

**SAB Invest Saudi Companies Equity Fund
(Managed by SAB Invest)**

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

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024



Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 -Five million five hundred thousand Saudi Riyal)
Head Office
Al Faisaliah Office Tower, 14th Floor
King Fahad Road
P.O. Box 2732
Riyadh 11461
Kingdom of Saudi Arabia

C.R. No. 1010383821

Tel: +966 11 215 9898

+966 11 273 4740

Fax: +966 11 273 4730

ey.ksa@sa.ey.com

ey.com/mena

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

Introduction:

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest Saudi Companies 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.

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)

SAB Invest Saudi Companies Equity Fund
Interim condensed statement of financial position
As at 30 June 2024

	<i>Notes</i>	30 June 2024 (Unaudited) SR	31 December 2023 (Audited) SR
ASSETS			
Cash and cash equivalents		8,666,831	17,268,143
Financial assets at fair value through profit or loss (“FVTPL”)	4	2,862,958,540	2,976,961,169
Dividend receivable		2,576,727	-
Receivables against sold securities		28,473,554	-
TOTAL ASSETS		2,902,675,652	2,994,229,312
LIABILITIES			
Management fee payable	5	4,782,538	4,765,253
Payable against purchased securities		19,417,449	-
Accrued expenses and other payables		681,605	620,458
TOTAL LIABILITIES		24,881,592	5,385,711
EQUITY			
Net assets attributable to unitholders of redeemable units		2,877,794,060	2,988,843,601
TOTAL LIABILITIES AND EQUITY		2,902,675,652	2,994,229,312
Redeemable units in issue		41,304,997	42,374,980
Net asset value attributable to each per unit		69.67	70.53

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

SAB Invest Saudi Companies Equity Fund

Interim condensed statement of comprehensive income (unaudited)

For the six-month period ended 30 June 2024

	<i>Notes</i>	2024 <i>SR</i>	2023 <i>SR</i>
INCOME			
Net realised gain / (loss) on financial assets at FVTPL		453,666,526	(20,658,852)
Net unrealised (loss) / gain on financial assets at FVTPL		(482,185,691)	471,711,784
Dividend income		27,009,041	37,085,784
Other income		657	21,812
		<hr/>	<hr/>
TOTAL (LOSS) / INCOME		(1,509,467)	488,160,528
		<hr/>	<hr/>
EXPENSES			
Management fees	5	29,298,890	22,178,709
Other expenses		1,865,751	1,105,302
		<hr/>	<hr/>
TOTAL EXPENSES		31,164,641	23,284,011
		<hr/>	<hr/>
NET INCOME FOR THE PERIOD		(32,674,108)	464,876,517
		<hr/>	<hr/>
Other comprehensive income for the period		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(32,674,108)	464,876,517
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The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

SAB Invest Saudi Companies Equity Fund

Interim condensed statement of changes in equity attributable to the unitholders (unaudited)

For the six-month period ended 30 June 2024

	2024 SR	2023 SR
EQUITY AT THE BEGINNING OF THE PERIOD	2,988,843,601	2,098,273,023
Net (loss) / income for the period	(32,674,108)	464,876,517
Other comprehensive income for the period	-	-
Total comprehensive (loss) / income for the period	(32,674,108)	464,876,517
Issue of units during the period	72,608,474	77,104,693
Redemption of units during the period	(150,983,907)	(111,418,659)
Net change	(78,375,433)	(34,313,966)
EQUITY AT THE END OF THE PERIOD	2,877,794,060	2,528,835,574

	<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	42,374,980	44,423,690
Issue of units during the period	1,028,016	1,609,096
Redemption of units during the period	(2,097,999)	(2,216,147)
Net change	(1,069,983)	(607,051)
UNITS AT THE END OF THE PERIOD	41,304,997	43,816,639

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

SAB Invest Saudi Companies Equity Fund

Interim condensed statement of cash flows (unaudited)

