

**SAB Invest China and India Equity Freestyle Fund  
(Formerly known as Alawwal Invest China and  
India Equity Freestyle 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 CHINA AND INDIA EQUITY FREESTYLE FUND (MANAGED BY SAB INVEST)

### Introduction

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest China and India Equity Freestyle Fund (formerly known as Alawwal Invest China and India Equity Freestyle 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, 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" 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 China and India Equity Freestyle Fund  
(Formerly known as Alawwal Invest China and India Equity Freestyle Fund)

Interim condensed statement of financial position  
As at 30 June 2023

|   | <i>Notes</i> | <b>30 June<br/>2023<br/>(Unaudited)<br/>USD</b> | <i>31 December<br/>2022<br/>(Audited)<br/>USD</i> |
|---|--------------|---|---|
| <b>ASSETS</b>   |              |   |   |
| Bank balances   |              | <b>2,177,738</b>                                | 1,012,598   |
| Financial assets at fair value through profit or loss (FVTPL) | 4            | <b>14,764,514</b>                               | 18,299,468  |
| Other receivables   |              | <b>229,895</b>                                  | 248,304   |
| <b>TOTAL ASSETS</b>   |              | <b>17,172,147</b>                               | 19,560,370  |
| <b>LIABILITIES</b>  |              |   |   |
| Management fees payable                                       | 5            | <b>83,824</b>                                   | 183,287   |
| Accrued expenses and other payables                           |              | <b>43,516</b>                                   | 101,634   |
| <b>TOTAL LIABILITIES</b>                                      |              | <b>127,340</b>                                  | 284,921   |
| <b>EQUITY</b>   |              |   |   |
| Net assets attributable to unitholders of redeemable units    |              | <b>17,044,807</b>                               | 19,275,449  |
| <b>TOTAL LIABILITIES AND EQUITY</b>                           |              | <b>17,172,147</b>                               | 19,560,370  |
| Redeemable units in issue                                     |              | <b>646,298</b>                                  | 669,099   |
| Net asset value attributable to each per unit                 |              | <b>26.37</b>                                    | 28.81   |

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

SAB Invest China and India Equity Freestyle Fund  
(Formerly known as Alawwal Invest China and India Equity Freestyle Fund)

Interim condensed statement of comprehensive income (unaudited)

For the six-month period ended 30 June 2023

|  | <i>Not<br/>e</i> | <b>30 June<br/>2023<br/>USD</b> | <i>30 June<br/>2022<br/>USD</i> |
|--|------------------|---------------------------------|---------------------------------|
| <b>INCOME</b>  |                  |                                 |                                 |
| Net movement in unrealised loss on financial assets at FVTPL |                  | <b>(2,302,818)</b>              | (5,631,549)                     |
| Net realised gain on disposal of financial assets at FVTPL   |                  | <b>1,058,441</b>                | 634,610                         |
| Dividend income  |                  | <b>100,406</b>                  | 117,008                         |
| Net exchange losses  |                  | <b>(1,038)</b>                  | (3,423)                         |
| Other income   |                  | <b>6,445</b>                    | -                               |
| <b>TOTAL (LOSS) / INCOME</b>                                 |                  | <b>(1,138,564)</b>              | (4,883,354)                     |
| <b>EXPENSES</b>  |                  |                                 |                                 |
| Management fees  | 5                | <b>242,599</b>                  | 300,193                         |
| Other expenses   |                  | <b>211,383</b>                  | 67,140                          |
| <b>TOTAL EXPENSES</b>  |                  | <b>453,982</b>                  | 367,333                         |
| <b>NET LOSS FOR THE PERIOD</b>                               |                  | <b>(1,592,546)</b>              | (5,250,687)                     |
| Other comprehensive income for the period                    |                  | -                               | -                               |
| <b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>               |                  | <b>(1,592,546)</b>              | (5,250,687)                     |

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

SAB Invest China and India Equity Freestyle Fund  
(Formerly known as Alawwal Invest China and India Equity Freestyle Fund)

