# ALPHA SAUDI FREESTYLE EQUITY FUND
**(Managed by Alpha Capital Company)**

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

**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026**

Alpha Saudi Freestyle Equity Fund
(Managed by Alpha Capital Company)

INTERIM CONDENSED FINANCIAL STATEMENTS
30 June 2026

LYCA

Alluhaid & Alyahya Chartered Accountants
A Limited Liability Company
Paid up capital SR 100,000 - CR:1010468314
Kingdom of Saudi Arabia Riyadh King Fahd Road
Muhammadiyah District, Grand Tower 12 th Floor

# INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

**To the Unitholders of Alpha Saudi Freestyle Equity Fund**
**(Managed by Alpha Capital Company)**

## Introduction

We have reviewed the accompanying interim condensed statement of financial position of Alpha Saudi Freestyle Equity Fund ("the Fund") being managed by Alpha Capital Company (the "Fund Manager") as at 30 June 2026, and the related interim condensed statements of profit or loss and other comprehensive income, cash flows and changes in equity for the six-month period then ended, including material accounting policy information and other 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")" that is 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" that is endorsed in the Kingdom of Saudi Arabia. A review of the interim financial information 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, that is endorsed in the Kingdom of Saudi Arabia.

for Alluhaid & Alyahya Chartered Accountants

Turki A. Alluhaid
Certified Public Accountant
License No. 438

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اللحيد واليحيى محاسبون قانونيون
Alluhaid & Alyahya
Chartered Accountants

Riyadh: 9 Safar 1448H
(23 July 2026)

# INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

| | *Note* | ***30 June 2026 (Unaudited)*** ⃁ | *31 December 2025 (Audited)* ⃁ |
|---|---|---|---|
| **ASSETS** | | | |
| Bank balance | | **17,124,888** | 13,062,946 |
| Financial assets at fair value through profit or loss (“FVTPL”) | 5 | **943,229,966** | 774,654,543 |
| Receivable related to financial assets at FVTPL | | **1,236,200** | 771,216 |
| **TOTAL ASSETS** | | **961,591,054** | 788,488,705 |
| **LIABILITIES** | | | |
| Management and administration fees payable | 6 | **2,257,052** | 1,950,566 |
| Director’s fees payable | 6 | **5,951** | 12,000 |
| Accrued expenses and other current liabilities | | **122,256** | 269,951 |
| Payables related to financial assets at FVTPL | | - | 6,245,551 |
| **TOTAL LIABILITIES** | | **2,385,259** | 8,478,068 |
| **EQUITY** | | | |
| Net assets attributable to unitholders of redeemable units | | **959,205,795** | 780,010,637 |
| **TOTAL LIABILITIES AND EQUITY** | | **961,591,054** | 788,488,705 |
| Redeemable units in issue (numbers) | | **70,835,242** | 57,368,499 |
| Net asset value per unit attributable to unitholders (⃁) | | **13.54** | 13.60 |

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

# INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Note | ***Unaudited*** ***For the six-month period ended*** ***30 June 2026*** ⃁ | *30 June 2025* ⃁ |
|---|---|---|---|
| **INCOME** | | | |
| Loss from financial assets at FVTPL | | **(7,021,172)** | (6,629,009) |
| Dividend income | | **10,889,099** | 4,513,965 |
| **TOTAL INCOME /(LOSS)** | | **3,867,927** | (2,115,044) |
| **OPERATING EXPENSES** | | | |
| Management and administration fees | 6 | **(7,539,966)** | (4,963,442) |
| Value-added tax expenses | | **(1,160,598)** | (766,182) |
| Other operating expenses | | **(224,967)** | (161,728) |
| **TOTAL OPERATING EXPENSES** | | **(8,925,531)** | (5,891,352) |
| **NET LOSS FOR THE PERIOD** | | **(5,057,604)** | (8,006,396) |
| Other comprehensive income | | **-** | - |
| **TOTAL COMPREHENSIVE LOSS FOR THE PERIOD** | | **(5,057,604)** | (8,006,396) |

