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A) Investment Fund Information
أ) معلومات صندوق الاستثمار

1) Name of the Investment Fund SNB Capital Multi-Asset Conservative Fund	1) اسم صندوق الاستثمار صندوق الأهلي متعدد الأصول المتحفظ
2) Investment Objectives and Policies <ul style="list-style-type: none"> Fund's Objectives: The Fund aims to achieve capital growth over the medium to long term, with a focus as much as possible to preserve the capital by investing in a diversified portfolio of asset classes manner. Investment Policies and Practices: The Fund will invest in variety of assets including the following securities: <ul style="list-style-type: none"> - Shariah-compliant Money Market Instruments: for example, but not limited to: cash, Money Markets transactions, units of funds fully or partially investing in money market transactions. - Sukuk: including for example, but not limited to listed or non-listed Sukuk, Sukuk IPO and Sukuk linked to securities. - Listed equities: includes local and international equities, Initial Public Offerings (IPOs), Rights Issues, and securities investing in equities. - Other Investments: these include, but not limited to securities providing exposure to Trade Finance, Supply Chain and Working Capital Finance, Agricultural Investments, Infrastructure Investments, Real Estate, Leasing, Asset-backed Investment, REITs, Private Debt Instruments, Agricultural lands, Private Equity and Gold. 	2) أهداف وسياسات الاستثمار وممارساته <ul style="list-style-type: none"> أهداف الصندوق: يهدف الصندوق إلى تحقيق النمو في رأس المال على المدى المتوسط والطويل مع التركيز قدر الإمكان على الحفاظ على رأس المال من خلال الاستثمار في محفظة متنوعة من فئات الأصول. سياسات الاستثمار وممارساته: يستثمر الصندوق في أصول متعددة، تشمل الأوراق المالية التالية: <ul style="list-style-type: none"> - أدوات أسواق النقد المتوافقة مع ضوابط اللجنة الشرعية: يشمل ذلك، على سبيل المثال لا للحصر، النقد، صفقات أسواق النقد، وصناديق الاستثمار التي تستثمر بشكل أساسي أو جزئي في صفقات أسواق النقد. - الصكوك: تشمل على سبيل المثال لا للحصر، الصكوك المدرجة وغير المدرجة بما في ذلك الطرح الأولي للصكوك، والأوراق المالية المرتبطة بالصكوك. - الأسهم المدرجة: تشمل الأسهم المدرجة في الأسواق داخل أو خارج المملكة، والطروحات العامة الأولية للأسهم، وحقوق الأولوية. بالإضافة إلى الأوراق المالية التي تستثمر في الأسهم المدرجة. - الاستثمارات الأخرى: تشمل، على سبيل المثال لا للحصر، الأوراق المالية، التي تستثمر أو توفر عائد يرتبط ب: صفقات تمويل التجارة وسلسلة التوريد (Supply Chain) وتمويل رأس المال العامل، والاستثمارات الزراعية، واستثمارات البنية التحتية، والعقارات، والإجارة، والاستثمارات المدعومة بأصول، وصناديق الاستثمار العقارية المتداولة (ريت)، وأدوات الدين الخاصة، والأراضي الزراعية، والملكية الخاصة، والذهب وغيرها.
3) Distribution of Income & Gain Policy All profit will be reinvested in the Fund. No income will be distributed to Unitholders.	3) سياسة توزيع الدخل والأرباح يتم إعادة استثمار الدخل والأرباح في الصندوق، ولا يتم توزيع أي دخل وأرباح على مالكي الوحدات.
4) The fund's reports are available upon request free of charge.	4) تتاح تقارير الصندوق عند الطلب وبدون مقابل.
5) The fund's benchmark and the service provider's website (if any) The Fund does not have or follow any Benchmark. However, the composite of 75% 1 month SAIBOR + 25% MSCI ACWI Islamic M-Series (Net Total Return USD) will be used.	5) المؤشر الاسترشادي للصندوق، والموقع الإلكتروني لمزود الخدمة (إن وجد) لا يرتبط الصندوق بأي مؤشر. ولكن، سيتم استخدام معيار مركب من 75% سايبور لشهر واحد بالإضافة إلى 25% من مؤشر "إم إس سي أي" الإسلامي لجميع دول العالم من الفئة "م" (صافي العائد الإجمالي بالدولار الأمريكي).

B) Fund Performance
(ب) أداء الصندوق

1) A comparative table covering the last three financial years/or since inception, highlighting: (1) جدول مقارنة يغطي السنوات المالية الثلاث الأخيرة / أو منذ التأسيس، يوضح:

Year	2023	2022	2021	السنة
NAV*	133,690,843	145,087,061	179,513,306	صافي قيمة أصول الصندوق*
NAV per Unit*	1.9	1.69	1.71	صافي قيمة أصول الصندوق لكل وحدة*
ECL NAV*	1.9	1.69	1.67	سعر الوحدة مع الخسائر الائتمانية المتوقعة*
Highest Price per Unit*	1.9	1.77	1.71	أعلى سعر وحدة*
Lowest Price per Unit *	1.69	1.65	1.61	أقل سعر وحدة*
Number of Units	70,330,366	85,645,037	105,149,719	عدد الوحدات
Income Distribution Per Unit	N/A	N/A	N/A	قيمة الأرباح الموزعة لكل وحدة
Fees & Expense Ratio	1.41%	1.38%	1.30%	نسبة الرسوم والمصروفات
Percentage of borrowed assets from the total asset value, the period of their exposure period and due date (if any)	N/A	N/A	N/A	نسبة الأصول المقرضة من إجمالي قيمة الأصول، ومدة انكشافها وتاريخ استحقاقها (إن وجدت)
*In USD				*بالدولار الأمريكي

2) A performance record that covers the following: (2) سجل أداء يغطي ما يلي:

a. The total return for the fund compared to the benchmark for 1 year, 3 years, 5 years and since inception: أ. العائد الإجمالي للصندوق مقارنة بالمؤشر لسنة واحدة، ثلاث سنوات، خمس سنوات ومنذ التأسيس:

Period	Since Inception منذ التأسيس	5 Years 5 سنوات	3 Years 3 سنوات	1 Year سنة	الفترة
Return %	3.22	5.91	5.49	12.21	عائد الصندوق %
Benchmark %	3.90	5.46	3.71	9.98	عائد المؤشر %

b. The annual total return for the fund compared to the benchmark for the last 10 years/ or since inception: ب. العائد الإجمالي السنوي للصندوق مقارنة بالمؤشر للعشر سنوات الماضية / أو منذ التأسيس:

Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	السنة
Return %	12.21	-0.77	5.42	2.89	10.33	0.54	6.37	1.55	-1.21	0.50	عائد الصندوق %
Benchmark %	9.98	-3.92	5.56	7.4	8.89	0.01	6.77	2.33	0.51	1.72	عائد المؤشر %

c. Actual fees and fund expenses paid by the investment fund during the year as a percentage of average Net Asset Value:

ج. مقابل الخدمات والعمولات والأتعاب التي تحملها الصندوق على مدار العام كنسبة مئوية من متوسط صافي قيمة أصول الصندوق:

Fees and Expenses	ألف دولار USD '000	النسبة المئوية %	الرسوم والمصروفات
Management Fees	1,425	1.00%	أتعاب الإدارة
VAT on Management Fees	213.73	0.15%	ضريبة القيمة المضافة على أتعاب الإدارة
Custodian Fees	80.26	0.06%	رسوم الحفظ
Auditor Fees	22.03	0.02%	أتعاب مراجع الحسابات
Fund Admin Expenses	199.09	0.14%	مصاريف العمليات الإدارية
CMA Fees	3.75	0.00%	رسوم هيئة السوق المالية
Tadawul Fees	1.74	0.00%	رسوم نشر معلومات الصندوق على موقع تداول
Shariah Committee Fees	1.53	0.00%	أتعاب خدمات اللجنة الشرعية
Independent Fund Board Remunerations	7.39	0.01%	مكافآت أعضاء مجلس إدارة الصندوق المستقلين
Other fees and expenses	39.45	0.03%	مصاريف أخرى
Total Fees and Expenses	1,994	1.41%	مجموع الرسوم والمصاريف

3) Material Changes

No material changes occurred during the period.

3) تغيرات جوهرية حدثت خلال الفترة

لا يوجد تغيرات جوهرية خلال الفترة.

4) Exercising of Voting Rights

No voting rights were exercised during the year.

4) ممارسات التصويت السنوية

لم تتم أي ممارسات تصويت خلال العام.

5) Fund Board Annual Report

5) تقرير مجلس إدارة الصندوق السنوي

a. Names of Fund Board Members

- Mohammad AlSaggaf – Chairman – Non-Independent Member
- Lloyd Kawara - Non-Independent Member
- Dr. Basmah Al-Tuwaijri - Independent Member
- Abdulaziz Abalkhail - Independent Member

أ. أسماء أعضاء مجلس إدارة الصندوق

- محمد السقاف - رئيس مجلس إدارة الصندوق - عضو غير مستقل
- لويد كورا - عضو غير مستقل
- د. بسمة التويجري - عضو مستقل
- عبدالعزيز أبا الخيل - عضو مستقل

b. A brief about the fund board members' qualifications

Mohammad AlSaggaf: Head of Wealth Management at SNB Capital. He joined SNB Capital at its inception in 2007 and worked with SNB Group in several departments including the Investment Department, and the Branch Management. He has more than (24) years of experience in the financial sector. He has a diploma in Personal Financial Planning and Wealth Management from IOB, Dalhousie Alum, Canada.

