

**SAB INVEST SAUDI INDUSTRIAL 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 INDUSTRIAL COMPANIES EQUITY FUND (MANAGED BY SAB INVEST)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest Saudi Industrial 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 INDUSTRIAL 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		1,040,220	418,653
Financial assets at fair value through profit or loss (FVTPL)	4	52,202,494	56,271,748
Receivable against securities sold		2,077,898	-
Dividend receivable		196,397	-
Receivable and advances		233	1,564,559
TOTAL ASSETS		55,517,242	58,254,960
LIABILITIES			
Management fees payable	5	88,243	105,703
Payable against purchased securities		2,573,052	-
Accrued expenses and other payables		172,555	138,567
TOTAL LIABILITIES		2,833,850	244,270
EQUITY			
Net assets attributable to unitholders of redeemable units		52,683,392	58,010,690
Redeemable units in issue		3,405,681	3,538,033
Net asset value attributable to each per unit		15.47	16.40

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

SAB INVEST SAUDI INDUSTRIAL 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
	<i>Notes</i>		
INCOME			
Net movement in unrealised loss on financial assets at FVTPL	4	(4,628,785)	(2,254,180)
Net realised gain on disposal of financial assets at FVTPL		1,485,063	10,966,336
Dividend income		547,506	586,044
		<hr/>	<hr/>
TOTAL (LOSS) / INCOME		(2,596,216)	9,298,200
		<hr/>	<hr/>
EXPENSES			
Management fees	5	(530,187)	(544,711)
Other expenses		(124,480)	(154,821)
		<hr/>	<hr/>
TOTAL EXPENSES		(654,667)	(699,532)
		<hr/>	<hr/>
NET (LOSS) / INCOME FOR THE PERIOD		(3,250,883)	8,598,668
		<hr/>	<hr/>
Other comprehensive income for the period		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		(3,250,883)	8,598,668
		<hr/>	<hr/>

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

SAB INVEST SAUDI INDUSTRIAL 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	58,010,690	67,013,159
Net (loss) / income for the period	(3,250,883)	8,598,668
Other comprehensive income for the period	-	-
Total comprehensive (loss) / income for the period	(3,250,883)	8,598,668
Issue of units during the period	18,107,148	1,050,583
Redemption of units during the period	(20,183,563)	(18,473,371)
Net changes from unit transactions	(2,076,415)	(17,422,788)
EQUITY AT THE END OF THE PERIOD	52,683,392	58,189,039
	<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	3,538,033	4,726,142
Issue of units during the period	1,044,196	66,535
Redemption of units during the period	(1,176,548)	(1,272,974)
Net changes in units	(132,352)	(1,206,439)
UNITS AT THE END OF THE PERIOD	3,405,681	3,519,703

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

SAB INVEST SAUDI INDUSTRIAL 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) / income for the period	(3,250,883)	8,598,668
<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	4,628,785	2,254,180
Dividend income	(547,506)	(586,044)
	830,396	10,266,804
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	(559,531)	(5,995,107)
Receivable against securities sold	(2,077,898)	(1,638,926)
Receivable and advances	1,564,326	-
Payable against purchased securities	2,573,052	1,321,302
Management fee payable	(17,460)	(67,066)
Accrued expenses and other payables	33,988	5,429
	2,346,873	3,892,436
Cash flows generated from operations	351,109	558,979
Dividends received		
	2,697,982	4,451,415
FINANCING ACTIVITIES		
Proceeds from issuance of units	18,107,148	1,050,583
Payment on redemption of units	(20,183,563)	(18,473,371)
	(2,076,415)	(17,422,788)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	621,567	(12,971,373)
Cash and cash equivalents at the beginning of the period	418,653	13,274,883
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,040,220	303,510

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

SAB INVEST SAUDI INDUSTRIAL 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 Industrial Companies Equity is an open-ended investment fund created by an agreement between SAB Invest (the “Fund Manager”) and investors (the “Unitholders”) in the Fund. 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 industrial sector Shariah-compliant equities.

The Fund is managed by the Fund Manager who also acts as the administrator of the Fund. Albilad 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.

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.

