed interim financial statements.

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
 An open-ended mutual fund  
**CONDENSED STATEMENT OF CHANGES IN NET ASSETS (EQUITY)**  
**ATTRIBUTABLE TO THE UNITHOLDERS** (Unaudited)  
 For the six-month period ended 30 June 2023  
 (Amounts in Saudi Arabian Riyals)

	<b>For the six-month period ended 30 June</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
<b>Net assets (Equity) attributable to the Unitholders at beginning of the period</b>	<b>589,218,920</b>	804,966,570
<b>Total comprehensive income for the period</b>	<b>9,505,961</b>	5,704,673
<b>Contributions and redemptions by the Unitholders:</b>		
Contributions by the Unitholders	<b>209,743,796</b>	242,058,159
Redemptions by the Unitholders	<b>(357,937,058)</b>	(198,181,321)
Net (redemptions) / contributions by the Unitholders	<b>(148,193,262)</b>	43,876,838
<b>Net assets (Equity) attributable to the Unitholders at the end of the period</b>	<b>450,531,619</b>	854,548,081

**UNITS TRANSACTIONS** (numbers)

	<b>For the six-month period ended 30 June</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
<b>Units at beginning of the period</b>	<b>40,517,113</b>	56,419,780
Units issued during the period	<b>14,299,978</b>	16,894,415
Units redeemed during the period	<b>(24,440,898)</b>	(13,822,676)
Net (decrease) / increase in units	<b>(10,140,920)</b>	3,071,739
<b>Units at end of the period</b>	<b>30,376,193</b>	59,491,519

The accompanying notes 1 to 21 form an integral part of these condensed interim financial statements.

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
An open-ended mutual fund  
**CONDENSED STATEMENT OF CASH FLOWS** (Unaudited)  
For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

	<i>Notes</i>	<b>For the six-month period ended 30 June</b>	
		<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit for the period		<b>9,505,961</b>	5,704,673
<i>Adjustment for:</i>			
Expected credit losses charge / (reversal)	14	<b>240,594</b>	(193,040)
		<b>9,746,555</b>	5,511,633
<b>Changes in operating assets and liabilities:</b>			
Decrease in investments		<b>45,301,991</b>	400,206,123
Decrease / (increase) in money market placements		<b>133,443,801</b>	(464,045,537)
Increase in other assets		--	(168,007)
Increase in management fee payable		<b>153,437</b>	472,474
Decrease in accrued expenses		<b>(64,067)</b>	(39,178)
<b>Net cash generated from / (used in) operating activities</b>		<b>188,581,717</b>	(58,062,492)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Contributions by the Unitholders		<b>209,743,796</b>	242,058,159
Redemptions by the Unitholders		<b>(357,937,058)</b>	(198,181,321)
<b>Net cash (used in) / generated from financing activities</b>		<b>(148,193,262)</b>	43,876,838
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>40,388,455</b>	(14,185,654)
Cash and cash equivalents at beginning of the period		<b>74,345,386</b>	48,773,136
<b>Cash and cash equivalents at end of the period</b>	9	<b>114,733,841</b>	34,587,482

The accompanying notes 1 to 21 form an integral part of these condensed interim financial statements.

## ALISTITHMAR CAPITAL SAR MURABAHA FUND

An open-ended mutual fund

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the six-month period ended 30 June 2023

*(Amounts in Saudi Arabian Riyals)*

#### 1. GENERAL

Alistithmar Capital SAR Murabaha 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 30 June 2003.

The Fund is designed for investors seeking capital preservation and high liquidity through exposure to Shariah compliant assets. All income is reinvested in the Fund and is reflected in the unit price.

Alistithmar Capital is the Fund Manager and Riyadh 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 condensed interim financial statements.

#### 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, and should be read in conjunction with the Fund’s annual audited financial statements for the year ended 31 December 2022.

#### 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.

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
 An open-ended mutual fund  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**  
 For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

**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 accounting policies, estimates and assumptions used in the preparation of these condensed interim financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2022.

**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:

<b><u>Standards / Amendments</u></b>	<b><u>Description</u></b>
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.

