

**SAB Invest Saudi Conventional Freestyle Equity Fund
(Managed by SAB Invest)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT TO THE UNIT
HOLDERS**

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024



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

Introduction

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

Scope of Review

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

Other matter

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

Conclusion

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

For Ernst & Young Professional Services

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

Riyadh: 7 Safar 1446H
(11 August 2024)



SAB Invest Saudi Conventional Freestyle Equity Fund

Interim condensed Statement of financial position

As at 30 June 2024

		30 June 2024 (Unaudited)	31 December 2023 (Audited)
	<i>Note</i>	<i>SR</i>	<i>SR</i>
ASSETS			
Cash and cash equivalents		1,413,560	685,387
Financial assets measured at fair value through profit or loss (FVTPL)	4	46,815,604	39,104,064
Receivable and advances		150,155	1,672,550
Dividend Receivable		30,248	-
		<hr/>	<hr/>
TOTAL ASSETS		48,409,567	41,462,001
		<hr/> <hr/>	<hr/> <hr/>
LIABILITIES			
Accrued expenses and other liabilities		234,609	122,045
		<hr/>	<hr/>
TOTAL LIABILITIES		234,609	122,045
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Net assets attributable to the unitholders of redeemable units		48,174,958	41,339,956
		<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES		48,409,567	41,462,001
		<hr/> <hr/>	<hr/> <hr/>
Redeemable units in issue		2,763,499	2,536,459
Net Asset value attributable to each unit		17.43	16.30

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

SAB Invest Saudi Conventional Freestyle Equity Fund
Interim condensed Statement of comprehensive income
For the six-month period ended 30 June 2024

		30 June 2024	30 June 2023
	<i>Note</i>	(Unaudited) SR	<i>(Unaudited) SR</i>
INCOME			
Net unrealised (loss) / gain on financial assets at FVTPL		(2,959,348)	5,289,403
Net realised gain on disposal of financial assets at FVTPL		6,164,995	757,359
Dividend income		468,821	476,914
Other income		126	-
		<hr/>	<hr/>
TOTAL INCOME		3,674,594	6,523,676
		<hr/>	<hr/>
EXPENSES			
Management fees	5	501,763	308,697
Other expenses		131,690	123,884
		<hr/>	<hr/>
TOTAL EXPENSES		633,453	432,581
		<hr/>	<hr/>
NET INCOME FOR THE PERIOD		3,041,141	6,091,095
Other comprehensive income for the period		-	-
		<hr/> <hr/>	<hr/> <hr/>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,041,141	6,091,095
		<hr/> <hr/>	<hr/> <hr/>

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

SAB Invest Saudi Conventional Freestyle Equity Fund

Interim condensed Statement of changes in equity attributable to the unitholders
For the six-month period ended 30 June 2024

	30 June 2024 <i>(Unaudited)</i> SR	30 June 2023 <i>(Unaudited)</i> SR
EQUITY AT THE BEGINNING OF THE PERIOD	41,339,956	30,539,427
Net income for the period	3,041,141	6,091,095
Other comprehensive income for the period	-	-
Total comprehensive income for the period	3,041,141	6,091,095
Issuance of units during the period	5,752,276	-
Redemption of units during the period	(1,958,415)	(772,277)
Net changes from unit transactions	3,793,861	(772,277)
EQUITY AT THE END OF THE PERIOD	48,174,958	35,858,245

REDEEMABLE UNIT TRANSACTIONS

Transactions in units for the period ended 30 June are summarized as follows:

	<u>Units</u>	<u>Units</u>
UNITS AT THE BEGINNING OF THE PERIOD	2,536,459	2,705,209
Issuance of units during the period	336,000	-
Redemption of units during the period	(108,960)	(63,035)
Net increase / (decrease) in units	227,040	(63,035)
UNITS AT END THE OF THE PERIOD	2,763,499	2,642,174

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

SAB Invest Saudi Conventional Freestyle Equity Fund

Interim condensed statement of Cashflows

For the six-month period ended 30 June 2024

	<i>Note</i>	30 June 2024 (Unaudited) SR	30 June 2023 (Unaudited) SR
OPERATING ACTIVITIES			
Net income for the period		3,041,141	6,091,095
<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		(3,205,647)	(5,289,403)
Dividend income		(468,821)	(476,914)
		<u>(633,327)</u>	<u>324,778</u>
<i>Working capital adjustments:</i>			
Financial assets carried at FVTPL		(4,505,893)	(3,298,843)
Other assets		-	4,544
Receivables and advances		1,522,395	741,414
Accrued expenses and other liabilities		112,564	(23,912)
		<u>(3,504,261)</u>	<u>(2,252,019)</u>
Cash flows used in operations		(3,504,261)	(2,252,019)
Dividends received		438,573	476,914
		<u>(3,065,688)</u>	<u>(1,775,105)</u>
Net cash flows (used in) / generated from operating activities		(3,065,688)	(1,775,105)
FINANCING ACTIVITIES			
Issuance of units		5,752,276	-
Redemption of units		(1,958,415)	(772,277)
		<u>3,793,861</u>	<u>(772,277)</u>
Net cash generated from / (used) in financing activities		3,793,861	(772,277)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		728,173	(2,547,382)
		<u>685,387</u>	<u>2,926,613</u>
Cash and cash equivalents at beginning of the period		685,387	2,926,613
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		1,413,560	379,231
		<u>1,413,560</u>	<u>379,231</u>

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

1 INCORPORATION AND PRINCIPAL ACTIVITIES

SAB Invest Saudi Conventional Freestyle Equity Fund (previously known as Saudi Equity Fund) (the “Fund”) is an open-ended fund domiciled in Kingdom of Saudi Arabia, created by an agreement between SAB Invest (the “Fund Manager”), a subsidiary of The Saudi Al-Awal Bank (the “Bank”) and investors in the Fund (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 Saudi equities.

