

Al Yusr Saudi Equity Fund
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT TO THE UNIT
HOLDERS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024



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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNITHOLDERS OF AL YUSR SAUDI EQUITY FUND (MANAGED BY SAB INVEST)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Al Yusr Saudi Equity Fund (the "Fund") managed by SAB Invest (the "Fund Manager") as at 30 June 2024, and the related interim condensed statement of comprehensive income for the six-month period ended 30 June 2024, and the related interim condensed statement of changes in equity attributable to the unitholders and cash flows for the six-month period then ended, and explanatory notes. The Fund Manager is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Other matter

The financial statements of the Fund for the year ended 31 December 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 17 Ramadan 1445H (corresponding to 27 March 2024). Further, the interim condensed financial statements of the Fund for the six-month period ended 30 June 2023 were also reviewed by another auditor who expressed unmodified review conclusion on those interim condensed financial statements on 21 Muharram 1445H (corresponding to 8 August 2023).

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

For Ernst & Young Professional Services

Fahad M. Al-Toaimi
Certified Public Accountant
License No. 354

Riyadh: 7 Safar 1446H
(11 August 2024)



AL YUSR SAUDI EQUITY FUND**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

		<i>30 June 2024 (Unaudited, SR</i>	<i>31 December 2023 (Audited) SR</i>
ASSETS			
Cash and cash equivalents		2,941,936	2,673,397
Financial assets at fair value through profit or loss (FVTPL)	5	114,172,565	60,648,546
Receivables against sold securities		560,943	
Dividend receivable		84,969	-
Receivables and advances		2,812	-
		<hr/>	<hr/>
TOTAL ASSETS		117,763,225	63,321,943
		<hr/> <hr/>	<hr/> <hr/>
LIABILITIES			
Payable against purchased securities		2,091,401	-
Accrued expenses and other liabilities		269,300	163,307
		<hr/>	<hr/>
TOTAL LIABILITIES		2,360,701	163,307
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS		115,402,524	63,158,636
		<hr/> <hr/>	<hr/> <hr/>
Redeemable units in issue		656,586	368,916
		<hr/> <hr/>	<hr/> <hr/>
Net asset value attributable to each per unit		175.76	171.20
		<hr/> <hr/>	<hr/> <hr/>

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

AL YUSR SAUDI EQUITY FUND**INTERIM PERIOD CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTHS ENDED 30 JUNE 2024**

		<i>30 June</i> 2024	<i>30 June</i> 2023
	<i>Note</i>	(Unaudited) SR	(Unaudited) SR
INCOME			
Net movement in unrealised (loss) / gain on financial assets at FVTPL		(5,021,004)	7,911,203
Net realised gain on disposal of financial assets at FVTPL		5,894,889	1,947,767
Dividend income		883,506	719,768
Other income		141	-
		<hr/>	<hr/>
TOTAL INCOME		1,757,532	10,578,738
		<hr/>	<hr/>
EXPENSES			
Management fees	6	943,419	456,044
Other expenses		203,168	155,892
		<hr/>	<hr/>
TOTAL EXPENSES		1,146,587	611,936
		<hr/>	<hr/>
NET INCOME FOR THE PERIOD		610,945	9,966,802
		<hr/>	<hr/>
Other comprehensive income for the period		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		610,945	9,966,802
		<hr/>	<hr/>

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

AL YUSR SAUDI EQUITY FUND

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE UNITHOLDERS
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2024

	<i>30 June</i> 2024 <i>(Unaudited)</i> SR	<i>30 June</i> 2023 <i>(Unaudited)</i> SR
EQUITY AT THE BEGINNING OF THE PERIOD	63,158,636	44,712,832
Net income for the period	610,945	9,966,802
Other comprehensive income for the period	-	-
Total comprehensive income for the period	610,945	9,966,802
Issuance of units during the period	53,462,972	-
Redemption of units during the period	(1,830,029)	(1,939,188)
Net changes from unit transactions	51,632,943	(1,939,188)
EQUITY AT THE END OF THE PERIOD	115,402,524	52,740,446
	Units	Units

REDEEMABLE UNIT TRANSACTIONS

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

UNITS AT THE BEGINNING OF THE PERIOD	368,916	390,885
Issuance of units during the period	298,287	-
Redemption of units during the period	(10,617)	(15,635)
Net change in unit transactions	287,670	(15,635)
UNITS AT THE END OF THE PERIOD	656,586	375,250

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

AL YUSR SAUDI EQUITY FUND**INTERIM CONDENSED STATEMENT OF CASHFLOWS
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2024**