Lloyd Kawara: Chief Risk Officer at SNB Capital and he was hired as Vice President of Market Risk at SNB Capital in February 2015. Prior to that he worked at the African Development Bank where he was Principal Treasury Risk

ب. نبذة عن مؤهلات أعضاء مجلس إدارة الصندوق

محمد السقاف: رئيس إدارة الثروات في شركة الأهلي المالية. انضم إلى شركة الأهلي المالية منذ تأسيسها في عام 2007م، عمل في البنك الأهلي السعودي في عدة إدارات منها إدارة الاستثمار وإدارة الفروع. لديه أكثر من (24) عاماً من الخبرة في القطاع المالي. وهو حاصل على شهادة دبلوم التخطيط المالي الشخصي وإدارة الثروات من المعهد المصرفي من دلهواوسي، كندا.

لويد كورا: رئيس إدارة المخاطر وتم تعيينه بمنصب نائب رئيس إدارة مخاطر السوق بشركة الأهلي المالية في فبراير 2015م. وعمل قبل ذلك في البنك الإفريقي للتنمية بوظيفة مسؤول إدارة المخاطر المالية، حيث تولى مهام وإدارة مخاطر الغير والسوق والاستثمار والموجودات والمطلوبات، ولديه أكثر من (13) سنة

Officer, managing counterparty risk, market risk, investment and asset liability risks, and he has over (13) years of banking experience, of which (9) years were spent in senior risk management roles within the region, including as Chief Risk Officer for Bank Alkhair BSC Bahrain and Head of Risk for Bahrain Middle East Bank and Risk Management Officer with Riyadh Bank. Lloyd is a CFA charter holder, a Certified Financial Risk Manager (FRM) with Global Association of Risk Professionals (USA), a Chartered Alternative Investment Analyst with CAIA (USA) and an Associate Chartered Management Accountant with CIMA (UK).

Basmah Al-Tuwaijri: Retired from academic work at King Saud University, independent researcher, member of the Financial Sector and Finance Committee in the Riyadh Chamber, a Member in the SBWA – Saudi Business Women Association (A private association), member of the supervisory board of the Think Tank Forum. Dr. Basmah worked as a faculty member in the Finance Department of the College of Business Administration in King Saudi University for more than (20); during which, she taught different courses in the topics of corporate finance, investment, portfolio management and financial markets. In addition, she held several leadership positions in academics and administration, and contributed in developing the strategic plan for King Saud University and conducting the internal studies for academic accreditation. She holds a PhD in finance from King Saud University. She has several publications in the field of corporate governance and financial markets.

Abdulaziz Abalkhail: General Director of the Internal Audit Department at Arabian Internet and Communications Services Co. (Solutions by STC). He was the Chief Audit Executive of the National Industrialization Co. "TASNEE" and serves as an independent member of the Audit Committee of the Arabian Cement Company. Prior to TASNEE, he held several managerial positions at CMA's Continuous Disclosure Department and Market Institutions Compliance, the Industrial Development Fund, and the Arab Petroleum Investment Company. Eng. Abdulaziz has joined specialized programs in recognized international institutions such as U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority and Chase Manhattan Bank. He has more than (20) years of experience in financial institutions and markets. He holds an MBA from University of Nottingham in Britain.

c. Roles and responsibilities of the Fund Board

The responsibilities of the members of the fund board shall include the following:

1. Approving material contracts, decisions and reports involving the fund.
2. Approve a written policy in regards to the voting rights related to the fund assets.
3. Overseeing and, where appropriate, approving or ratifying any conflicts of interest the fund manager has identified.

من الخبرة المصرفية أمضى (9) منها في أدوار عليا في إدارة المخاطر في المنطقة، ومنها رئيس إدارة المخاطر في بنك الخير، البحرين، ورئيس إدارة المخاطر في بنك البحرين والشرق الأوسط، ومسؤول إدارة المخاطر في بنك الرياض. يحمل لويدي شهادات محلل مالي معتمد (CFA)، مدير مخاطر مالية معتمد (FRM)، زمالة الرابطة العالمية لمحتري إدارة المخاطر (الولايات المتحدة الأمريكية)، محلل استثمارات بديلة معتمد، (الولايات المتحدة الأمريكية)، وزميل محاسب إداري معتمد من معهد المحاسبين الإداريين القانونيين (CIMA) المملكة المتحدة.

بسمة التويجيري: متقاعدة من العمل الأكاديمي في جامعة الملك سعود، باحثة مستقلة، عضو لجنة القطاع المالي والتمويل في غرفة الرياض، عضو مجلس إدارة الجمعية السعودية لسيدات الأعمال وتمكين المنشآت النسائية (جمعية أهلية)، عضو الهيئة الإشرافية بملتقى أسبار (Think Tank). عملت الدكتورة بسمة كعضو هيئة تدريس في قسم المالية بكلية إدارة الأعمال، بجامعة الملك سعود لأكثر من (20) عاماً، قامت خلالها بتدريس العديد من المواد في مالية الشركات، الاستثمار، إدارة المحافظ الاستثمارية والأسواق المالية. إضافة إلى ذلك، تقلدت العديد من المناصب القيادية الأكاديمية والإدارية، وشاركت في وضع الخطة الاستراتيجية للجامعة وإعداد الدراسات الذاتية للاعتماد الأكاديمي. حصلت على درجة الدكتوراه في المالية من جامعة الملك سعود. لديها عدة أبحاث منشورة في مجال حوكمة الشركات والأسواق المالية.

عبد العزيز أبا الخيل: مدير عام المراجعة الداخلية في الشركة العربية لخدمات الإنترنت والاتصالات. عمل كمدير المراجعة الداخلية في شركة التصنيع الوطنية، بالإضافة إلى كونه عضو مستقل في لجنة المراجعة الخاصة بشركة أسمنت العربية. عمل قبل ذلك في هيئة السوق المالية متقلداً عدة مناصب إدارية في إدارة الإفصاح المستمر، وإدارة الإشراف على مؤسسات السوق المالية، كما عمل في صندوق التنمية الصناعية والشركة العربية للاستثمارات البترولية. التحق المهندس عبد العزيز في برامج متخصصة في مؤسسات عالمية مرموقة مثل هيئة الأوراق المالية الأمريكية، وهيئة تنظيم الصناعة المالية، وبنك تشيس مانهاتن. لديه أكثر من (20) عاماً من الخبرة في المؤسسات والأسواق المالية، حصل على الماجستير في إدارة الأعمال من جامعة نوتنغهام في بريطانيا.

ج. أدوار مجلس إدارة الصندوق ومسؤولياته

تشمل مسؤوليات أعضاء مجلس إدارة الصندوق، على سبيل المثال لا الحصر، الآتي:

1. الموافقة على جميع العقود والقرارات والتقارير الجوهرية التي يكون الصندوق طرفاً فيها.
2. اعتماد سياسة مكتوبة فيما يتعلق بحقوق التصويت المتعلقة بأصول الصندوق.

4. Meeting at least twice annually with the fund manager's compliance committee or its compliance officer to review the fund manager's compliance with all applicable rules, laws and regulations.
5. Approving all changes stipulated in Articles (62) and (63) of the Investment Funds Regulations "IFRs" before the fund manager obtains the approval or notification of the unitholders and the Authority (as applicable).
6. Confirming the completeness and accuracy (complete, clear, accurate, and not misleading), and compliance with the IFRs, of the Terms and Conditions and of any other document, contractual or otherwise.
7. Ensuring that the fund manager carries out its obligations in the best interests of the unitholders, in accordance with the IFRs and the Fund's Terms and Conditions.
8. Reviewing the report that includes assessment of the performance and quality of services provided by the parties involved in providing significant services to the fund referred to in Paragraph (l) of Article (9) of IFRs, in order to ensure that the fund manager fulfils his responsibilities in the interest of unitholders in accordance with the Fund's Terms and Conditions and the provisions stipulated in IFRs.
9. Assessing the mechanism of the fund manager's handling of the risks related to the fund's assets in accordance with the fund manager's policies and procedures that detect the fund's risks and how to treat such risks.
10. Have a fiduciary duty to unitholders, including a duty to act in good faith, a duty to act in the best interests of the unitholders and a duty to exercise all reasonable care and skill.
11. Approving the appointment of the external Auditor nominated by the Fund Manager.
12. Taking minutes of meetings that provide all deliberations and facts of the meetings and the decisions taken by the fund's board of director.
13. Review the report containing all complaints and the measures taken regarding them referred to in Paragraph (m) of Article (9) of IFRs, in order to ensure that the fund manager carries out his responsibilities in a way that serves the interest of unitholders in accordance with the Fund's Terms and Conditions and what contained in this Regulation.

d. Remuneration of fund board members

Each Independent Board Member shall receive USD (533.33) for every meeting the member attends, and a minimum of two meetings shall be held per year.

e. A statement of any conflict or potential conflict of interest between the interests of a fund board member and the interests of the fund

Members of the Fund Board may be members of other funds that may seek investment objectives similar to those of the