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

# INTERIM CONDENSED STATEMENT OF CASH FLOWS

| | ***Unaudited For the six-month period ended 30 June 2026*** | *30 June 2025* |
|---|---|---|
| | ⃁ | ⃁ |
| **OPERATING ACTIVITIES** | | |
| Net loss for the period | **(5,057,604)** | (8,006,396) |
| Adjustments for: | | |
| Loss from financial assets at FVTPL | **7,021,172** | 6,629,009 |
| Dividend income | **(10,889,099)** | (4,513,965) |
| | **(8,925,531)** | (5,891,352) |
| Changes in operating assets and liabilities: | | |
| Increase in financial assets at FVTPL | **(175,596,595)** | (298,760,882) |
| Decrease in receivable related to financial assets at FVTPL and others | **(464,984)** | 18,102,319 |
| Increases in other receivable | **-** | (2,899) |
| Decrease in payable related to financial assets at FVTPL | **(6,245,551)** | (6,145,039) |
| Increase in management and administration fees payable | **306,486** | 1,210,565 |
| Decrease in directors' fees | **(6,049)** | (6,049) |
| (Decrease) / increase in accrued expenses and other current liabilities | **(147,695)** | 21,902 |
| | **(191,079,919)** | (291,471,435) |
| Dividends received | **10,889,099** | 4,231,224 |
| Net cash flows used in operating activities | **(180,190,820)** | (287,240,211) |
| **FINANCING ACTIVITIES** | | |
| Proceeds from issuance of units | **245,713,538** | 353,086,764 |
| Payments against redemption of units | **(61,460,776)** | (63,391,661) |
| Net cash flows from financing activities | **184,252,762** | 289,695,103 |
| **NET INCREASE IN BANK BALANCE** | **4,061,942** | 2,454,892 |
| Bank balance at beginning of the period | **13,062,946** | 9,489,191 |
| **BANK BALANCE AT END OF THE PERIOD** | **17,124,888** | 11,944,083 |

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

# INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
30 June 2026

| | *Unaudited* | |
|---|---|---|
| | ***For the six-month period ended*** | |
| | ***30 June 2026*** | *30 June 2025* |
| | ⃁ | ⃁ |
| **EQUITY AT THE BEGINNING OF THE PERIOD** | **780,010,637** | 418,789,589 |
| **Comprehensive (loss)/income:** | | |
| Net loss for the period | **(5,057,604)** | (8,006,396) |
| Other comprehensive income for the period | - | - |
| Total comprehensive loss for the period | **(5,057,604)** | (8,006,396) |
| | **774,953,033** | 410,783,193 |
| **CHANGE FROM UNIT TRANSACTIONS** | | |
| Proceeds from issuance of units | **245,713,538** | 353,086,764 |
| Payments against redemption of units | **(61,460,776)** | (63,391,661) |
| Net change from unit transactions | **184,252,762** | 289,695,103 |
| **EQUITY AT THE END OF THE PERIOD** | **959,205,795** | 700,478,296 |

**REDEEMABLE UNITS TRANSACTIONS**

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

| | *Unaudited* | |
|---|---|---|
| | ***For the six-month period ended*** | |
| | ***30 June 2026*** | *30 June 2025* |
| | ***Units*** | *Units* |
| **UNITS AT THE BEGINNING OF THE PERIOD** | **57,368,499** | 27,903,643 |
| Units issued during the period | **17,821,406** | 24,023,176 |
| Units redeemed during the period | **(4,354,663)** | (4,185,754) |
| Net increase in the units | **13,466,743** | 19,837,422 |
| **UNITS AT THE END OF THE PERIOD** | **70,835,242** | 47,741,065 |

## 1 INCORPORATION AND ACTIVITIES

Alpha Saudi Freestyle Equity Fund (the "Fund") is an open-ended fund created by agreement between Alpha Capital Company and investors ("the unitholders") in the Fund. The main activity of the Fund is to achieve medium to long-term capital growth for unitholders through investing in the shares of the companies listed on the Saudi Stock Exchange, initial public offerings, rights issues, real estate traded funds and closed-end traded funds.

The Fund was offered for subscription under the laws and regulations of CMA on 12 Ramadan 1444H (corresponding to 3 April 2023). The Fund commenced its operations on 25 Shawwal 1444H (corresponding to 15 May 2023).

