

SAB INVEST SAUDI EQUITY INCOME 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 EQUITY INCOME FUND (MANAGED BY SAB INVEST)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SAB Invest Saudi Equity Income 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 EQUITY INCOME FUND

Interim condensed statement of financial position

As at 30 June 2025

		30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
	Notes		
ASSETS			
Cash and cash equivalents		6,705,378	88,771
Financial assets at fair value through profit or loss ("FVTPL")	4	157,105,476	168,068,361
Receivable against securities sold		614,380	5,559,338
Dividend receivable		102,930	-
Receivable and advances		-	5,746,625
TOTAL ASSETS		164,528,164	179,463,095
LIABILITIES			
Management fee payable		280,382	314,316
Payable against securities purchased		117,997	4,102,778
Accrued expenses and other payables		209,380	211,085
TOTAL LIABILITIES		607,759	4,628,179
EQUITY			
Net assets attributable to unitholders		163,920,405	174,834,916
Redeemable units in issue		930,109	910,965
Net asset value attributable to each per unit		176.24	191.92

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

SAB INVEST SAUDI EQUITY INCOME FUND

Interim condensed statement of comprehensive income

For the six-month period ended 30 June 2025

	Notes	30 June 2025 (unaudited) SR	30 June 2024 (unaudited) SR
INCOME			
Net realised gain on financial assets at FVTPL		1,116,168	28,530,238
Net unrealised loss on financial assets at FVTPL	4	(12,782,824)	(23,809,920)
Dividend income		1,566,293	2,123,699
TOTAL (LOSS) / INCOME		(10,100,363)	6,844,017
EXPENSES			
Management fees	5	(1,628,912)	(2,276,411)
Other expenses		(212,837)	(256,829)
TOTAL EXPENSES		(1,841,749)	(2,533,240)
NET (LOSS) / INCOME FOR THE PERIOD		(11,942,112)	4,310,777
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		(11,942,112)	4,310,777

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

SAB INVEST SAUDI EQUITY INCOME FUND

Interim condensed statement of changes in equity attributable to the unit holders

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	174,834,916	225,996,789
Net (loss) / income for the period	(11,942,112)	4,310,777
Other comprehensive income for the period	-	-
Total comprehensive (loss) / income for the period	(11,942,112)	4,310,777
Issue of units during the period	27,432,509	8,840,347
Redemption of units during the period	(24,040,156)	(7,437,538)
Net change	3,392,353	1,402,809
Dividend paid during the period	(2,364,752)	(4,100,742)
EQUITY AT THE END OF THE PERIOD	163,920,405	227,609,633
	<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	910,965	1,156,103
Issue of units during the period	141,727	44,258
Redemption of units during the period	(122,583)	(37,923)
Net change	19,144	6,335
UNITS AT THE END OF THE PERIOD	930,109	1,162,438

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

SAB INVEST SAUDI EQUITY INCOME 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	(11,942,112)	4,310,777
<i>Adjustments to reconcile net (loss) / income to net cash flows from operating activities:</i>		
Movement in unrealised loss on financial assets at FVTPL	12,782,824	23,809,920
Dividend income	(1,566,293)	(2,123,699)
	(725,581)	25,996,998
<i>Working capital adjustments:</i>		
Financial assets at FVTPL	(1,819,939)	(26,769,138)
Receivable against securities sold	4,944,958	-
Receivable and advances	5,746,625	(155,484)
Management fee payable	(33,934)	37,048
Payable against securities purchased	(3,984,781)	528,723
Accrued expenses and other payables	(1,705)	13,612
Cash flows from / (used in) operations	4,125,643	(348,241)
Dividends received	1,463,363	1,950,550
Net cash flows generated from operating activities	5,589,006	1,602,309
Financing activities		
Proceeds from issuance of units	27,432,509	8,840,347
Payment on redemption of units	(24,040,156)	(7,437,538)
Dividends distributed during the period	(2,364,752)	(4,100,742)
Net cash flows from / (used in) financing activities	1,027,601	(2,697,933)
Net increase / (decrease) in cash and cash equivalents	6,616,607	(1,095,624)
Cash and cash equivalents at the beginning of the period	88,771	4,525,915
Cash and cash equivalents at the end of the period	6,705,378	3,430,291

SAB INVEST SAUDI EQUITY INCOME FUND

Notes to unaudited interim condensed financial statements

For the six-month period ended 30 June 2025

1. INCORPORATION AND ACTIVITIES

Sab Invest Saudi Equity Income Fund SSF (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 INVEST Building 7267
Olaya Street (Al-Murooj District)
Riyadh 12283-2255
Kingdom of Saudi Arabia

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

SAB Invest Operations were appointed as Operator – Administrator of the fund in which AMO has appointed a Sub-Admin.

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. The Fund distributes income, subject to the approval of the Fund Board, on a semi-annual basis.

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, result 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, interpretations and amendments adopted by the Fund**

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.

