

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

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

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

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

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest Saudi Companies Equity Fund (the “Fund”) managed by SAB Invest (the “Fund Manager”) as at 30 June 2025, and the related interim condensed statement of comprehensive income for the six-month period ended 30 June 2025, and the related interim condensed statements 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



Waleed G. Tawfiq
Certified Public Accountant
License No. (437)

Riyadh: 16 Safar 1447H
(10 August 2025)



SAB Invest Saudi Companies Equity Fund
Interim condensed statement of financial position
As at 30 June 2025

		30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
	<i>Notes</i>		
ASSETS			
Cash and cash equivalents		66,681,328	15,058,845
Financial assets at fair value through profit or loss ("FVTPL")	4	1,893,951,672	2,077,990,578
Receivable against securities sold		3,054,555	4,032,433
Receivables and advances		1,093,990	51,149,215
TOTAL ASSETS		1,964,781,545	2,148,231,071
LIABILITIES			
Management fee payable	5	3,363,242	3,848,093
Payable against purchased securities		882,680	13,476,274
Accrued expenses and other payables		761,747	1,072,260
TOTAL LIABILITIES		5,007,669	18,396,627
EQUITY			
Net assets attributable to unitholders of redeemable units		1,959,773,876	2,129,834,444
Redeemable units in issue		29,438,243	30,358,726
Net asset value attributable to each per unit		66.57	70.16

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

SAB Invest Saudi Companies Equity Fund

Interim condensed statement of comprehensive income

For the six-month period ended 30 June 2025

		30 June 2025 (Unaudited) SR	30 June 2024 (Unaudited) SR
	Notes		
INCOME			
Net realised gain on financial assets at FVTPL		2,010,350	453,666,526
Net unrealised loss on financial assets at FVTPL	4	(117,237,229)	(482,185,691)
Dividend income		26,866,372	27,009,041
Other income		-	657
TOTAL LOSS		(88,360,507)	(1,509,467)
EXPENSES			
Management fees	5	(19,947,227)	(29,298,890)
Other expenses		(1,284,146)	(1,865,751)
TOTAL EXPENSES		(21,231,373)	(31,164,641)
NET LOSS FOR THE PERIOD		(109,591,880)	(32,674,108)
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(109,591,880)	(32,674,108)

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

SAB Invest Saudi Companies Equity Fund

Interim condensed statement of changes in equity attributable to the unitholders

For the six-month period ended 30 June 2025

	30 June 2025 (Unaudited) SR	30 June 2024 (Unaudited) SR
EQUITY AT THE BEGINNING OF THE PERIOD	2,129,834,444	2,988,843,601
Net loss for the period	(109,591,880)	(32,674,108)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	(109,591,880)	(32,674,108)
Issue of units during the period	29,933,617	72,608,474
Redemption of units during the period	(90,402,305)	(150,983,907)
Net changes from unit transactions	(60,468,688)	(78,375,433)
EQUITY AT THE END OF THE PERIOD	1,959,773,876	2,877,794,060
	<u>Units</u> (Unaudited)	<u>Units</u> (Unaudited)

REDEEMABLE UNIT TRANSACTIONS

Transactions in redeemable units during the period are summarised as follows:

UNITS AT THE BEGINNING OF THE PERIOD	30,358,726	42,374,980
Issue of units during the period	416,839	1,028,016
Redemption of units during the period	(1,337,323)	(2,097,999)
Net change in unit transactions	(920,484)	(1,069,983)
UNITS AT THE END OF THE PERIOD	29,438,242	41,304,997

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

SAB Invest Saudi Companies Equity Fund

Interim condensed statement of cash flows

For the six-month period ended 30 June 2025

	30 June 2025 (Unaudited) SR	30 June 2024 (Unaudited) SR
Operating activities		
Net loss for the period	(109,591,880)	(32,674,108)
<i>Adjustments to reconcile net income (loss) to net cash flows from operating activities:</i>		
Movement in unrealised loss on financial assets at FVTPL	117,237,229	482,185,691
Dividend income	(26,866,372)	(27,009,041)
	(19,221,023)	422,502,542
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	66,801,677	(368,183,062)
Receivable and advances	50,055,225	-
Receivable against sold securities	977,878	(28,473,554)
Management fees payable	(484,851)	17,285
Payable against purchased securities	(12,593,594)	19,417,449
Accrued expenses and other payables	(310,513)	61,147
Cash flows generated from operations	85,224,799	45,341,807
Dividends received	26,866,372	24,432,314
Net cash flows generated from operating activities	112,091,171	69,774,121
Financing activities		
Proceeds from issuance of units	29,933,617	72,608,474
Payment on redemption of units	(90,402,305)	(150,983,907)
Net cash flows used in financing activities	(60,468,688)	(78,375,433)
Net increase / (decrease) in cash and cash equivalents	51,622,483	(8,601,312)
Cash and cash equivalents at the beginning of the period	15,058,845	17,268,143
Cash and cash equivalents at the end of the period	66,681,328	8,666,831

