# SAB Invest GCC Conventional 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 2026

Ernst & Young Professional Services (Professional LLC)
Paid-up capital (⃁ 5,500,000 – Five million five hundred thousand Saudi Riyal)

Head Office
Financial Boulevard 3126, Al Aqeeq Dist. 6717, Riyadh 13519
KAFD 1.11 B, South Tower, 8th Floor
P.O. Box 2732, Riyadh 11461
Kingdom of Saudi Arabia

C.R. No.: 1010383821
Unified No.: 7000117205

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 GCC CONVENTIONAL EQUITY FUND (MANAGED BY SAB INVEST)**

**Introduction**

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest GCC Conventional Equity Fund (the "Fund") managed by SAB Invest (the "Fund Manager") as at 30 June 2026, and the related interim condensed statement of comprehensive income for the six-month period ended 30 June 2026, and the related interim condensed statement of changes in net assets 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 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

Abdulaziz S. Alarifi
Certified Public Accountant
License No. (572)

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سجل تجاري ١٠١٠٣٨٣٨٢١
CR. 1010383821
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Riyadh: 27 Safar 1448H
(10 August 2026)

## INTERIM CONDENSED STATEMENT OF FINANCIAL POSTION

As at 30 June 2026

| | Notes | ***30 June 2026 (Unaudited)*** ⃁ | ***31 December 2025 (Audited)*** ⃁ |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | | **890,835** | 955,398 |
| Financial assets carried at fair value through profit or loss (FVTPL) | 4 | **27,389,875** | 29,535,883 |
| Receivable against securities sold | | **213,233** | 1,542,522 |
| Receivables and advances | | **11,691** | - |
| **TOTAL ASSETS** | | **28,505,634** | 32,033,803 |
| **LIABILITIES** | | | |
| Management fees payable | 5 | **63,272** | 58,868 |
| Accrued expenses and other payables | | **207,207** | 149,367 |
| Payable against purchased securities | | **-** | 309,489 |
| **TOTAL LIABILITIES** | | **270,479** | 517,724 |
| **EQUITY** | | | |
| Net assets attributable to the Unitholders | | **28,235,155** | 31,516,079 |
| Redeemable units in issue | | **707,146** | 810,982 |
| Net asset value attributable to each unit | | **39.93** | 38.86 |

The attached notes 1 to 10 form part of these unaudited interim condensed financial statements.

## INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2026

| | *Notes* | ***30 June 2026 (Unaudited)*** ⃁ | *30 June 2025 (Unaudited)* ⃁ |
|---|---|---|---|
| **INCOME** | | | |
| Net movement in unrealised loss on financial assets at FVTPL | 4 | **(864,854)** | (2,409,728) |
| Net realised gain on disposal of financial assets at FVTPL | | **1,547,369** | 3,832,483 |
| Dividend income | | **829,784** | 918,055 |
| **TOTAL INCOME** | | **1,512,299** | 2,340,810 |
| **EXPENSES** | | | |
| Management fees | 5 | **(291,080)** | (308,895) |
| Other expenses | | **(242,669)** | (285,507) |
| **TOTAL EXPENSES** | | **(533,749)** | (594,402) |
| **NET INCOME FOR THE PERIOD** | | **978,550** | 1,746,408 |
| Other comprehensive income for the period | | **-** | - |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | | **978,550** | 1,746,408 |

The attached notes 1 to 10 form part of these unaudited interim condensed financial statements.

# INTERIM CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS

For the six-month period ended 30 June 2026

| | ***30 June 2026 (Unaudited)*** **⃁** | *30 June 2025 (Unaudited)* ⃁ |
|---|---|---|
| **EQUITY AT THE BEGINNING OF THE PERIOD** | **31,516,079** | 25,164,384 |
| Net income for the period | **978,550** | 1,746,408 |
| Other comprehensive income for the period | **-** | - |
| Total comprehensive income for the period | **978,550** | 1,746,408 |
| Issue of units during the period | **2,762,985** | 8,714,210 |
| Redemption of units during the period | **(7,022,459)** | (4,248,424) |
| Net changes from unit transactions | **(4,259,474)** | 4,465,786 |
| **NET ASSETS AT THE END OF THE PERIOD** | **28,235,155** | 31,376,578 |

