

**Saudi Financial Institutions 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**



**Ernst & Young Professional Services (Professional LLC)**  
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## **INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE UNITHOLDERS OF SAUDI FINANCIAL INSTITUTIONS EQUITY FUND (MANAGED BY SAB INVEST)**

### **Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Saudi Financial Institutions 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.

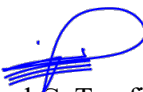
### **Scope of Review**

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)



**SAUDI FINANCIAL INSTITUTION EQUITY FUND**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

	<i>Note</i>	<b>30 June 2025 (Unaudited) SR</b>	<b>31 December 2024 (Audited) SR</b>
<b>ASSETS</b>			
Cash and cash equivalents		<b>320,677</b>	490,556
Financial assets at fair value through profit or loss (FVTPL)	<i>4</i>	<b>29,061,616</b>	31,526,737
Prepayments and receivable		<b>2,903</b>	14,828
<b>TOTAL ASSETS</b>		<b><u>29,385,196</u></b>	<b><u>32,032,121</u></b>
<b>LIABILITIES</b>			
Management fees payable		<b>65,929</b>	78,807
Accrued expenses and other payables		<b>77,863</b>	55,436
<b>TOTAL LIABILITIES</b>		<b><u>143,792</u></b>	<b><u>134,243</u></b>
<b>EQUITY</b>			
Net assets attributable to the unitholders of redeemable units		<b><u>29,241,404</u></b>	<b><u>31,897,878</u></b>
Redeemable units in issue		<b><u>404,082</u></b>	<b><u>445,268</u></b>
Net asset value attributable to each per unit		<b><u>72.37</u></b>	<b><u>71.64</u></b>

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

**SAUDI FINANCIAL INSTITUTION EQUITY FUND****INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2025**

	<i>Note</i>	<b>30 June 2025 (Unaudited) SR</b>	<b>30 June 2024 (Unaudited) SR</b>
<b>INCOME</b>			
Net unrealised loss on financial assets at FVTPL	4	<b>(2,307,649)</b>	(3,117,077)
Net realised gain on disposal of financial assets at FVTPL		<b>2,443,870</b>	1,720,681
Dividend income		<b>657,817</b>	700,534
Other income		<b>24</b>	32
<b>TOTAL INCOME / (LOSS)</b>		<b>794,062</b>	(695,830)
<b>EXPENSES</b>			
Management fees	5	<b>(331,785)</b>	(407,840)
Other expenses		<b>(89,738)</b>	(86,464)
<b>TOTAL EXPENSES</b>		<b>(421,523)</b>	(494,304)
<b>NET INCOME / (LOSS) FOR THE PERIOD</b>		<b>372,539</b>	(1,190,134)
Other comprehensive income for the period		-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>		<b>372,539</b>	(1,190,134)

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

**SAUDI FINANCIAL INSTITUTION EQUITY FUND****INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE UNITHOLDERS  
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2025**

	<i>30 June 2025 (Unaudited) SR</i>	<i>30 June 2024 (Unaudited) SR</i>
<b>EQUITY AT THE BEGINNING OF THE PERIOD</b>	<b>31,897,878</b>	<b>36,628,107</b>
Net income / (loss) for the period	<b>372,539</b>	<b>(1,190,134)</b>
Other comprehensive income for the period	<b>-</b>	<b>-</b>
Total comprehensive income / (loss) for the period	<b>372,539</b>	<b>(1,190,134)</b>
Issuance of units during the period	<b>808,794</b>	<b>593,526</b>
Redemption of units during the period	<b>(3,837,807)</b>	<b>(1,888,753)</b>
Net changes from unit transactions	<b>(3,029,013)</b>	<b>(1,295,227)</b>
<b>EQUITY AT THE END OF THE PERIOD</b>	<b>29,241,404</b>	<b>34,142,746</b>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Transactions in redeemable units during the period are summarised as follows:		
	<i>Units (Unaudited)</i>	<i>Units (Unaudited)</i>
<b>UNITS AT THE BEGINNING OF THE PERIOD</b>	<b>445,268</b>	<b>515,913</b>
Issuance of units during the period	<b>10,988</b>	<b>8,357</b>
Redemption of units during the period	<b>(52,174)</b>	<b>(26,010)</b>
Net decrease in unit transactions	<b>(41,186)</b>	<b>(17,653)</b>
<b>UNITS AT THE END OF THE PERIOD</b>	<b>404,082</b>	<b>498,260</b>

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

**SAUDI FINANCIAL INSTITUTION EQUITY FUND****INTERIM CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2025**

	<b>30 June 2025 (Unaudited) SR</b>	<b>30 June 2024 (Unaudited) SR</b>
<b>OPERATING ACTIVITIES</b>		
Net income / (loss) for the period	<b>372,539</b>	(1,190,134)
<i>Adjustments to reconcile net income / (loss) to net cash flows from operating activities:</i>		
Net movement in unrealised loss on financial assets at FVTPL	<b>2,307,649</b>	3,117,077
Dividend income	<b>(657,817)</b>	(700,534)
	<b>2,022,371</b>	1,226,409
Working capital adjustments:		
Decrease / (increase) in financial assets at FVTPL	<b>157,472</b>	(900,503)
Decrease / (increase) in prepayments and receivable	<b>11,925</b>	(2,812)
Decrease in management fees payable	<b>(12,878)</b>	-
Increase / (decrease) in accrued expenses and other payables	<b>22,427</b>	(7,028)
	<b>2,201,317</b>	316,066
Cash flows generated from operating activities	<b>2,201,317</b>	316,066
Dividends received	<b>657,817</b>	700,534
Net cash flows generated from operating activities	<b>2,859,134</b>	1,016,600
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	<b>808,794</b>	593,526
Payment on redemption of units	<b>(3,837,807)</b>	(1,888,753)
Net cash used in financing activities	<b>(3,029,013)</b>	(1,295,227)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(169,879)</b>	(278,627)
Cash and cash equivalents at beginning of the period	<b>490,556</b>	410,327
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>320,677</b>	131,700

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

## 1 INCORPORATION AND PRINCIPAL ACTIVITIES

Saudi Financial Institutions 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 Saudi financial sector equities.