3. الإشراف، ومتى كان ذلك مناسباً، الموافقة أو المصادقة على أي تعارض مصالح يفصح عنه مدير الصندوق وفقاً للائحة صناديق الاستثمار.
4. الاجتماع مرتين سنوياً على الأقل مع لجنة المطابقة والالتزام لدى مدير الصندوق أو مسؤول المطابقة والالتزام لديه، للتأكد من التزام مدير الصندوق بجميع اللوائح والأنظمة المتبعة.
5. الموافقة على جميع التغييرات المنصوص عليها في المادتين (62) و (63) من لائحة صناديق الاستثمار وذلك قبل حصول مدير الصندوق على موافقة مالكي الوحدات والهيئة أو إشعارهم (حيثما ينطبق).
6. التأكد من اكتمال ودقة شروط وأحكام الصندوق وأي مستند آخر (سواء أكان عقداً أم غيره) يتضمن إفصاحات تتعلق بالصندوق ومدير الصندوق وإدارته للصندوق، إضافةً إلى التأكد من توافق ما سبق مع أحكام لائحة صناديق الاستثمار.
7. التأكد من قيام مدير الصندوق بمسؤولياته بما يحقق مصلحة مالكي الوحدات وفقاً لشروط وأحكام الصندوق، وأحكام لائحة صناديق الاستثمار.
8. الاطلاع على التقرير المتضمن تقييم أداء وجودة الخدمات المقدمة من الأطراف المعنية بتقديم الخدمات الجوهرية للصندوق المشار إليه في الفقرة (ل) من المادة (9) من لائحة صناديق الاستثمار؛ وذلك للتأكد من قيام مدير الصندوق بمسؤولياته بما يحقق مصلحة مالك الوحدات وفقاً لشروط وأحكام الصندوق وما ورد في لائحة صناديق الاستثمار.
9. تقييم آلية تعامل مدير الصندوق مع المخاطر المتعلقة بأصول الصندوق وفقاً لسياسات وإجراءات مدير الصندوق حيال رصد المخاطر المتعلقة بالصندوق وكيفية التعامل معها.
10. العمل بأمانة وحسن نية واهتمام ومهارة وعناية وحرص وبما يحقق مصلحة مالكي الوحدات.
11. الموافقة على تعيين مراجع الحسابات بعد ترشيحه من قبل مدير الصندوق.
12. تدوين محاضر الاجتماعات التي تشتمل على جميع وقائع الاجتماعات والقرارات التي اتخذها مجلس إدارة الصندوق.
13. الاطلاع على التقرير المتضمن جميع الشكاوى والإجراءات المتخذة حيالها المشار إليه في الفقرة (م) من المادة (9) من لائحة صناديق الاستثمار؛ وذلك للتأكد من قيام مدير الصندوق بمسؤولياته بما يحقق مصلحة مالكي الوحدات وفقاً لشروط وأحكام الصندوق وما ورد في لائحة صناديق الاستثمار.

د. مكافآت أعضاء مجلس إدارة الصندوق

يتقاضى كل عضو مستقل مبلغ (533.33) دولار أمريكي عن كل اجتماع يعقد بحضوره، ويتم عقد اجتماعين سنوياً بحد أدنى.

هـ. تعارض المصالح بين مصالح عضو مجلس إدارة الصندوق

ومصالح الصندوق

يجوز لأعضاء مجلس إدارة الصندوق أن يكونوا أعضاء من حين لآخر لصناديق أخرى قد تنشأ أهدافاً استثمارية مماثلة لتلك الخاصة بالصندوق. ولذلك، فمن

Fund. Therefore, in the exercise of its business, a member of the Fund Board may find himself in a situation of potential conflict of duties or interests with one or more funds. However, in such cases, the member shall take into account his obligations to act in the best interests of the Unitholders to the maximum practicable extent and not to overlook his obligations to his other clients when he considers any investment that may involve a potential conflict of interest, and in situations requiring voting, that Member shall refrain from doing so. To the date of issuing the Terms and Conditions, there is no significant business or other interest to the members of the Fund Board, which is likely to conflict with the interests of the Fund.

الممكن أن يجد أحد أعضاء مجلس إدارة الصندوق، في نطاق ممارسته لأعماله، أنه في موقف ينطوي على تعارض محتمل في الواجبات أو المصالح مع واحد أو أكثر من الصناديق. وعلى أي حال، ففي تلك الحالات سوف يراعي عضو مجلس الإدارة التزاماته بالتصرف بما يحقق أقصى مصالح مالكي الوحدات المعنيين إلى أقصى درجة ممكنة عملياً، وعدم إغفال التزاماته تجاه عملائه الآخرين عند الاطلاع بأي استثمار قد ينطوي على تعارض محتمل في المصالح، وفي الحالات التي تتطلب التصويت سوف يمتنع ذلك العضو عن ذلك. علماً أنه إلى تاريخ إعداد الشروط والأحكام، لا يوجد أي نشاط عمل أو مصلحة أخرى مهمة لأعضاء مجلس إدارة الصندوق أو أعضاء مجلس إدارة الصندوق يُحتمل تعارضها مع مصالح الصندوق.

f. A statement showing all the funds boards that the relevant board member is participating in

و. جدول يوضح جميع مجالس إدارة الصناديق التي يشارك فيها

Fund's/ Member's Name	عبدالعزیز أبأ الخیل Abdulaziz Abalkhail	بسمة التویجری Basmah AlTuwaijri	لوید کورا Lloyd Kawara	محمد السقاف Mohammad AlSaggaf	اسم الصندوق / العضو
SNB Capital Saudi Riyal Trade Fund	✓	✓	✓	✓	صندوق الأهلي للمتاجرة بالريال السعودي
SNB Capital Sadaqqat Fund	✓	✓	✓	✓	صندوق الأهلي للصدقات
SNB Capital Diversified Saudi Riyal Fund	✓	✓	✓	✓	صندوق الأهلي المتنوع بالريال السعودي
SNB Capital Multi-Asset Conservative Fund	✓	✓	✓	✓	صندوق الأهلي متعدد الأصول المتحفظ
SNB Capital Multi-Asset Income Plus Fund	✓	✓	✓	✓	صندوق الأهلي متعدد الأصول للدخل الإضافي
SNB Capital Multi-Asset Moderate Fund	✓	✓	✓	✓	صندوق الأهلي متعدد الأصول المتوازن
SNB Capital Multi-Asset Growth Fund	✓	✓	✓	✓	صندوق الأهلي متعدد الأصول للنمو
SNB Capital International Trade Fund	✓	✓	✓	✓	صندوق الأهلي للمتاجرة العالمية
SNB Capital Diversified USD Fund	✓	✓	✓	✓	صندوق الأهلي المتنوع بالدولار الأمريكي
SNB Capital US Dollar Sukuk Fund	✓	✓	✓	✓	صندوق الأهلي للصكوك بالدولار الأمريكي
SNB Capital – King Saud University Waqf Fund	✓	✓	✓	✓	صندوق الأهلي وجامعة الملك سعود الوقفي
AlAhli SEDCO Residential Development Fund				✓	صندوق الأهلي سدكو للتطوير السكني
AlAhli REIT Fund (1)				✓	صندوق الأهلي ريت (1)
AlAhli Makkah Hospitality Fund				✓	صندوق الأهلي للضيافة بمكة المكرمة
SNB Capital Real Estate Opportunistic Fund				✓	صندوق الأهلي العقاري للفرص
SNB Capital Tier One Sukuk Fund III				✓	صندوق الأهلي للصكوك ذات الفئة (1) الثالث
SNB Capital Real Estate Income Fund				✓	صندوق الأهلي العقاري للدخل
SNB Capital Danat AlJanob Real Estate Fund				✓	صندوق الأهلي دائرة الجنوب العقاري
SNB Capital AlJawharah Real Estate Fund				✓	صندوق الأهلي الجوهرة العقاري
SNB Capital AlJawharah Real Estate Fund II				✓	صندوق الأهلي الجوهرة العقاري الثاني
SNB Capital Logistic Fund				✓	صندوق الأهلي اللوجستي
Nusaned Fund II				✓	صندوق نساند 2
SNB Capital Real Estate Fund				✓	صندوق الأهلي العقاري

g. Topics discussed and issued resolutions, as well as the fund performance and fund achievement of its objectives

The Fund's Board of Directors held three meetings during 2023. The following is a summary of the key decisions approved and the matters discussed by the Fund's Board of Directors:

- Fund's objectives achievement and performance review.
- Risks related to the funds; including: liquidity, market, and operational risks.
- Ensuring fund's compliance to all applicable rules and regulations.

ز. الموضوعات التي تمت مناقشتها والقرارات الصادرة بشأنها بما

في ذلك أداء الصندوق وتحقيق الصندوق لأهدافه

عقد مجلس إدارة الصندوق ثلاثة اجتماعات خلال العام 2023م، وفيما يلي ملخصاً لأهم القرارات التي تم إقرارها والمواضيع التي تمت مناقشتها من قبل مجلس إدارة الصندوق:

- مناقشة تحقيق الصندوق لأهدافه وأدائه خلال العام.
- المخاطر المتعلقة بالصندوق بما في ذلك مخاطر السيولة، السوق، والتشغيل.
- التزام الصناديق بلوائح هيئة السوق المالية مع مسؤول المطابقة والالتزام.

C) Fund Manager

ج) مدير الصندوق

1) Name and address of the Fund Manager

SNB Capital Company

King Saud Road, P.O. Box 22216, Riyadh 11495, Saudi Arabia
Tel: +966 920000232

Website: www.alahlicapital.com

1) اسم مدير الصندوق، وعنوانه

شركة الأهلي المالية

طريق الملك سعود، ص.ب. 22216، الرياض 11495، المملكة العربية السعودية
هاتف: +966 920000232

الموقع الإلكتروني: www.alahlicapital.com

2) Names and addresses of Sub-Manager / Investment Adviser

None.

2) اسم وعنوان مدير الصندوق من الباطن و/أو مستشارين الاستثمار (إن وجد)

لا يوجد.

3) Investment Activities during the period

- The Fund closed the year with an allocation of 40% to money market, 27% to sukuk and 14% to equities and 19% to other investments (including REITS, operating leases, trade finance, agricultural investments and gold).
- Over the course of the year the fund's allocations to sukuk was increased while the exposure to equities was decreased. Elevated valuations and expectations for a slowing economy drove the move into less cyclical and more defensive assets.

3) أنشطة الاستثمار خلال الفترة

- أغلق الصندوق السنة بتخصيص 40% من أصوله في سوق المال، و27% من أصوله في الصكوك، و14% من أصوله في الأسهم، و19% للاستثمارات الأخرى (بما في ذلك صناديق الاستثمار العقاري، الإيجار التشغيلي، تمويل التجارة والاستثمار الزراعي، والذهب).
- وعلى مدار العام، تمت زيادة مخصصات الصندوق للصكوك بينما انخفض التعرض للأسهم. أدت التقييمات المرتفعة والتوقعات المتعلقة بتباطؤ الاقتصاد إلى الانتقال إلى أصول أقل دورية وأكثر دفاعية.