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
An open-ended mutual fund  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**  
For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

**8. NEW STANDARDS(CONTINUED)**

*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.

<u>Standards / Amendments</u>	<u>Description</u>	<u>Effective from periods beginning on or after the following date</u>
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**

	<u>Notes</u>	<b>30 June 2023</b>	31 December <u>2022</u>
Cash at bank – current account	9.1	<b>6,086,737</b>	6,081,091
Cash with custodian		<b>5,295,795</b>	4,121,792
Money market placements	9.2	<b>103,067,463</b>	64,126,467
		<b><u>114,449,995</u></b>	<u>74,329,350</u>

9.1 This balance is placed with The Saudi Investment Bank, a local Saudi bank and Parent entity of the Fund Manager, which has an investment grade credit rating.

9.2 These placements are with 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 from 5.40% to 5.88% per annum (31 December 2022: 4.40% per annum).

	<u>Notes</u>	<b>30 June 2023</b>	31 December <u>2022</u>
Money market placements		<b>102,856,377</b>	64,103,330
Accrued special commission income		<b>494,932</b>	39,173
Less: Allowance for expected credit losses	14	<b>(283,846)</b>	(16,036)
		<b><u>103,067,463</u></b>	<u>64,126,467</u>

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
 An open-ended mutual fund  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**  
 For the six-month period ended 30 June 2023  
 (Amounts in Saudi Arabian Riyals)

**10. MONEY MARKET PLACEMENTS**

	<i>Notes</i>	<b>30 June 2023</b>	31 December 2022
Money market placements	10.1	265,287,087	397,405,333
Accrued special commission income		3,364,830	4,690,385
Less: Allowance for expected credit losses	14	<u>(108,281)</u>	<u>(248,012)</u>
		<b><u>268,543,636</u></b>	<b><u>401,847,706</u></b>

10.1 These placements are with commercial banks having investment grade credit ratings. These placements have an original maturity of more than three months and carry special commission rates of 5.7% to 6.5% per annum (31 December 2022: 2.32% to 6.15% per annum).

**11. INVESTMENTS**

	<i>Notes</i>	<b>30 June 2023</b>	31 December 2022
Investments at amortized cost	11.1	<u>74,335,150</u>	<u>119,637,141</u>

11.1 Investments held at amortized cost include Sukuk. A summary of the investment is as follows.

	<i>Notes</i>	<b>30 June 2023</b>	31 December 2022
Sukuk	11.2, 11.3	74,408,138	118,913,375
Accrued special commission income		558,528	1,355,282
Less: Allowance for expected credit losses	14	<u>(744,031)</u>	<u>(631,516)</u>
		<b><u>74,222,635</u></b>	<b><u>119,637,141</u></b>

11.2 These Sukuk have a maturity of more than 1 year and carry special commission rates from 4.24% to 6.75% per annum (31 December 2022: 4.25% to 6.88% per annum).

11.3 The geographical exposure of sukuk is as follows:

	<b>30 June 2023</b>	31 December 2022
Kingdom of Saudi Arabia	74,408,138	115,715,459
United Arab Emirates	--	3,197,916
	<u>74,408,138</u>	<u>118,913,375</u>

**12. GAIN ON INVESTMENTS, NET**

	<b>For the six-month period ended 30 June</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
Realised gain, net	--	1,240,484
Unrealised gain, net	--	513,190
	<u>--</u>	<u>1,753,674</u>

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**

An open-ended mutual fund

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

For the six-month period ended 30 June 2023

*(Amounts in Saudi Arabian Riyals)***13. MANAGEMENT FEE**

As per the terms and conditions of the Fund, the Fund pays a management fee to the Fund Manager equal to 0.50% 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.

**14. EXPECTED CREDIT LOSS (CHARGE)/ REVERSAL DURING THE PERIOD)**

	<b>For the six-month period ended 30 June</b>	
	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	(267,810)	3,705
Money market placements	139,731	(170,340)
Investments	(112,515)	371,761
Other assets	--	(12,086)
	<u>(240,594)</u>	<u>193,040</u>

**15. RISK ALLOWANCE**

The Fund calculated a risk allowance at annual rate of 10% of net income from operations at each valuation date in accordance with its initial terms and conditions. However, pursuant to change in terms and conditions on 4 Dhul-Qaidah 1438H (corresponding to 27 July 2017), the Fund discontinued to calculate any further provision as risk allowance.