The Fund is managed by Alpha Capital Company (the "Fund Manager"), a closed joint stock company with commercial registration number 1010936196, licensed by the Capital Market Authority of the Kingdom of Saudi Arabia ("CMA") under license number 18187-33.

The Fund Manager's registered office is P.O. Box 54854, Riyadh 12371, Kingdom of Saudi Arabia.

The Fund has appointed Albilad Investment Company (the "Custodian") to act as its custodian. The fees of the custodian are paid by the Fund.

## 2 REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the "Regulations") issued by the CMA detailing requirements for all Investment Funds within the Kingdom of Saudi Arabia.

## 3 BASIS OF PREPARATION

### *3.1 Statement of compliance*

These interim condensed financial statements for the six-months 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 and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The Fund Manager has prepared the financial statements on the basis that the Fund will continue to operate as a going concern. The Fund Manager considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Fund's annual financial statements as of 31 December 2025.

### *3.2 Basis of measurement*

These interim condensed financial statements have been prepared under historical cost convention, except for the financial assets at FVTPL which are measured at fair value.

The Fund presents its interim condensed statement of financial position in order of liquidity. This presentation is based on the Fund Manager's intention and ability to recover or settle the majority of assets and liabilities included in each financial statement line item. All assets and liabilities of the Fund are expected to be recovered or settled within twelve months after the reporting date.

### *3.3 Functional and presentation currency*

These interim condensed financial statements are presented in Saudi Riyal (⃁), which is also the functional currency of the Fund. All financial information has been rounded off to the nearest ⃁, unless otherwise stated.

### *3.4 Use of judgements, estimates and assumptions*

In preparing these interim condensed financial statements, the Fund Manager has made the judgement, estimates, and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the Fund Manager in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited financial statements.

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in preparing the Fund's annual financial statements for the year ended 31 December 2025, except for the application of the new amendments that became effective on 1 January 2026.

***Standards and amendments effective in the current period***

In the current period, the Fund has adopted all amendments to standards issued by the International Accounting Standards Board ("IASB") and adopted by SOCPA that are mandatory for adoption in the annual periods beginning on or after 1 January 2026 and are applicable to the Fund. The management has assessed that the amendments have no significant impact on the Fund's interim condensed financial statements.

| Standard / interpretation | Description | Effective date |
|---|---|---|
| Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments | The amendments clarify the requirements for the classification and measurement of financial assets and financial liabilities under IFRS 9. They provide guidance on the derecognition of financial liabilities settled through electronic payment systems, clarify the assessment of contractual cash flow characteristics for financial assets (including those with environmental, social and governance (ESG)-linked features and non-recourse arrangements), and introduce additional disclosure requirements in IFRS 7 to enhance transparency regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. | 1 January 2026 |
| Annual improvements to the IFRS Accounting Standards | The Annual Improvements introduce minor amendments to various IFRS Accounting Standards to clarify wording, resolve inconsistencies, and improve the consistency of requirements without significantly changing existing accounting principles. These amendments are intended to enhance the clarity and application of the standards in practice. | 1 January 2026 |

***Standards and amendments issued and not yet effective***

The following standards were in issue at the date of authorization of these interim condensed financial statements but are not yet effective. The Fund intends to adopt these standards, if applicable, when they become effective.

| Standards / amendments to standards / interpretations | Effective date |
|---|---|
| IFRS 18 – Presentation and Disclosure in Financial Statements | 1 January 2027 |
| IFRS 19 - Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |

Management of the Fund does not expect that the adoption of the above-mentioned standards will have a material impact on the Fund's financial statements in future periods, except for the IFRS 18 which is detailed below:

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The Fund Manager has not early adopted the new accounting standard in preparing these interim condensed financial statements. IFRS 18 introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Fund Manager is still in the process of evaluating the effects of the initial application of IFRS 18, particularly with respect to the structure of the Fund's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Fund Manager is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other". Given that the Fund's primary activity is investing in financial assets, most investment income and expenses are expected to be presented within the operating category. However, no impact on net assets value or net income and total comprehensive income is anticipated as result of adoption of IFRS 18.

**1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets classified at FVTPL comprised of investment in equity instruments of entities listed and registered in the Kingdom of Saudi Arabia.