4) Report of investment fund's performance during the period

Fund Performance	12.21%
Benchmark Performance	9.98%

The fund outperformed the benchmark by 223 bps.

4) تقرير الأداء خلال الفترة

أداء الصندوق	12.21%
أداء المؤشر	9.98%

تفوق أداء الصندوق عن أداء المؤشر بفارق 223 نقطة أساس.

5) Terms & Conditions Material Changes

1. Non-fundamental Changes: as shown below:
First: Amending the Fund's summary.
Second: Updating the auditor information (where applicable).
Third: Appointing Tax adviser and Adding his information (where applicable).
Forth: Amending subparagraph (f) in paragraph (4) "The Main Risks of Investing in the Fund".

5) تغييرات حدثت في شروط وأحكام الصندوق

1. تغييرات غير أساسية: كما هو موضح أدناه:
أولاً: تحديث ملخص الصندوق.
ثانياً: تحديث معلومات مراجع الحسابات (حيثما ينطبق).
ثالثاً: تعيين مستشار ضريبي وإضافة المعلومات اللازمة له حيثما ينطبق.
رابعاً: تعديل الفقرة الفرعية (و) من الفقرة الرئيسية (4) " قائمة المخاطر الرئيسية للاستثمار في الصندوق".
خامساً: تحديث الفقرات الفرعية (أ، ب، ج، و) من الفقرة الرئيسية (9) "مقابل الخدمات والعمولات والأتعاب".

Fifth: Amending subparagraphs (a, b, c, f) in paragraph (9) "Fees, Charges and Expenses".

Sixth: Amending subparagraph (a) in paragraph (21) "Fund Manager".

Seventh: Amending subparagraph (f) in paragraph (24) "Fund Board".

سادساً: تحديث الفقرة الفرعية (أ) من الفقرة الرئيسية (21) " اسم مدير الصندوق وواجباته ومسؤولياته".

سابعاً: تحديث الفقرة الفرعية (و) من الفقرة الرئيسية (24) "مجلس إدارة الصندوق".

6) Any other information that would enable unitholders to make an informed judgment about the fund's activities during the period

6) أي معلومة أخرى من شأنها أن تُمكن مالكي الوحدات من اتخاذ قرار مدروس ومبني على معلومات كافية بشأن أنشطة الصندوق خلال الفترة

None.

لا يوجد.

7) Investments in other Investment Funds

7) الاستثمار في صناديق استثمارية أخرى

The fund management fee is 1.00% of NAV. Management fees charged by investments in the following funds have been rebated:

نسبة رسوم الإدارة المحتسبة على الصندوق هي 1.00% سنوياً من صافي قيمة أصول الصندوق، وقد تم التنازل عن رسوم الإدارة للصناديق الاستثمارية التي يستثمر بها الصندوق الموضحة أدناه:

Fund Name	اسم الصندوق
SNB Capital Asia Pacific Index Fund	صندوق الأهلي لمؤشر أسهم آسيا والباسيفيك
AlAhli Diversified Saudi Riyal Fund	صندوق الأهلي المتنوع بالريال السعودي
AlAhli Diversified US Dollar Fund	صندوق الأهلي المتنوع بالدولار الأمريكي
SNB Capital Emerging Markets Index Fund	صندوق الأهلي لمؤشر أسهم الأسواق الناشئة
SNB Capital Europe Index Fund	صندوق الأهلي لمؤشر أسهم أوروبا
SNB Capital Global REITs Fund	صندوق الأهلي العالمي للريت
SNB Capital International Trade Fund	صندوق الأهلي للمتاجرة العالمية
SNB Capital Multi-Asset Income Plus Fund	صندوق الأهلي متعدد الأصول للدخل الإضافي
SNB Capital North America Index Fund	صندوق الأهلي لمؤشر أسهم أمريكا الشمالية
AlAhli REIT Fund 1	صندوق الأهلي ريت 1
SNB Capital Saudi Riyal Trade Fund	صندوق الأهلي للمتاجرة بالريال السعودي
SNB Capital Tier One Sukuk Fund II	صندوق الأهلي للصكوك ذات الفئة (1) الثاني
SNB Capital Tier One Sukuk Fund III	صندوق الأهلي للصكوك ذات الفئة (1) الثالث

The Fund also has invested in the following investment funds, and the management fees were as follows:

كما تم الاستثمار في الصناديق الاستثمارية التالية وكانت رسوم الإدارة على النحو التالي:

Fund Name	رسوم الإدارة Management Fees	اسم الصندوق
iShares MSCI EM Islamic ETF	0.35%	صندوق أي شيرز إم إس سي آي للأسواق الناشئة الإسلامي
Emirates NBD Global Sukuk	1.00%	صندوق الإمارات للصكوك العالمية
iShares MSCI USA Islamic	0.30%	صندوق أي شيرز إم إس سي آي الأمريكي الإسلامي
Jadwa Saudi REIT Fund	1.00%	صندوق جدوى ريت السعودية
INVECO PHYSICAL GOLD ETC	0.12%	صندوق انفسكو للذهب
Guidance ATEL GCC Leasing (OEIC) Ltd	1.50%	صندوق غايدنس أتيل الخليج للتأجير (OEIC)
iShares MSCI World Islamic ETF	0.30%	صندوق أي شيرز إم إس سي آي الإسلامي العالمي (ETF)

8) Special commission received by the fund manager during the period

8) العمولات الخاصة التي حصل عليها مدير الصندوق خلال الفترة

No special commissions were received during the period.

لم يحصل مدير الصندوق على أي عمولات خاصة خلال الفترة.

9) Any other data and other information required by Investment Fund Regulations to be included in this report	9) أي بيانات ومعلومات أخرى أوجبت لائحة صناديق الاستثمار تضمينها بهذا التقرير
a. Conflict of Interests	أ. تعارض في المصالح
Participating in the IPO of ADES Holding Company whereas SNB Capital Company is the Lead Manager, one of the Financial Advisors, Bookrunners, Global Coordinators, and Underwriters. The fund board approval was obtained.	المشاركة في اكتتاب شركة أديس القابضة، حيث أن شركة الأهلي المالية هي مدير الاكتتاب، وأحد المستشارون الماليون ومديرو سجل اكتتاب المؤسسات والمنسقون الدوليون ومتعهدو التغطية. وقد تم الحصول على موافقة مجلس إدارة الصندوق على ذلك.
b. Fund Distribution During The Year	ب. توزيعات الصندوق خلال العام
None.	لا يوجد.
c. Incorrect Valuation or Pricing	ج. خطأ في التقييم والتسعير
None.	لا يوجد.
d. Investment Limitation Breaches	د. مخالفة قيود الاستثمار
A violation of the Investment Funds Regulations was detected due to a change of circumstance that is beyond the control of the fund manager, specifically Article (41), point (b/3), which prohibits the fund manager to invest more than 25% of its NAV in the units of different investment funds issued by the same capital market institution.	تم رصد مخالفة لقيود لائحة صناديق الاستثمار بسبب تغير في الظروف خارج عن سيطرة مدير الصندوق تحديداً الفقرة (ب/3) من المادة (41) والتي تحظر على مدير الصندوق استثمار أكثر من 25% من صافي قيمة أصوله في وحدات صناديق استثمار مختلفة صادرة عن ذات مؤسسة السوق المالية.
10) Period for the management of the person registered as fund manager	10) مدة إدارة الشخص المسجل كمدير للصندوق
Since August – 2020.	منذ أغسطس – 2020م.
11) A disclosure of the expense ratio of each underlying fund at end of year and the weighted average expense ratio of all underlying funds that invested in (where applicable)	11) الإفصاح عن نسبة مصروفات كل صندوق بنهاية العام والمتوسط المرجح لنسبة مصروفات كل الصناديق الرئيسة المستثمر فيها (حيثما ينطبق)
As shown in the sub-paragraph (7) of paragraph (C) in this Annual Report.	كما هو موضح في الفقرة الفرعية (7) من الفقرة (ج) من هذا التقرير السنوي.

D) Custodian (د) أمين الحفظ

1) Name and address of custodian	1) اسم أمين الحفظ، وعنوانه
AlBilad Investment Company King Fahad Road, P.O. Box 140, Riyadh 11411, Kingdom of Saudi Arabia. Tel: + 966 92000 3636 Website: www.albilad-capital.com	شركة البلاد للاستثمار طريق الملك فهد، ص.ب. 140، الرياض 11411، المملكة العربية السعودية هاتف: + 966 92000 3636 الموقع الإلكتروني: www.albilad-capital.com
2) Custodian's duties and responsibilities	2) واجبات ومسؤوليات أمين الحفظ
- Notwithstanding the delegation by a custodian to one or more third parties under the provisions of Investment Funds Regulations or the Capital Market Institutions Regulations, the custodian shall remain fully responsible for compliance with its responsibilities in accordance to the provisions of Investment Funds Regulations.	- يعد أمين الحفظ مسؤولاً عن التزاماته وفقاً لأحكام لائحة صناديق الاستثمار، سواء قام بتأدية مسؤولياته بشكل مباشر أم كلف بها طرفاً ثالثاً بموجب أحكام لائحة صناديق الاستثمار أو لائحة مؤسسات السوق المالية. - يعد أمين الحفظ مسؤولاً تجاه مدير الصندوق ومالكي الوحدات عن خسائر الصندوق الناجمة بسبب احتياله أو إهماله أو سوء تصرفه المتعمد أو تقصيره المتعمد.

- The custodian shall be held responsible to the fund manager and unitholders for any losses caused to the investment fund due to the custodian fraud, negligence, misconduct or willful default.
- The custodian shall be responsible for taking custody and protecting the fund's assets on behalf of unitholders, and taking all necessary administrative measures in relation to the custody of the fund's assets.

يعد أمين الحفظ مسؤولاً عن حفظ أصول الصندوق وحمايتها لصالح مالكي الوحدات، وهو مسؤول كذلك عن اتخاذ جميع الإجراءات الإدارية اللازمة فيما يتعلق بحفظ أصول الصندوق.