**REDEEMABLE UNIT TRANSACTIONS**

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

| | ***Units (Unaudited)*** | *Units (Unaudited)* |
|---|---|---|
| **UNITS AT THE BEGINNING OF THE PERIOD** | **810,982** | 706,941 |
| Issue of units during the period | **67,851** | 239,672 |
| Redemption of units during the period | **(171,687)** | (116,795) |
| Net changes in units | **(103,836)** | 122,877 |
| **UNITS AT THE END OF THE PERIOD** | **707,146** | 829,818 |

## INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2026

| | Note | ***30 June 2026 (Unaudited)*** ⃁ | *30 June 2025 (Unaudited)* ⃁ |
|---|---|---|---|
| **OPERATING ACTIVITIES** | | | |
| Net income for the period | | **978,550** | 1,746,408 |
| *Adjustments to reconcile net income to net cash flows from operating activities:* | | | |
| Unrealised loss from financial assets carried at FVTPL | 4 | **864,854** | 2,409,728 |
| Dividend income | | **(829,784)** | (918,055) |
| *Working capital adjustments:* | | | |
| Financial assets at FVTPL | | **1,281,154** | (9,003,970) |
| Receivable against securities sold | | **1,329,289** | (714,445) |
| Receivables and advances | | **(11,691)** | 533,241 |
| Management fees payable | | **4,404** | 14,874 |
| Accrued expenses and other payables | | **57,840** | 318,364 |
| Payable against purchased securities | | **(309,489)** | 1,040,599 |
| Cash flows generated from / (used in) operating activities | | **3,365,127** | (4,573,256) |
| Dividends received | | **829,784** | 918,055 |
| **Net cash flows generated from / (used in) operating activities** | | **4,194,911** | (3,655,201) |
| **FINANCING ACTIVITIES** | | | |
| Proceeds from issuance of units | | **2,762,985** | 8,714,210 |
| Payment on redemption of units | | **(7,022,459)** | (4,248,424) |
| Net cash flows (used in) / generated from financing activities | | **(4,259,474)** | 4,465,786 |
| **NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS** | | **(64,563)** | 810,585 |
| Cash and cash equivalents at beginning of the period | | **955,398** | 556,942 |
| **CASH AND CASH EQUIVALENTS AS AT** | | **890,835** | 1,367,527 |

The attached notes 1 to 10 form part of these unaudited interim condensed financial statements.

## 1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

SAB Invest GCC Conventional Equity Fund (Formerly known as GCC 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") 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 GCC equities.

SAB Invest Operations were appointed as an Operator - Administrator of the fund in which an Asset Management Operation (AMO) has appointed a Sub-admin.

The Fund is managed by the Fund Manager who also acts as the administrator of the Fund. Riyad 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 MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Statement of compliance

These unaudited interim condensed financial statements for the six-month period ended 30 June 2026 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 2025. In addition, results for the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The accounting policies adopted in the preparation of these unaudited interim condensed financial statements are consistent with those followed in the preparation of the Fund's annual financial statements for the year ended 31 December 2025.

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 ("⃁") which is the Fund's functional currency. All financial information presented has been rounded to the nearest ⃁ .

## 3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.3 New standards and amendments to standards

The accounting policies adopted are consistent with those of the previous financial period, except for the following new and amended standards and interpretations issued by the International Accounting Standards Board (IASB) effective from 1 January 2026 as noted below:

| ***Topic*** | ***Effective date*** |
|---|---|
| Amendments to IFRS (9) and IFRS (7): Classification and Measurement of Financial Instruments. | 1 January 2026 |

The adoption of the new and amended standards and interpretations do not have a material impact on the interim condensed financial statements of the fund.

### 3.4 New and amended standards issued but not effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Fund's interim condensed financial statements are disclosed below. The Fund intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

| | |
|---|---|
| IFRS 18: Presentation and Disclosure in Financial Statements - Replaces IAS (1) Presentation of Financial Statements. IFRS (19) - Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| Amendments to IFRS (10) and IAS (28): Sale or Contribution of Assets between an investor and its associate and joint venture. | The effective date of this amendment between an Investor and its Associate or Joint Venture is postponed indefinitely. |

The Fund did not early adopt any standards, interpretations or amendments that have been issued but are not yet effective.