The Fund has appointed Riyadh Capital Company (the “Custodian”) to act as its custodian and registrar. The custody fees and registration services are paid by the Fund.

The Fund Manager is responsible for the overall management of the Fund’s activities. The Fund Manager can also enter into arrangements with other institutions for the provision of investment, custody or other administrative services on behalf 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 on 12 07 (Rajab) 1442H (corresponding to 22 February 2021) (the “Amended Regulations”). The Fund Manager believes that the Amended Regulations was effective since 19 09 (Ramadan) 1442H (corresponding to 01 May 2021).

3 BASIS OF PREPARATION 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.

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

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

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	Market value	Cost	Unrealised gain /(loss)
Investments in equities (by sector)		<i>SR</i>	<i>SR</i>	<i>SR</i>
Banks	23.1	10,081,902	10,832,670	750,768
Health Care Equipment & Svc	5.6	5,355,359	5,650,060	294,701
Capital Goods	11.9	3,288,867	5,567,425	2,278,557
Insurance	0.3	3,257,816	4,638,763	1,380,948
Software & services	4.8	2,374,576	3,826,486	1,451,910
Food & beverages	5.5	2,468,232	2,979,902	511,670
Building & Construction Sector	6.4	1,930,217	2,604,808	674,590
Energy	12.1	1,524,914	2,577,042	1,052,128
Transportation	9.9	2,061,425	2,490,288	428,863
Consumer Services	3.2	1,218,509	2,266,125	1,047,616
Telecommunication Services	0.2	1,677,017	1,533,995	(143,022)
Pharmaceutical	0.2	734,802	1,503,872	769,070
Consumer discretionary distribution & retail	8.2	124,060	122,510	(1,550)
Retailing	3.3	108,377	110,880	2,504
Retail Sector	5.3	110,930	110,778	(152)
		=====	=====	=====
Total	100.00	36,317,003	46,815,604	10,498,601
		=====	=====	=====

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

	31 December 2023 (<i>Audited</i>)			
	% of Market value	Market value	Cost	Unrealised gain/(loss)
<i>Investments in equities (by sector)</i>				
Energy	16.64	3,793,258	6,505,584	2,712,326
Banks	15.2	4,292,126	5,945,688	1,653,562
Consumer Services	10.89	4,214,810	4,257,699	42,889
Insurance	10.35	3,250,054	4,047,072	797,018
Food & beverages	8.15	809,588	3,187,015	2,377,427
Software & services	7.67	1,357,460	2,998,385	1,640,925
Capital Goods	6.49	1,239,128	2,539,325	1,300,197
Media and Entertainment	6.04	1,109,801	2,358,908	1,249,107
Health Care Equipment & Svc	5.31	1,489,333	2,077,468	588,135
Pharmaceutical	4.78	1,414,880	1,867,873	452,993
Transportation	3.74	1,007,475	1,462,764	455,289
Consumer discretionary distribution & retail	2.9	866,246	1,135,749	269,503
Telecommunication Services	1.84	801,956	720,534	-81,422
Total	100.00	25,646,115	39,104,064	13,457,949

5 TRANSACTIONS WITH RELATED PARTIES

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 significant shareholder 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:

<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 (including VAT)	501,763	673,178	91,780	78,158
	Admin fee	15,663	-	2,865	-
	Board member fees	7,118	2,834	4,263	5,716
	Cash and cash equivalents			1,000	-

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.95% per annum calculated on the net asset value at each valuation date.

There are 5,478.91 units in issue at 30 June 2024 held by the employees of the Fund Manager.

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.

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:

30 June 2024 (Unaudited)

	<i>Within 12 months</i>	<i>After 12 months</i>	<i>No fixed maturity</i>	<i>Total</i>
ASSETS				
Cash and cash equivalents	1,413,560	-	-	1,413,560
Financial assets at FVTPL	-	-	46,815,604	46,815,604
Receivable and advances	150,155	-	-	150,155
Dividend receivable	30,248	-	-	30,248
	<u>1,593,963</u>	<u>-</u>	<u>46,815,604</u>	<u>48,409,567</u>
TOTAL ASSETS				
	<u>1,593,963</u>	<u>-</u>	<u>46,815,604</u>	<u>48,409,567</u>
LIABILITIES				
Accrued expenses and other liabilities	234,609	-	-	234,609
	<u>234,609</u>	<u>-</u>	<u>-</u>	<u>234,609</u>
TOTAL LIABILITIES				
	<u>234,609</u>	<u>-</u>	<u>-</u>	<u>234,609</u>

31 December 2023 (Audited)

	<i>Within 12 months</i>	<i>After 12 months</i>	<i>No fixed maturity</i>	<i>Total</i>
ASSETS				
Cash and cash equivalents	685,387	-	-	685,387
Financial assets at FVTPL	-	-	39,104,064	39,104,064
Investment in advance	1,672,550	-	-	1,672,550
	<u>2,357,937</u>	<u>-</u>	<u>39,104,064</u>	<u>41,462,001</u>
TOTAL ASSETS				
	<u>2,357,937</u>	<u>-</u>	<u>39,104,064</u>	<u>41,462,001</u>
LIABILITIES				
Accrued expenses and other liabilities	122,045	-	-	122,045
	<u>122,045</u>	<u>-</u>	<u>-</u>	<u>122,045</u>
TOTAL LIABILITIES				
	<u>122,045</u>	<u>-</u>	<u>-</u>	<u>122,045</u>

8 LAST VALUATION DAY

The last valuation day for the period was 30 June 2024 (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).