

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)
CONDENSED INTERIM FINANCIAL
STATEMENTS (UNAUDITED)
For the period from 19 December 2022
(Date of commencement of operations) to 30 June 2023
together with the
Independent Auditor's Review Report to the Unitholders



KPMG Professional Services

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كي بي إم جي للاستشارات المهنية

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

المركز الرئيسي في الرياض

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

To the Unitholders of the SNB Capital Global Megatrends Fund

Introduction

We have reviewed the accompanying 30 June 2023 condensed interim financial statements of the **SNB Capital Global Megatrends Fund** (the "Fund"), managed by the SNB Capital Company (the "Fund Manager"), which comprises:

- the condensed statement of financial position as at 30 June 2023;
- the condensed statement of profit or loss and other comprehensive income for the period from 19 December 2022 to 30 June 2023;
- the condensed statement of changes in net assets attributable to the Unitholders for the period from 19 December 2022 to 30 June 2023;
- the condensed statement of cash flows for the period from 19 December 2022 to 30 June 2023; and
- the notes to the condensed interim financial statements.

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

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2023 condensed interim financial statements of the **SNB Capital Global Megatrends Fund** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services

Ebrahim Oboud Baeshen
License No. 382

Date: 15 Muharram 1445 H
Corresponding to: 2 August 2023



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كي بي إم جي للاستشارات المهنية شركة مهنية مساهمة مقفلة، مسجلة في المملكة العربية السعودية، رأس مالها (٤٠,٠٠٠,٠٠٠) ريال سعودي، مدفوع بالكامل، المسماة سابقاً "الشركة كي بي إم جي للفرزان وشركاه محاسبين ومراجعين قانونيين". وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لكي بي إم جي العالمية المحدودة، شركة الجليزية محدودة بضمان. جميع الحقوق محفوظة.

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2023

Expressed in US Dollars '000 (unless otherwise stated)

	<i>Notes</i>	30 June <u>2023</u>
ASSETS		
Cash and cash equivalents	8	294
FVTPL investments	9	5,111
Other receivables		<u>2</u>
Total assets		<u>5,407</u>
LIABILITIES		
Other payables		<u>27</u>
Net assets attributable to the Unitholders		<u>5,380</u>
Units in issue in thousands (number)		<u>4,916</u>
Net assets value per unit (USD)		<u>1.0944</u>

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollars '000 (unless otherwise stated)

		For the period from 19 December 2022 to 30 June 2023
	<i>Note</i>	
Unrealised gain on FVTPL investments – net		339
Realised gain on FVTPL investments – net		11
Dividend income		3
Total income		353
Management fees	<i>10</i>	(30)
Value added tax expense		(5)
Administrative expenses		(5)
Capital Market Authority fees		(4)
Fund Board remuneration		(3)
Custody fees		(1)
Other expenses		(4)
Total operating expenses		(52)
Profit for the period		301
Other comprehensive income for the period		--
Total comprehensive income for the period		301

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE
UNITHOLDERS (UNAUDITED)**

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollars '000 (unless otherwise stated)

	For the period from 19 December 2022 to 30 June 2023
Proceeds from units issued	5,642
Value of units redeemed	(563)
Total comprehensive income for the period	301
Net assets attributable to the Unitholders at the end of the period	5,380

UNITS TRANSACTIONS

Transactions in units during the period are summarised as follows:

	For the period from 19 December 2022 to 30 June 2023 Units in '000s
Units issued	5,434
Units redeemed	(518)
Units at the end of the period	4,916

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollars '000 (unless otherwise stated)

		For the period from 19 December 2022 to 30 June 2023
	<i>Notes</i>	
Profit for the period		301
<i>Adjustments for:</i>		
Unrealised gain on FVTPL investments – net		(339)
Realised gain on FVTPL investments – net		(11)
		(49)
<i>Net changes in operating assets and liabilities:</i>		
FVTPL investments		(4,761)
Other receivables		(2)
Other payables		27
Net cash generated from operating activities		(4,785)
Cash flows from financing activities		
Proceeds from units issued		5,642
Value of units redeemed		(563)
Net cash used in financing activities		5,079
Net increase in cash and cash equivalents		294
Cash and cash equivalents at the beginning of the period	8	--
Cash and cash equivalents at the end of the period	8	294

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

1. THE FUND AND ITS ACTIVITIES

SNB Capital Global Megatrends Fund (the "Fund") is an 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 investments are held by Northern Trust Corporation, a custodian appointed by the Fund Manager.

The objective of the Fund is to achieve long-term capital growth through investing in expected growth sectors which contribute to global economic transformations.

The terms and conditions of the Fund were issued on 12 Safar 1444 H (corresponding to 8 November 2022). The Fund commenced its activities on 25 Jumada-al-Awwal 1444 H (corresponding to 19 December 2022).

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the "Regulation") 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 condensed interim financial statements of the Fund have been prepared in accordance with IAS 34 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia and comply with the applicable provisions of the Regulations and the Fund's terms and conditions.

These condensed interim financial statements are prepared from 19 December 2023 (date of commencement of operations) to 30 June 2023 and accordingly no comparatives have been presented.