Interim condensed statement of changes in equity attributable to the unitholders (unaudited)  
For the six-month period ended 30 June 2023

|   | 2023<br><i>USD</i> | 2022<br><i>USD</i> |
|---|--------------------|--------------------|
| <b>EQUITY AT THE BEGINNING OF THE PERIOD</b>                                  | <b>19,275,449</b>  | 26,808,309         |
| Net (loss) / income for the period  | <b>(1,592,546)</b> | (5,250,687)        |
| Other comprehensive income for the period                                     | -                  | -                  |
| Total comprehensive (loss) / income for the period                            | <b>(1,592,546)</b> | (5,250,687)        |
| Issue of units during the period  | <b>4,000</b>       | 151,758            |
| Redemption of units during the period   | <b>(642,096)</b>   | (1,029,707)        |
| Net changes from unit transactions  | <b>(638,096)</b>   | (877,949)          |
| <b>EQUITY AT THE END OF THE PERIOD</b>  | <b>17,044,807</b>  | 20,679,673         |
|   | <i>Units</i>       | <i>Units</i>       |
| <b>REDEEMABLE UNIT TRANSACTIONS</b>   |                    |                    |
| Transactions in redeemable units during the period are summarised as follows: |                    |                    |
| <b>UNITS AT THE BEGINNING OF THE PERIOD</b>                                   | <b>669,099</b>     | 704,798            |
| Issue of units during the period  | <b>146</b>         | 4,445              |
| Redemption of units during the period   | <b>(22,947)</b>    | (29,186)           |
| Net changes in units  | <b>(22,801)</b>    | (24,741)           |
| <b>UNITS AT THE END OF THE PERIOD</b>   | <b>646,298</b>     | 680,057            |

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

SAB Invest China and India Equity Freestyle Fund  
(Formerly known as Alawal Invest China and India Equity Freestyle Fund)

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

|  | 2023<br>USD             | 2022<br>USD             |
|--|-------------------------|-------------------------|
| <b>OPERATING ACTIVITIES</b>  |                         |                         |
| Net loss for the period  | (1,592,546)             | (5,250,687)             |
| <i>Adjustments to reconcile net (loss) / income to net cash flows from operating activities:</i> |                         |                         |
| Net movement in unrealised loss on financial assets at FVTPL                                     | 2,302,818               | 5,631,549               |
| <i>Working capital adjustments:</i>  |                         |                         |
| Financial assets at FVTPL  | 1,232,136               | 714,440                 |
| Other receivables  | 18,409                  | (56,856)                |
| Management fees payable  | (99,463)                | (45,596)                |
| Accrued expenses and other payables  | (58,118)                | (10,766)                |
| Net cash flows from operating activities   | <u>1,803,236</u>        | <u>982,084</u>          |
| <b>FINANCING ACTIVITIES</b>  |                         |                         |
| Proceeds from issuance of units  | 4,000                   | 151,758                 |
| Payment on redemption of units   | (642,096)               | (1,029,707)             |
| Net cash flows used in financing activities  | <u>(638,096)</u>        | <u>(877,949)</u>        |
| <b>INCREASE IN CASH AND CASH EQUIVALENTS</b>   | <b>1,165,140</b>        | 104,135                 |
| Cash and cash equivalents at the beginning of the period   | <u>1,012,598</u>        | <u>1,061,416</u>        |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>  | <b><u>2,177,738</u></b> | <b><u>1,165,551</u></b> |

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

# SAB Invest China and India Equity Freestyle Fund (Formerly known as Alawwal Invest China and India Equity Freestyle Fund)

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## Notes to the unaudited interim condensed financial statements

At 30 June 2023

### 1. INCORPORATION AND ACTIVITIES

SAB Invest China and India Equity Freestyle Fund (formerly known as Alawwal Invest China and India Equity Freestyle Fund) (the “Fund”) is an investment fund established through 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  
HSBC Building 7267  
Olaya Street (Al-Murooj District)  
Riyadh 12283-2255  
Kingdom of Saudi Arabia

The objective of the Fund is to seek equity linked growth by investing in the shares of companies listed in Chinese or Indian capital markets and in shares of the companies having substantial business or investments links in China or India and are listed on other stock exchanges and regulated markets.

The Fund is managed by the Fund Manager. The Fund Manager has appointed HSBC Global Asset Management (Hong Kong) Limited as the sub-investment advisor of the Fund and Riyadh Capital as a custodian of the Fund in accordance with the Terms and Conditions 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 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 2022 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 China and India Equity Freestyle Fund**  
**(Formerly known as Alawwal Invest China and India Equity Freestyle Fund)**

Notes to the 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.<br>Note that the IASB has issued a new exposure draft proposing changes to this amendment. | 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 China and India Equity Freestyle Fund  
(Formerly known as Alawal Invest China and India Equity Freestyle Fund)