For the six-month period ended 30 June 2024

	2024 SR	2023 SR
Operating activities		
Net (loss) / income for the period	(32,674,108)	464,876,517
<i>Adjustments to reconcile net income (loss) to net cash flows from operating activities:</i>		
Movement in unrealised loss / (gain) on financial assets at FVTPL	482,185,691	(471,711,784)
Dividend income	(27,009,041)	(37,085,784)
	422,502,542	(43,921,051)
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	(368,183,062)	(33,626,191)
Receivable and advances	-	54,750,675
Receivables against sold securities	(28,473,554)	-
Management fees payable	17,285	(501,388)
Payable against purchased securities	19,417,449	-
Accrued expenses and other payables	61,147	(68,549,464)
Cash flows used in operations	45,341,807	(91,847,419)
Dividends received	24,432,314	37,085,784
Net cash flows generated from / (used in) operating activities	69,774,121	(54,761,635)
Financing activities		
Proceeds from issuance of units	72,608,474	77,104,693
Payment on redemption of units	(150,983,907)	(111,418,659)
Net cash flows used in financing activities	(78,375,433)	(34,313,966)
Net decrease in cash and cash equivalents	(8,601,312)	(89,075,601)
Cash and cash equivalents at the beginning of the period	17,268,143	131,049,114
Cash and cash equivalents at the end of the period	8,666,831	41,973,513

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

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements

At 30 June 2024

1. INCORPORATION AND ACTIVITIES

SAB Invest Saudi Companies Equity Fund (the “Fund”) is an investment fund established through an agreement between SAB Invest (the “Fund Manager”) and investors (the “unitholders”). 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 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 Rajab1442H. 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 MATERIAL ACCOUNTING POLICIES

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 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.

The 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 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.

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

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

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

At 30 June 2024

3. BASIS OF PREPARATION AND CHANGES TO 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

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

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:

	30 June 2024 (Unaudited)			
	% of Market value	Cost SR	Market value SR	Unrealised Gain (loss) SR
<i>Investments in equities (by sector)</i>				
Banks	23.32	659,835,940	667,541,830	7,705,890
Health Care Equipment & Svc	11.62	322,781,572	332,819,723	10,038,151
Energy	10.63	256,114,104	304,383,070	48,268,966
Insurance	8.95	188,470,198	256,161,548	67,691,350
Capital Goods	7.66	131,531,200	219,376,229	87,845,029
Software & Services	7.66	120,751,289	219,269,436	98,518,147
Consumer Services	6.87	150,612,549	196,767,621	46,155,072
Food & Beverages	6.29	155,895,835	180,097,887	24,202,052
Pharma, Biotech & Life Science	3.93	79,546,949	112,504,559	32,957,610
Transportation	3.64	72,636,790	104,242,968	31,606,178
Telecommunication Services	3.51	107,591,329	100,395,092	(7,196,237)
Media and Entertainment	2.97	46,049,482	84,940,430	38,890,948
Materials	1.30	35,072,594	37,293,557	2,220,963
Utilities	0.94	26,665,825	26,946,675	280,850
Consumer Discretionary Distribution & Retail	0.71	19,752,385	20,217,915	465,530
Total	100.00%	2,373,308,041	2,862,958,540	489,650,499
<i>Investments in equities (by sector)</i>				
31 December 2023 (Audited)				
	% of Market value	Cost SR	Market value SR	Unrealised Gain (loss) SR
Energy	17.83	311,513,118	530,717,323	219,204,205
Banks	12.62	315,305,623	375,628,683	60,323,060
Consumer Services	11.29	226,028,056	336,014,783	109,986,727
Insurance	11.12	259,723,658	331,053,051	71,329,393
Capital Goods	8.19	109,736,558	243,808,214	134,071,656
Software & Services	7.92	101,013,902	235,816,990	134,803,088
Food & Beverages	6.55	148,259,345	195,050,706	46,791,361
Media and Entertainment	6.09	92,045,150	181,371,298	89,326,148
Health Care Equipment & Services	4.92	104,565,901	146,570,512	42,004,611
Pharma, Biotech & Life Science	4.45	117,106,534	132,345,510	15,238,976
Transportation	3.37	65,463,409	100,232,988	34,769,579
Telecommunication Services	2.91	88,934,718	86,763,767	(2,170,951)
Consumer Discretionary Distribution & Retail	2.74	65,429,007	81,587,344	16,158,337
Total	100.00%	2,005,124,979	2,976,961,169	971,836,190

The above equity investments are listed on the Saudi Stock Exchange (“Tadawul”). The Fund Manager seeks to limit risk for the Fund by monitoring exposures in each investment sector and individual securities.