	30 June 2024 (Unaudited) SR	30 June 2023 (Unaudited) SR
OPERATING ACTIVITIES		
Net income for the period	610,945	9,966,802
<i>Adjustments to reconcile net income to net cash flows from operating activities</i>		
Net movement in unrealised (loss) / gain on financial assets at FVTPL	5,021,004	(7,911,203)
Dividend income	(883,506)	(719,768)
	4,748,443	1,335,831
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	(58,545,023)	(3,550,090)
Receivables against sold securities	(560,943)	-
Receivables and advances	(2,812)	1,101,843
Payable against purchased securities	2,091,401	-
Accrued expenses and other payables	105,993	(22,071)
Cash flows used in operating activities	(52,162,941)	(1,134,487)
Dividends received	798,537	719,768
Net cash flows used in operating activities	(51,364,404)	(414,719)
FINANCING ACTIVITIES		
Proceeds from issuance of units	53,462,972	-
Payment on redemption of units	(1,830,029)	(1,939,188)
Net cash generated from / (used in) financing activity	51,632,943	(1,939,188)
NET INCREASE IN CASH AND CASH EQUIVALENTS	268,539	(2,353,907)
Cash and cash equivalents at beginning of the period	2,673,397	3,322,882
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,941,936	968,975

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

AL YUSR SAUDI EQUITY FUND

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2024

1 INCORPORATION AND PRINCIPAL ACTIVITIES

SAB Invest Saudi Al Yusr Saudi Equity Fund (the “Fund”) is an open-ended investment fund created by an agreement between SAB Invest (the “Fund Manager”) and investors (the “Unitholders”) in the Fund. The address of the Fund Manager is as follows:

SAB Invest, Head Office
SAB Tower 7383
King Fahad Branch Rd (Al-Yasmeen District)
Riyadh 13325
Kingdom of Saudi Arabia

The objective of the fund is to achieve long term capital appreciation through investing in Shariah-compliant Saudi Equities.

The Fund is managed by the Fund Manager who also acts as the administrator of the Fund. Al Bilad Capital is the custodian of the Fund. All income is reinvested in the Fund and is reflected in the unit price.

2 REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) detailing requirements for all investment funds operating within the Kingdom of Saudi Arabia and published by the Capital Market Authority (the “CMA”) on 3 Dhul Hijja 1427H (corresponding to 24 December 2006). The Regulations were further amended on 12 07 (Rajab) 1442H (corresponding to 22 February 2021) (the “Amended Regulations”). The Fund Manager believes that the Amended Regulations was effective since 19 09 (Ramadan) 1442H (corresponding to 01 May 2021).

3 BASIS OF PREPARATION

3.1. Statement of compliance

These unaudited interim condensed financial statements for the six-month period ended 30 June 2024 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia.

3.2 Basis of preparation

The unaudited interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Fund’s annual financial statements as at 31 December 2023. In addition, result for the six-month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024 .

The unaudited interim condensed financial statements have been prepared on a historical cost basis, using the accrual basis of accounting except for financial assets held at FVTPL that are measured at fair value. These unaudited interim condensed financial statements are presented in Saudi Arabian Riyals (“SR”), which is the Fund’s functional currency. All financial information presented has been rounded to the nearest SR.

AL YUSR SAUDI EQUITY FUND

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2024

3. BASIS OF PREPARATION AND CHANGES TO MATERIAL ACCOUNTING POLICIES (continued)

3.3 New standards and amendments to standards

3.3.1 New standards and amendments adopted by the Fund

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the Fund's annual financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Fund has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

The following new and amended IFRSs, which became effective for annual periods beginning on or after 1 January 2024.

Standard, interpretation and amendments	Description	Effective date
Amendment to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	Annual periods beginning on or after 1 January 2024
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	Annual periods beginning on or after 1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	Annual periods beginning on or after 1 January 2024
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	1 January 2024 subject to endorsement from SOC
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	1 January 2024 subject to endorsement from SOCPA

AL YUSR SAUDI EQUITY FUND

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2024

3. BASIS OF PREPARATION AND CHANGES TO MATERIAL ACCOUNTING POLICIES (continued)

3.3 New standards and amendments to standards (continued)

3.3.2 Significant standards issued but not yet effective

Standard, interpretation and amendments	Description	Effective date
Amendment to IAS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	Annual periods beginning on or after 1 January 2025
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	IASB amended to the requirements related to: setting financial liabilities using an electronic payment system; assessing contractual cash flow characteristics of financial assets including those with environmental, social and governance (ESG)-linked features.	Annual periods beginning on or after 1 January 2026
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely.
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences	Annual periods beginning on or after 1 January 2027
IFRS 19 - Reducing subsidiaries' disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	Annual periods beginning on or after 1 January 2027

AL YUSR SAUDI EQUITY FUND

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2024

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

The composition of the investment's portfolio on the last valuation day of the period/year end is summarised below:

