

SAB Invest Global Equity Index Fund

(Formerly known as Alawwal Invest Global Equity Index Fund)

(Managed by SAB Invest)

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023



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

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest Global Equity Index Fund (formerly known as "Alawwal Invest Global Equity Index Fund") (the "Fund") managed by SAB Invest (formerly known as "Alawwal Invest") (the "Fund Manager") as at 30 June 2023, and the related interim condensed statement of comprehensive income, 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" endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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: 22 Muharram 1445H
(9 August 2023)



SAB Invest Global Equity Index Fund
(Formerly known as Alawwal Invest Global Equity Index Fund)

Interim condensed statement of financial position
As at 30 June 2023

	<i>Notes</i>	30 June 2023 (Unaudited) USD	<i>31 December 2022 (Audited) USD</i>
ASSETS			
Cash and cash equivalents		673,855	162,704
Financial assets at fair value through profit or loss (FVTPL)	4	39,573,344	33,753,634
Receivables and advances		2,830	2,738
TOTAL ASSETS		40,250,029	33,919,076
LIABILITIES			
Management fee payable	5	60,262	62,528
Redemption payable		623,322	-
TOTAL LIABILITIES		683,584	62,528
EQUITY			
Net assets attributable to unitholders of redeemable units		39,566,445	33,856,548
TOTAL LIABILITIES AND EQUITY		40,250,029	33,919,076
Redeemable units in issue		956,175	1,011,662
Net asset value attributable to each per unit		41.38	33.47

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

SAB Invest Global Equity Index Fund
(Formerly known as Alawwal Invest Global Equity Index Fund)

Interim condensed statement of comprehensive income (unaudited)
For the six-month period ended 30 June 2023

	<i>Not e</i>	30 June 2023 USD	<i>30 June 2022 USD</i>
INCOME			
Net movement in unrealised gain / (loss) on financial assets at FVTPL		7,546,504	(11,341,738)
Net realised gain on disposal of financial assets at FVTPL		713,205	661,932
Net exchange gain / (loss)		93	(126)
TOTAL INCOME / (LOSS)		8,259,802	(10,679,932)
EXPENSES			
Management fees	5	329,780	357,279
Other expenses		634	1,534
TOTAL EXPENSES		330,414	358,813
NET INCOME / (LOSS) FOR THE PERIOD		7,929,388	(11,038,745)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		7,929,388	(11,038,745)

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

SAB Invest Global Equity Index Fund
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Interim condensed statement of changes in equity (unaudited)
For the six-month period ended 30 June 2023

	2023 <i>USD</i>	2022 <i>USD</i>
EQUITY AT THE BEGINNING OF THE PERIOD	33,856,548	46,298,638
Net income / (loss) for the period	7,929,388	(11,038,745)
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) for the period	7,929,388	(11,038,745)
Issue of units during the period	31,032	3,320,486
Redemption of units during the period	(2,250,523)	(3,552,819)
Net changes from unit transactions	(2,219,491)	(232,333)
EQUITY AT THE END OF THE PERIOD	39,566,445	35,027,560

	<i>Units</i>	<i>Units</i>
REDEEMABLE UNIT TRANSACTIONS		
Transactions in redeemable units during the period are summarised as follows:		
UNITS AT THE BEGINNING OF THE PERIOD	1,011,662	1,027,451
Issue of units during the period	864	85,959
Redemption of units during the period	(56,351)	(94,136)
Net changes in units	(55,487)	(8,177)
UNITS AT THE END OF THE PERIOD	956,175	1,019,274

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SAB Invest Global Equity Index Fund
(Formerly known as Alawwal Invest Global Equity Index Fund)

Interim condensed statement of cash flows (unaudited)
For the six-month period ended 30 June 2023

	2023 USD	2022 USD
OPERATING ACTIVITIES		
Net income / (loss) for the period	7,929,388	(11,038,745)
<i>Adjustments to reconcile net / (loss) income to net cash flows from operating activities:</i>		
Net movement in unrealised (gain) / loss on financial assets at FVTPL	(7,546,504)	11,341,738
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	1,726,794	48,068
Receivables and advances	(92)	125
Receivables against sold securities	-	25,000
Redemption payable	623,322	(255,673)
Management fees payable	(2,266)	(3,773)
Net cash flows generated from operating activities	2,730,642	116,740
FINANCING ACTIVITIES		
Proceeds from issuance of units	31,032	3,320,486
Payment on redemption of units	(2,250,523)	(3,552,819)
Net cash flows used in financing activities	(2,219,491)	(232,333)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	511,151	(115,593)
Cash and cash equivalents at the beginning of the period	162,704	117,369
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	673,855	1,776