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

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements

For the six-month period ended 30 June 2025

1. INCORPORATION AND ACTIVITIES

SAB Invest Saudi Companies Equity Fund (the “Fund”) is an investment fund established through an agreement between SAB Invest (the “Fund Manager”) and investors (the “unitholders”). The address of the Fund Manager is as follows:

SAB Invest, Head Office
SAB Tower 7383
King Fahad Branch Rd (Al-Yasmeen District)
Riyadh 13325
Kingdom of Saudi Arabia

The objective of the Fund is to achieve long term capital appreciation, through investing in Shariah-compliant Saudi equities.

The Fund is managed by the Fund Manager who also acts as the administrator of the Fund. Al Bilad Capital is the custodian of the Fund. All income is reinvested in the Fund and is reflected in the unit price.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Funds Regulations (the “Regulations”), issued by the Board of the Capital Market Authority (CMA) pursuant to Resolution No. 1-219-2006 dated 3 Dhul Hijjah 1427H (corresponding to 24 December 2006G), based on the Capital Market Law issued by Royal Decree No. M/30 dated 2 Jumada Al-Thani 1424H, and as amended by Resolution of the Board of the CMA No. 1-54-2025 dated 23 Dhul-Qi’dah 1446H (corresponding to 21 May 2025G), detailing requirements for investment funds within the Kingdom of Saudi Arabia.

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 2025 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 2024. In addition, results for the six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

These 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 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.

3.3 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 2024, except for the adoption of new standards effective as of 1 January 2025. The Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

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 following new and amended IFRSs, which became effective for annual periods beginning on or after 1 January 2025.

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

The adoption of the amended standards and interpretations applicable to the Fund did not have any significant impact on these interim condensed financial statements.

3.3.2 Significant standards issued but not yet effective

The following new standards, amendments and revisions to existing standards, which were issued by IASB but not yet effective up to the date of issuance of the Fund's interim condensed financial statements. The Fund intends to adopt these standards when they become effective. The Fund anticipates that the application of these new standards and amendments in the future will not have any significant impact on the amounts reported.

Standard, interpretation and amendments	Description	Effective date
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	<p>Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.</p> <p>The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.</p>	Annual periods beginning on or after 1 January 2026
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely.
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences	Annual periods beginning on or after 1 January 2027

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”)

The composition of the investments portfolio on the last valuation day of the period / year end is summarised below:

30 June 2025 (Unaudited)				
	% of Market value	Cost SR	Market value SR	Unrealised Gain (loss) SR
<u>Investments in equities (by sector)</u>				
Banks	25.72%	450,112,665	487,092,605	36,979,940
Insurance	12.87%	207,495,228	243,758,192	36,262,964
Telecommunication Services	11.21%	212,575,821	212,253,512	(322,309)
Materials	7.88%	162,082,298	149,186,946	(12,895,352)
Capital Goods	6.84%	80,038,706	129,568,516	49,529,810
Energy	5.21%	69,267,826	98,719,394	29,451,568
Food & Beverages	5.06%	116,028,346	95,866,510	(20,161,836)
Transportation	4.57%	78,396,958	86,471,063	8,074,105
Real Estate Management & Development	3.94%	52,390,396	74,531,983	22,141,587
Software & Services	3.72%	26,755,420	70,478,560	43,723,140
Health Care Equipment & Svc	3.65%	84,255,602	69,071,882	(15,183,720)
Pharma, Biotech & Life Science	2.02%	22,661,904	38,179,169	15,517,265
Commercial & Professional Svc	2.01%	42,777,254	38,073,348	(4,703,906)
Consumer Services	1.93%	27,834,135	36,547,978	8,713,843
Consumer Discretionary Distribution & Retail	1.72%	33,491,251	32,543,247	(948,004)
Utilities	1.67%	38,330,763	31,608,767	(6,721,996)
Total	100%	1,704,494,573	1,893,951,672	189,457,099
31 December 2024 (Audited)				
	% of Market value	Cost SR	Market value SR	Unrealised Gain (loss) SR
<u>Investments in equities (by sector)</u>				
Banks	28.25%	523,808,172	587,050,780	63,242,608
Insurance	11.76%	196,728,780	244,336,631	47,607,851
Food & Beverages	9.16%	194,718,554	190,446,097	(4,272,457)
Capital Goods	7.16%	80,563,678	148,703,664	68,139,986
Energy	6.79%	107,063,623	141,090,863	34,027,240
Health Care Equipment & Services	6.70%	163,000,716	139,227,835	(23,772,881)
Materials	6.39%	142,902,690	132,776,368	(10,126,322)
Telecommunication Services	6.38%	137,407,545	132,663,833	(4,743,712)
Software & Services	5.50%	38,956,619	114,248,475	75,291,856
Transportation	3.39%	54,697,731	70,386,483	15,688,752
Consumer Services	3.12%	34,558,995	64,915,956	30,356,961
Pharma, Biotech & Life Science	2.04%	28,659,494	42,429,251	13,769,757
Utilities	1.56%	38,084,986	32,403,300	(5,681,686)
Media and Entertainment	1.51%	24,166,792	31,353,762	7,186,970
Real Estate Management & Development	0.29%	5,977,875	5,957,280	(20,595)
Total	100%	1,771,296,250	2,077,990,578	306,694,328

