

SAB Invest MSCI Tadawul 30 Saudi ETF
(Formerly known as Alawwal Invest MSCI Tadawul 30
Saudi ETF)
(Managed by SAB Invest)

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

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023



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

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNITHOLDERS OF SAB INVEST MSCI TADAWUL 30 SAUDI ETF (MANAGED BY SAB INVEST)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest MSCI Tadawul 30 Saudi ETF (formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF) (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 MSCI Tadawul 30 Saudi ETF
(Formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF)

Interim condensed statement of financial position (unaudited)

As at 30 June 2023

	<i>Notes</i>	30 June 2023 (Unaudited) SR	<i>31 December 2022 (Audited) SR</i>
ASSETS			
Bank balances		95,552	55,360
Financial assets at fair value through profit or loss (FVTPL)	4	15,163,577	14,100,333
Receivable and advances		1,261	1,261
TOTAL ASSETS		15,260,390	14,156,954
LIABILITY			
Management fee payable	5	10,788	10,164
TOTAL LIABILITY		10,788	10,164
EQUITY			
Net assets attributable to unitholders of redeemable units		15,249,602	14,146,790
TOTAL LIABILITY AND EQUITY		15,260,390	14,156,954
Redeemable units in issue		340,000	330,000
Net asset value attributable to each per unit		44.85	42.87

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

SAB Invest MSCI Tadawul 30 Saudi ETF
(Formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF)

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

	<i>Note</i>	30 June 2023 SR	30 June 2022 SR
INCOME			
Net movement in unrealised gain / (loss) on financial assets at FVTPL		395,684	(27,398)
Net realised gain on disposal of financial assets at FVTPL		72,533	265,846
Dividend income		250,923	178,641
TOTAL INCOME		719,140	417,089
EXPENSES			
Management fees	5	61,718	63,105
Other operating expenses		35	-
TOTAL EXPENSES		61,753	63,105
NET INCOME FOR THE PERIOD		657,387	353,984
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		657,387	353,984

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

SAB Invest MSCI Tadawul 30 Saudi ETF
(Formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF)

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

	2023 SR	2022 SR
EQUITY AT THE BEGINNING OF THE PERIOD	14,146,790	13,087,789
Net income for the period	657,387	353,984
Other comprehensive income for the period	-	-
Total comprehensive income for the period	657,387	353,984
Issue of units during the period	445,425	-
Net changes from unit transactions	445,425	-
EQUITY AT THE END OF THE PERIOD	15,249,602	13,441,773

	<u>Units</u>	<u>Units</u>
REDEEMABLE UNIT TRANSACTIONS		
Transactions in redeemable units during the period are summarised as follows:		
UNITS AT THE BEGINNING OF THE PERIOD	330,000	290,000
Issue of units during the period	10,000	-
Net changes in units	10,000	-
UNITS AT THE END OF THE PERIOD	340,000	290,000

During the period ended 30 June 2022, there were no additional units issued and redeemed.

SAB Invest MSCI Tadawul 30 Saudi ETF
(Formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF)

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

	2023 SR	2022 SR
Operating activities		
Net income for the period	657,387	353,984
<i>Adjustments to reconcile net income / (loss) to net cash flows from operating activities:</i>		
Movement in unrealised (gain) / loss on financial assets at FVTPL	(395,684)	27,398
Dividend income	(250,923)	(178,641)
	10,780	202,741
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	(667,560)	(363,658)
Receivables and advances	-	(9,397)
Management fee payable	624	(193)
Cash flows used in operations	(656,156)	(170,507)
Dividends received	250,923	178,641
Net cash flows (used in) / from operating activities	(405,233)	8,134
FINANCING ACTIVITIES		
Proceeds from issuance of units	445,425	-
Net cash flows from financing activities	445,425	-
Net increase in bank balance	40,192	8,134
Bank balance at the beginning of the period	55,360	37,041
Bank balance at the end of the period	95,552	45,175

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

SAB Invest MSCI Tadawul 30 Saudi ETF (Formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF)

Notes to unaudited interim condensed financial statements
30 June 2023

1. INCORPORATION AND ACTIVITIES

SAB Invest MSCI Tadawul 30 Saudi ETF (formerly known as Alawwal Invest MSCI Tadawul 30 Saudi ETF) (the “Fund”) is an exchange traded fund created by an agreement between SAB Invest (formerly known as Alawwal Invest) (the “Fund Manager”) and investors (the “Unitholders”) in the Fund. The address of the Fund Manager is as follows:

SAB INVEST Saudi Arabia, Head Office
SAB INVEST Building 7267
Olaya Street (Al-Murooj District)
Riyadh 12283-2255
Kingdom of Saudi Arabia

SAB Invest MSCI Tadawul 30 Saudi ETF is an exchange traded fund created through an agreement between SAB Invest and the investors established by virtue of the approval of the Capital Market Authority on 27 Shawwal 1432H corresponding to 25 September 2011. The objective of the Fund is to achieve capital growth over the long-term by replicating the performance of the SAB Invest Saudi 30 Equity Index the (“Benchmark Index”), which is an index based on free-float market capitalization that tracks the performance of top 30 (by free float adjusted market capitalization) Shariah compliant Saudi equities listed on Tadawul. The Fund achieves its objective by passively investing in the shariah compliant listed Saudi equities in order to achieve the results of the Benchmark Index.