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

SAB Invest Global Equity Index Fund (Formerly known as Alawwal Invest Global Equity Index Fund)

Notes to unaudited interim condensed financial statements
At 30 June 2023

1. INCORPORATION AND ACTIVITIES

SAB Invest Global Equity Index Fund (Formerly known as Alawwal Invest Global Equity Index Fund) (the “Fund”) is an open-ended feeder fund created by an agreement between SAB Invest (Formerly known as Alawwal 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 INVEST Building 7267
Olaya Street (Al-Murooj District)
Riyadh 12283-2255
Kingdom of Saudi Arabia

The objective of the Fund is to provide capital appreciation through investments in HSBC Islamic Global Equity Index Fund (“a foreign fund”) of HSBC Islamic Funds (SICAV). The foreign fund invests its assets in a diversified portfolio of Shariah compliant equities listed worldwide that constitute the Dow Jones Islamic Market Titans 100 Index.

The Fund is managed by the Fund Manager. Albilad Capital is the custodian of the Fund.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) detailing requirements for all investments 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 by Resolution of the Board of the Capital Market Authority Number 2-22-2021 Dated 12 Rajab 1442H. Corresponding to 24 February 2021G (the “Amended Regulations”). The amended regulations are effective from 19 Ramadan 1442, corresponding to 1 May 2021).

3. BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

3.1. Basis of preparation

These unaudited interim condensed financial statements for the six-month period ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) as endorsed in the kingdom of Saudi Arabia.

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 2022. In addition, result for the six-month period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

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 US Dollars (“USD”), which is the Fund’s functional currency. All financial information presented has been rounded to the nearest USD.

SAB Invest Global Equity Index Fund
(Formerly known as Alawwal Invest Global Equity Index Fund)

Notes to unaudited interim condensed financial statements (continued)
At 30 June 2023

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

3.2. New standards and amendments to standards

3.2.1 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 2022, except for the adoption of new standards effective as of 1 January 2023. 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 2023, have been adopted in these financial statements.

Standard, interpretation and amendments	Description	Effective date
Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.	Annual periods beginning on or after 1 January 2023
IFRS 17, 'Insurance contracts', as amended in December 2021	This standard replaces IFRS 4, which previously permitted a wide variety of practices in accounting for insurance contracts. IFRS 17 fundamentally changes the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.	Annual periods beginning on or after 1 January 2023
Amendment to IAS 12-deferred tax related to assets and liabilities arising from a single transaction	These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.	Annual periods beginning on or after 1 January 2023

3.2.2 Significant standards issued but not yet effective

Standard, interpretation and amendments	Description	Effective date
Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities	These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	Deferred until accounting periods starting not earlier than 1 January 2024
Amendments to IAS 1, Non-current Liabilities with Covenants	Non-current Liabilities with Covenants amends IAS 1 Presentation of Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.	Annual periods beginning on or after 1 January 2024
Amendments to IFRS 10 and IAS 28	Sale or contribution of Assets between an Investor and its Associate or Joint Ventures	Available for optional adoption/effective date deferred indefinitely
Amendment to IFRS 16, Lease Liability in a Sale and Leaseback	Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.	Annual periods beginning on or after 1 January 2024

SAB Invest Global Equity Index Fund
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Notes to unaudited interim condensed financial statements (continued)
At 30 June 2023

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:

	30 June 2023 (Unaudited)			
	% of Market Value	Cost USD	Market value USD	Unrealised gain USD
<i>Investments in equities</i>				
HSBC Islamic Global Equity Index Fund of HSBC Islamic Funds (SICAV) (an affiliate)	100.00%	26,777,840	39,573,344	12,795,504
Total	100.00%	26,777,840	39,573,344	12,795,504
	31 December 2022 (Audited)			
	% of Market Value	Cost USD	Market value USD	Unrealised gain USD
<i>Investments in equities</i>				
HSBC Islamic Global Equity Index Fund of HSBC Islamic Funds (SICAV) (an affiliate)	100.00%	28,504,634	33,753,634	5,249,000
Total	100.00%	28,504,635	33,753,634	5,249,000

5. TRANSACTIONS WITH RELATED PARTIES

A. Transactions and balances with Fund Manager

Related parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties of the Fund comprise SAB Invest (being the Fund Manager, the Fund Board and administrator of the Fund), mutual funds managed by the Fund Manager and The Saudi Awwal Bank ("SAB") (being parent of the Fund Manager).