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

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

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

The movements of financial assets at fair value through profit and loss during the period, are as follow:

	30 June 2025 (Unaudited) SAR	31 December 2024 (Audited) SAR
Market value as at period / year end	1,893,951,672	2,077,990,578
Cost as at period / year end	(1,704,494,573)	(1,771,296,250)
Unrealized gain as at end of the period / year	189,457,099	306,694,328
Unrealized gain as at start of the period / year	306,694,328	971,836,190
Unrealized (loss) for the period / year	(117,237,229)	(665,141,862)

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 and administrator of the Fund), the Fund Board and the other Funds managed by SAB Invest.

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:

Related party	Nature of transactions	Amount of transactions		Balance	
		2025 SR	2024 SR	2025 SR	2024 SR
	Fund management fee	19,947,227	29,298,890	3,363,242	3,848,093
SAB Invest	Administration fee	821,357	1,206,425	251,393	163,974
Board members	Board member fee	6,868	8,289	25,286	18,417

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

The units in issue at 30 June 2025 include 36,385 units held by the employees of the Fund Manager (31 December 2024: 13,916 units).

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

5. TRANSACTIONS WITH RELATED PARTIES (Continued)

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

Related party	Nature of transactions	Amount of transactions		Balance	
		2025 SR	2024 SR	2025 SR	2024 SR
SAB Invest Multi-Assets Defensive Fund	Issuance / (redemption), net	(5,229,641)	4,211,254	-	5,612,569
SAB Invest Multi-Assets Balanced Fund	Issuance / (redemption), net	(17,025,163)	(39,564,314)	92,508,091	117,555,785

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:

As at 30 June 2025 (Unaudited)	Within 12 months SR	After 12 months SR	No Fixed Maturity SR	Total SR
ASSETS				
Cash and cash equivalents	-	-	66,681,327	66,681,327
Financial assets at fair value through profit or loss (FVTPL)	-	-	1,893,951,672	1,893,951,672
Receivable against sold securities	3,054,555	-	-	3,054,555
Receivables and advances	1,090,548	-	-	1,090,548
TOTAL ASSETS	4,145,103	-	1,960,632,999	1,964,778,102
LIABILITIES				
Management fee payable	3,363,242	-	-	3,363,242
Payable against purchased securities	882,680	-	-	882,680
Accrued expenses and other payables	761,747	-	-	761,747
TOTAL LIABILITIES	5,007,669	-	-	5,007,669

SAB Invest Saudi Companies Equity Fund

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

7. MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Continued)

<i>As at 31 December 2024 (Audited)</i>	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>No Fixed Maturity SR</i>	<i>Total SR</i>
ASSETS				
Cash and cash equivalents	-	-	15,058,845	15,058,845
Financial assets at fair value through profit or loss (FVTPL)	-	-	2,077,990,578	2,077,990,578
Receivable against sold securities	4,032,433	-	-	4,032,433
Receivables and advances	51,149,215	-	-	51,149,215
TOTAL ASSETS	<u>55,181,648</u>	<u>-</u>	<u>2,093,049,423</u>	<u>2,148,231,071</u>
LIABILITIES				
Management fee payable	3,848,093	-	-	3,848,093
Payable against purchased securities	13,476,274	-	-	13,476,274
Accrued expenses and other payables	1,072,260	-	-	1,072,260
TOTAL LIABILITIES	<u>18,396,627</u>	<u>-</u>	<u>-</u>	<u>18,396,627</u>

8. LAST VALUATION DAY

The last valuation day of the period was 30 June 2025 (2024: 31 December 2024).

9. EVENTS AFTER THE REPORTING DATE

In the opinion of management, no events have occurred subsequent to the reporting date and before the issuance of these interim condensed financial statements which require adjustment to, or disclosure, 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 16 Safar 1447H (corresponding to 10 August 2025).