**16. TRANSACTIONS WITH RELATED PARTIES**

The related parties of the Fund include the Fund Manager, the Fund Board, the Bank and other funds managed by the Fund Manager. In the ordinary course of its activities, the Fund transacts business with its related parties.

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

**Transactions with related parties:**

<u>Related party</u>	<u>Nature of relationship</u>	<u>Nature of transaction</u>	<b>For the six-month period ended 30 June</b>	
			<u>2023</u>	<u>2022</u>
Alistithmar Capital	The Fund Manager	Management fee	1,175,932	2,093,136
The Saudi investment bank	Parent of the Fund Manager	Special commission income	1,189,260	266,092
The Fund Board	The Fund Board	The Fund Board fee	4,959	4,959

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
An open-ended mutual fund  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**  
For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

**16. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

***Balances with related parties:***

<u>Related party</u>	<u>Nature of relationship</u>	<u>Nature of balance</u>	<b>30 June 2023</b>	31 December 2022
Alistithmar Capital	The Fund Manager	Management fee payable	<b>450,972</b>	297,535
The Saudi Investment Bank	Parent of the Fund Manager	Cash at bank – current account	<b>6,086,737</b>	6,081,091
		Money Market placements	<b>72,189,288</b>	20,259,250

***Units of the Fund held with related parties (numbers):***

<u>Related party</u>	<u>Nature of relationship</u>	<b>30 June 2023</b>	31 December 2022
Ajdan Real Estate Development Fund	A fund managed by the Fund Manager	--	498,606
Alistithmar Income Generating Fund I	A fund managed by the Fund Manager	<b>230,140</b>	230,140
Alistithmar Real Estate Fund I	A fund managed by the Fund Manager	<b>319,618</b>	--

**17. 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 to which the Fund has access at that date.

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.

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
 An open-ended mutual fund  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**  
 For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

**17. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**

***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. For all other financial instruments, the Fund determines fair values using other valuation techniques.

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 debt securities that are traded on a stock exchange at their last reported prices. To the extent that debt securities are actively traded, and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

The table below analyses financial instruments at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized.

	<b>30 June 2023</b>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments at amortized cost</b>	--	<b>72,587,876</b>	--	<b>72,587,876</b>
<b>Total</b>	--	<b>72,587,876</b>	--	<b>72,587,876</b>
	<b>31 December 2022</b>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments at amortized cost	--	116,309,001	--	116,309,001
Total	--	116,309,001	--	116,309,001

During the period, there has been no transfer in fair value hierarchy for the financial assets held at fair value.

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

**ALISTITHMAR CAPITAL SAR MURABAHA FUND**  
An open-ended mutual fund  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**  
For the six-month period ended 30 June 2023  
*(Amounts in Saudi Arabian Riyals)*

**18. LAST VALUATION DAY**

The last valuation day of the period was 30 June 2023 (2022: 31 December 2022).

**19. 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 14.83 (31 December 2022: SAR 14.54) and the dealing net assets value per unit was SAR 14.87 (31 December 2022: SAR 14.56). Refer below reconciliation:

		<b>30 June 2023</b>	
		Net assets attributable to the Unitholders	Net assets attributable to each unit
		<i>Notes</i>	
IFRS net assets		<b>450,531,619</b>	<b>14.83</b>
Effect of ECL in accordance with IFRS 9	9, 10, 11	<b>1,136,158</b>	<b>0.04</b>
Dealing net assets		<b>451,667,777</b>	<b>14.87</b>
		<b>31 December 2022</b>	
		Net assets attributable to the Unitholders	Net assets attributable to each unit
IFRS net assets		589,218,920	14.54
Effect of ECL in accordance with IFRS 9	9, 10, 11	895,564	0.02
Dealing net assets		<b>590,114,484</b>	<b>14.56</b>

**20. 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.

**21. 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).