

SAB Invest Multi-Assets Balanced 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 MULTI ASSETS BALANCED FUND (MANAGED BY SAB INVEST)

Introduction:

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest Multi Assets Balanced 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 Multi-Assets Balanced 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		1,335,899	12,905,158
Financial assets at fair value through profit or loss (FVTPL)	4	677,806,800	776,278,126
Dividend receivable		789,391	727,479
Receivable and advances		5,000,000	-
TOTAL ASSETS		684,932,090	789,910,763
LIABILITIES			
Management fee payable	6	304,473	246,202
Payable against purchased securities		5,000,000	-
Redemption payable		743,761	911,952
Accrued expenses and other payables		147,322	117,667
TOTAL LIABILITIES		6,195,556	1,275,821
EQUITY			
Net assets attributable to unitholders of redeemable units		678,736,534	788,634,942
TOTAL LIABILITIES AND EQUITY		684,932,090	789,910,763
Redeemable units in issue		22,188,901	27,519,214
Net asset value attributable to each per unit		30.59	28.66

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

SAB Invest Multi-Assets Balanced Fund

Interim condensed statement of comprehensive income (unaudited)

For the six-month period ended 30 June 2024

	<i>Notes</i>	30 June 2024 SR	30 June 2023 SR
INCOME			
Net movement in unrealised (loss) / gain on financial assets at FVTPL		(6,922,181)	49,634,835
Net realised gain on disposal of financial assets at FVTPL		56,637,514	16,172,465
Dividend income		1,618,415	996,814
Special commission income from financial assets at FVOCI		-	111,664
Net exchange loss		(9,046)	(11,222)
Other income		-	9,149
TOTAL INCOME		51,324,702	66,913,706
EXPENSES			
Management fees	6	1,963,365	1,502,958
Other expenses		488,551	573
Impairment charge for expected credit losses		-	(53,731)
TOTAL EXPENSES		2,451,916	1,449,800
NET INCOME FOR THE PERIOD		48,872,786	65,463,906
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD			
<i>Other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods:</i>			
Net unrealised gain / (loss) on financial assets at FVOCI		-	172,300
Movement in fair value / allowance for expected credit losses on investments at FVOCI		-	(53,731)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		48,872,786	65,582,475

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

SAB Invest Multi-Assets Balanced 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	788,634,942	578,049,976
Net income for the period	48,872,786	65,463,906
Net movement in unrealised gain on investments at FVOCI	-	172,300
Movement in fair value / allowance for expected credit losses on investments at FVOCI	-	(53,731)
Total comprehensive income for the period	48,872,786	65,582,475
Issue of units during the period	53,538,208	28,763,124
Redemption of units during the period	(212,309,402)	(62,594,200)
Net changes from unit transactions	(158,771,194)	(33,831,076)
EQUITY AT THE END OF THE PERIOD	678,736,534	609,801,375
	<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	27,519,214	24,913,622
Issue of units during the period	1,801,489	1,193,443
Redemption of units during the period	(7,131,802)	(2,593,641)
Net changes in units	(5,330,313)	(1,400,198)
UNITS AT THE END OF THE PERIOD	22,188,901	23,513,424

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

SAB Invest Multi-Assets Balanced Fund

Interim condensed statement of cash flows (unaudited)

For the six-month period ended 30 June 2024

	2024	2023
	SR	SR
OPERATING ACTIVITIES		
Net income for the period	48,872,786	65,463,906
<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	6,922,181	(49,634,835)
Impairment charge for expected credit losses	-	(53,731)
Dividend income	(1,618,415)	(996,815)
	54,176,552	14,778,525
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	91,549,145	3,756,847
Financial assets measured at FVOCI	-	37,121
Receivable from sold securities	-	(6,243,939)
Receivable and advances	(5,000,000)	-
Management fee payable	58,271	(78,167)
Accrued expenses and other payables	29,655	(681,684)
Payable against purchased securities	5,000,000	-
Cash flows generated from operating activities	145,813,623	11,568,703
Dividend received	1,556,503	996,716
Net cash flows generated from operating activities	147,370,126	12,565,419
FINANCING ACTIVITIES		
Proceeds from issuance of units	53,538,208	28,763,124
Payment on redemption of units	(212,477,593)	(62,594,200)
Net cash flows used in financing activities	(158,939,385)	(33,831,076)
DECREASE IN CASH AND CASH EQUIVALENTS	(11,569,259)	(21,265,657)
Cash and cash equivalents at the beginning of the period	12,905,158	23,221,828
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,335,899	1,956,171
<u>OPERATIONAL CASH FLOWS FROM SPECIAL COMMISSION INCOME:</u>		
Special commission income received	-	148,786

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

SAB Invest Multi-Assets Balanced Fund

Notes to the unaudited interim condensed financial statements

At 30 June 2024

1. INCORPORATION AND ACTIVITIES

SAB Invest Multi-Assets Balanced 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 seek long term capital appreciation, through investing in diversified Shariah-compliant investment funds.

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”) issued by the CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) and effective from 6 Safar 1438H (corresponding to 6 November 2016) by the New Investment Fund Regulations (“Amended Regulations”) published by the CMA on 16 Sha’aban 1437H (corresponding to 23 May 2016) detailing requirements for all funds within the Kingdom of Saudi Arabia. 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 are effective from 19 Ramadan 1442H (corresponding to 1 May 2021G).

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 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 and financial assets held at FVOCI 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.