SAB INVEST SAUDI EQUITY INCOME 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. New standards, interpretations and amendments adopted by the Fund (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

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

SAB INVEST SAUDI EQUITY INCOME 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) SR
<i><u>Investments in equities (by sector)</u></i>				
Banks	26.41%	42,689,432	41,498,184	(1,191,248)
Insurance	15.89%	21,776,372	24,962,579	3,186,207
Capital Goods	8.52%	9,219,022	13,380,633	4,161,611
Telecommunication Services	6.61%	10,877,726	10,381,868	(495,858)
Transportation	6.03%	9,875,230	9,481,175	(394,055)
Energy	5.98%	7,303,093	9,401,643	2,098,550
Food & Beverages	5.87%	10,842,500	9,221,391	(1,621,109)
Real Estate Management & Development	4.60%	5,103,517	7,232,136	2,128,619
Software & Services	4.28%	2,368,719	6,729,078	4,360,359
Health Care Equipment & Services	3.55%	6,811,410	5,572,941	(1,238,469)
Pharma, Biotech & Life Science	2.31%	1,758,469	3,622,824	1,864,355
Commercial & Professional Services	2.18%	3,895,314	3,429,878	(465,436)
Consumer Discretionary Distribution & Retail	2.07%	3,319,177	3,245,570	(73,607)
Consumer Services	2.00%	3,010,808	3,135,024	124,216
Utilities	1.86%	3,467,227	2,915,431	(551,796)
Materials	1.84%	2,801,467	2,895,121	93,654
Total	100.0%	145,119,483	157,105,476	11,985,993

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) SR
<i><u>Investments in equities (by sector)</u></i>				
Energy	6.92%	8,718,730	11,622,498	2,903,768
Consumer Services	4.23%	4,773,979	7,111,203	2,337,224
Insurance	16.92%	23,677,240	28,437,869	4,760,629
Capital Goods	9.23%	8,925,928	15,520,886	6,594,958
Food & Beverages	11.73%	19,659,867	19,715,393	55,526
Software & Services	7.3%	3,877,592	12,263,885	8,386,293
Media and Entertainment	1.37%	2,306,969	2,295,902	(11,067)
Health Care Equipment & Services	7.92%	15,704,523	13,319,254	(2,385,269)
Banks	18.82%	30,898,121	31,622,470	724,349
Pharma, Biotech & Life Science	1.88%	1,714,651	3,159,368	1,444,717
Telecommunication Services	2.83%	4,906,122	4,758,504	(147,618)
Transportation	7.66%	12,230,084	12,874,014	643,930
Materials	1.10%	1,979,453	1,845,979	(133,474)
Real estate management & development	0.65%	1,108,341	1,104,936	(3,405)
Utilities	1.44%	2,817,944	2,416,200	(401,744)
Total	100.0%	143,299,544	168,068,361	24,768,817

SAB INVEST SAUDI EQUITY INCOME 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	157,105,476	168,068,361
Cost as at period / year end	(145,119,483)	(143,299,544)
Unrealized gain as at end of the period / year	11,985,993	24,768,817
Unrealized gain as at start of the period / year	24,768,817	66,674,251
Unrealized loss for the period / year	(12,782,824)	(41,905,434)

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 Saudi Awwal Bank (“SAB”) (being 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 Manager)	Fund management fee	1,628,912	2,276,411	280,382	314,316
Fund Administrator	Administration fee	67,073	93,734	28,028	17,760
Board Member	Board member fee	6,868	8,289	25,286	18,417
Saudi Awwal Bank (Parent of Fund Manager)	Cash and cash equivalents	-	-	-	4,528

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 2,028.61 units held by the employees of the Fund Manager (31 December 2024: 13,834.84 units).

There are no units in issue as at 30 June 2025 (31 December 2024: Nil units) that are held by the Fund Manager and by other funds managed by SAB Invest.

SAB INVEST SAUDI EQUITY INCOME 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	-	-	6,705,378	6,705,378
Financial assets at fair value through profit or loss (FVTPL)	-	-	157,105,476	157,105,476
Receivables against securities sold	614,380	-	-	614,380
Dividend receivable	102,930	-	-	102,930
TOTAL ASSETS	717,310	-	163,810,854	164,528,164
LIABILITIES				
Management fee payable	280,382	-	-	280,382
Payable against purchased securities	117,997	-	-	117,997
Accrued expenses and other payables	209,380	-	-	209,380
TOTAL LIABILITIES	607,759	-	-	607,759
 <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	-	-	88,771	88,771
Financial assets at fair value through profit or loss (FVTPL)	-	-	168,068,361	168,068,361
Receivable against securities sold	5,559,338	-	-	5,559,338
Receivable and advances	5,746,625	-	-	5,746,625
TOTAL ASSETS	11,305,963	-	168,157,132	179,463,095
LIABILITIES				
Management fee payable	314,316	-	-	314,316
Payable against purchased securities	4,102,778	-	-	4,102,778
Accrued expenses and other payables	211,085	-	-	211,085
TOTAL LIABILITIES	4,628,179	-	-	4,628,179

SAB INVEST SAUDI EQUITY INCOME FUND

Notes to unaudited interim condensed financial statements (continued)

For the six-month period ended 30 June 2025

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.

9. LAST VALUATION DAY

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

10. APPROVAL OF THE UNAUDITED 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).