## 4 FINANCIAL ASSETS CARRIED 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 2026 (Unaudited)*** | | | |
|---|---|---|---|---|
| ***Investments in equities (by industry)*** | ***% of Market value*** | ***Cost*** ⃁ | ***Market Value*** ⃁ | ***Unrealised gain / (loss)*** ⃁ |
| Banks | **9.1%** | **1,396,995** | **1,438,663** | **41,668** |
| Capital Goods | **14.1%** | **2,072,393** | **2,214,051** | **141,658** |
| Commercial & professional services | **11.6%** | **1,777,491** | **1,828,483** | **50,992** |
| Consumer discretionary distribution & retail | **15.8%** | **2,523,056** | **2,495,245** | **(27,811)** |
| Energy | **8.8%** | **1,178,651** | **1,379,835** | **201,184** |
| Insurance | **5.4%** | **863,737** | **854,210** | **(9,527)** |
| Food, beverage & tobacco | **22.5%** | **3,491,735** | **3,548,868** | **57,133** |
| Materials | **5.8%** | **848,585** | **909,930** | **61,345** |
| Telecommunication Services | **6.9%** | **1,096,490** | **1,082,962** | **(13,528)** |
| | **100%** | **15,249,133** | **15,752,247** | **503,114** |

## 4 FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

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.

| | *30 June 2026 (Unaudited)* | | |
|---|---|---|---|
| ***Investments in equities (by country) 30 June 2026*** | ***Cost*** | ***Market Value*** | ***Unrealised gain / (loss)*** |
| | ⃁ | ⃁ | ⃁ |
| Kingdom of Saudi Arabia | **15,249,133** | **15,752,247** | **503,114** |
| United Arab Emirates | **5,609,976** | **5,760,621** | **150,645** |
| Bahrain | **30,728** | **19,921** | **(10,807)** |
| State of Kuwait | **2,259,405** | **2,684,115** | **424,710** |
| Oman | **1,468,794** | **1,965,048** | **496,254** |
| Qatar | **1,005,607** | **1,196,105** | **190,498** |
| ***Investment in bond (by country) 30 June 2026*** | | | |
| Oman | **-** | **11,818** | **11,818** |
| **Total** | **25,623,643** | **27,389,875** | **1,766,232** |

| | *31 December 2025 (Audited)* | | | |
|---|---|---|---|---|
| *Investments in equities (by industry)* | *% of Market value* | *Cost* | *Market Value* | *Unrealised gain / (loss)* |
| | | ⃁ | ⃁ | ⃁ |
| Banks | 16.3% | 1,246,862 | 1,275,983 | 29,121 |
| Capital Goods | 21.1% | 1,440,989 | 1,648,405 | 207,416 |
| Energy | 14.0% | 960,067 | 1,095,502 | 135,435 |
| Telecommunication Services | 15.8% | 1,145,638 | 1,235,388 | 89,750 |
| Consumer discretionary distribution & retail | 26.0% | 2,104,636 | 2,030,150 | (74,485) |
| Consumer, non-cyclical | 6.8% | 617,915 | 534,958 | (82,959) |
| | 100% | 7,516,107 | 7,820,386 | 304,278 |

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 2025 (Audited)* | | |
|---|---|---|---|
| *Investments in equities (by country) 31 December 2025* | *Cost* | *Market Value* | *Unrealised gain / (loss)* |
| | ⃁ | ⃁ | ⃁ |
| Kingdom of Saudi Arabia | 7,516,107 | 7,820,386 | 304,278 |
| United Arab Emirates | 8,066,287 | 8,974,267 | 907,980 |
| Qatar | 3,476,653 | 3,922,460 | 445,808 |
| Oman | 2,114,574 | 2,408,283 | 293,709 |
| Kuwait | 5,700,504 | 6,388,393 | 687,889 |
| Bahrain | 30,672 | 22,094 | (8,578) |
| Total | 26,904,797 | 29,535,883 | 2,631,086 |

## 4 FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

The movements in unrealised loss on financial assets at fair value through profit or loss during the period, are as follow:

| | ***30 June 2026 (Unaudited)*** **⃁** | *31 December 2025 (Audited)* ⃁ |
|---|---|---|
| Market value as at period / year end | **27,389,875** | 29,535,883 |
| Cost as at period / year end | **(25,623,643)** | (26,904,797) |
| Unrealized gain as at end of the period / year | **1,766,232** | 2,631,086 |
| Unrealized gain as at start of the period / year | **2,631,086** | 5,040,814 |
| Unrealized loss for the period / year | **(864,854)** | (2,409,728) |