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 INDUSTRIAL 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

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 INDUSTRIAL 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 investment's 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), net SR
<u>Investments in equities (by sector)</u>				
Materials	35.2%	18,119,360	18,367,799	248,439
Capital Goods	18.2%	8,980,273	9,499,323	519,050
Transportation	11.5%	6,414,316	6,027,084	(387,232)
Commercial & Professional services	8.7%	4,377,252	4,547,737	170,485
Energy	7.0%	4,529,742	3,655,886	(873,856)
Food & Beverages	3.8%	2,121,850	1,984,058	(137,792)
Real Estate Management	3.5%	1,908,187	1,837,455	(70,732)
Consumer Services	3.5%	1,961,582	1,803,840	(157,742)
Health Care Equipment & services	3.4%	2,363,285	1,758,876	(604,409)
Consumer Staples Distribution & Retail	2.8%	1,593,844	1,471,805	(122,039)
Household & Personal Products	2.4%	1,061,133	1,248,631	187,498
Total	100.0%	53,430,824	52,202,494	(1,228,330)

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 2024 (Audited)				
	% of Market value	Cost SR	Market value SR	Unrealised gain / (loss), net SR
<u>Investments in Saudi equities (by sector)</u>				
Materials	34.3%	18,103,109	19,285,551	1,182,442
Capital Goods	17.9%	7,065,755	10,049,773	2,984,018
Food & Beverages	12.4%	7,455,658	6,987,790	(467,868)
Energy	9.9%	5,690,261	5,559,852	(130,409)
Health Care Equipment & services	9.6%	5,567,218	5,409,768	(157,450)
Utilities	7.4%	4,462,944	4,192,130	(270,814)
Commercial & Professional services	4.2%	2,413,804	2,336,613	(77,191)
Pharma, Biotech & Life Science	1.8	709,771	1,011,521	301,750
Household & Personal Products	1.0	534,837	590,132	55,295
Consumer Services	1.5	867,936	848,618	(19,318)
Total	100.0	52,871,293	56,271,748	3,400,455

SAB INVEST SAUDI INDUSTRIAL 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	52,202,494	56,271,748
Cost as at period / year end	(53,430,824)	(52,871,293)
Unrealized gain as at end of the period / year	(1,228,330)	3,400,455
Unrealized gain as at start of the period / year	3,400,455	13,168,820
Unrealized loss for the period / year	(4,628,785)	(9,768,365)

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 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:

Related party	Nature of transactions	Amount of transactions		Balance	
		2025 SR	2024 SR	2025 SR	2024 SR
SAB Invest	Fund management fee (including VAT)	530,187	544,711	88,243	105,703
	Administration fee	21,832	22,430	9,381	6,336
Board members	Board member fee	6,868	8,289	25,286	18,417
Saudi Awwal Bank (Parent of fund manager)	Cash and cash equivalent balance	-	-	-	16,979

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.

There are 6,625.02 units in issue at 30 June 2025 held by the employees of the Fund Manager (31 December 2024: 6,384 units in issue amounting to SR 104,618). The independent directors are entitled to remuneration for their services at rates determined by the Fund's terms and conditions in respect of attending meetings of the board of directors or meetings of the Fund. Independent director's fees are currently up to SR 25,000.

SAB INVEST SAUDI INDUSTRIAL COMPANIES EQUITY FUND

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

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:

<i>As at 30 June 2025 (Unaudited)</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	-	-	1,040,220	1,040,220
Financial assets at FVTPL	-	-	52,202,494	52,202,494
Receivable against sold securities	2,077,898	-	-	2,077,898
Dividend Receivable	196,397	-	-	196,397
Receivable and advances	233	-	-	233
TOTAL ASSETS	2,274,528	-	53,242,714	55,517,242
LIABILITIES				
Management fee payable	88,243	-	-	88,243
Payable against purchased securities	2,573,052	-	-	2,573,052
Accrued expenses and other payables	172,555	-	-	172,555
TOTAL LIABILITIES	2,833,850	-	-	2,833,850
 <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	-	-	418,653	418,653
Financial assets at fair value through profit or loss (FVTPL)	-	-	56,271,748	56,271,748
Receivable and advances	1,564,559	-	-	1,564,559
TOTAL ASSETS	1,564,559	-	56,690,401	58,254,960
LIABILITIES				
Management fee payable	105,703	-	-	105,703
Accrued expenses and other payables	138,567	-	-	138,567
TOTAL LIABILITIES	244,270	-	-	244,270

8. SUBSEQUENT EVENTS

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.

SAB INVEST SAUDI INDUSTRIAL COMPANIES EQUITY FUND

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

9. LAST VALUATION DAY

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

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).