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

At 30 June 2024

5. TRANSACTIONS WITH RELATED PARTIES

A. *Transactions and balances with Fund Manager*

In the ordinary course of its activities, the Fund transacts business with related parties. The following are the details of major related party transactions during the period:

Related party	Nature of transactions	Amount of transactions		Balance	
		2024	2023	2024	2023
		SR	SR	SR	SR
SAB Invest (Fund Manager)	Fund management fee	29,298,890	22,178,709	4,782,538	4,765,253
	Administration fee	1,206,425	652,315	274,351	242,903
	Board member fee	8,289	9,918	26,892	18,603

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.70% per annum, and administrator fee up to 0.10% calculated on the net asset value at each valuation date.

The units in issue at 30 June 2024 include 1,150.5 units held by the employees of the Fund Manager (31 December 2023: 538.11 units) and units held by other funds managed by the Fund manager aggregating to 2,159,002.8 units (31 December 2023: 2,629,941.58 units).

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

Investments by other Funds in SAB Invest Saudi Companies Equity Fund are set out below:

Related party	Nature of transactions	Amount of transactions		Balance	
		2024	2023	2024	2023
		SR	SR	SR	SR
SAB Invest Multi-Assets Defensive Fund	Issuance / (redemption), net	4,211,254	12,335,255	7,992,309	3,848,442
SAB Invest Multi-Assets Balanced Fund	Issuance / (redemption), net	(39,564,314)	40,800,000	142,429,302	181,649,753
SAB Invest Multi-Assets Growth Fund	Issuance / (redemption), net	-	2,762,728	-	-

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 1 of the fair value hierarchy. All other financial assets and liabilities are classified as amortized 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. There were no transfers between various levels of fair value hierarchy during the current period or prior year.

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

At 30 June 2024

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>	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>No Fixed Maturity SR</i>	<i>Total SR</i>
ASSETS				
Cash and cash equivalent	8,666,831	-	-	8,666,831
Financial assets at fair value through profit or loss (FVTPL)	-	-	2,862,958,540	2,862,958,540
Dividend receivable	2,576,727	-	-	2,576,727
Receivables against sold securities	28,473,554	-	-	28,473,554
TOTAL ASSETS	39,717,112	-	2,862,958,540	2,902,675,652
LIABILITY				
Management fee payable	4,782,538	-	-	4,782,538
Payable against purchased securities	19,417,449	-	-	19,417,449
Accrued expenses and other payables	681,605	-	-	681,605
TOTAL LIABILITY	24,881,592	-	-	24,881,592
<i>As at 31 December 2023 (Audited)</i>	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>No Fixed Maturity SR</i>	<i>Total SR</i>
ASSETS				
Cash and cash equivalent	17,268,143	-	-	17,268,143
Financial assets at fair value through profit or loss (FVTPL)	-	-	2,976,961,169	2,976,961,169
TOTAL ASSETS	17,268,143	-	2,976,961,169	2,994,229,312
LIABILITY				
Management fee payable	4,765,253	-	-	4,765,253
Accrued expenses and other payables	620,458	-	-	620,458
TOTAL LIABILITY	5,385,711	-	-	5,385,711

8. LAST VALUATION DAY

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

9. EVENTS AFTER THE REPORTING DATE

As of the date of approval of these interim condensed financial statements, there have been no significant subsequent events requiring disclosure to or adjustment in these interim condensed financial statements.

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).