## 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) and Saudi Awwal Bank (parent 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:

| | | ***Amount of transaction*** | | ***Balance*** | |
|---|---|---|---|---|---|
| | | ***30 June 2026 (Unaudited)*** | *30 June 2025 (Unaudited)* | ***30 June 2026 (Unaudited)*** | *31 December 2025 (Audited)* |
| ***Related party*** | ***Nature of transactions*** | **⃁** | ⃁ | **⃁** | ⃁ |
| SAB Invest | Fund management fee | **291,080** | 308,895 | **63,272** | 58,868 |
| (Fund Manager) | Administration fee | **6,849** | 6,633 | **5,915** | 14,224 |
| Board Members | Board member fee | **6,866** | 6,868 | **28,913** | 22,047 |

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.7% per annum, administrator fee up to 0.15% calculated on the net asset value at each valuation date.

Amongst the units in issue at 30 June 2026, Nil were held by the employees of the Fund Manager (31 December 2025: 69,934.84 units). As at 30 June 2026, no units were held by the Fund Manager (31 December 2025: no units).

## 6 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund's investments at fair value through profit or loss are measured at fair value and are classified within the fair value hierarchy. As at 30 June 2026, substantially all such investments are classified within Level 1, however, during the period the Fund invested in an unlisted bond security in Oman, which is the Fund's only level 2 investment and has been classified within Level 2 of the fair value hierarchy. All other financial assets and liabilities are classified at amortised cost, and management believes that their fair values approximate their carrying amounts due to their short-term nature and liquidity. There were no transfers between the various levels of the 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 2026 (Unaudited)*** | ***Within 12 months*** | ***After 12 months*** | ***No Fixed Maturity*** | ***Total*** |
|---|---|---|---|---|
| | ⃁ | ⃁ | ⃁ | ⃁ |
| **ASSETS** | | | | |
| Cash and cash equivalents | **890,835** | - | - | **890,835** |
| Financial assets carried at fair value through profit or loss (FVTPL) | - | - | **27,389,875** | **27,389,875** |
| Receivable against securities sold | **213,233** | - | - | **213,233** |
| Receivables and advances | **11,691** | - | - | **11,691** |
| **TOTAL ASSETS** | **1,115,759** | - | **27,389,875** | **28,505,634** |
| **LIABILITIES** | | | | |
| Management fees payable | **63,272** | - | - | **63,272** |
| Accrued expenses and other payables | **207,207** | - | - | **207,207** |
| **TOTAL LIABILITIES** | **270,479** | - | - | **270,479** |

| *As at 31 December 2025 (Audited)* | *Within 12 months* | *After 12 months* | *No Fixed Maturity* | *Total* |
|---|---|---|---|---|
| | ⃁ | ⃁ | ⃁ | ⃁ |
| ASSETS | | | | |
| Cash and cash equivalents | 955,398 | - | - | 955,398 |
| Financial assets carried at fair value through profit or loss (FVTPL) | - | - | 29,535,883 | 29,535,883 |
| Receivable against securities sold | 1,542,522 | - | - | 1,542,522 |
| TOTAL ASSETS | 2,497,920 | - | 29,535,883 | 32,033,803 |
| LIABILITIES | | | | |
| Management fees payable | 58,868 | - | - | 63,272 |
| Accrued expenses and other payables | 149,367 | - | - | 207,207 |
| Payable against purchased securities | 309,489 | - | - | 309,489 |
| TOTAL LIABILITIES | 517,724 | - | - | 517,724 |

## 8 SUBSEQUENT EVENTS

There have been no significant subsequent events since the period ended 30 June 2026 that require disclosure or adjustment in these interim condensed financial statements.

However, the geopolitical situation in the Middle East has deteriorated significantly since 28 February 2026. The situation has remained highly volatile and has impacted several countries in the Middle East including Kingdom of Saudi Arabia, causing disruption to some business and economic activities.

The Fund Manager is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption on its operations and financial performance due to the geopolitical outbreak.

The Fund Manager has assessed the potential implications of the changes in geopolitical situations on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of the changes in geopolitical situations on the future periods. The Fund Manager has also considered the impact of these situations on the Fund's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.

## 9 LAST VALUATION DAY

The last valuation day of the period / year was 30 June 2026 (2025: 31 December 2025).

## 10 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These unaudited interim condensed financial statements of the fund for the six-month period ended 30 June 2026 were approved by the Fund Manager's Board of Directors on 10 August 2026 (corresponding to 27 Safar 1448H).