The Fund is managed by the Fund Manager who also is the market maker, administrator and 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 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 Saudi Arabian Riyals (“SR”), which is the Fund’s functional currency. All financial information presented has been rounded to the nearest SR.

SAB Invest MSCI Tadawul 30 Saudi ETF
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Notes to the unaudited interim condensed financial statements
30 June 2022

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

3.2. New standards and amendments to standards

3.2.1 New standards and amendments adopted by the Fund

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the Fund's annual financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Fund has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

The following new and amended IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these financial statements.

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

3.2.2 Significant standards issued but not yet effective

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

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Notes to the unaudited interim condensed financial statements (continued)
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)			
	<i>% of Market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealised gain / (loss), net SR</i>
<i>Investments in equities (by sector)</i>				
Banks	45.51%	5,346,902	6,900,148	1,553,246
Materials	21.33%	2,620,374	3,234,379	614,005
Insurance	12.13%	1,470,918	1,839,218	368,300
Energy	8.75%	1,220,239	1,326,959	106,720
Health Care Equipment & Services	3.76%	309,298	570,136	260,838
Utilities	3.28%	442,242	497,647	55,405
Food & Beverages	2.66%	271,372	402,978	131,606
Retailing	0.99%	90,983	150,316	59,333
Diversified Financials	0.92%	113,213	139,456	26,243
Food & Staples Retailing	0.67%	100,927	102,340	1,413
Total	100.00%	11,986,468	15,163,577	3,177,109

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.

	31 December 2022 (Audited)			
	<i>% of Market value</i>	<i>Cost SR</i>	<i>Market value SR</i>	<i>Unrealised gain / (loss), net SR</i>
<i>Investments in equities (by sector)</i>				
Banks	48.72%	5,110,210	6,868,442	1,758,232
Energy	8.66%	1,237,868	1,221,405	(16,463)
Food & Beverages	2.27%	270,828	320,280	49,452
Food & Staples Retailing	0.75%	106,258	106,172	(86)
Insurance	1.21%	127,552	170,691	43,139
Materials	23.05%	2,587,741	3,250,559	662,818
Retailing	0.98%	90,041	138,300	48,259
Telecommunication Services	7.57%	1,034,524	1,066,840	32,316
Utilities	1.37%	167,849	193,648	25,799
Electricity	2.13%	279,922	300,623	20,701
Healthcare Equipment & Services	3.29%	306,115	463,373	157,258
Total	100.00%	11,318,908	14,100,333	2,781,425

SAB Invest MSCI Tadawul 30 Saudi ETF (Formerly Knowns as Alawwal Invest MSCI Tadawul 30 Saudi ETF)

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

5. TRANSACTIONS WITH RELATED PARTIES

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 Saudi Arabia (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 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 / year, 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>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
		<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
SAB Invest (Fund Manager)	Fund management fee (including VAT)	61,718	63,105	10,788	10,164
	Bank balances			95,552	55,360
Saudi Awwal Bank (“SAB”) (Parent of fund manager)	Bank balances			-	-

The Fund pays the Fund Manager a management fee calculated at an annual rate of 0.75% per annum calculated on the net asset value at each valuation date. The fee is intended to compensate the Fund Manager for administration of the Fund.

The units in issue at 30 June 2023 include 49,354 units held by the Fund Manager (31 December 2022: 35,503 units)

The Fund invested 15,155 units in SAB shares with a market value of SR 578,163 as at 30 June 2023 (14,516 units in SAB shares with a market value of SR 565,398.20 as at 31 December 2022).

Fund Board member compensation and other fees such as custodian fee and administration fee during the period has been borne and paid by 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 at amortised cost and management believes that the fair value of all other financial assets and liabilities at the reporting date approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. These are all classified within level 3 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current year or prior year.

SAB Invest MSCI Tadawul 30 Saudi ETF
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Notes to the unaudited interim condensed financial statements (continued)
30 June 2023

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 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
ASSETS			
Bank balance	95,552	-	95,552
Financial assets at FVTPL	15,163,577	-	15,163,577
Receivable and advances	1,261	-	1,261
TOTAL ASSETS	15,260,390	-	15,260,390
LIABILITY			
Management fee payable	10,788	-	10,788
TOTAL LIABILITY	10,788	-	10,788
<i>As at 31 December 2022 (Audited)</i>	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
ASSETS			
Bank balances	55,360	-	55,360
Financial assets at FVTPL	14,100,333	-	14,100,333
Receivable and advances	1,261	-	1,261
TOTAL ASSETS	14,156,954	-	14,156,954
LIABILITY			
Management fee payable	10,164	-	10,164
TOTAL LIABILITY	10,164	-	10,164

8. LAST VALUATION DAY

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

9. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, the Fund Manager 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).