4. BASIS OF MEASUREMENT AND PRESENTATION

These condensed interim 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 condensed statement of financial position. Instead, assets and liabilities are presented in order of their liquidity.

5. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the condensed interim 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 represents the economic effect of the underlying transactions, events, and conditions. The Fund's investments and transactions are denominated in United States Dollar ("USD") and Pound Sterling. Investor subscriptions and redemptions 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 condensed interim 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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

6. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim financial statements requires the Fund Manager to make judgements, 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.

7. SIGNIFICANT ACCOUNTING POLICIES

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

7.1 *Cash and cash equivalents*

Cash and cash equivalents include bank balances 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. Cash and cash equivalents include bank balances.

7.2 *Financial assets and liabilities*

Classification of financial assets

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

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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7.2 *Financial assets and liabilities (continued)*

Classification of financial assets (continued)

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.

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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7.2 *Financial assets and liabilities (continued)*

Classification of financial assets (continued)

Reclassifications

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

Classification of financial liabilities

The Fund classifies its financial liabilities at amortised cost 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 at FVTPL, transaction costs that are directly attributable to its acquisition issue.

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 profit or loss in 'realized and unrealized gain / loss on FVTPL investments – net' in the statement of profit or loss and other comprehensive income.

Financial assets and financial liabilities measured at amortised cost are subsequently measured at amortised cost using the effective interest / commission rate 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 rate method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit 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 (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognized in the statement of profit or loss and other comprehensive income. Any commission in such transferred financial assets that is created or retained by the Fund is recognized as a separate asset or liability.

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7.2 *Financial assets and liabilities (continued)*

Derecognition (continued)

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 the 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.

7.3 *Provisions*

A provision is recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

7.4 *Net assets value per unit*

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

7.5 *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.

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7.5 *Units in issue (continued)*

Redeemable units are classified as equity as these meets 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.

7.6 *Zakat / taxation*

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

The value added tax ("VAT") applicable for fees and expenses are recognized in the statement of profit or loss and other comprehensive income.

7.7 *Dividend income*

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

7.8 *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.

7.9 *Accrued expenses and other payables*

Accrued expenses and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest / commission rate method.

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Standards, interpretations and amendments issued but not yet effective up to the date of issuance of the Fund's condensed interim financial statements are listed below. The Fund intends to adopt these standards when they become effective.

<i>Standards, interpretations and amendments</i>	<i>Description</i>	<i>Effective from periods beginning on or after the following date</i>
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 IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate 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 condensed interim financial statements.

8. CASH AND CASH EQUIVALENTS

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

9. FVTPL INVESTMENTS

The composition of equity investments measured at FVTPL by currency is summarised below. All investments are in exchange traded funds.

		<i>30 June 2023 (Unaudited)</i>		
<i>Currency</i>	<i>Country</i>	<i>% of total investments (fair value)</i>	<i>Cost</i>	<i>Fair value</i>
United States Dollar	Ireland, Luxembourg	89.02	4,252	4,550
Pound Sterling	Ireland	10.98	520	561
		<u>100</u>	<u>4,772</u>	<u>5,111</u>

10. 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.

Management fees and other expenses

The Fund is managed and administered by the Fund Manager. For these services, the Fund accrues, daily, management fee up to 1.5% per annum of the Fund's daily net assets value as set out in the Fund's terms and conditions.

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

10. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

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% 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 period, the Fund has entered into following transactions, other than those disclosed elsewhere in these condensed interim 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.

<i>Related party</i>	<i>Nature of transactions</i>	<i>For the period from 19 December 2022 to 30 June 2023 (Unaudited)</i>	<i>Balance as at 30 June 2023 (Unaudited)</i>
SNB Capital Company	Management fees	30	27
	Expenses paid on behalf of the Fund	22	

11. 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.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market at a market price, because this price is assessed to be a reasonable approximation of the exit price.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The Fund recognises transfer between levels of fair value at the end of the reporting period during which the change has occurred.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

SNB CAPITAL GLOBAL MEGATRENDS FUND
(Managed by the SNB Capital Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the period from 19 December 2022 to 30 June 2023

Expressed in US Dollar '000 (unless otherwise stated)

11. FAIR VALUE MEASUREMENT (CONTINUED)

Carrying amounts and fair value

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

	<i>As at 30 June 2023 (Unaudited)</i>				
	<i>Carrying amount</i>	<i>Fair value</i>			<i>Total</i>
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	
<u>Financial assets measured at fair value</u>					
FVTPL investments	5,111	5,111	--	--	5,111

The Fund has classified investments measured at FVTPL as level 1 as per the fair value hierarchy. For other financial assets and liabilities such as cash and cash equivalents, other receivables and other payables, the carrying values were determined to be a reasonable approximation of fair value.

12. LAST VALUATION DAY

The last valuation date for the purpose of preparation of condensed interim financial statements was 22 June 2023.

13. 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 condensed interim financial statements or notes thereto.

14. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Fund Board on 15 Muharram 1445 H corresponding to 2 August 2023.