E) Fund Operator

٥) مشغل الصندوق

1) Name and address of fund operator

1) اسم مشغل الصندوق، وعنوانه

SNB Capital Company
King Saud Road, P.O. Box 22216, Riyadh 11495,
Saudi Arabia
Tel: +966 920000232
Website: www.alahlicapital.com

شركة الأهلي المالية
طريق الملك سعود، ص.ب. 22216، الرياض 11495،
المملكة العربية السعودية
هاتف: +966 920000232
الموقع الإلكتروني: www.alahlicapital.com

2) Operator's duties and responsibilities

2) واجبات ومسؤوليات مشغل الصندوق

- In relation to investment funds, the fund operator shall be responsible for operating the investment fund.
- The fund operator must maintain the books and records related to the operation of the fund it operates.
- The fund operator must establish a register of unitholders and must maintain it in the Kingdom in accordance to the Investment Funds Regulations.
- The fund operator shall be responsible for the process of dividends distribution (if available) to unitholders.
- The fund operator must process requests for subscriptions, redemption or transfer according to the fund's Terms & Conditions.
- The fund operator shall be responsible for calculating the price of the units and valuing the assets of the fund. In so doing, the fund operator shall conduct a full and fair valuation according to the fund's Terms & Conditions.

- يكون مشغل الصندوق مسؤولاً عن تشغيل الصندوق.
- يقوم مشغل الصندوق بالاحتفاظ بالدفاتر والسجلات ذات الصلة بتشغيل الصندوق.
- يقوم مشغل الصندوق بإعداد وتحديث سجل مالكي الوحدات وحفظه في المملكة وفقاً لمتطلبات لائحة صناديق الاستثمار.
- يُعدّ مشغل الصندوق مسؤولاً عن عملية توزيع الأرباح (إن وجدت) حسب سياسة التوزيع المنصوص عليها في شروط وأحكام الصندوق.
- يقوم مشغل الصندوق بإجراءات الاشتراك والاسترداد والتحويل حسب المنصوص عليها في شروط وأحكام الصندوق.
- يُعدّ مشغل الصندوق مسؤولاً عن تقييم أصول الصندوق تقييماً كاملاً وعادلاً وحساب سعر وحدات الصندوق حسب ما ورد في شروط وأحكام الصندوق.

F) Auditor

٩) مراجع الحسابات

Name and Address of Auditor

اسم مراجع الحسابات، عنوانه

KPMG Professional Services
Riyadh Front – Airport Road P.O Box. 92876, Riyadh 11663,
Saudi Arabia
Tel: +966118748500
Website: www.kpmg.com/sa

كي بي ام جي للخدمات المهنية
واجهة الرياض – طريق المطار ص.ب 92876، الرياض 11663 المملكة العربية
السعودية
هاتف: +966118748500
الموقع الإلكتروني: www.kpmg.com/sa

G) Financial Statements

As shown below in the financial statements section.

ز) القوائم المالية

كما هو موضح أدناه في قسم القوائم المالية.

H) Zakat Calculations**ح) حساب الزكاة****New regulations effective during the year**

"The Minister of Finance via Ministerial Resolution No. (29791) dated 9 Jumada-al-Awwal 1444 H (corresponding to 3 December 2022) approved the Zakat Rules for Investment Funds permitted by the CMA.

The Rules are effective from 1 January 2023 requiring Investment Funds to register with Zakat, Tax and Customs Authority (ZATCA). The Rules also require the Investment Funds to submit an information declaration to ZATCA within 120 days from the end of their fiscal year, including audited financial statements, records of related party transactions and any other data requested by ZATCA. Under the Rules, Investment Funds are not subject to Zakat provided they do not engage in unstipulated economic or investment activities as per their CMA approved Terms and Conditions. Unitholders are obliged to pay due ZAKAT based on their unit owned.

During the current year, the Fund Manager has completed the registration of the Fund with ZATCA and submitted information declaration on time and the due ZAKAT amount for the year ended 31 December 2023 for the fund units was amounted to 0.1679 Saudi Riyal per unit".

اللوائح الجديدة سارية المفعول خلال العام

"وافق وزير المالية بموجب القرار الوزاري رقم (29791) وتاريخ 9 جمادى الأولى 1444هـ (الموافق 3 ديسمبر 2022م) على قواعد الزكاة لصناديق الاستثمار المسموح بها من قبل هيئة السوق المالية.

تسري القواعد اعتبارًا من 1 يناير 2023 وتتطلب من صناديق الاستثمار التسجيل لدى هيئة الزكاة والضرائب والجمارك (الهيئة). كما تلزم القواعد أيضًا من صناديق الاستثمار تقديم إقرار معلومات إلى (الهيئة) خلال 120 يومًا من نهاية سنتها المالية، بما في ذلك القوائم المالية المدققة وسجلات المعاملات الأطراف ذات العلاقة وأي بيانات أخرى تطلبها الهيئة بموجب القواعد، لا تخضع صناديق الاستثمار للزكاة بشرط ألا تمارس أنشطة اقتصادية أو استثمارية غير مشروطة وفقًا للشروط والأحكام المعتمدة من هيئة أسواق المال. سيتحمل كل مالك في حدود ملكيته سداد الزكاة عن تلك الوحدات.

خلال العام الحالي، أكمل مدير الصندوق عملية تسجيل الصندوق لدى الهيئة وتم تقديم إعلان المعلومات في الوقت المناسب وكان مبلغ الزكاة الواجب أدائه للعام المالي المنتهي في 31 ديسمبر 2023 عن وحدات الصندوق 0.1679 ريال سعودي عن كل وحدة".

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)
FINANCIAL STATEMENTS
For the year ended 31 December 2023
with
Independent Auditor's Report to the Unitholders



KPMG Professional Services

Roshn Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No. 1010425494

Headquarters in Riyadh

كي بي ام جي للاستشارات المهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Unitholders of the SNB Capital Multi-Asset Conservative Fund

Opinion

We have audited the financial statements of the **SNB Capital Multi-Asset Conservative Fund** (the "Fund") managed by the SNB Capital Company (the "Fund Manager"), which comprise the statement of financial position as at 31 December 2023, the statements of profit or loss and other comprehensive income, changes in net assets attributable to the Unitholders and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Fund Manager and Those Charged with Governance for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA and to comply with the applicable provisions of the Investment Funds Regulations issued by the Capital Market Authority ("CMA"), the Fund's terms and conditions, and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Fund Board, are responsible for overseeing the Fund's financial reporting process.

Independent Auditor's Report

To the Unitholders of the SNB Capital Multi-Asset Conservative Fund (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of the **SNB Capital Multi-Asset Conservative Fund** (the "Fund").

KPMG Professional Services

Ebrahim Oboud Baeshen
License No. 382



Riyadh: 29 Sha'ban 1445H
Corresponding to 10 March 2024

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

	<i>Notes</i>	<i>31 December</i> <u>2023</u>	<i>31 December</i> <u>2022</u>
ASSETS			
Cash and cash equivalents	9	6,291	5,445
Investments – net	10	128,403	141,175
Other receivables		<u>454</u>	<u>497</u>
Total assets		<u>135,148</u>	<u>147,117</u>
LIABILITIES			
Other payables		<u>1,501</u>	<u>2,044</u>
Net assets attributable to the Unitholders		<u>133,647</u>	<u>145,073</u>
Units in issue in thousands (number)		<u>70,331</u>	<u>85,646</u>
Net assets value per unit (USD)		<u>1.9003</u>	<u>1.6939</u>

The accompanying notes 1 to 18 form an integral part of these financial statements.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

	Notes	<i>For the year ended 31 December</i>	
		<u>2023</u>	<u>2022</u>
Unrealised gain / (loss) on investments measured at fair value through profit or loss (FVTPL investments) – net		5,151	(14,374)
Realised gain on FVTPL investments – net		7,908	11,071
Special commission income on Sukuk		3,355	2,310
Special commission income on Murabaha contracts		648	243
Other income		1,263	1,732
Total income		18,325	982
Management fees	12	(1,425)	(1,672)
Value added tax expense	12	(214)	(251)
Administrative expenses		(220)	(333)
Custody fees		(80)	(78)
Auditors' remuneration	13	(12)	(10)
Fund Board remuneration		(7)	(4)
Capital Market Authority fees		(4)	(2)
Shariah audit fees		(2)	(3)
(Charge) / reversal of expected credit loss allowance – net		(30)	21
Other expenses		--	(152)
Total operating expenses		(1,994)	(2,484)
Profit / (loss) for the year		16,331	(1,502)
Other comprehensive income for the year		--	--
Total comprehensive income / (loss) for the year		16,331	(1,502)

The accompanying notes 1 to 18 form an integral part of these financial statements.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

	<i>For the year ended 31 December</i>	
	<u>2023</u>	<u>2022</u>
Net assets attributable to the Unitholders at the beginning of the year	145,073	179,476
Total comprehensive income / (loss) for the year	16,331	(1,502)
Net decrease in net assets from unit transactions during the year		
Proceeds from units issued	4,896	5,841
Value of units redeemed	(32,653)	(38,742)
	(27,757)	(32,901)
Net assets attributable to the Unitholders at the end of the year	<u>133,647</u>	<u>145,073</u>

UNIT TRANSACTIONS

Transactions in units during the year are summarized as follows:

	For the year ended 31 December	
	<u>2023</u>	<u>2022</u>
	-----Units in '000s-----	
Units at the beginning of the year	85,646	105,150
Units issued	2,781	3,417
Units redeemed	(18,096)	(22,921)
Net decrease in units during the year	(15,315)	(19,504)
Units at the end of the year	<u>70,331</u>	<u>85,646</u>

As at 31 December 2023, the top 5 unitholders represented 74.14% (2022: 74.00%) of the Fund's units.