<i>Industry/ Sector</i>	30 June 2024 (Un-audited)			
	% of Market value	Cost	Market value	Unrealised Gain / (Loss)
Banks	17.3	17,015,630	17,253,432	237,802
Health Care Equipment & Svc	14.7	14,519,275	14,862,846	343,571
Capital Goods	9.7	9,553,022	13,034,205	3,481,183
Insurance	8.6	8,528,293	10,659,348	2,131,055
Software & services	8.3	8,205,687	10,205,970	2,000,283
Energy	8.2	8,080,062	9,865,920	1,785,858
Food & beverages	7.6	7,518,142	8,393,626	875,484
Transportation	7.2	7,123,084	7,792,427	669,343
Consumer Services	5.9	5,800,906	7,585,480	1,784,574
Building & Construction Sector	5.3	5,237,741	6,494,758	1,257,017
Telecommunication Services	4.6	4,512,041	4,226,414	(285,627)
Pharmaceutical	2.6	2,539,518	3,798,139	1,258,621
	100.0	98,633,401	114,172,565	15,539,164

<i>Industry/ Sector</i>	31 December 2023 (Audited)			
	% of Market value	Cost	Market value	Unrealised Gain / (Loss)
Energy	18.7	6,696,343	11,311,133	4,614,790
Building & Construction Sector	14.7	5,336,530	8,887,240	3,550,710
Consumer Services	12.9	5,113,427	7,811,034	2,697,607
Insurance	11.7	5,837,508	7,120,139	1,282,631
Capital Goods	8.4	2,544,809	5,067,194	2,522,385
Software & services	8.0	2,346,225	4,878,590	2,532,365
Health Care Equipment & Svc	6.3	3,181,230	3,825,114	643,884
Banks	5.4	1,822,694	3,250,709	1,428,015
Transportation	4.0	1,735,199	2,452,081	716,882
Telecommunication Services	2.8	1,880,197	1,750,694	(129,503)
Pharmaceutical	2.6	916,247	1,588,380	672,133
Pharma Biotech & Life Science	2.5	1,551,417	1,520,505	(30,912)
Food & Staples Retailing	2.0	1,126,552	1,185,733	59,181
	100.0	40,088,378	60,648,546	20,560,168

AL YUSR SAUDI EQUITY FUND

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2024

6 TRANSACTIONS WITH RELATED PARTIES

During the period / year, the Fund entered into the following transactions with related parties in the ordinary course of business:

Related party	Nature of transactions	Amount of transactions		Balance	
		2024	2023	2024	2023
		SR	SR	SR	SR
SAB Invest (Fund Manager)	Fund management fee (including VAT)	943,419	456,044	215,274	116,849
Fund Administrator	Administration fee	32,098	7,903	7,728	3,648
Board Members	Board member fee	7,118	2,834	4,263	5,716

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.95% per annum.

The units in issue at 30 June 2024 include 1,325 units held by the employees of the Fund Manager (31 December 2023: 36 units).

The Saudi Awwal Bank ("SAB") parent of the Fund Manager acts as the Fund's banker. The independent directors are entitled to remuneration for their services at rates determined by the Fund's terms and conditions in respect of attending meetings of the board of directors or meetings of the Fund. Independent director's fees are currently SAR 3,000 per meeting up to a maximum of 2 meetings per annum per director which is paid equally by all funds supervised by the board. In addition, SAR 2,000 are paid to each independent director by the Fund per annum.

7 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled respectively:

<i>As at 30 June 2024 (Unaudited)</i>	Within 12 months SR	Within 12 months SR	No Fixed Maturity SR	Total SR
ASSETS				
Cash and cash equivalents	2,941,936	-	-	2,941,936
Financial assets at FVTPL	-	-	114,172,565	114,172,565
Receivables against sold securities	560,943	-	-	560,943
Dividend receivable	84,969	-	-	84,969
Receivable and advances	2,812	-	-	2,812
TOTAL ASSETS	3,590,660	-	114,172,565	117,763,225
LIABILITY				
Management fee payable	2,091,401	-	-	2,091,401
Accrued expenses and other payables	269,300	-	-	269,300
TOTAL LIABILITY	2,360,701	-	-	2,360,701
<i>As at 31 Dec 2023 (Unaudited)</i>	Within 12 months SR	Within 12 months SR	No Fixed Maturity SR	Total SR
ASSETS				
Cash and cash equivalents	2,673,397	-	-	2,673,397
Financial assets at FVTPL	-	-	60,648,546	60,648,546
TOTAL ASSETS	2,673,397	-	60,648,546	63,321,943
LIABILITY				
Accrued expenses and other payables	163,307	-	-	163,307
TOTAL LIABILITY	163,307	-	-	163,307

AL YUSR SAUDI EQUITY FUND

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2024

8 SUBSEQUENT EVENTS

In the opinion of management, no events have occurred subsequent to the reporting date and before the issuance of these interim condensed financial statements which requires adjustment to, or disclosure, in these interim condensed financial statements.

9 LAST VALUATION DAY

The last valuation day for the period was 30 June 2024 (year ended 31 December 2023: 31 December 2023).

10 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These unaudited interim condensed financial statements were approved by the Fund's management on 7 Safar 1446H (corresponding to 11 August 2024).