SAB Invest Multi-Assets Balanced Fund

Notes to the 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 Multi-Assets Balanced Fund

Notes to the 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 (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

SAB Invest Multi-Assets Balanced Fund

Notes to the 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), net SR
<i>Investments in mutual funds</i>				
SAB Invest Saudi Riyal Murabaha Fund*	22.9	145,254,718	155,193,182	9,938,464
SAB Invest Saudi Companies Equity Fund*	21.0	112,221,452	142,429,302	30,207,850
SAB Invest Sukuk Fund*	14.8	107,883,217	100,564,979	(7,318,238)
SAB Invest GCC Equity Fund*	14.3	44,968,356	96,586,517	51,618,161
SAB Invest Global Equity Index Fund*	8.1	31,560,380	54,685,984	23,125,604
SAB Invest Enhanced Murabaha Fund*	8.0	50,690,338	54,447,768	3,757,430
HSBC MSCI Emerging Markets Islamic ESG UCITS ETF	5.2	30,091,706	35,165,345	5,073,639
Invesco Physical Gold ETC	2.6	15,238,294	17,767,195	2,528,901
Rasan Information Technology	1.9	6,926,548	12,729,872	5,803,324
iShares MSCI USA Islamic UCITS ETF	1.2	7,416,225	8,236,656	820,431
	100.0	552,251,234	677,806,800	125,555,566
<i>31 December 2023 (Audited)</i>				
	% of Market value	Cost SR	Market value SR	Unrealised gain (loss), net SR
<i>Investments in mutual funds</i>				
SAB Invest Saudi Riyal Murabaha Fund*	28.4	209,527,131	220,345,571	10,818,440
SAB Invest Saudi Companies Equity Fund*	23.4	127,022,006	181,649,753	54,627,747
SAB Invest GCC Equity Fund*	13.5	55,144,228	105,143,868	49,999,640
SAB Invest Sukuk Fund*	12.0	99,970,519	93,497,669	(6,472,850)
SAB Invest Enhanced Murabaha Fund*	8.3	61,999,147	64,649,847	2,650,700
SAB Invest Global Equity Index Fund*	7.3	38,981,956	56,910,548	17,928,592
HSBC MSCI Emerging Markets Islamic ESG UCITS ETF	3.0	21,907,882	23,653,484	1,745,602
Invesco Physical Gold ETC	2.4	18,370,024	19,010,406	640,382
iShares MSCI USA Islamic UCITS ETF	1.5	10,877,486	11,416,980	539,494
Total	100.0	643,800,379	776,278,126	132,477,747

* These funds are also managed by SAB Invest (The Fund Manager). Hence, they are considered as related party balances.

Investments in funds are unrated. The Fund also does not have an internal grading mechanism. However, the Fund Manager seeks to limit its risk by monitoring each investment exposure and setting limits for individual investment.

SAB Invest Multi-Assets Balanced Fund

Notes to the unaudited interim condensed financial statements (continued)

At 30 June 2024

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 British Bank (“SABB”) (being significant shareholder of the Fund Manager).

In the ordinary course of its activities, the Fund transacts business with 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:

<i>Related party</i>	<i>Nature of transactions</i>	<i>Amount of transactions</i>		<i>Balance</i>	
		<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
		<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
SAB Invest (Fund Manager)	Fund management fee	1,963,365	1,502,958	304,473	246,202
Fund Administrator	Admin fee	305,412	-	57,574	53,835
Board Member	Board meeting fees	8,289	-	15,276	6,987
Saudi Awwal Bank (Parent of Fund Manager)	Cash and cash equivalents	-	-	-	-

The Fund pays the Fund Manager a management fee calculated at an annual rate of 0.45% per annum calculated on the net asset value at each valuation date.

The units in issue at 30 June 2024 include 2,170.69 units held by the employees of the Fund Manager (31 December 2023: 187.23 units).

The Saudi Awwal Bank (“SAB”) (parent of the Fund Manager) acts as the Fund’s banker. The Fund has made investments with aggregate market value as at 30 June 2024 amounting to SR 603.9 million (31 December 2023: SR 722.2 million) in other funds managed by the Fund Manager.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund has 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 and the Fund’s investments at FVOCI is measured at fair values and classified within level 2 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 Multi-Assets Balanced Fund

Notes to the 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 SAR</i>	<i>After 12 months SAR</i>	<i>No Fixed Maturity SAR</i>	<i>Total SAR</i>
ASSETS				
Cash and cash equivalents	1,335,899	-	-	1,335,899
Financial assets at FVTPL	-	-	677,806,800	677,806,800
Dividend receivable	789,391	-	-	789,391
Receivables and advances	5,000,000	-	-	5,000,000
TOTAL ASSETS	7,125,290	-	677,806,800	684,932,090
LIABILITY				
Management fee payable	304,473	-	-	304,473
Payable against purchased securities	5,000,000	-	-	5,000,000
Redemption payable	743,761	-	-	743,761
Accrued expenses	147,322	-	-	147,322
TOTAL LIABILITY	6,195,556	-	-	6,195,556
<i>As at 31 December 2023 (Audited)</i>	<i>Within 12 months SAR</i>	<i>After 12 months SAR</i>	<i>No Fixed Maturity SAR</i>	<i>Total SAR</i>
ASSETS				
Cash and cash equivalents	12,905,158	-	-	12,905,158
Financial assets at fair value through profit or loss (FVTPL)	-	-	776,278,126	776,278,126
Dividend receivables	727,479	-	-	727,479
TOTAL ASSETS	13,632,637	-	776,278,126	789,910,763
LIABILITY				
Management fee payable	246,202	-	-	246,202
Redemption payable	911,952	-	-	911,952
Accrued Expenses	117,667	-	-	117,667
TOTAL LIABILITY	1,275,821	-	-	1,275,821

SAB Invest Multi-Assets Balanced Fund

Notes to the unaudited interim condensed financial statements (continued)

At 30 June 2024

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).