In the ordinary course of its activities, the Fund transacts business with Fund Manager and related parties. Related party transactions are governed by limits set by the regulations issued by CMA. All the related party transactions are undertaken at mutually agreed prices and approved by the Fund Manager. These transactions were carried out on the basis of approved Terms and Conditions of the Fund.

During the period, 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	
		2023 USD	2022 USD	2023 USD	2022 USD
SAB Invest (Fund Manager)	Fund management fee (including VAT)	329,780	357,279	60,262	62,528
	Cash and cash equivalents	-	-	-	112,810
Saudi Awwal Bank (Parent of fund manager)	Cash and cash equivalents	-	-	-	49,894

SAB Invest Global Equity Index Fund
(Formerly known as Alawwal Invest Global Equity Index Fund)

Notes to unaudited interim condensed financial statements (continued)
At 30 June 2023

5. TRANSACTIONS WITH RELATED PARTIES (continued)

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.55% per annum calculated on the net asset value at each valuation date.

The units in issue at 30 June 2023 include 3,618.87 units held by the employees of the Fund Manager (31 December 2022: 2,967.76 units) and units held by other funds managed by the Fund manager aggregating to 698,635 units (31 December 2022: 728,878 Units).

B. Transactions and balances with Funds managed by the Fund Manager

Investments by other Funds in SAB Invest Global Equity Index Fund are set out below:

Related party	Nature of transactions	Amount of transactions		Balance	
		2023 USD	2022 USD	2023 USD	2022 USD
SAB Invest Multi-Assets Defensive Fund	Issuance / (Redemption) of units, net	(670,015)	8,334,414	3,122,984	3,186,259
SAB Invest Multi-Assets Balanced Fund	Issuance / (Redemption) of units, net	(309,163)	37,322,511	14,441,898	14,442,078
SAB Invest Multi-Assets Growth Fund	Issuance / (Redemption) of units, net	-	17,267,008	8,365,625	6,764,501

The balance at reporting date also includes movements due to fair value adjustments.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund has only investments at fair value through profit or loss which is measured at fair values and are classified within level 2 of the fair value hierarchy. All other financial assets and liabilities are classified at amortised cost and management believes that the fair value of all other financial assets and liabilities at the reporting date approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. These are all classified within level 3 of the fair value hierarchy There were no transfers between various levels of fair value hierarchy during the current year or prior year.

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:

As at 30 June 2023 (Unaudited)	Within 12 months USD	After 12 months USD	Total USD
ASSETS			
Cash and cash equivalents	673,855	-	673,855
Financial assets at FVTPL	39,573,344	-	39,573,344
Receivables and advances	2,830	-	2,830
TOTAL ASSETS	40,250,029	-	40,250,029
LIABILITIES			
Management fee payable	60,262	-	60,262
Redemption payable	623,322	-	623,322
TOTAL LIABILITIES	683,584	-	683,584

SAB Invest Global Equity Index Fund
(Formerly known as Alawwal Invest Global Equity Index Fund)

Notes to unaudited interim condensed financial statements (continued)
At 30 June 2023

7. MATURITY ANALYSIS OF ASSETS AND LIABILITIES (continued)

<i>As at 31 December 2022 (Audited)</i>	<i>Within 12 months USD</i>	<i>After 12 months USD</i>	<i>Total USD</i>
ASSETS			
Cash and cash equivalents	162,704	-	162,704
Financial assets at fair value through profit or loss (FVTPL)	33,753,634	-	33,753,634
Receivables and advances	2,738	-	2,738
TOTAL ASSETS	33,919,076	-	33,919,076
LIABILITIES			
Management fee payable	62,528	-	62,528
TOTAL LIABILITIES	62,528	-	62,528

8. LAST VALUATION DAY

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

9. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, the Fund Manager has made certain revisions to the Terms and Conditions of the Fund. The latest update was approved by the Capital Market authority (the “CMA”) on 24 Dhul Hijja 1444H (corresponding to 12 July 2023).

Further, the Fund Manager announced changes in the board of directors on 5 Muharram 1445H (Corresponding to 23 July 2023).

10. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These unaudited interim condensed financial statements were approved by the Fund’s management on 20 Muharram 1445H (corresponding to 7 August 2023).