Notes to the 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, net USD |
| <i><u>Investments in equities (by countries)</u></i> |                          |                   |                   |                          |
| India  | 24.68%                   | 3,135,668         | 3,643,853         | 508,185                  |
| China  | 8.78%                    | 1,406,737         | 1,296,675         | (110,062)                |
| Cayman Island  | 54.89%                   | 9,866,180         | 8,104,242         | (1,761,938)              |
| Hong Kong  | 11.65%                   | 1,881,207         | 1,719,744         | (161,463)                |
| <b>Total</b>   | <b>100.00%</b>           | <b>16,289,792</b> | <b>14,764,514</b> | <b>(1,525,278)</b>       |

|  | 31 December 2022 (Audited) |                   |                   |                          |
|--|----------------------------|-------------------|-------------------|--------------------------|
|  | % of Market value          | Cost USD          | Market value USD  | Unrealised gain, net USD |
| <i><u>Investments in equities (by countries / regions / territories)</u></i> |                            |                   |                   |                          |
| India  | 56.60%                     | 8,760,336         | 10,357,628        | 1,597,292                |
| China  | 2.73%                      | 596,064           | 499,577           | (96,487)                 |
| Cayman Island  | 27.82%                     | 6,172,423         | 5,090,708         | (1,081,715)              |
| Hong Kong  | 12.85%                     | 1,993,105         | 2,351,555         | 358,450                  |
| <b>Total</b>   | <b>100.00%</b>             | <b>17,521,928</b> | <b>18,299,468</b> | <b>777,540</b>           |

**5. TRANSACTIONS WITH RELATED PARTIES**

**A. Transactions and balances with Fund Manager**

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

| 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) | 242,599                | 300,193  | 83,824   | 183,287  |
|   | Cash and cash equivalents           |                        |          | -        | 903,780  |
| Saudi Awwal Bank (Parent of Fund Manager) | Cash and cash equivalents           |                        |          |          | 108,818  |

The Fund pays the Fund Manager a management fee calculated at an annual rate of 2.30% per annum calculated on the net asset value at each valuation date.

The units in issue at 30 June 2023 include 145.40 units held by the employees of the Fund Manager (31 December 2022: NIL units).

SAB Invest China and India Equity Freestyle Fund  
(Formerly known as Alawal Invest China and India Equity Freestyle Fund)

Notes to the unaudited interim condensed financial statements (continued)

At 30 June 2023

**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. 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 period 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:

| <i>As at 30 June 2023 (Unaudited)</i>                         | <i>Within<br/>12 months<br/>USD</i> | <i>After<br/>12 months<br/>USD</i> | <i>Total<br/>USD</i> |
|---|-------------------------------------|------------------------------------|----------------------|
| <b>ASSETS</b>   |                                     |                                    |                      |
| Cash and cash equivalents                                     | 2,177,738                           | -                                  | 2,177,738            |
| Financial assets at fair value through profit or loss (FVTPL) | 14,764,514                          | -                                  | 14,764,514           |
| Other receivables   | 229,895                             | -                                  | 229,895              |
| <b>TOTAL ASSETS</b>   | <b>17,172,147</b>                   | <b>-</b>                           | <b>17,172,147</b>    |
| <b>LIABILITIES</b>  |                                     |                                    |                      |
| Management fees payable                                       | 83,824                              | -                                  | 83,824               |
| Accrued expenses and other payables                           | 43,516                              | -                                  | 43,516               |
| <b>TOTAL LIABILITIES</b>                                      | <b>127,340</b>                      | <b>-</b>                           | <b>127,340</b>       |
| <br>  |                                     |                                    |                      |
| <i>As at 31 December 2022 (Audited)</i>                       | <i>Within<br/>12 months<br/>USD</i> | <i>After<br/>12 months<br/>USD</i> | <i>Total<br/>USD</i> |
| <b>ASSETS</b>   |                                     |                                    |                      |
| Cash and cash equivalent                                      | 1,012,598                           | -                                  | 1,012,598            |
| Financial assets at fair value through profit or loss (FVTPL) | 18,299,468                          | -                                  | 18,299,468           |
| Other receivables   | 248,304                             | -                                  | 248,304              |
| <b>TOTAL ASSETS</b>   | <b>19,560,370</b>                   | <b>-</b>                           | <b>19,560,370</b>    |
| <b>LIABILITIES</b>  |                                     |                                    |                      |
| Management fee payable  | 183,287                             | -                                  | 183,287              |
| Accrued expenses and other payables                           | 101,634                             | -                                  | 101,634              |
| <b>TOTAL LIABILITIES</b>                                      | <b>284,921</b>                      | <b>-</b>                           | <b>284,921</b>       |

**SAB Invest China and India Equity Freestyle Fund**  
**(Formerly known as Alawwal Invest China and India Equity Freestyle Fund)**

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Notes to the unaudited interim condensed financial statements (continued)

At 30 June 2023

**8. LAST VALUATION DAY**

The last valuation day of the period/year 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).