The accompanying notes 1 to 18 form an integral part of these financial statements.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

	<i>Notes</i>	<i>For the year ended 31 December</i>	
		<u>2023</u>	<u>2022</u>
Cash flows from operating activities			
Profit / (loss) for the year		16,331	(1,502)
<i>Adjustments for:</i>			
Unrealised (gain) / loss on FVTPL investments – net		(5,151)	14,374
Realised gain on FVTPL investments – net		(7,908)	(11,071)
Charge / (reversal) of expected credit loss allowance – net		30	(21)
		<u>3,302</u>	<u>1,780</u>
<i>Net changes in operating assets and liabilities:</i>			
FVTPL investments		41,877	20,468
Investments measured at amortised cost		(16,076)	7,401
Other receivables		(59)	1,896
Other payables		(441)	(1,032)
		<u>28,603</u>	<u>30,513</u>
Net cash generated from operating activities			
Cash flows from financing activities			
Proceeds from units issued		4,896	5,841
Value of units redeemed		(32,653)	(38,742)
		<u>(27,757)</u>	<u>(32,901)</u>
Net cash used in financing activities			
Net increase / (decrease) in cash and cash equivalents		<u>846</u>	<u>(2,388)</u>
Cash and cash equivalents at the beginning of the year	9	<u>5,445</u>	<u>7,833</u>
Cash and cash equivalents at the end of the year	9	<u>6,291</u>	<u>5,445</u>

The accompanying notes 1 to 18 form an integral part of these financial statements.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

1. THE FUND AND ITS ACTIVITIES

SNB Capital Multi-Asset Conservative Fund (the “Fund”) is a Shariah compliant, open-ended investment fund, established under article 31 of the Investment Funds Regulations (the “Regulations”) issued by the Capital Market Authority (“CMA”) and managed by the SNB Capital Company (the “Fund Manager”), a subsidiary of the Saudi National Bank (the “Bank”), for the benefit of the Fund’s Unitholders.

The Fund’s objective is to achieve capital growth over the medium to long term to protect the capital by investing in a diversified portfolio of asset classes.

The terms and conditions of the Fund were initially approved by the Saudi Central Bank (“SAMA”) and subsequently endorsed by the CMA through their letter dated 18 Dhul Hijja 1429 H (corresponding to 16 December 2008). The Fund commenced its activities on 6 Sha’ban 1424 H (corresponding to 2 October 2003).

2. REGULATING AUTHORITY

The Fund is governed by the Regulations published by the CMA’s Board Resolution no. (1-219-2006) dated 3 Dhul Hijja 1427 H (corresponding to 24 December 2006) thereafter amended pursuant to the CMA’s Board Resolution no. (2-22-2021) dated 12 Rajab 1442 H (corresponding to 24 February 2021), detailing requirements for all funds within the Kingdom of Saudi Arabia.

3. BASIS OF ACCOUNTING

These financial statements of the Fund have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and comply with the applicable provisions of the Regulations and the Fund’s terms and conditions.

4. BASIS OF MEASUREMENT AND PRESENTATION

These financial statements have been prepared on a historical cost convention using the accrual basis of accounting and going concern concept except for investments measured at fair value through profit or loss (“FVTPL”) which are recorded at fair value.

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

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). If indicators of the primary economic environment are mixed, then the Fund Manager uses judgement to determine the functional currency that most faithfully effects the economic effect of the underlying transactions, events, and conditions. The Fund’s investment transactions are denominated in United States Dollar (“USD”), Saudi Arabian Riyal and Australian Dollar. Subscriptions and redemptions in the units of the Fund are determined based on the net assets value and received and paid in USD and expenses of the Fund are also paid in USD. Accordingly, the Fund Manager has determined that the functional currency of the Fund is USD.

These financial statements are presented in USD which is the Fund’s functional and presentation currency and have been rounded off to the nearest thousand unless otherwise stated.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

6. CHANGES IN THE FUND'S TERMS AND CONDITIONS

During the year, there have been no significant changes to the terms and conditions of the Fund.

7. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires the Fund Manager to make judgments, estimates and assumptions 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 accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

Significant areas where management has used estimates, assumptions or exercised judgements is Measurement of expected credit loss ('ECL') allowance.

The measurement of ECL allowance for financial assets measured at amortised cost 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 ECL allowance, 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
- Determining criteria for significant increase in credit risk.

Explanation of the inputs, assumptions and estimation techniques used in measuring ECL allowance are further detailed in note 14.2 (a) of these financial statements.

8. MATERIAL ACCOUNTING POLICIES

The Fund has consistently applied the following accounting policies to all periods presented in these financial statements unless otherwise stated. In addition, the Fund adopted *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* from 1 January 2023. The amendments require the disclosure of material, rather than significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in certain instances.

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

8.1 *Cash and cash equivalents*

Cash and cash equivalents include cash at bank and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

8.2 *Financial assets and liabilities*

Classification of financial assets

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

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

8. MATERIAL ACCOUNTING POLICIES (CONTINUED)

8.2 *Financial assets and liabilities (continued)*

Classification of financial assets (continued)

Financial assets measured at amortised cost

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

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

Financial assets measured at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as measured at 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 / commission on the principal amount outstanding.

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

Financial assets measured at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

Business model assessment

The Fund Manager assesses 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;
- how the performance of the portfolio is evaluated and reported to the Fund 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 – for example, 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 realized.

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 realized 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 purchased financial assets going forward.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

8. MATERIAL ACCOUNTING POLICIES (CONTINUED)

8.2 *Financial assets and liabilities (continued)*

Classification of financial assets (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 / commission

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. Interest or 'commission' 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 (for example: liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest / commission, 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 (for example, non-recourse asset arrangements); and
- features that modify consideration of the time value of money – for example, periodical reset of interest / commission rates.

Impairment of financial assets

The Fund assesses on a forward-looking basis the ECL allowance associated with its financial assets carried at amortised cost. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination.

Classification of financial liabilities

The Fund classifies its financial liabilities at amortised cost unless it has designated liabilities at FVTPL.

Recognition and initial measurement

Financial assets and liabilities measured at FVTPL are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. The Fund shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

A financial asset or financial liability is measured initially at fair value plus or minus, for an item not measured at FVTPL, transaction costs that are directly attributable to its acquisition.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

8. MATERIAL ACCOUNTING POLICIES (CONTINUED)

8.2 *Financial assets and liabilities (continued)*

Subsequent measurement

Financial assets measured at FVTPL are subsequently measured at fair value. Net gain or losses including any foreign exchange gains and losses, are recognized in the statement of profit or loss and other comprehensive income in 'realized and unrealized gain / (loss) on FVTPL investments – net'.

Financial assets and financial liabilities measured at amortised cost are subsequently measured at amortised cost using the effective interest / commission method and is recognized in the statement of profit or loss and other comprehensive income. Any gain or loss on de-recognition is also recognized in the statement of profit or loss and other comprehensive income. The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative commission using effective interest / commission method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Derecognition

The Fund derecognizes a financial asset when the contractual rights to the cash flow from the asset expire, 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 does not retain control of the financial asset.

On derecognition of the financial asset, the difference between the carrying amount of the asset and the consideration received is recognized in the statement of profit or loss and other comprehensive income.

The Fund enters into transactions whereby it 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 a portion of them. If all or substantially all of the risk and rewards are retained, then the transferred assets are not derecognized. The Fund derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

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 has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle them liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

8.3 *Net assets value per unit*

The net assets value per unit is calculated by dividing the net assets attributable to the Unitholders included in the statement of financial position by the number of units outstanding at the year end.

SNB CAPITAL MULTI-ASSET CONSERVATIVE FUND
(Managed by the SNB Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Expressed in US Dollars '000 (unless otherwise stated)

8. MATERIAL ACCOUNTING POLICIES (CONTINUED)

8.4 *Units in issue*

The Fund classifies 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's net assets at each redemption date as well as in the event of the Fund's liquidation.

Redeemable units are classified as equity as these meet all of the following conditions:

- they entitle the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation;
- they are in the class of instruments that is subordinate to all other classes of instruments;
- all financial instruments in the class of instruments that are subordinate to all other classes of instruments have identical features;
- the instruments do not include any other features that would require classification as a liability; and
- the total expected cash flows attributable to the instruments over their 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 instruments.

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

8.5 *Special commission income*

Special commission income and expense presented in the statement of profit or loss and other comprehensive income comprises of commission on financial assets and financial liabilities measured at amortised cost calculated on an effective interest / commission rate basis.

The 'effective interest / commission rate' is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument:

- to the carrying amount of the financial assets; or
- the amortised cost of the financial liability.

In calculating special commission income, the effective interest / commission rate is applied to the gross carrying amount of the asset (when the assets are not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, special commission income is calculated by applying the effective interest / commission rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of special commission income reverts to the gross basis.

8.6 *Management fees expense*

Management fees expense is recognized in the statement of profit or loss and other comprehensive income as the related services are performed.

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8. MATERIAL ACCOUNTING POLICIES (CONTINUED)

8.7 *New IFRS standards, interpretations and amendments thereof, adopted by the Fund*

Below amendments to accounting standards, interpretations and amendments became applicable for annual reporting periods commencing on or after 1 January 2023. The Fund manager has assessed that the amendments have no significant impact on the Fund's financial statements.

Standards, interpretations and amendments

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 IAS 12 - *International tax reform – Pillar Two Model Rules*

Amendments to IFRS 17 - *Insurance Contracts*

New regulations effective during the year

The Minister of Finance via Ministerial Resolution No. (29791) dated 9 Jumada-al-Awwal 1444 H (corresponding to 3 December 2022) approved the Zakat Rules for Investment Funds permitted by the CMA.