The Fund has appointed Riyadh Capital Company (the “Custodian”) to act as its custodian. The fees of the custodian 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 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 not yet effective.

**SAUDI FINANCIAL INSTITUTION EQUITY FUND**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**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 (continued)**

**3.3.1 New standards and amendments adopted by the Fund (continued)**

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	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.  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.	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

**SAUDI FINANCIAL INSTITUTION EQUITY FUND**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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**4 INVESTMENT DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

As at the interim statement of financial position date, investments designated at FVTPL comprise of the following:

<b>30 June 2025 (Un-audited)</b>				
<i>Investments in equities (by industry)</i>	<b>% of Market Value</b>	<b>Cost</b>	<b>Market Value</b>	<b>Unrealised gain</b>
<b>Banks</b>	<b>100%</b>	<b>23,249,629</b>	<b>29,061,616</b>	<b>5,811,987</b>
	<b>100%</b>	<b>23,249,629</b>	<b>29,061,616</b>	<b>5,811,987</b>
<b>31 December 2024 (Audited)</b>				
<i>Investments in equities (by industry)</i>	<b>% of Market Value</b>	<b>Cost</b>	<b>Market Value</b>	<b>Unrealised gain</b>
<b>Banks</b>	<b>100%</b>	<b>23,407,101</b>	<b>31,526,737</b>	<b>8,119,636</b>
	<b>100%</b>	<b>23,407,101</b>	<b>31,526,737</b>	<b>8,119,636</b>

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 individual security.

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

	<b>30 June 2025 (Unaudited) SAR</b>	<b>31 December 2024 (Audited) SAR</b>
Market value as at period / year end	<b>29,061,616</b>	31,526,737
Cost as at period / year end	<b>(23,249,629)</b>	(23,407,101)
Unrealized gain as at end of the period / year	<b>5,811,987</b>	8,119,636
Unrealized gain as at start of the period / year	<b>8,119,636</b>	12,001,334
Unrealized (loss) for the period / year	<b>(2,307,649)</b>	(3,881,698)

**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 the Fund Board.

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.

**SAUDI FINANCIAL INSTITUTION EQUITY FUND**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**5 TRANSACTIONS WITH RELATED PARTIES**  
**(Continued)**

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>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
		<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
SAB Invest	Fund management fee				
	(including VAT)	<b>331,785</b>	407,840	<b>65,929</b>	78,807
Board Members	Administration fee	<b>5,105</b>	13,797	<b>1,662</b>	1,083
	Board member fee	<b>3,967</b>	7,118	<b>11,967</b>	8,000

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.95% per annum and administrator fee of 0.10% calculated on the total asset value at each valuation date.

The units in issue at 30 June 2025 include 1,132 units held by the employees of the Fund Manager (31 December 2024: Zero units).

The Fund invested 82,058 units in Saudi Awwal Bank (SAB) shares for a total cost of SR 2,438,931 and with a market value of SR 2,765,355 as at 30 June 2025 (242,874 units in SAB shares for a total cost of SR 8,364,495 and with a market value of SR 8,172,710 as at 31 December 2024).

**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>Within 12 months SR</i>	<i>No Fixed Maturity SR</i>	<i>Total SR</i>
<b>ASSETS</b>				
Cash and cash equivalents	-	-	<b>320,677</b>	<b>320,677</b>
Financial assets at FVTPL	-	-	<b>29,061,616</b>	<b>29,061,616</b>
<b>TOTAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>29,382,293</b>	<b>29,382,293</b>
<b>LIABILITY</b>				
Management fees payable	<b>65,929</b>	-	-	<b>65,929</b>
Accrued expenses and other payables	<b>77,863</b>	-	-	<b>77,863</b>
<b>TOTAL LIABILITY</b>	<b>143,792</b>	<b>-</b>	<b>-</b>	<b>143,792</b>

**SAUDI FINANCIAL INSTITUTION EQUITY FUND**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**7 MATURITY ANALYSIS OF ASSETS AND LIABILITIES**  
**(Continued)**

<i>As at 31 Dec 2024 (Audited)</i>	<i>Within 12 months SR</i>	<i>Within 12 months SR</i>	<i>No Fixed Maturity SR</i>	<i>Total SR</i>
<b>ASSETS</b>				
Cash and cash equivalents	-	-	490,556	490,556
Financial assets at FVTPL	-	-	31,526,737	31,526,737
<b>TOTAL ASSETS</b>	<u>-</u>	<u>-</u>	<u>32,017,293</u>	<u>32,017,293</u>
<b>LIABILITY</b>				
Management fee payable	78,807	-	-	78,807
Accrued expenses and other payables	55,436	-	-	55,436
<b>TOTAL LIABILITY</b>	<u>134,243</u>	<u>-</u>	<u>-</u>	<u>134,243</u>

**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 requires adjustment to, or disclosure, in these interim condensed financial statements.

**9 LAST VALUATION DAY**

The last valuation day of the period/year 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 1447 (corresponding to 10 August 2025).