Industry concentration of the investment portfolio of the Fund is disclosed in the table below:

| **Industry group** | **30 June 2026** | | | 31 December 2025 | | |
|---|---|---|---|---|---|---|
| | **Cost** **⃁** | **Fair value** **⃁** | **% of fair value** | Cost ⃁ | Fair value ⃁ | % of fair value |
| Energy | 118,970,505 | 113,646,600 | 12.05% | 82,238,786 | 81,977,734 | 10.58% |
| Materials | 152,920,489 | 163,441,577 | 17.33% | 69,686,194 | 82,950,188 | 10.71% |
| Industrials | 181,229,465 | 181,675,422 | 19.26% | 224,039,300 | 218,552,015 | 28.21% |
| Consumer Services | 44,861,686 | 33,066,838 | 3.51% | 50,375,684 | 42,269,844 | 5.46% |
| Health Care | 62,288,874 | 40,253,676 | 4.27% | 68,111,887 | 52,242,672 | 6.74% |
| Financials | 281,705,830 | 287,121,932 | 30.44% | 167,051,475 | 160,274,804 | 20.69% |
| Information Technology | 77,524,678 | 97,709,195 | 10.36% | 101,977,935 | 113,128,604 | 14.60% |
| Utilities | 33,799,815 | 26,314,726 | 2.79% | 26,016,175 | 23,258,682 | 3.00% |
| | **953,301,342** | **943,229,966** | **100%** | 789,497,436 | 774,654,543 | 100% |

**2 RELATED PARTY TRANSACTIONS AND BALANCES**

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. The Fund Manager and entities / persons related to Fund Manager and the Fund's Board of Directors are considered as related parties of the Fund. In the ordinary course of its activities, the Fund transacts business with its related parties.

**6.1 *Related party transactions***

The following are the details of the significant transactions with related parties during the period:

| | | | ***For the six-month period ended*** | |
|---|---|---|---|---|
| *Name of related party* | *Nature of relationship* | *Nature of transaction* | ***30 June 2026*** **⃁** | *30 June 2025* ⃁ |
| Alpha Capital Company | Fund Manager | Management fees | **(7,333,294)** | (4,814,347) |
| | | Administration fees | **(206,672)** | (149,095) |
| | | Subscription of Fund units | **-** | 10,750,000 |
| | | Redemption of Fund units | **-** | (6,500,000) |
| | | Expenses paid on behalf of the Fund | **7,875** | - |
| | | Reimbursements of expenses paid on behalf of the Fund | **(7,875)** | - |
| Board of Directors of the Fund Manager | Affiliate | Subscription of Board Member | **819,818** | 5,951 |
| | | Redemption of Board Member | **(2,400,000)** | - |
| Executive Management of the Fund Manager | Affiliate | Subscription of Fund units | **135,000** | 2,697,285 |
| | | Redemption of Fund units | **(100,000)** | (3,502,239) |
| Affiliate of the Fund | Affiliate | Subscription of Fund units | **-** | 2,600,000 |
| | | Redemption of Fund units | **(24,867,622)** | (23,818,031) |

## 6 RELATED PARTY TRANSACTIONS AND BALANCES

### 6.2 *Related party balances*

The following are the details of the major balances with related parties as at the period end:

| *Name of related party* | *Nature of relationship* | *Nature of balance* | *30 June 2026* ⃁ | *31 December 2025* ⃁ |
|---|---|---|---|---|
| Alpha Capital Company | Fund Manager | Management and administrative fee payable | **2,257,052** | 1,950,566 |
| Board of Directors of the Fund | Directors | Directors' fees payable | **5,951** | 12,000 |

## 3 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund held financial assets at FVTPL which are measured at fair values and are classified within level 1 of the fair value hierarchy. The fair value of all other financial assets and liabilities classified as amortized cost approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. These are all classified within level 2 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current period or prior year.

## 4 COMMITMENTS AND CONTINGENCIES

There are no commitments and contingencies as at the reporting date.

## 5 LAST VALUATION DATE

The last valuation day of the period was 29 June 2026 for the Fund. However, the interim condensed financial statements of the Fund have been prepared based on the special valuation as at 30 June 2026.

## 6 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Board of Directors on 9 Safar 1448H (corresponding to 23 July 2026).