The Rules are effective from 1 January 2023 requiring Investment Funds to register with Zakat, Tax and Customs Authority (ZATCA). The Rules also require the Investment Funds to submit an information declaration to ZATCA within 120 days from the end of their fiscal year, including audited financial statements, records of related party transactions and any other data requested by ZATCA. Under the Rules, Investment Funds are not subject to Zakat provided they do not engage in unstipulated economic or investment activities as per their CMA approved Terms and Conditions. Zakat collection will be applied on the Fund's Unitholders.

During the current year, the Fund Manager has completed the registration of the Fund with ZATCA and will be submitting information declaration in due course.

8.8 *Standards, interpretations and amendments issued but not yet effective*

Standards, interpretations and amendments issued but not yet effective are listed below. The Fund intends to adopt these standards when they become effective.

<u>Standards, interpretations and 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 covenants	1 January 2024
Amendments to IFRS 16	Lease liability in a sale and leaseback transaction	1 January 2024
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements	1 January 2024
Amendments to IAS 21	Lack of exchangeability	1 January 2025
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associates or joint venture	Available for optional adoption / effective date deferred indefinitely

The above standards, interpretations and amendments are not expected to have a significant impact on the Fund's financial statements.

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9. CASH AND CASH EQUIVALENTS

This comprises of balances held with a local bank having sound credit rating.

10. INVESTMENTS – NET

	<i>Notes</i>	<u>31 December 2023</u>	<u>31 December 2022</u>
FVTPL investments	<i>i)</i>	65,092	93,910
Investments measured at amortised cost – net	<i>ii)</i>	63,311	47,265
		<u>128,403</u>	<u>141,175</u>

i) FVTPL investments

The composition of equity investments measured at fair value through profit or loss include the following:

	<u>31 December 2023</u>		
	<u>% of total investments (fair value)</u>	<u>Cost</u>	<u>Fair value</u>
<i>Other funds managed by the Fund Manager (related parties)</i>			
SNB Capital Multi-Asset Income Plus Fund	12.03	15,257	15,449
SNB Capital North America Index Fund	8.69	6,809	11,159
SNB Capital Diversified Saudi Riyal Fund	7.19	8,609	9,238
SNB Capital Emerging Markets Index Fund	1.61	2,204	2,073
SNB Capital Tier 1 Sukuk Fund III	1.45	1,866	1,867
SNB Capital Europe Index Fund	0.68	676	880
SNB Capital Global REITs Fund	0.53	726	679
SNB Capital Asia Pacific Index Fund	0.35	427	454
Al-Ahli REIT Fund 1	0.62	897	796
SNB Capital International Trade Fund	0.02	28	30
<i>Investment in Exchange Traded Funds and REITs</i>			
Jadwa REIT Saudi Fund	1.46	1,432	1,882
Invesco Physical Gold	0.11	126	147
<i>Other investments</i>			
SNB Tier 1 Sukuk – a related party	3.75	4,792	4,813
Emirates Global Sukuk Fund	3.42	4,210	4,397
Channel Trade Finance	2.68	5,027	3,441
Guidance ATEL GCC Leasing (OEIC) Ltd	2.30	4,007	2,949
ITE Rail Leasing	2.10	2,503	2,704
Ades Holding Company	1.66	1,201	2,134
	<u>50.68</u>	<u>60,795</u>	<u>65,092</u>

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10. INVESTMENTS – NET (CONTINUED)

i) *FVTPL investments (continued)*

	<i>31 December 2022</i>		
	<i>% of total investments (fair value)</i>	<i>Cost</i>	<i>Fair value</i>
<i>Other funds managed by the Fund Manager (related parties)</i>			
SNB Capital Multi-Asset Income Plus Fund	10.66	15,257	15,052
SNB Capital Diversified Saudi Riyal Trade Fund	8.63	9,339	12,187
SNB Capital Asia Pacific Index Fund	6.25	8,609	8,828
SNB REIT fund 1	4.37	6,407	6,167
SNB Tier 1 Sukuk	3.40	4,792	4,798
SNB Capital Emerging Markets Index Fund	2.63	4,073	3,717
SNB Capital Tier One Sukuk Fund III	1.32	1,866	1,861
SNB Capital Europe Index Fun	1.15	1,462	1,619
SNB Capital Tier One Sukuk Fund II	1.13	1,600	1,595
SNB Capital Global REITs Fund	0.47	726	664
SNB Capital International Trade Fund	0.28	427	390
SNB Capital North America Index Fund	0.02	28	29
<i>Investment in Exchange Traded Funds and REITs</i>			
Jadwa REIT Saudi Fund	4.96	6,398	6,997
Invesco Physical Gold	2.31	2,590	3,266
Morgan Stanley Capital International EM	1.29	2,189	1,826
Morgan Stanley Capital International USA	0.63	897	886
<i>Other investments</i>			
Channel Trade Finance	2.87	5,598	4,055
Americana Restaurants International	2.77	3,436	3,910
Guidance ATEL GCC Leasing	2.44	4,007	3,450
ITE Rail Leasing	1.86	2,503	2,628
Microsoft Corporation	1.27	2,006	1,792
Others	5.80	10,500	8,193
	<u>66.51</u>	<u>94,710</u>	<u>93,910</u>

The composition of equity investments measured at FVTPL by currency is summarized below:

<i>Currency</i>	<i>Country</i>	<i>31 December 2023</i>		<i>31 December 2022</i>	
		<i>% of total investments (fair value)</i>	<i>Fair value</i>	<i>% of total investments (fair value)</i>	<i>Fair value</i>
US Dollars	United Kingdom, Kingdom of Saudi Arabia	39.89	25,964	62.21	58,417
Saudi Arabian Riyals	Kingdom of Saudi Arabia	60.11	39,128	37.79	35,943
		<u>100</u>	<u>65,092</u>	<u>100</u>	<u>93,910</u>

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10. INVESTMENTS – NET (CONTINUED)

ii) *Investments measured at amortised cost*

Debt investments measured at amortised cost include the following:

	<i>Notes</i>	<u>31 December 2023</u>	<u>31 December 2022</u>
Investments in Sukuk	<i>a)</i>	46,992	47,279
Investments in Murabaha contracts	<i>b)</i>	16,363	--
Gross carrying value		63,355	47,279
Less: expected credit loss allowance		(44)	(14)
Net investment measured at amortised cost		63,311	47,265

- a) Investments in Sukuk carry profit rates ranging from 3.17% to 9.01% (2022: 3.97% to 9.75%) per annum with varying maturities up till 8 April 2043.
- b) Investments in Murabaha contracts carry profit rates ranging from 5.50% to 6.10% (2022: nil) per annum with varying maturities up till 4 January 2024.

The composition of investments measured at amortised cost by currency is summarized below:

<i>Currency</i>	<i>Country</i>	<u>31 December 2023</u>	<u>31 December 2022</u>
Saudi Arabian Riyals	Kingdom of Saudi Arabia	24,176	10,767
United States Dollars	Kingdom of Saudi Arabia, United Kingdom, Switzerland.	31,187	28,657
Australian Dollars	Australia	7,992	7,855
		63,355	47,279

11. RECONCILIATION OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS

As per the requirements of CMA circular dated 31 December 2017, the Fund calculates provision for impairment in respect of financial investments measured at amortized cost using the incurred loss model, whereas IFRS 9 requires provisions to be measured using the Expected Credit Loss (“ECL”) method. This results in a difference between net assets calculated as per the requirements of IFRS 9 (“reported net assets”) and as per CMA circular (“trading net assets”).

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11. RECONCILIATION OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS (CONTINUED)

The following table shows the reconciliation between the Fund's reported net assets and trading net assets:

	31 December 2023	31 December 2022
Reported net assets of the Fund	133,647	145,073
Add: Expected credit loss allowance	44	14
	133,691	145,087
Less: Provision for incurred credit losses	--	--
Traded net assets of the Fund	133,691	145,087
Number of units in issue	70,331	85,646
Traded net assets value per unit of the Fund	1.9009	1.6940

12. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties of the Fund include the Fund Manager, the Fund Board, other funds managed by the Fund Manager, and the Saudi National Bank, being parent of the Fund Manager.

Following are the details of transactions and balances with related parties not disclosed elsewhere in these financial statements as at and for the year ended 31 December 2023:

Management fees and other expenses

The Fund is managed and administered by the Fund Manager. For these services, the Fund accrues daily, a management fee up to 1.25% (2022: 1.25%) per annum of the Fund's daily net assets value as set out in the Fund's terms and conditions. The Fund Manager may waive management fees to the extent of the Fund's investments in other Funds managed by the Fund Manager. This is included in rebate income in the statement of profit or loss.

The Fund Manager is also entitled to recover expenses incurred on behalf of the Fund relating to audit, custody, advisory, data processing and other similar charges. The maximum amount of such expenses that can be recovered from the Fund by the Fund Manager is restricted to 0.5% (2022: 0.5%) per annum of the Fund's net assets value at the respective valuation days. These expenses are recovered by the Fund Manager on an actual basis.

During the year, the Fund has entered into following transactions, other than those disclosed elsewhere in these financial statements, with related parties in the ordinary course of business. These transactions were carried out on the basis of approved terms and conditions of the Fund:

Name of related party	Nature of transaction	Amounts of transactions for the year ended		Net payable balance as at	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
SNB Capital Company	Management fees (including value added tax)	1,639	1,672	1,492	234
	Expenses paid on behalf of the Fund	325	833		
	Rebate income	413	--		

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12. AUDITORS' REMUNERATION

	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2022</u>
Fee for:		
Statutory audit	7	7
Interim review	3	3
Zakat services	2	--
	<u>12</u>	<u>10</u>

13. FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks including market risks, credit risks and liquidity risk.

The Fund Manager is responsible for identifying and controlling risks. The Fund Board supervises the Fund Manager and is ultimately responsible for the overall governance of the Fund.

Monitoring and controlling risks are primarily set up to be performed based on the limits established by the Fund Board. The Fund's terms and conditions set out its overall business strategies, its tolerance of risks and its general risk management philosophy. Compliance with the limits is monitored by the Fund Board on a quarterly basis. In instances where portfolio has diverged from limits prescribed in the terms and conditions of the Fund, the Fund Manager is obliged to take actions to re-balance the portfolio in line with the investment guidelines within prescribed timelines.

14.1 *Market risks*

'Market Risk' is the risk that changes in market prices – such as commission rates, foreign exchange rates, equity prices and credit spreads – will affect the Fund's income or the fair value of its holdings in financial instruments.

a) *Currency risk*

Currency risk is the risk that the value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates and arises from financial instruments denominated in foreign currencies.

The Fund's financial assets are denominated in United States Dollar, Australian Dollar and Saudi Arabian Riyals. As the Saudi Arabian Riyal is pegged against the United States Dollar, there is unlikely to be any material impact on the statement of profit or loss in respect of the financial instruments denominated in Saudi Arabian Riyal. The effect on the net assets value as a result of a reasonably possible notional movement of the USD against the AUD with all other variables held is as follows:

	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2022</u>
Effect on net assets attributable to the Unitholders	<u>± 799</u>	<u>± 786</u>

The Fund has used a derivative contract to manage foreign currency and other price risk. As at the reporting date, the Fund has an outstanding forward contract amounts to USD 7.9 million (2022: USD 7.9 million). The impact of fair value is not material to the financial statements.

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14. FINANCIAL RISK MANAGEMENT (CONTINUED)

14.1 *Market risks (continued)*

b) Commission rate risk

Commission rate risk is the risk that the value of the future cash flows of a financial instrument or fair values of fixed coupon financial instruments will fluctuate due to changes in market commission rates. The Fund manages commission rate risk by investing in financial instruments that mature or re-price in the short term. Accordingly, the Fund is subject to limited exposure to fair value or cash flow commission rate risk due to fluctuations in the prevailing levels of market commission rate.

As at 31 December 2023, the Fund is exposed to commission rate risk on its investments in fixed-rate Sukuk. A reasonably possible change of 10 basis points in interest rates at the reporting date would affect net assets and profit or loss by USD 4.70 million (2022: USD 4.73 million). The Fund's investments in commission bearing Murabaha contracts are all short-term in nature, therefore, the Fund is not exposed to commission rate risk on those investments.

c) Other price risk

Other price risk is the risk that the value of the Fund's financial instruments will fluctuate as a result of changes in market prices caused by factors other than foreign currency and commission rate movements. Other price risk arises primarily from uncertainty about the future prices of financial instruments that the Fund holds. The Fund Manager daily monitors concentration of risk in securities and industries in line with defined limits while closely tracking the portfolio level volatilities. As of the statement of financial position date, the Fund has investments in equity securities which are exposed to other price risk.

The effect on the net assets value as a result of the change in the fair value of investments as at 31 December due to a reasonably possible notional change in market value of investments in equity securities by 10%, with all other variables held constants is as follows:

	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2022</u>
Effect on net assets attributable to the Unitholders.	<u>±6,509</u>	<u>±9,391</u>

14.2 *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Fund Manager seeks to manage credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties.

The Fund is exposed to credit risk from its investments measured at amortised cost and bank balances. The bank balance is held with a local bank having Moody's credit rating of A3 which is in line with globally understood definition of investment grade. Accordingly, there is no material impact of expected credit loss allowance on this balance.

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14. FINANCIAL RISK MANAGEMENT (CONTINUED)

14.2 *Credit risk (continued)*

a) *General approach for expected credit loss allowance*

The Fund recognizes loss allowance for ECL on the financial assets that are not measured at FVTPL. The Fund measures loss allowances at an amount equal to lifetime ECL.

The Fund measures loss allowance at an amount equal to lifetime ECL for Stage 2 & Stage 3 exposures while loss allowance for Stage 1 exposures is measured at 12-month ECL.

12-month ECLs are the portion of ECL that result from default events on a financial instrument that are possible within 12 months after the reporting date.

The key inputs into the measurement of ECL allowance are the following variables:

- Probability of default (PD)
- Loss given default (LGD)
- Exposure at default (EAD)

The Fund categorizes its financial assets into following three stages in accordance with the IFRS 9 methodology:

- Stage 1 – financial assets that are not significantly deteriorated in credit quality since origination. The impairment allowance is recorded based on 12 months PD.
- Stage 2 – financial assets that has significantly deteriorated in credit quality since origination. The impairment allowance is recorded based on lifetime ECL. The impairment allowance is recorded based on lifetime PD.
- Stage 3 – financial assets that are credit impaired, the Fund recognizes the impairment allowance based on lifetime PD.

In assessing whether credit risk has increased significantly, the Fund examines the change in the risk of default occurring over the expected life of the financial instrument. The staging criteria considers strong indicators of associated credit risk for each respective portfolio. Though the Fund has historically experienced no defaults across the funds, the Stage 2 criteria seeks to identify triggers indicative of a higher propensity to default while the finalized Stage 3 criteria lists objective indicators of default. The Fund also considers the forward-looking information in its assessment of significant deterioration in credit risk since origination as well as the measurement of ECL allowance.

b) *Expected credit loss allowance measurement*

ECL allowance represents probability-weighted estimates of credit losses. These are measured as follows:

- financial assets that are not credit-impaired at the reporting date: 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).
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

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14. FINANCIAL RISK MANAGEMENT (CONTINUED)

14.2 Credit risk (continued)

b) Expected credit loss allowance measurement (continued)

The table below shows financial instruments subject to impairment:

	As at 31 December				
	2023				2022
	Stage 1	Stage 2	Stage 3	Total	Total
Investments measured at amortised cost	58,811	4,544	--	63,355	47,279
Expected credit loss allowance	(16)	(28)	--	(44)	(14)
Carrying amount	58,795	4,516		63,311	47,265

- As IFRS 9 requires entities to adopt a futuristic outlook of the macroeconomic scenarios in their estimates of risk parameters, the usage of a scenario framework for the same is imperative. The Fund has adopted scenario weights for three scenarios – baseline, upturn and downturn in line with external economic outlook and industry practice.
- The risk estimates derived are used along with the cashflows to arrive at the probability weighted ECL allowance across different stages.

The Fund Manager reviews credit concentration of the investment portfolio based on counterparties. The credit quality of the financial assets is managed using the ratings from reputable credit ratings agencies.

As at 31 December, the Fund has investments measured at amortized cost with the following credit quality:

Credit ratings	31 December 2023	31 December 2022
A+	6%	--
A	8%	7%
A-	39%	35%
BBB+	4%	9%
BBB-	15%	14%
BB-	--	10%
BB	8%	10%
B	20%	15%
	100%	100%

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14. FINANCIAL RISK MANAGEMENT (CONTINUED)

14.2 Credit risk (continued)

b) Expected credit loss allowance measurement (continued)

The Fund Manager also reviews the credit concentration of the investment portfolio based on counterparties' geographical locations. The geographical concentration of the investment held at amortised cost is as follows:

	31 December 2023	31 December 2022
Kingdom of Saudi Arabia	45,478	29,046
Switzerland	5,341	5,341
United Kingdom	4,544	5,037
Australia	7,992	7,855
	<u>63,355</u>	<u>47,279</u>

Investments measured at amortised cost

The following table explains the changes in the expected credit loss allowance for investments measured at amortised cost:

	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance as at 1 January 2023	14	--	--	14
Charge for expected credit loss allowance	2	28	--	30
Expected credit loss allowance as at 31 December 2023	<u>16</u>	<u>28</u>	<u>--</u>	<u>44</u>
	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance as at 1 January 2022	35	--	--	35
Reversal of expected credit loss allowance	(21)	--	--	(21)
Expected credit loss allowance as at 31 December 2022	<u>14</u>	<u>--</u>	<u>--</u>	<u>14</u>

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14. FINANCIAL RISK MANAGEMENT (CONTINUED)

14.3 *Liquidity risk*

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund's terms and conditions provide for subscription and redemption of units on every Saudi business day, and it is, therefore, exposed to the liquidity risk of not being able to meet Unitholders' redemption requests on these days. The Fund Manager monitors liquidity requirements by ensuring that sufficient funds are available to meet any commitments as they arise, through new subscriptions and liquidation of the investment portfolio and by investing predominantly in securities that it expects to be able to liquidate within a short period of time.

14.4 *Operational risk*

Operational risk is the risk of direct or indirect losses arising from a variety of causes associated with the processes, technology and infrastructure supporting the Fund's activities either internally or externally at the Fund's service provider and from external factors other than credit, liquidity, currency and market risks such as those arising from the legal and regulatory requirements.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of maximising returns to the Unitholders.

The primary responsibility for the development and implementation of control over operational risks rests with the Risk Management Team. This responsibility is supported by the development of overall standard for the management of operational risk, which encompasses the controls and processes at the service providers and the establishment of service level agreements with the service providers, in the following areas:

- documentation of controls and procedures;
- requirements for:
 - appropriate segregation of duties between various functions, roles and responsibilities;
 - reconciliation and monitoring of transactions; and
 - periodic assessment of operational risks faced.
- the adequacy of controls and procedures to address the risks identified;
- compliance with regulatory and other legal requirements;
- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation.

15. 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. 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.

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15. FAIR VALUE MEASUREMENT (CONTINUED)

Carrying amounts and fair value (continued)

During the year, there has been no transfer in fair value hierarchy for any financial assets or liabilities. For other financial assets and liabilities such as cash and cash equivalents, investments measured at amortised cost, other receivables and other payables, the carrying values were determined to be a reasonable approximation of fair value due to their nature.

16. LAST VALUATION DAY

The last valuation of day for the year was 31 December 2023 (2022: 29 December 2022).

17. EVENTS AFTER THE END OF THE REPORTING PERIOD

There was no event subsequent to the statement of financial position date which required adjustment of or disclosure in the financial statements or notes thereto.

18. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Fund Board on 15 Sha'ban 1445H corresponding to 25 February 2024.